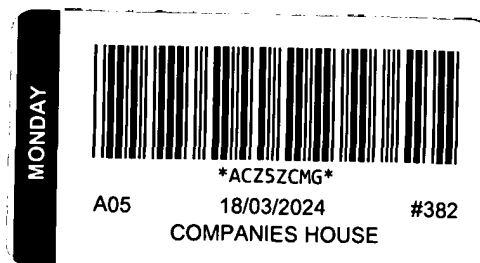


Company Registration Number: 07628943 (England & Wales)

WEST HATCH HIGH SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023



WEST HATCH HIGH SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

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WEST HATCH HIGH SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members

Mr J W Haley
Mr A S Harris
Ms N Lycett
Mr C F Hansen
Mr J J Van Wijngaarden
Mrs S Jones

Mr A S Harris, Chair
Ms N Lycett
Mr J J Van Wijngaarden, Vice Chair
Mr D Leonard, Head Teacher
Mr D Solomons
Mr S B Phillips
Mr M Lopez-Diaz
Mrs S Field
Mrs M Lord
Mrs L Smith
Mr K Atwal
Mrs H Kahlon
Mrs J Pearce
Miss R De Friend
Mr S Lodhi
Mrs J Lester
Ms J Salmon (appointed 5 July 2023)

Company registered number

07628943

Company name

West Hatch High School Academy Trust

Principal and registered office

High Road
Chigwell
Essex
IG7 5BT

Company secretary

Louise Chittock

Senior management team

Mr D Leonard, Headteacher
Mr A Sinfield, Deputy Headteacher
Mrs V Schaefer, Deputy Headteacher
Mr S Langton, Assistant Headteacher
Mr D Pearson, Assistant Headteacher
Mrs N Steadman, Assistant Headteacher
Mr R Tester, Assistant Headteacher
Mrs F Heal, Finance & Operations Director (appointed 27 March 2023)
Mrs A Sharma, Safeguarding Lead
Mr J Howell, SENCO
Mrs L Barker, School Business Manager (left 28 February 2023)

WEST HATCH HIGH SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

| | |
|-----------------------------|---|
| Independent auditors | BKL Audit LLP Chartered Accountants Statutory Auditor 35 Ballards Lane London N3 1XW |
| Bankers | The Royal Bank of Scotland 747 Attercliffe Road Sheffield S9 3RF |
| Solicitors | ELS Seax House Victoria Road South Chelmsford CM1 1QH |

WEST HATCH HIGH SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1st September 2022 to 31 August 2023. The annual report serves the purposes of both a Trustees' report, and a directors' report under company law.

The Trust operates an Academy in Chigwell for pupils aged 11 to 18, admitted according to the published Admissions Criteria. The Trust currently has a capacity of 249 in each year's 7-11, 348 in Sixth form and a roll of 1511 (1240 in years 7-11 and 271 in the Sixth Form) in the school census on 6th October 2023.

Structure, governance and management

a. Constitution

The Academy is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum of Association is the primary governing document of the Academy.

The Trustees of West Hatch High School Academy Trust are also the directors of the charitable company for the purposes of company law, and are Governors who collectively form the Governing Body or Board.

The charitable company is known as West Hatch High School Academy Trust.

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

b. 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.

c. Trustees' indemnities

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

d. Method of recruitment and appointment or election of Trustees

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

- The Headteacher
- At least two parent Trustees
- A maximum of 8 member appointed Trustees
- Staff Trustees appointed by the members, provided that the maximum number of staff Trustees does not exceed one third of the total number of Trustees
- A maximum of 3 co-opted Trustees
- Any Trustees appointed by the Secretary of State for Education.

The term of office for any trustee is 4 years. The Headteacher's term of office runs parallel with their term of appointment. Subject to remaining eligible to be a particular type of trustee, any trustee may be reappointed or

WEST HATCH HIGH SCHOOL ACADEMY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, governance and management (continued)

re-elected.

e. Policies adopted for the induction and training of Trustees

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

f. Organisational structure

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

The governing body has considered its role thoughtfully and decided that the role of the Trustees is to approve the strategic direction and objectives of the Academy and monitor its progress towards these objectives.

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

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

The Headteacher assumes the accounting officer role.

g. Arrangements for setting pay and remuneration of key management personnel

The Academy Staff Pay Policy sets out the framework for making decisions on staff pay.

Staff pay is affected by legislation and national and local pay agreements, which give governing bodies' significant flexibility to determine pay levels to meet local circumstances. The policy complies with the School Teachers Pay and Conditions document (STPCD) and the accompanying statutory guidance and with the national and local pay agreements for support staff, and these documents will take priority in any disputes. The policy is reviewed annually, in consultation with staff and unions.

The objective of the policy is to:

- Ensure that pay and staffing arrangements enable the current and future delivery of the curriculum and school improvement plans
- Support the recruitment and retention of high quality staff
- Recognise and reward staff for their contribution and improvement
- Ensure that pay decisions are made in a fair and transparent way
- Ensure that available monies are allocated appropriately

The governing body has established the following committees which have fully delegated powers to make decisions on pay, and (except in relation to Headteacher's pay) will be advised by the Headteacher as appropriate;

- Staffing and Salaries Committee
- Pay Appeals Committee

WEST HATCH HIGH SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, governance and management (continued)

h. Related parties and other connected charities and organisations

There are no related party transactions in the reporting year.

i. Engagement with employees (including disabled persons)

Employees are consulted through regular staff meetings and have been kept informed on specific matters directly by the Senior Leadership Team. The Academy carries out exit interviews for all staff leaving the organisation and has adopted a procedure of obtaining feedback to pass to senior management and governors. The Academy has a "Staff Voice" committee to which a varied selection of staff member's information, suggestions and concerns from all staff members and express these to Senior Leadership and the Trustees.

The Academy Trust has implemented detailed policies in relation to various personnel matters which are agreed by the Staffing and Salaries Committee.

j. Engagement with suppliers, customers and others in a business relationship with the Academy

This is combined with the reporting on the achievement of our objectives.

Objectives and activities

a. Objects and aims

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

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

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

b. Objectives, strategies and activities

The principal object and activity of the Academy is to provide a well-rounded education by maintaining and developing a school offering a broad and balanced curriculum for students between ages 11 and 18.

West Hatch has worked towards these aims and are summarised as follows:-

- To maintain, manage and develop the Academy
- To provide educational facilities, a high standard of teaching and learning and a diverse range of extracurricular opportunities that will provide student the skills, knowledge and understanding to provide future opportunities.
- To provide a broad and balanced curriculum including English, Mathematics, Science and religious studies
- To continue to raise the standard of educational achievement of all students.
- To ensure that every student receives the same high-quality education and pastoral care.
- To provide value for money for the funds expended
- To comply with all statutory requirements
- To conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

WEST HATCH HIGH SCHOOL ACADEMY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Objectives and activities (continued)

c. Public benefit

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

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

- Raising money for local, national and international charities.
- 6th form Contribution to the Community Scheme.
- Sports Leader programmes that provide sporting activities to local Primary Schools.
- Science support of local Primary Schools
- Opening our premises for hire to local sporting clubs and associations.
- Raising and distributing food donations for local charities
- Organising well-being events and community fetes.

Strategic report

Achievements and performance

The Academy has continued its mission to ensure that students achieved their full potential in public examinations, encouraged a wide range of extra-curricular opportunities, employed, developed and retained high quality staff and supported its students in gaining suitable progression opportunities once they have left the school.

Our key focuses for Academic year 2022/2023 were as follows:

Pedagogy and Practice:

- Securing subject knowledge
- Using assessment to react and adapt in the classroom
- Instructional coaching
- Early career support
- Supporting Middle leaders to be effective in improving the practice of others via monitoring, evaluating and impacting upon pedagogical practice
- Supporting middle leaders to be effective leaders to help them establish successful teams.

Curriculum Development:

- Adapting curriculums to address gaps in knowledge including assessment information to inform curriculum planning in preparation for year-end exams
- Reviewing and developing rich curriculum plans that engage students and teach them the knowledge and skills necessary to be successful in the future
- Language and communication development (including support for weak readers and disadvantaged)
- Opportunities and experiences beyond the curriculum (extra curricular, aspirations, livery Companies project and House competitions)
- Opportunities to celebrate effort and achievement.

WEST HATCH HIGH SCHOOL ACADEMY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and performance (continued)

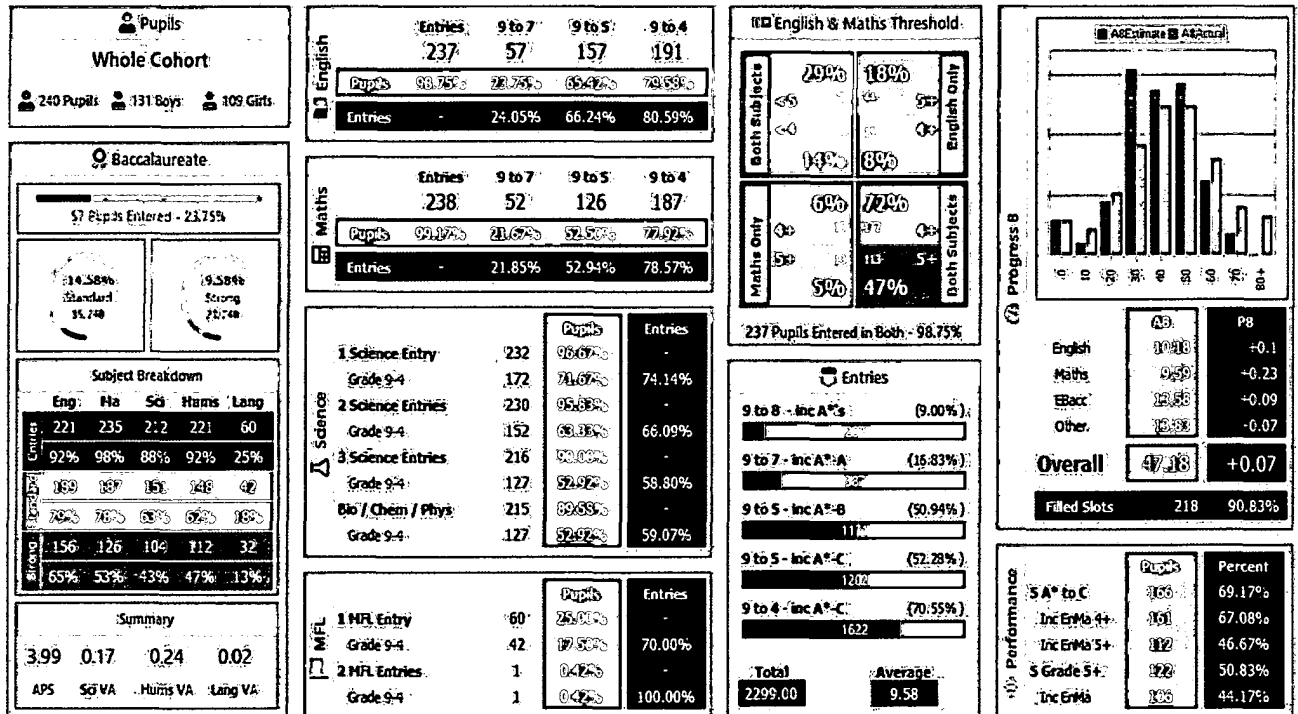
Targeting Underperformance:

- Addressing disadvantaged SEND inequalities
- Tracking underperformance effectively at all levels and planning to impact positively
- Supporting student achievement at KS3, 4 and 5
- Moderation activities to secure subject knowledge and continuity across departments
- Tutor programmes
- Mentoring programmes
- Attendance and behaviour

Building positive attitudes, behaviours and relationships:

- Supporting students to develop strong, well-balanced relationships with others and the world around them based on a strong PHSE/RSE curriculum
- Ensuring students attend school lessons regularly and arrive on time to school and lessons
- Challenging behaviour that impacts upon the wellbeing and or education of others in school
- Developing positive attitudes in learners, building resilience and a thirst for learning which enables them to be successful.

KS4 Outcomes 2023



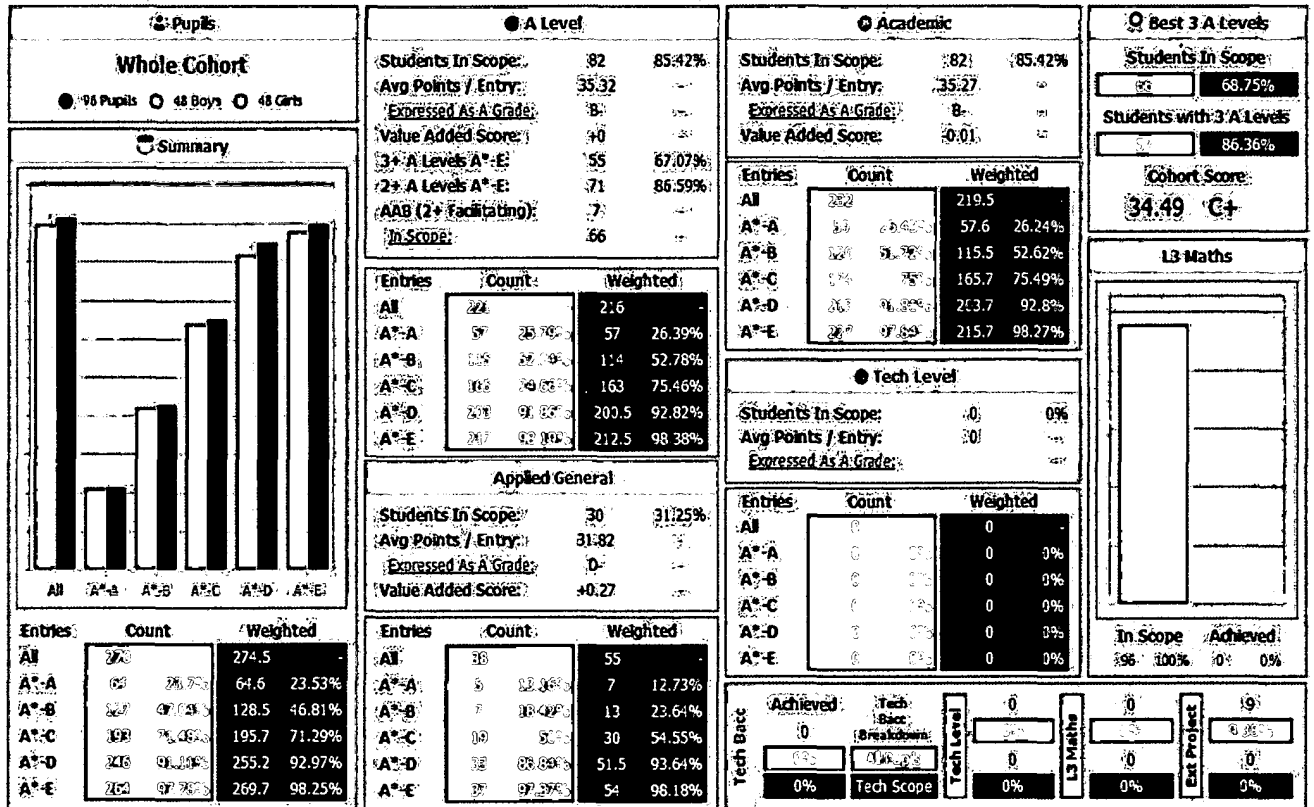
WEST HATCH HIGH SCHOOL ACADEMY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and performance (continued)

KS4 Outcomes 2023 (continued)



a. Key performance indicators

a) Financial

The Trustees receive information on a timely basis as well as through regular committee, Link Governors and individual meetings to enable them to monitor the performance of the Trust compared to aims, strategies and financial budgets. The Trustees are confident that staffing levels are closely monitored and controlled to agree staffing structures which are approved by the Board.

The Finance and Premises Committee monitors cash flows and financial performance and forecasts against the approved budget to ensure the budget is challenged, set and managed appropriately.

A separate Audit and Risk Committee meets to review the Trust Financial, governance, risk management and internal control systems.

The overall strategy is determined by the Governing Body and its relevant committees. The schools Senior Leadership Team leads on the research to develop the strategy and ensure its implementation. This is delivered in context of overall financial rigour, which is closely monitored by the Finance and Premises Committee.

WEST HATCH HIGH SCHOOL ACADEMY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and performance (continued)

The following KPI's were set out in 22/23 and monitored by the Trustees.

| | 22/23 | 21/22 |
|--|---------------|---------------|
| Staff Pay (including on costs & Agency) as % of Total revenue | 76% | 83.8% |
| Staff Pay (including on costs & Agency) as % GAG Income | 98% | 96.8% |
| Staff pay (including on costs & Agency) as % of ESFA total revenue income | 77% | 90.2% |
| Staff pay (including on costs & Agency) as % of total revenue income | 75% | 81.4% |
| Average annual teacher cost per FTE | £60581 | £56155 |
| ESFA revenue income per student | £6764 | £5733 |
| Surplus/deficit excluding fixed asset fund and excluding change in value of LGPS pension liability | £486K surplus | £241K surplus |

Achievements and performance

b) Academic

The Academy has continued with its mission to ensure that students achieved their full potential in public examinations, encouraged by a wide range of extracurricular opportunities; employed, developed and retained high quality staff and supported students in gaining suitable progression opportunities once they have left the Academy.

Our Key focusses for Academic Year 2022/23 were as follows:

Modelling 'Behaviour for Learning' techniques:

"Getting the conditions and climate right for learning"

- Embedding key techniques to ensure positive behaviour within lessons
- Ensuring teachers explicitly communicate the means of participation for students to access learning
- Providing students with the opportunity to engage in their work and have significant practice within lessons to embed learning
- Explicitly teach the behaviour curriculum to students
- Eradicate low level disruption
- Ensure classrooms are a safe haven for learning
- Support students in behaving well by modelling positive behaviour.

Curriculum Design and Review:

"To empower students by making their curriculum transparent, timely, focused and success based"

- Launch the Dynamic Progress Reporting (DPR) system for all stakeholders
- Develop adaptive teaching techniques
- Develop and review schemes of learning, identify the key objectives students need to learn to be successful

WEST HATCH HIGH SCHOOL ACADEMY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and performance (continued)

- Develop memory objectives to support students with the key knowledge they need to know
- Link homework explicitly to DPR Key objectives
- Empowering students through a curriculum that is transparent can help motivate and enable parents to be a greater part of their learning and outcomes.
- Curriculum designed to give SEND and PP students the knowledge and cultural capital to succeed
- Assessment used effectively
- Meaningful reporting to parents

Pedagogical Practice:

"Supporting behaviour for learning and curriculum knowledge through our teaching"

- Build in time for teachers to explicitly teach the behaviour curriculum
- Use the West Hatch lesson structure to embed DPR
- Focus for the year 'Live Marking and Adaptive Teaching' elements.
- Teachers check pupils understanding systematically; identify misconceptions accurately and provide clear direct feedback – influencing outcomes.
- Empower and motivate learners
- Quality of learning raised at WH
- Live reporting of classroom outcomes for students and parents via DPR

Review of activities

| Indicator | Target | Outcome | Comment |
|---|--|--|---|
| Substantially meet the Academy targets for progress 8 and attainment at grade 5+ in English and Maths and ensure significant progress at A Level. | Progress 8 Achieve a positive score with the Yr11 Cohort 5+ English and Maths Percentage 5+ incl English and Maths 51% A Level - Alps 3 (red) | Indicative progress 8 score = +0.08 48% of students achieved 5+ incl English and Maths Alps 4 achieved at A Level. | The Government changed the exam grade boundaries late in the course to match the 2019 boundaries. This meant that marking was significantly harsher than 2022. However at GCSE in comparison to 2019 the Academy improved by 15% and at A level by 15% at A*-B and 11% at A*-A, moving from an Alps 6 in 2019 to 4 in 2023. Original targets were based on the previous year's more lenient grade boundaries. |
| Improve whole Academy attendance | 95% attendance | 93.5% attendance | Attendance nationally has significantly decreased following the pandemic. The Academies attendance, despite being below target, is extremely favourable in comparison to the national figure of 90.8 for secondary schools. |
| Improve pupils' behaviour through enhancements to the school's behaviour policy | Reduction in suspensions | Suspensions reduced for all pupils in 2023. For the percentage of the total group by 1.41% and for the percentage of students with 1 or more suspensions by 2.52%. | Behaviour in all schools continues to be a challenge following the pandemic but the Academies adaptations to the behaviour Policy have resulted in improvements in the number of pupils receiving suspensions. |

WEST HATCH HIGH SCHOOL ACADEMY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and performance (continued)

b. Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy 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.

Trustees continue to closely monitor finance, particularly in light of increasing costs. Trustees have determined that there is no material uncertainty that casts doubt on the Academy's ability to continue as a going concern.

The Academy has developed a 3-year budget forecast that consider:

- The impact of any under-funded pupil numbers in the expansion programme
- Forecast scenarios to include various assumptions related to GAG rates per student together with varying increases in affordable levels of staffing
- Assumptions on possible percentage increases for Support and Teaching staff pay in the absence of national agreements being finalised
- Planned staffing levels to take account of the increases in new students with Educational Health Care Plans (EHCP's) and their associated funding
- Catering performance, especially with regard to pricing, affordability, healthy eating and increased food and catering supplies cost
- Increased cleaning costs
- Additional staffing costs and possible savings from cover teacher costs
- Increased exams cost
- Additional income and costs related to the expansion, maintenance and repair of the premises.

c. Promoting the success of the company

The Senior Leadership Team and the Governors of the West Hatch High School Academy Trust act in good faith, and strive for the success of the charity to achieve its purpose, and in doing so have regard to (but not limited to):-

- a) The interests of the Academy's employees
- b) The interests of the Academy's students
- c) The impact of the Academy's operations on the community and the environment
- d) The need to act fairly
- e) The desirability of the Academy's maintaining a good reputation for high standards of education
- f) The consequences of any decision in the long term
- g) The need to ensure good business relationships are held with all stakeholders

Financial review

During the period, Education and Skills Funding Agency/Local Authority grants received totalled £9,165K. Other income included within restricted funds totalled £562K. Restricted fund expenditure totalled £9,3307K. The main source of unrestricted income is income from trading activities, totalling to £85K.

Most of the Academy's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the 12 month period ended 31 August 2023 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy also received grants for fixed assets from the ESFA. In accordance with the Charities Statement

WEST HATCH HIGH SCHOOL ACADEMY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

of Recommended Practice, "Accounting for Reporting by Charities" (SORP 2015), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

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

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

a. Reserves policy

The definition of reserves in the Charities Statement of Recommended Practice, "Accounting for Reporting by Charities" (SORP 2015) is "that part of a charity's income funds that is freely available for its general purposes". This definition of reserves therefore normally excludes:

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

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

The reserves that we have set aside provide financial stability and the means for the development of our principal activity. We intend to maintain our reserves at a high level which is at least equivalent to one to two months' worth of normal operational costs (although our stated objective is to maintain reserves at two months' worth of normal operational cost). Governors review every half term the amount of reserves that are required to ensure that they are adequate to fulfil our continuing obligations. Our review has also considered the need to safeguard against any adverse financial implications caused by continuing disruption to supply chains as a direct result of the current worldwide issues on fuel and uncertainty around government spending plans.

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

Total reserves at the end of the period amounted to £20,571k. This balance includes unrestricted funds (free reserves) of £235K, which are considered appropriate for the Academy Trust, and restricted funds of £20,388k and a pension deficit of £52K.

Within the reserves policy users should note that, because of accounting for the Local Government Pension Scheme (LGPS), the Trust recognises a significant pension fund deficit totalling to £52K (2022: £872K). This deficit is included within restricted funds. This does not lead to an immediate liability for this amount. Similarly, if there were a pension surplus included in the restricted fund this would not create an immediately realisable asset that can be released straight away and expended for the specific purposes of that fund.

WEST HATCH HIGH SCHOOL ACADEMY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

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

b. Investment policy

Investment policies are determined by the Trust Board. This ensures the level of funds the Trust holds can cover any immediate expenditure, without exposing the Trust to additional risk. Should any potential investment opportunity arise this would be escalated to the Trust Board for consideration.

As at 31 August 2023, no investments were held.

c. Principal risks and uncertainties

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

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

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

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

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

The Trustees also are fully aware of their responsibilities to ensure that the Trust's estate is safe, well maintained and compliant with the relevant regulations.

Please refer to the Reserves Policy above for a description of the defined benefit pension scheme, in which there was a deficit at 31 August 2023. Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of Academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

WEST HATCH HIGH SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Fundraising

The Trust engages in fundraising activities throughout the academic year, both for specific projects and to augment the annual education budget

Due consideration is given at all times to ensuring that no fundraising practices are unreasonably intrusive or apply undue pressure especially with regard to vulnerable persons.

Plans for future periods

The Academy will continue with its mission to ensure that students achieve their full potential in public examinations, encouraged by a wide range of extracurricular opportunities; and to employ, develop and retain high quality staff and support students in gaining suitable progression opportunities once they have left the Academy. Our school development plans will be designed with this in mind.

To ensure that the Academy remains a safe physical environment for students and staff, there are plans to redevelop the front of school to support safer access for all.

Funds held as custodian on behalf of others

At the financial year end the Academy held funds amounting to £2,576 (2022: £7,354) as agent for the Education and Skills Funding Agency (ESFA) in the distribution of the 16-19 bursary grants to pupils.

Auditor

Insofar as the Trustees are aware:

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

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 19 December 2023 and signed on its behalf by:



Adrian Harris
Chair of Governors

WEST HATCH HIGH SCHOOL ACADEMY TRUST
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GOVERNANCE STATEMENT

Scope of responsibility

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

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

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

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 3 times during the year.

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

| Trustee | Meetings attended | Out of a possible |
|------------------------------------|-------------------|-------------------|
| Mr A S Harris, Chair | 3 | 3 |
| Ms N Lycett | 2 | 3 |
| Mr J J Van Wijngaarden, Vice Chair | 3 | 3 |
| Mr D Leonard, Head Teacher | 3 | 3 |
| Mr D Solomons | 0 | 3 |
| Mr S B Phillips | 0 | 3 |
| Mr M Lopez-Diaz | 1 | 3 |
| Mrs S Field | 3 | 3 |
| Mrs M Lord | 2 | 3 |
| Mrs L Smith | 3 | 3 |
| Mr K Atwal | 1 | 3 |
| Mrs H Kahlon | 3 | 3 |
| Mrs J Pearce | 1 | 3 |
| Miss R De Friend | 3 | 3 |
| Mr S Lodhi | 1 | 3 |
| Ms J Salmon | 1 | 1 |

The Finance and Premises Committee is a sub-committee of the main Board of Trustees. Its purpose is to maintain a strict composure of the budget and to ensure that a strategic plan is set to reduce any deficit occurring.

The committee normally meets half termly. Attendance during the year at meetings was as follows:

| Trustee | Meetings attended | Out of a possible |
|----------------------|-------------------|-------------------|
| Ms N Lycett | 2 | 6 |
| Mr A Harris | 6 | 6 |
| Mr S Phillips | 5 | 6 |
| Mr D Leonard | 6 | 6 |
| Mr J Van Wijngaarden | 5 | 6 |
| Miss R De Friend | 3 | 6 |

WEST HATCH HIGH SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Audit and Risk Committee is also a sub-committee of the main Board of Trustees. Its purpose is to maintain a strict composure of the potential risks and place procedures and measures to minimise risk.

The committee normally meets half termly. Attendance during the year at meetings was as follows:

| Trustee | Meetings attended | Out of a possible |
|----------------------|-------------------|-------------------|
| Mr A Harris | 6 | 6 |
| Ms N Lycett | 2 | 6 |
| Mr S Phillips | 5 | 6 |
| Mr J Van Wijngaarden | 5 | 6 |
| Miss R De Friend | 3 | 6 |
| Mr D Leonard | 6 | 6 |

The Governing Body Strategic Board purpose is to look at the Trust strategic measures and discuss implementations to which will improve the performance and future of the Trust. Attendance is not required by all Governors at this meeting.

Attendance during the year at meetings was as follows:

| Trustee | Meetings attended | Out of a possible |
|----------------------|-------------------|-------------------|
| Mr A Harris | 3 | 3 |
| Ms N Lycett | 0 | 3 |
| Mr D Leonard | 2 | 3 |
| Mr M Lopez-Diaz | 1 | 3 |
| Mr J Van Wijngaarden | 1 | 3 |
| Mr K Atwal | 1 | 3 |
| Ms M Lord | 3 | 3 |
| Ms R De Friend | 2 | 3 |
| Mrs J Lester | 3 | 3 |
| Mrs S Field | 1 | 3 |
| Mr D Solomons | 0 | 3 |
| Mr S Phillips | 0 | 3 |
| Mrs L Smith | 0 | 3 |
| Mrs J Pearce | 2 | 3 |
| Mrs H Kahlon | 3 | 3 |

Streamlined Energy and Carbon Reporting

Qualification and Reporting Methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2021 UK Government’s Conversion Factors for Company Reporting.

Intensity Measurement

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

Measures taken to improve energy efficiency

We have introduced flexible working to allow staff members (where possible) the ability to work from home, reducing the carbon footprint from motor vehicle pollution.

WEST HATCH HIGH SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

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

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

- Continuing to review the roles of both teaching and support staff to deliver efficiency savings
- Undertaking a review of the staffing salary structure including uplifts to additional payments
- Continuing to review the mainscale teaching hours to ensure optimum delivery
- Ensuring additional hours in the teaching timetable were allocated to minimise bought in agency staff
- Reviewing and rationalising the Sixth Form course offer to ensure optimum delivery
- Working with partner schools to undertake consortium purchasing and procurement, for example via our cleaning contract
- Re-directing unspent funding in line with government guidance
- Continue to seek opportunities for cost saving and best value, for example through energy supply contracts

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

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- regular reviews by the 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
- identification and management of risks

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an auditor for this purpose. However, the Trustees have arranged for an independent programme of internal scrutiny reviews undertaken by Juniper Education Services.

The program of internal scrutiny for 22-23 is established via the Audit and Risk Committee. The Academy Risk Register forms the basis for termly scrutiny approach. Juniper Education Services' role includes giving advice on financial and other matters and performing a range of checks on the Academy Trust's financial and other systems. The Academy has also appointed Essex County Council and Information Government Services to carry out checks. In particular, the internal scrutiny reviews carried out in the current period included:

- A review of Special Educational Needs provision at the Academy by Juniper
- A review of school safeguarding procedures by Essex County Council (ECC)
- A review of GDPR by Information Government Services (IGS)

On a periodic termly basis, Juniper reports to the Board of Trustees, through the Audit and Risk Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and 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.

No material control issues were identified as a result of the work undertaken.

A new finance system was installed in readiness for 2023/24 and its effectiveness will be monitored throughout that year.

Review of effectiveness

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

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

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Audit and Risk Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 19 December 2023 and signed on their behalf by:



Adrian Harris
Chair of Governors



Daniel Leonard
Accounting Officer

WEST HATCH HIGH SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of West Hatch High School Academy Trust I have considered my responsibility to notify the academy trust board of trustees 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 Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academy Trust Handbook 2022.

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



Daniel Leonard
Accounting Officer
Date: 19 December 2023

WEST HATCH HIGH SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2023

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

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

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

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

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

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

Approved by order of the members of the Board of Trustees on 19 December 2023 and signed on its behalf by:



Adrian Harris
Chair of Governors

WEST HATCH HIGH SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF WEST HATCH HIGH SCHOOL ACADEMY TRUST

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the Academy'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; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

WEST HATCH HIGH SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF WEST HATCH HIGH SCHOOL ACADEMY TRUST (CONTINUED)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

WEST HATCH HIGH SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF WEST HATCH HIGH SCHOOL ACADEMY TRUST (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

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

We considered the nature of the industry and its control environment, and reviewed the academy's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the academy's operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty.
- We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

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

WEST HATCH HIGH SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF WEST
HATCH HIGH SCHOOL ACADEMY TRUST (CONTINUED)**

Use of our report

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

Carly Pinkus

BKL Audit LLP

Chartered Accountants
Statutory Auditor

35 Ballards Lane
London
N3 1XW

19 December 2023

WEST HATCH HIGH SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO WEST HATCH HIGH SCHOOL ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 31 October 2011 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 West Hatch High School Academy Trust during the year 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 West Hatch High School Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to West Hatch High School Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than West Hatch High School Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of West Hatch High School Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of West Hatch High School Academy Trust's funding agreement with the Secretary of State for Education dated 1 June 2011 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 year 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 Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- review of management reporting documents.
- review of Trustees/Governors meeting minutes.
- confirming compliance with the Academy Trust's Scheme of Delegation.
- compliance with delegated authorities.
- consideration of whether any personal benefit has been derived from the Academy Trust's transactions by staff or related parties.
- adherence to tendering policies.

WEST HATCH HIGH SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO WEST
HATCH HIGH SCHOOL ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY
(CONTINUED)**

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 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.

BKL Audit LLP

Reporting Accountant

BKL Audit LLP

Chartered Accountants
Statutory Auditor

35 Ballards Lane
London
N3 1XW

Date: 19 December 2023

WEST HATCH HIGH SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023**

| | Unrestricted funds 2023 £000 | Restricted funds 2023 £000 | Restricted fixed asset funds 2023 £000 | Total funds 2023 £000 | Total funds 2022 £000 |
|---|---------------------------------------|-------------------------------------|--|--------------------------------|--------------------------------|
| Income from: | | | | | |
| Donations and capital grants | 3 | 12 | - | 88 | 100 |
| Other trading activities | 5 | 85 | 562 | - | 647 |
| Investments | 6 | 20 | - | - | 20 |
| Charitable activities | 4 | - | 9,165 | - | 9,165 |
| Total income | 117 | 9,727 | 88 | 9,932 | 9,008 |
| Expenditure on: | | | | | |
| Charitable activities | 8 | 91 | 9,330 | 318 | 9,739 |
| Total expenditure | 91 | 9,330 | 318 | 9,739 | 9,619 |
| Net movement in funds before other recognised gains/(losses) | 26 | 397 | (230) | 193 | (611) |
| Other recognised gains/(losses): | | | | | |
| Actuarial gains on defined benefit pension schemes | 22 | - | 883 | - | 883 |
| Net movement in funds | 26 | 1,280 | (230) | 1,076 | 3,936 |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | 209 | (112) | 19,398 | 19,495 | 15,559 |
| Net movement in funds | 26 | 1,280 | (230) | 1,076 | 3,936 |
| Total funds carried forward | 235 | 1,168 | 19,168 | 20,571 | 19,495 |

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

The notes on pages 30 to 54 form part of these financial statements.

WEST HATCH HIGH SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07628943

BALANCE SHEET
AS AT 31 AUGUST 2023

| | Note | 2023 £000 | 2022 £000 |
|--|------|----------------------|----------------------|
| Fixed assets | | | |
| Tangible assets | 13 | 19,102 | 19,371 |
| | | <u>19,102</u> | <u>19,371</u> |
| Current assets | | | |
| Debtors | 14 | 276 | 217 |
| Cash at bank and in hand | | 1,906 | 1,250 |
| | | <u>2,182</u> | <u>1,467</u> |
| Creditors: amounts falling due within one year | 15 | (661) | (471) |
| Net current assets | | <u>1,521</u> | 996 |
| Total assets less current liabilities | | <u>20,623</u> | <u>20,367</u> |
| Net assets excluding pension liability | | <u>20,623</u> | <u>20,367</u> |
| Defined benefit pension scheme liability | 22 | (52) | (872) |
| Total net assets | | <u><u>20,571</u></u> | <u><u>19,495</u></u> |
| Funds of the Academy | | | |
| Restricted funds: | | | |
| Fixed asset funds | 16 | 19,168 | 19,398 |
| Restricted income funds | 16 | 1,220 | 760 |
| | | <u>20,388</u> | <u>20,158</u> |
| Restricted funds excluding pension asset | 16 | 20,388 | 20,158 |
| Pension reserve | 16 | (52) | (872) |
| Total restricted funds | 16 | <u>20,336</u> | 19,286 |
| Unrestricted income funds | 16 | 235 | 209 |
| Total funds | | <u><u>20,571</u></u> | <u><u>19,495</u></u> |

The financial statements on pages 27 to 54 were approved by the Trustees, and authorised for issue on 19 December 2023 and are signed on their behalf, by:



Adrian Harris
Chair of Governors

The notes on pages 30 to 54 form part of these financial statements..

WEST HATCH HIGH SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

| | Note | 2023 £000 | 2022 £000 |
|---|--------|---------------------|---------------------|
| Cash flows from operating activities | | | |
| Net cash provided by operating activities | 18 | 598 | 154 |
| Cash flows from investing activities | 19 | 58 | (22) |
| Change in cash and cash equivalents in the year | | 656 | 132 |
| Cash and cash equivalents at the beginning of the year | | 1,250 | 1,118 |
| Cash and cash equivalents at the end of the year | 20, 21 | <u><u>1,906</u></u> | <u><u>1,250</u></u> |

The notes on pages 30 to 54 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

1.2 Going concern

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

1.3 Income

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

• **Donations**

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

• **Other income**

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

1.4 Expenditure

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

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.6 Tangible fixed assets

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following bases:

| | |
|------------------------------|-------------------|
| Freehold property- buildings | - 50 years |
| Freehold property- land | - Not depreciated |
| Furniture and fixtures | - 5 years |
| Plant and machinery | - 10 years |
| Computer equipment | - 4 years |

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

1.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.9 Liabilities

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

1. Accounting policies (continued)

1.10 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.11 Pensions

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

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

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

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

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

1.12 Fund accounting

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

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

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

Investment income, gains and losses are allocated to the appropriate fund.

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and capital grants

| | Unrestricted funds 2023 £000 | Restricted fixed asset funds 2023 £000 | Total funds 2023 £000 |
|----------------|---|---|--|
| Donations | 12 | - | 12 |
| Capital Grants | - | 88 | 88 |
| | <u>12</u> | <u>88</u> | <u>100</u> |

WEST HATCH HIGH SCHOOL ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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3. Income from donations and capital grants (continued)

| | Unrestricted funds 2022 £000 | Restricted fixed asset funds 2022 £000 | Total funds 2022 £000 |
|----------------|---------------------------------------|--|--------------------------------|
| Donations | 14 | - | 14 |
| Capital Grants | - | 44 | 44 |
| | <u>14</u> | <u>44</u> | <u>58</u> |

4. Funding for the Academy's charitable activities

| | Restricted funds 2023 £000 | Total funds 2023 £000 |
|------------------------------------|-------------------------------------|--------------------------------|
| DfE/ESFA grants | | |
| General annual grant (GAG) | 8,186 | 8,186 |
| Other DfE/ESFA grants | | |
| Pupil premium | 253 | 253 |
| Others | 182 | 182 |
| Supplementary grant | 219 | 219 |
| Mainstream school additional grant | 112 | 112 |
| | <u>8,952</u> | <u>8,952</u> |
| Other Government grants | | |
| Local authority grants | 213 | 213 |
| | <u>213</u> | <u>213</u> |
| | <u>9,165</u> | <u>9,165</u> |
| | <u>9,165</u> | <u>9,165</u> |

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

4. Funding for the Academy's charitable activities (continued)

| | Restricted funds 2022 £000 | Total funds 2022 £000 |
|---|-------------------------------------|--------------------------------|
| DfE/ESFA grants | | |
| General annual grant (GAG) | 7,592 | 7,592 |
| Other DfE/ESFA grants | | |
| Pupil premium | 274 | 274 |
| Others | 170 | 170 |
| | <u>8,036</u> | <u>8,036</u> |
| Other Government grants | | |
| Local authority grants | 206 | 206 |
| Other government funding | 10 | 10 |
| | <u>216</u> | <u>216</u> |
| COVID-19 additional funding (DfE/ESFA) | | |
| Other DfE/ESFA Covid-19 funding | 70 | 70 |
| | <u>70</u> | <u>70</u> |
| | <u>8,322</u> | <u>8,322</u> |
| | <u>8,322</u> | <u>8,322</u> |

5. Income from other trading activities

| | Unrestricted funds 2023 £000 | Restricted funds 2023 £000 | Total funds 2023 £000 |
|-------------------------|---------------------------------------|-------------------------------------|--------------------------------|
| Contributions to visits | 85 | - | 85 |
| Lettings income | - | 137 | 137 |
| Catering income | - | 360 | 360 |
| Other income | - | 65 | 65 |
| | <u>85</u> | <u>562</u> | <u>647</u> |
| | <u>85</u> | <u>562</u> | <u>647</u> |

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**NOTES TO THE FINANCIAL STATEMENTS
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5. Income from other trading activities (continued)

| | Unrestricted funds 2022 £000 | Restricted funds 2022 £000 | Total funds 2022 £000 |
|-------------------------|---------------------------------------|-------------------------------------|--------------------------------|
| Contributions to visits | 34 | - | 34 |
| Lettings income | - | 134 | 134 |
| Catering income | - | 365 | 365 |
| Other income | - | 94 | 94 |
| | <u>34</u> | <u>593</u> | <u>627</u> |

6. Investment income

| | Unrestricted funds 2023 £000 | Total funds 2023 £000 |
|---------------|---------------------------------------|--------------------------------|
| Bank interest | 20 | 20 |

| | Unrestricted funds 2022 £000 | Total funds 2022 £000 |
|---------------|---------------------------------------|--------------------------------|
| Bank interest | 1 | 1 |

7. Expenditure

| | Staff Costs 2023 £000 | Premises 2023 £000 | Other 2023 £000 | Total 2023 £000 |
|-------------------------|-----------------------------|--------------------------|-----------------------|-----------------------|
| Educational activities: | | | | |
| Direct costs | 6,027 | - | 762 | 6,789 |
| Allocated support costs | 1,638 | 823 | 489 | 2,950 |
| | <u>7,665</u> | <u>823</u> | <u>1,251</u> | <u>9,739</u> |

WEST HATCH HIGH SCHOOL ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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7. Expenditure (continued)

| | Staff Costs 2022 £000 | Premises 2022 £000 | Other 2022 £000 | Total 2022 £000 |
|-------------------------|-----------------------------|--------------------------|-----------------------|-----------------------|
| Educational activities: | | | | |
| Direct costs | 5,815 | - | 513 | 6,328 |
| Allocated support costs | 1,990 | 770 | 531 | 3,291 |
| | <u>7,805</u> | <u>770</u> | <u>1,044</u> | <u>9,619</u> |

8. Analysis of expenditure by activities

| | Activities undertaken directly 2023 £000 | Support costs 2023 £000 | Total funds 2023 £000 |
|------------------------|--|----------------------------------|--------------------------------|
| Educational activities | <u>6,789</u> | <u>2,951</u> | <u>9,740</u> |
| | Activities undertaken directly 2022 £000 | Support costs 2022 £000 | Total funds 2022 £000 |
| Educational activities | <u>6,328</u> | <u>3,291</u> | <u>9,619</u> |

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

| | Educational activities 2023 £000 | Total funds 2023 £000 |
|---------------------------------|---|--|
| Staff costs | 5,875 | 5,875 |
| Staff development and training | 68 | 68 |
| Educational supplies | 307 | 307 |
| Examination fees | 172 | 172 |
| Technology costs | 155 | 155 |
| Supply teaching costs | 143 | 143 |
| Staff restructuring costs | 9 | 9 |
| Bought in professional services | 49 | 49 |
| Other direct costs | 11 | 11 |
| | <u>6,789</u> | <u>6,789</u> |
| | | |
| | Educational activities 2022 £000 | Total funds 2022 £000 |
| Staff costs | 5,576 | 5,576 |
| Staff development and training | 37 | 37 |
| Educational supplies | 204 | 204 |
| Examination fees | 102 | 102 |
| Technology costs | 119 | 119 |
| Supply teaching costs | 239 | 239 |
| Bought in professional services | 42 | 42 |
| Other direct costs | 9 | 9 |
| | <u>6,328</u> | <u>6,328</u> |

WEST HATCH HIGH SCHOOL ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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8. Analysis of expenditure by activities (continued)

Analysis of support costs

| | Educational activities 2023 £000 | Total funds 2023 £000 |
|---------------------------------------|---|--|
| Pension finance costs | 29 | 29 |
| Staff costs | 1,569 | 1,569 |
| Depreciation | 318 | 318 |
| Recruitment and support | 56 | 56 |
| Rent and rates | 64 | 64 |
| Energy | 115 | 115 |
| Maintenance of premises and equipment | 119 | 119 |
| Other occupancy costs | 33 | 33 |
| Cleaning | 222 | 222 |
| Support staff supply costs | 35 | 35 |
| Insurance | 33 | 33 |
| Other support costs | 62 | 62 |
| Catering | 253 | 253 |
| Non-cash pension costs | 34 | 34 |
| Governance costs | 8 | 8 |
| | <u>2,950</u> | <u>2,950</u> |

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**NOTES TO THE FINANCIAL STATEMENTS
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8. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

| | Educational activities 2022 £000 | Total funds 2022 £000 |
|---------------------------------------|---|--------------------------------|
| Pension finance costs | 77 | 77 |
| Staff costs | 1,462 | 1,462 |
| Depreciation | 326 | 326 |
| Recruitment and support | 25 | 25 |
| Rent and rates | 64 | 64 |
| Energy | 119 | 119 |
| Maintenance of premises and equipment | 130 | 130 |
| Other occupancy costs | 29 | 29 |
| Cleaning | 204 | 204 |
| Support staff supply costs | 35 | 35 |
| Insurance | 32 | 32 |
| Other support costs | 57 | 57 |
| Catering | 226 | 226 |
| Non-cash pension costs | 493 | 493 |
| Governance costs | 12 | 12 |
| | <u>3,291</u> | <u>3,291</u> |

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

| | 2023 £000 | 2022 £000 |
|---------------------------------------|--------------|--------------|
| Operating lease rentals | 33 | 28 |
| Depreciation of tangible fixed assets | 318 | 326 |
| Fees paid to auditors for: | | |
| - audit | 6 | 6 |
| - other services | 2 | 4 |
| | <u>359</u> | <u>364</u> |

WEST HATCH HIGH SCHOOL ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

10. Staff

a. Staff costs

Staff costs during the year were as follows:

| | 2023 | 2022 |
|----------------------------|--------------|--------------|
| | £000 | £000 |
| Wages and salaries | 5,612 | 5,318 |
| Social security costs | 580 | 543 |
| Pension costs | 1,252 | 1,177 |
| | <u>7,444</u> | <u>7,038</u> |
| Supply teaching costs | 143 | 239 |
| Support staff supply costs | 35 | 35 |
| Staff restructuring costs | 9 | - |
| Non cash pension costs | 34 | 493 |
| | <u>7,665</u> | <u>7,805</u> |

Staff restructuring costs comprise:

| | 2023 | 2022 |
|--------------------|-------------|----------|
| | £000 | £000 |
| Severance payments | 9 | - |
| | <u>9</u> | <u>-</u> |

b. Severance payments

The Academy paid 2 severance payments in the year, disclosed in the following bands:

| | 2023 |
|--------------|-------------|
| | No. |
| £0 - £25,000 | <u>2</u> |

c. Staff numbers

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

| | 2023 | 2022 |
|---------------------------|-------------|------------|
| | No. | No. |
| Teachers including agency | 84 | 90 |
| Support including agency | 97 | 118 |
| Management | 10 | 9 |
| | <u>191</u> | <u>217</u> |

WEST HATCH HIGH SCHOOL ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

10. Staff (continued)

d. Higher paid staff

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

| | 2023 No. | 2022 No. |
|---------------------------------|-------------|-------------|
| In the band £60,001 - £70,000 | 5 | 5 |
| In the band £70,001 - £80,000 | 2 | 1 |
| In the band £80,001 - £90,000 | 1 | 1 |
| In the band £100,001 - £110,000 | - | 1 |
| In the band £110,001 - £120,000 | 1 | - |
| | 1 | - |

e. Key management personnel

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £963,324 (2022 - £738,145).

11. Trustees' remuneration and expenses

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

| | | 2023 £000 | 2022 £000 |
|--------------|----------------------------|--------------|--------------|
| Mr D Leonard | Remuneration | 100 - 105 | 100 - 105 |
| | Pension contributions paid | 20 - 25 | 20 - 25 |
| Mrs L Smith | Remuneration | 30 - 35 | 25 - 30 |
| | Pension contributions paid | 5 - 10 | 5 - 10 |
| Mrs M Lord | Remuneration | 35 - 40 | 30 - 35 |
| | Pension contributions paid | 5 - 10 | 5 - 10 |
| Mrs H Kahlon | Remuneration | 20 - 25 | 10 - 15 |
| | Pension contributions paid | 5 - 10 | 0 - 5 |

During the year ended 31 August 2023, no Trustee expenses have been incurred (2022 - £NIL).

12. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2023 was £72 (2022 - £231). The cost of this insurance is included in the total insurance cost.

WEST HATCH HIGH SCHOOL ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

13. Tangible fixed assets

| | Freehold property £000 | Furniture and equipment £000 | Plant and machinery £000 | Computer equipment £000 | Total £000 |
|--------------------------|------------------------------|---------------------------------------|--------------------------------|-------------------------------|---------------|
| Cost or valuation | | | | | |
| At 1 September 2022 | 20,718 | 332 | 12 | 379 | 21,441 |
| Additions | - | 50 | - | - | 50 |
| At 31 August 2023 | <u>20,718</u> | <u>382</u> | <u>12</u> | <u>379</u> | <u>21,491</u> |
| Depreciation | | | | | |
| At 1 September 2022 | 1,494 | 234 | 2 | 340 | 2,070 |
| Charge for the year | 237 | 56 | 3 | 22 | 318 |
| At 31 August 2023 | <u>1,731</u> | <u>290</u> | <u>5</u> | <u>362</u> | <u>2,388</u> |
| Net book value | | | | | |
| At 31 August 2023 | <u>18,987</u> | <u>92</u> | <u>7</u> | <u>17</u> | <u>19,103</u> |
| At 31 August 2022 | <u>19,223</u> | <u>99</u> | <u>10</u> | <u>39</u> | <u>19,371</u> |

Freehold property includes land at a value of £8,861,500 which is not depreciated.

14. Debtors

| | 2023 £000 | 2022 £000 |
|--------------------------------|--------------|--------------|
| Due within one year | | |
| Trade debtors | 8 | 30 |
| Other debtors | 66 | 56 |
| Prepayments and accrued income | 159 | 89 |
| Grants receivable | 43 | 42 |
| | <u>276</u> | <u>217</u> |

WEST HATCH HIGH SCHOOL ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

15. Creditors: Amounts falling due within one year

| | 2023 | 2022 |
|--|-------------|-------------|
| | £000 | £000 |
| Trade creditors | 176 | 47 |
| Other creditors | 265 | 244 |
| Accruals and deferred income | 220 | 180 |
| | 661 | 471 |
| | 661 | 471 |
| | 2023 | 2022 |
| | £000 | £000 |
| Deferred income at 1 September 2022 | 81 | 61 |
| Resources deferred during the year | 130 | 81 |
| Amounts released from previous periods | (81) | (61) |
| | 130 | 81 |
| | 130 | 81 |

At the balance sheet date the academy trust was holding funds received in advance for the year 2023/24.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

16. Statement of funds

| | Balance at 1 September 2022 £000 | Income £000 | Expenditure £000 | Gains/ (Losses) £000 | Balance at 31 August 2023 £000 |
|--|---|----------------|---------------------|----------------------------|---|
| Unrestricted funds | | | | | |
| General Funds - all funds | 209 | 117 | (91) | - | 235 |
| Restricted general funds | | | | | |
| GAG | 760 | 7,592 | (7,132) | - | 1,220 |
| Pupil premium | - | 253 | (253) | - | - |
| Other DfE/ESFA funding | - | 182 | (182) | - | - |
| Supplementary grant | - | 219 | (219) | - | - |
| Mainstream school additional grant | - | 112 | (112) | - | - |
| Local authority grants | - | 213 | (213) | - | - |
| General | - | 1,156 | (1,156) | - | - |
| Pension reserve | (872) | - | (63) | 883 | (52) |
| | (112) | 9,727 | (9,330) | 883 | 1,168 |
| Restricted fixed asset funds | | | | | |
| Restricted Fixed Asset Funds - all funds | 19,398 | 88 | (318) | - | 19,168 |
| Total Restricted funds | 19,286 | 9,815 | (9,648) | 883 | 20,336 |
| Total funds | 19,495 | 9,932 | (9,739) | 883 | 20,571 |

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

All of the Academy's funds originally came from assets gifted by the predecessor school.

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

Restricted general funds have been increased by revenue grants provided by the Department for Education and reduced by expenditure incurred in the operation of the Academy.

The restricted funds can only be used in terms of limitations imposed by the Funding Agreement with the Department for Education and the terms of any specific grant.

Unrestricted funds have been increased by voluntary contributions by parents and reduced by expenditure incurred in the operation of the Academy.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the

WEST HATCH HIGH SCHOOL ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

16. Statement of funds (continued)

amount of GAG it could carry forward at 31 August 2023.

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

| | Balance at 1 September 2021 £000 | Income £000 | Expenditure £000 | Gains/ (Losses) £000 | Balance at 31 August 2022 £000 |
|---|---|----------------|---------------------|----------------------------|---|
| Unrestricted funds | | | | | |
| General Funds - all funds | 207 | 49 | (47) | - | 209 |
| Restricted general funds | | | | | |
| GAG | 521 | 7,592 | (7,353) | - | 760 |
| Pupil premium | - | 274 | (274) | - | - |
| Other grants - DfE | - | 170 | (170) | - | - |
| Other grants | - | 216 | (216) | - | - |
| General | - | 593 | (593) | - | - |
| Other DfE/ESFA Covid-19 funding | - | 70 | (70) | - | - |
| Pension reserve | (4,849) | - | (570) | 4,547 | (872) |
| | (4,328) | 8,915 | (9,246) | 4,547 | (112) |
| Restricted fixed asset funds | | | | | |
| Restricted Fixed Asset Funds - all funds | 19,680 | 44 | (326) | - | 19,398 |
| Total Restricted funds | 15,352 | 8,959 | (9,572) | 4,547 | 19,286 |
| Total funds | 15,559 | 9,008 | (9,619) | 4,547 | 19,495 |

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17. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Unrestricted funds 2023 £000 | Restricted funds 2023 £000 | Restricted fixed asset funds 2023 £000 | Total funds 2023 £000 |
|--|---------------------------------------|-------------------------------------|--|--------------------------------|
| Tangible fixed assets | - | - | 19,102 | 19,102 |
| Current assets | 235 | 1,881 | 66 | 2,182 |
| Creditors due within one year | - | (661) | - | (661) |
| Provisions for liabilities and charges | - | (52) | - | (52) |
| Total | 235 | 1,168 | 19,168 | 20,571 |

Analysis of net assets between funds - prior year

| | Unrestricted funds 2022 £000 | Restricted funds 2022 £000 | Restricted fixed asset funds 2022 £000 | Total funds 2022 £000 |
|--|---------------------------------------|-------------------------------------|--|--------------------------------|
| Tangible fixed assets | - | - | 19,371 | 19,371 |
| Current assets | 209 | 1,231 | 27 | 1,467 |
| Creditors due within one year | - | (471) | - | (471) |
| Provisions for liabilities and charges | - | (872) | - | (872) |
| Total | 209 | (112) | 19,398 | 19,495 |

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

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

| | 2023 £000 | 2022 £000 |
|--|--------------|--------------|
| Net income/(expenditure) for the year (as per Statement of Financial Activities) | 193 | (611) |
| Adjustments for: | | |
| Depreciation | 318 | 326 |
| Capital grants from DfE and other capital income | (88) | (44) |
| Interest receivable | (20) | - |
| Defined benefit pension scheme cost less contributions payable | 34 | 493 |
| Defined benefit pension scheme finance cost | 29 | 77 |
| Increase in debtors | (59) | (20) |
| Increase/(decrease) in creditors | 191 | (67) |
| Net cash provided by operating activities | 598 | 154 |

19. Cash flows from investing activities

| | 2023 £000 | 2022 £000 |
|--|--------------|--------------|
| Dividends, interest and rents from investments | 20 | - |
| Purchase of tangible fixed assets | (50) | (66) |
| Capital grants from DfE Group | 88 | 44 |
| Net cash provided by/(used in) investing activities | 58 | (22) |

20. Analysis of cash and cash equivalents

| | 2023 £000 | 2022 £000 |
|--|--------------|--------------|
| Cash in hand and at bank | 1,906 | 1,250 |
| Total cash and cash equivalents | 1,906 | 1,250 |

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**NOTES TO THE FINANCIAL STATEMENTS
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21. Analysis of changes in net debt

| | At 1 September 2022 £000 | Cash flows £000 | At 31 August 2023 £000 |
|--------------------------|-----------------------------------|--------------------|------------------------------|
| Cash at bank and in hand | 1,250 | 656 | 1,906 |
| | <u>1,250</u> | <u>656</u> | <u>1,906</u> |

22. Pension commitments

The Academy'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 Essex County Council. Both are multi-employer defined benefit schemes.

The latest valuation of the TPS related to the period ended 31 March 2020 and the latest triennial valuation for LGPS related to the period ended 31 March 2022. The Trust has received an actuarial report relating to the valuation of the LGPS as at 31 August 2023.

Contributions amounting to £138,510 were payable to the schemes at 31 August 2023 (2022 - £127,685) and are included within creditors.

Teachers' Pension Scheme

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

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

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22. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £876,293 (2022 - £816,516).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Academy has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy 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 £481,000 (2022 - £463,000), of which employer's contributions totalled £387,000 (2022 - £372,000) and employees' contributions totalled £94,000 (2022 - £91,000). The agreed contribution rates for future years are 24.8 per cent for employers and between 5 and 12.5 per cent for employees.

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

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22. Pension commitments (continued)

Principal actuarial assumptions

| Essex Pension Fund | 2023 | 2022 |
|--|-------------|------|
| | % | % |
| Rate of increase in salaries | 3.90 | 3.95 |
| Rate of increase for pensions in payment/inflation | 2.90 | 2.95 |
| Discount rate for scheme liabilities | 5.30 | 4.25 |

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

| | 2023 | 2022 |
|----------------------|-------------|-------|
| | Years | Years |
| Retiring today | | |
| Males | 20.7 | 21.0 |
| Females | 23.2 | 23.5 |
| Retiring in 20 years | | |
| Males | 22.0 | 22.3 |
| Females | 24.6 | 24.9 |

Sensitivity analysis

| Essex Pension Fund | 2023 | 2022 |
|--|-------------|-------|
| | £000 | £000 |
| Discount rate +0.1% | 103 | (134) |
| Discount rate -0.1% | 106 | 138 |
| Mortality assumption - 1 year increase | 178 | 182 |
| Mortality assumption - 1 year decrease | 173 | 177 |
| CPI rate +0.1% | 104 | 132 |
| CPI rate -0.1% | 102 | 129 |

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22. Pension commitments (continued)

Share of scheme assets

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

| | At 31 August 2023 £000 | At 31 August 2022 £000 |
|-------------------------------------|------------------------------|------------------------------|
| Equities | 3,457 | 2,958 |
| Gilts | 76 | 101 |
| Corporate bonds | - | 233 |
| Property | 465 | 497 |
| Cash and other liquid assets | 174 | 157 |
| Derivatives | 941 | 787 |
| Other managed funds | 829 | 523 |
| Total market value of assets | 5,942 | 5,256 |

The actual return on scheme assets was £24,000 (2022 - £(70,000)).

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

| | 2023 £000 | 2022 £000 |
|---|--------------|--------------|
| Current service cost | (418) | (863) |
| Interest income | 231 | 83 |
| Interest cost | (260) | (160) |
| Administrative expenses | (3) | (2) |
| Total amount recognised in the Statement of Financial Activities | (450) | (942) |

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

| | 2023 £000 | 2022 £000 |
|------------------------|--------------|--------------|
| At 1 September | 6,128 | 9,663 |
| Current service cost | 418 | 863 |
| Interest cost | 260 | 160 |
| Employee contributions | 94 | 91 |
| Actuarial gains | (789) | (4,617) |
| Benefits paid | (117) | (32) |
| At 31 August | 5,994 | 6,128 |

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22. Pension commitments (continued)

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

| | 2023 £000 | 2022 £000 |
|--------------------------|--------------|--------------|
| At 1 September | 5,256 | 4,814 |
| Interest income | 231 | 83 |
| Actuarial gains/(losses) | 94 | (70) |
| Employer contributions | 387 | 372 |
| Employee contributions | 94 | 91 |
| Benefits paid | (117) | (32) |
| Administration expenses | (3) | (2) |
| At 31 August | 5,942 | 5,256 |

23. Operating lease commitments

At 31 August 2023 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | 2023 £000 | 2022 £000 |
|--|--------------|--------------|
| Not later than 1 year | 33 | 30 |
| Later than 1 year and not later than 5 years | 48 | 86 |
| | 81 | 116 |

24. Members' liability

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

25. Related party transactions

Owing to the nature of the Academy and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy's financial regulations and normal procurement procedures relating to connected and related party transactions.

No related party transactions took place in the period account, other than certain trustees' remuneration and expenses already disclosed in note 11.

**NOTES TO THE FINANCIAL STATEMENTS
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26. Post balance sheet event

The supreme court ruling on Harpur vs Brazel (2022) has upheld the ruling impacting holiday pay for part time workers. Employers will now be required to revisit their historical holiday calculations to retrospectively apply this ruling. Whilst this will create a liability for the trust, the government are yet to produce guidance as to the specifics of the calculation required, and hence no accurate provision can currently be made.

27. Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2023 the Trust received £4,483 (2022: £8,966) and disbursed £9,261 (2022: £7,926) from the fund. An amount of £2,576 (2022: £7,354) is included in creditors relating to undistributed funds that if not specifically distributed are repayable to the ESFA.