Company Registration Number: 07512962 (England & Wales)

THE PRINCE HENRY'S HIGH SCHOOL ACADEMY TRUST

(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

THE PRINCE HENRY'S HIGH SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Stephen Butcher Stephen Cook Richard Oliver, Lord Faulkner of Worcester John Painter Diana Stubbs Keith Watson
Governors	Linda Biggs, Co-Opted Governor[1,3] Joanna Brett, Parent Governor[1,3] Stephen Butcher, Chair of Governors / Partnership Governor[1,2,3,4] Stephen Cook, Community Governor[1,3] James Curran, Community Governor[1,3] Dr Anthony Evans, Staff Governor / Head Teacher / Accounting Officer[1,2,3,4] Ginette Getting, Parent Governor[1,4] Dr Victoria Hardwick, Parent Governor[1,4] Alan Harris, Partnership Governor[1,2] Harry Organ, Partnership Governor[1,2] John Painter, Partnership Governor[1,2] Dr Edward Pillar, Community Governor[1,4] Christopher Simpson, Parent Governor[1,2] Susan Sollis BEM, Community Governor (resigned 31 August 2022)[1,3] Michael Thompson, Staff Governor[1,2] Linda Walker, Staff Governor[1,4] Keith Watson, Vice Chair / Community Governor[1,4] [1] Full Governors [2] Audit & Risk [3] Safeguarding, Property and General Purposes [4] Academic, Pastoral & Teaching
Company registered number	07512962
Company name	The Prince Henry's High School Academy Trust
Principal and registered office	Victoria Avenue Evesham Worcestershire WR11 4QH
Governance Professional	Mrs Marie Wall
Head Teacher	Dr Anthony Evans

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Senior management team	Dr Anthony Evans, Head Teacher Benjamin Freeman, Senior Deputy Head Teacher Antonia Lungley, Deputy Head Teacher Nuala Barker, Deputy Head Teacher Suzanne Thomas, Deputy Head Teacher Andrew Duffy, Assistant Head Teacher Clare Webb, Assistant Head Teacher
Independent auditor	Crowe U.K. LLP Black Country House Rounds Green Road Oldbury West Midlands B69 2DG
Bankers	Santander UK Plc Bridle Road Bootle Merseyside L30 4GB
	The Royal Bank of Scotland Plc 5 Church Street Sheffield South Yorkshire S1 1HF
Solicitors	Browne Jacobson 44 Castle Gate Nottingham Nottinghamshire NG1 7BJ

GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

The Governors present their annual report together with the financial statements and auditor's report of the charitable company for the 1 September 2021 to 31 August 2022. The Annual report serves the purposes of both a Governors' report, and a Directors' report under company law.

The trust operates an educational academy for pupils aged 13 to 18 serving a catchment area in Evesham and the outlying area. It has a pupil capacity of 1,377 and had a roll of 1,287 in the school census on 7 October 2021.

Structure, governance and management

a. Constitution

The Academy is a members limited liability company and an exempt charity. The charitable company's Memorandum of Association is the primary governing document of the academy trust. The Governors of The Prince Henry's High School Academy Trust are also the directors of the charitable company for the purpose of company law. The charitable company is known as The Prince Henry's High School Academy Trust.

In this report there are frequent references to trustees. This is the same body of people as both the directors of the company and the 'governors' of a single academy trust; these words are used interchangeably. They are the people responsible under the academy trust's articles of association for controlling its management and administration. They have responsibility for directing its affairs, and for ensuring that it is solvent, well run, and delivering the trust's charitable outcomes for the benefit of the public.

The report makes frequent reference to We, The School, The Trust, The Academy Trust, these words are used interchangeably and all refer to 'The Prince Henry’s High School Academy Trust’.

Details of the Governors 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

The Academy provides indemnity insurance to cover the liability of Governors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of trust or breach of duty of which they may be guilty in relation to the Academy.

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Governors

A minimum of three and a maximum of four Governors are elected by the parental body as Parent Governors.

The Head of the school is a Governor.

Two of the Governors are elected by the staff of the school as Staff Governors.

A minimum of three and a maximum of six Governors are nominated by the members as Community Governors.

A minimum of two and a maximum of four Governors are nominated by the members as Partnership Governors.

For any Governor, other than Staff Governors, prior to taking up the post, references will be sought by the Clerk and presented to the Governor Appointments Committee. This is to ensure that students are further safeguarded and potential conflicts of interest are avoided.

The Governors are aware of the requirements within the Academies Trust Handbook 2021 and Academies Trust Handbook 2022 and the school is working towards making changes to the governance structure ensuring that: a) the majority of Members will be independent of the Governing Body; and b) there will be no Staff Governors elected in addition to the Headteacher and Accounting Officer.

e. Policies adopted for the induction and training of Governors

Training and induction for Governors will depend on their prior experience and/or knowledge. Most induction is carried out “in house”, but external trainers may be brought in, or Governors may attend external training provision as appropriate. Governors are provided with copies of all the documents that they will need to undertake their role.

Structure, governance and management (continued)

f. Organisational structure

The Governing Body is responsible for managing the Academy on behalf of the Trust. It provides oversight and strategic direction for the Academy and does so through a robust governance and decision-making process, which includes regular meetings, debate, review of working papers and strategy discussions. Financial Management and oversight is managed through strict adherence to the guidance provided by the ESFA through the latest version of its Academies Financial Handbook and by following the relevant guidance provided by the Charities Commission and HM Treasury Managing Public Money guidance.

The Governing Body continues to be advised by their legal representatives Browne Jacobson to ensure that the Articles of Association remain up to date and appropriate bearing in mind potential changes to both national and local educational structures.

The key responsibilities of the Governing Body are to:

- Ensure the quality of educational provision
- Challenge, monitor and support the performance of the school
- Manage the Trust’s finances and property and assets
- Manage the Headteacher
- Exercise reasonable skill and care in carrying out their duties
- Ensure that the Academy Trust complies with charity and company law
- Operate the Academy in accordance with the Funding Agreement that has been signed with the Secretary of State

To deliver to these broad responsibilities the Governing Body delegates, through explicit Terms of Reference, a number of its responsibilities to three key Committees as follows:

- Audit and Risk (A&R)
- Safeguarding, Property and General Purposes (SP & GP);
- Academic, Pastoral and Teaching (AP&T)

Other Committees which meet as required are:

- Accounts and Budget (Sub-committee of Audit & Risk)
- Strategic Consultation
- Governor Appointments
- Salaries & Appointments
- Staff
- Pupil Admissions

The Statutory Appeal Committees, which meet as necessary, are: Exclusions, Complaints and Conduct; Staff Appeals; and Independent Appeals Panel.

All Committees report to the Governing Body as set out in their Terms of Reference, meet on an agreed schedule and on an as required basis, report to and where necessary, ask the Full Governing Body to approve decisions made in the Committees.

Structure, governance and management (continued)

The Governing Body delegates executive responsibilities for maintaining, running and developing the Academy to the Head and his Senior Leadership Team. All delegated Leadership responsibilities are articulated in appropriate job descriptions and formal authority documents. All delegated Leadership responsibilities are recorded formally through the weekly Senior Leadership Team meetings. These are monitored through the Academy’s System and Control procedures, its Risk Management structures and Internal Control Framework and are subject to regular scrutiny and audit.

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

For a number of years the Academy has implemented its own Pay Scales for Teaching Staff. Following consultation, with effect from 1 September 2022, the Support Staff Pay Scale has been reformed and will be entirely separate from the NJC Scales.

As set out in the Academy’s Pay Policy, the Governing Body has established pay ranges for the Headteacher, Deputy Headteachers and Assistant Headteachers. All decisions concerning pay and remuneration are made by the Salaries and Appointments Committee and ratified by the Full Governing Body. Benchmarking exercises are regularly carried out by the Salaries and Appointments Committee and an independent School Improvement Partner is used to support the setting and review of performance targets for the Headteacher.

h. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	**2**
Full-time equivalent employee number	**118**

Percentage of time spent on facility time

Percentage of time	**Number of employees**
0%	**-**
1%-50%	**2**
51%-99%	**-**
100%	**-**

Percentage of pay bill spent on facility time	**£**	
Total cost of facility time	**1,784**	
Total pay bill	**6,017,485**	
Percentage of total pay bill spent on facility time	**-**	%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	**43**	%

Structure, governance and management (continued)

i. Connected organisations, including related party relationships

During the period the Academy’s SCITT had 15 trainees. There were some related party relationships, which are acknowledged at the Governors’ meetings through the pecuniary interests forms, and any financial transactions are disclosed in the notes to the accounts.

Prince Henry’s became a Teaching School Hub (TSH) for the West Midlands 1 (WM1) area, which covers Wychavon, Wyre Forest, Worcester and Malvern Hills across Worcestershire, and the whole of Herefordshire. The strategic objectives of the Hub are to:

- Support the development of Initial Teacher Training
- Co-ordinate the Early Career Framework (ECF) for Early Career Teachers (ECTs)
- Act as an Appropriate Body
- Co-ordinate the professional development opportunities through the NPQ framework of qualifications
- Signpost other CPD opportunities

Schools connected with Prince Henry’s in relation to these areas are identified on the SCITT website and the TSH website.

The Prince Henry’s School Evesham Charitable Trust oversees the operation of the Henrician Theatre (formerly the Evesham Arts Centre). The Charitable Trust is separate from the Academy Trust and is therefore not considered to be a connected organisation or a related party.

PHHS Trading Company Limited is a wholly owned subsidiary of the Trust. The company ceased trading from 1 September 2021 with the activity, assets and liabilities of the company being transferred to the Trust during the year.

Strategic report

a. Objectives and Activities

The Academy’s main object is set out in its Articles of Association and referred to in pages 5-12 of that document. In summary, the principle object is to create and develop the very best Teaching and Learning environment for all our students and staff based upon the virtues of sound traditional values; thus enabling our students to leave Prince Henry’s as well rounded young people with a first class outstanding education that becomes fully embedded and integrated into their future lives.

We aim to achieve this by:

- Recruiting teachers to Prince Henry’s who represent excellent traditional role models: highly qualified, courteous, professional, and happy to help all students at all times
- Ensuring Prince Henry’s staff instil into our students the universal values outlined on our website
- Ensuring the facilities and resources available are suitable and well maintained for an appropriate teaching environment
- Providing a modern, broad, balanced, relevant and sustainable curriculum, so that our provision supports the individual needs of all of our students
- Listening and responding appropriately to any parental queries on a personal basis, and supporting parents and carers with their child’s journey through Prince Henry’s
- Recruiting new entrants to the teaching profession and providing high quality CPD through our SCITT and Teaching School
- Being relentless in the quest for outstanding continuous improvement in all areas of Prince Henry’s High School

In accordance with the Articles of Association, the academy has adopted a Funding Agreement approved by the Secretary of State for Education. The Funding Agreement specifies, amongst other things, the basis and requirements for admission of students, and that the curriculum should comply with the substance of the National Curriculum.

Strategic report (continued)

b. Objectives, strategies and activities

To help with the objects and aims above, during the 2021/22 academic year, the Academy set aspirational aims and objectives as follows:

- To obtain pupil outcomes and academic results as detailed in our School Improvement Plan
- To ensure students and staff are able to work in an environment that is COVID safe
- To ensure appropriate planning is in place to ensure students are able to re-engage with their learning during the return to school in September 2021 following the pandemic
- To monitor curriculum and assessment procedures in light of the changing circumstances of the pandemic
- To monitor and refine curriculum provision in light of new curriculum changes, including an expansion of Key Stage 5 (KS5) subjects on offer within the Sixth Form
- To prepare the school for the return of national examinations in Summer 2021 and the curriculum changes required for this
- To prepare the school for changes to assessment so that each pupil's Progress 8 and Attainment 8 measure is maximised
- To intensely focus upon Disadvantaged Pupil Progress
- To continue to monitor the delivery of PSHRE curriculum - including British values and Diversity in lessons and through assemblies to re-apply for, and retain SMSCD Gold Award
- To continue to improve the school site to create a better learning environment for our students, including relocation and refurbishment of a number of departments (Music, Sports facilities including MUGA and creation of on-site bus bay)
- Providing the Leadership and Management structures to oversee the significant cuts to the budget and delayed implementation of the National Funding Formula
- To continually review the pay award structure for all staff at the school
- To ensure that SLT, Staff and Governors are aware of the latest advice and guidance on Safeguarding priorities
- To embed the House structure across the whole school.
- To continue to develop our alternative provision in the school through The Lodge and The Bridge
- To ensure that our fifth cohort of SCITT students is successful
- To ensure our Year One targets for TSH are successfully achieved
- To continue to improve processes for developing self evaluation and school improvement in preparation for Ofsted
- To further improve the quality and sustainability of the staff through appropriate or targeted professional development

The strategies and activities of the Academy were as follows during the 2021/22 academic year:

- The school ensured that it was COVID secure for return of pupils and staff through high level Risk Assessment in September 2021 with test centre in place
- The school rapidly implemented new curriculum changes and robust mechanisms for supporting students to prepare for public exams
- We provided an extensive and wide-ranging programme of CPD for staff
- There were very positive results at A-level and GCSE and students made excellent progress
- There was a successful CIF bid for new sewer pumps and some Local Authority funding was received towards the cost of a new on-site bus bay. We were also successful in receiving a grant from the Wolfson Foundation to help fund the creation of a new Music Department.
- Planning took place to adjust the timings of the school day from September 2022 so that the students could receive afternoon registration and assemble for the departure from the bus bay safely
- We saw pleasing gains in the performance of our Disadvantaged Students, as outlined in our online Pupil Premium Strategy, which can be accessed on our website via the General Info/Statutory

Strategic report (continued)

Information/Pupil Premium section.
- We enhanced the curriculum provision for our students receiving Alternative Provision.
- We exceeded all the targets for Year One of the TSH and targets for Year Two were accepted by the DfE
- We successfully trained 15 student teachers through our SCITT.
- Successful external audits were undertaken into finance and governance by the ESFA, together with internal assurance audits into cybersecurity and the audit findings from the school’s external auditors
- The school was re-accredited with the School Games Platinum award, SMSC Gold, and the Music Mark.

c. **Public Benefit**

In setting our objectives and planning our activities, the Governors have given careful consideration to the Charity Commission's general guidance on public benefit.

The Academy aims to advance for the public benefit, education in Evesham and the surrounding area. In particular, but without prejudice to the generality of the forgoing by estimating, maintaining, managing and development of schools, offering a broad curriculum with a strong emphasis on enrichment activities.

The Academy provides some facilities for recreational and other leisure time occupation for the community at large including the Sports Hall, astro turf, cricket coaching and other sporting facilities. Bookings are taken from the community to take advantage of out of school hours’ provision and the Academy is pleased to be able to play a part in improving social welfare and the life of the said community. Income from these facilities is included in the school's accounts. The use of the school’s theatre, “The Henrician” during evenings and weekends is managed through a separate Theatre Charitable Trust.

As an Academy we have a duty to support other schools. We have strong relationships with our feeder middle schools and with first schools in the local area. We also maintain a number of strong partnerships through our SCITT and Teaching School Hub.

During the 2021-22 school year, 1,287 pupils attended the Academy. Our catchment area includes:

1. Evesham north of the Avon (“the old town”).
2. Evesham south of the Avon and west of the Isbourne (“Hampton”).
3. Villages north of Evesham (Norton, Lenchwick, Harvington, Abbots Morton, Radford, the Lenches).
4. Villages around Bredon Hill (principally Charlton, Cropthorne, Elmley Castle, Bricklehampton, Eckington, Bredon, Kinsham, Bredons Norton, Westmancote, Overbury, Kemerton, Conderton, Beckford, Ashton).
5. South eastern villages (Hinton, Sedgeberrow, Aston Somerville, Childswickham, Broadway).

The majority of students come from St Egwin’s CE Middle School (which serves 1, 2 and 3 above) and from Bredon Hill Academy (which serves 4 and 5).

Achievements and performance

The main achievement has been the maintenance of high academic standards, as evidenced by the published public examination results. A Level results were again very pleasing. Approximately 75% of students progressed to higher education, of whom over 35% went to Oxford, Cambridge, a Russell Group university or another of the universities in the Times' top 20 universities list. This included two students who were awarded places at Oxford or Cambridge Universities. More importantly, nearly every individual student progressed to an appropriate higher education course.

GCSE results were excellent. There is very strong evidence of pupils making very significant progress in terms of levels between national curriculum key stages.

The Teaching School Hub surpassed all Year 1 targets set and reviewed by the Department for Education.

Achievements and performance (continued)

a. Key performance indicators

A rigorous process was followed in the determination of Centre Assessed Grades at Key Stage 4 and Key Stage 5. This published and widely supported by the school community, with an extremely low number of appeals being lodged.

A Level Results 2022
- The overall results for 2022 have once again been pleasing
- 161 students were entered for A Level or equivalent examinations
- 14 students achieved at least 3 A*/A grades
- The top performer achieves 3A*, A
- 2 students awarded places at Oxford or Cambridge

GCSE Results 2022:
- The overall results for 2022 have once again been pleasing.
- 310 students were entered for GCSE or equivalent examinations
- 19% of numeric grades were 7-9; 58% were 5-9; and 75% were 4-9
- Top performer achieved 11 Grade 9 results
- 56 students gained 5 or more 7-9 numeric grades.
- 214 students achieved 5 or more 4-9 grades (including standard passes in Maths and English)
- 105 students achieved the English Baccalaureate
- 228 students achieved standard passes (numeric grade 4 and above) in both English and Maths

Other Key Performance Indicators

There are many other KPIs that the Governing Body reviews and scrutinises on a regular basis, which are written within the School Improvement Plan and SEF, including:

- **Attainment and Achievement Targets and Outcomes**. As well as internal assessments, important outcomes that are monitored by the Academic, Pastoral and Teaching Committee include cumulative percentages of grades at GCSE and A Level; published benchmark measures at A Level and GCSE; Attainment 8 and Progress 8; outcomes by students in receipt of Pupil Premium, outcomes by students with identified Special Needs.

- **The quality of behaviour and discipline**, monitored through engagement in the curriculum, lesson observations, attendance figures to school, exclusion rates, positive rewards and behaviour referrals.

- **The quality of the curriculum and provision**, including the information and guidance provided to match the needs of our students from Year 9 through to Year 13. This is monitored through the **Academic, Pastoral and Teaching Committee**.

- The **use of our financial resources** to provide value for money and a high quality learning environment through management and investment in: our school site, the curriculum provision on offer, the quality of teaching and the social and community dimensions that the school provides. This is monitored through the **Safeguarding, Property and General Purposes Committee and Audit and Risk Committee**.

- The **performance of colleagues** managed through Continuing Professional Development, Peer observation and Appraisal. This is reported to the **Audit and Risk, the Academic, Pastoral and Teaching,** and **Salaries and Appointments Committees**.

- The **School Improvement Plan and Self Evaluation** of the Trust. This is led by the Senior Leadership Team and scrutinised and approved by the **Strategic Consultation Group of Governors**.

Achievements and performance (continued)

b. Going concern

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

c. COVID-19 Impact

In September 2021, in line with government guidance, the school re-opened to all students following a phased programme of Covid testing for all students. While students could enjoy the freedom of the school, and were no longer in year group bubbles, various measures were put in place, as required, in line with government guidance. This included the reintroduction of wearing face coverings in communal areas, assemblies being conducted online, and some whole-school events such as our planned in-person Open Evening and the school musical being cancelled. In common with the rest of the country, the school experienced a surge in positive cases across both the student and staff populations. With the easing of Covid restrictions, school life was able to return to some kind of normality from Easter 2022, with the reintroduction of some school trips, Duke of Edinburgh expeditions and a live Speech Day that was held in July 2022.

Throughout the year, the Headteacher provided regular updates to parents which were published on a separate area on the website. The Senior Team ensured the whole community were engaged with online Assemblies so that the values of the school during the pandemic were reinforced. The Senior Team were constantly responding to announcements made by the government and adapting and monitoring the school's Covid Risk Management Strategy as appropriate.

The school also invested in tuition and curriculum provision as a result of grants received to support student learning.

The school rapidly implemented new curriculum changes and robust mechanisms for the return of public examinations in Summer 2022.

The school continued to suffer from the loss of income generated as a result of the closure of the Henrician Theatre, as well as the sports facilities.

Despite the continuing impact of the pandemic, continued to successfully recruit new teaching staff ready for the 2022-23 academic year, as well as new trainees to the SCITT, and we had 15 trainees begin with us in September 2022.

The school held an online Open Evening and Christmas Concert. We were able to hold an in-person Sixth Form Open Evening, as well as our Summer Music Concert and Speech Day, both of which were held in front of a live audience.

Achievements and performance (continued)

d. Glossary of abbreviations

CIF	Condition Improvement Fund
CPD	Continuing Professional Development
CRO	Chief Risk Officer (also referred to as Operations Manager)
DfE	Department for Education
ECF	Early Career Framework
ECT	Early Career Teacher
ESFA	Education and Skills Funding Agency
EWO	Education Welfare Officer
KPI	Key Performance Indicator
KS5	Key Stage 5
MFL	Modern Foreign Languages
MUGA	Multi-Use Games Area
NPQ	National Professional Qualification
PSHRE	Personal Social, Health and Relationships Education
SLT	Senior Leadership Team
SCITT	School Centred Initial Teacher Training
SRMA	School Resource Management Adviser
SMSCD	Spiritual, Moral, Social & Cultural Development
TSH	Teaching School Hub
WM1	TSH West Midlands 1 area (Wychavon, Wyre Forest, Worcester, Malvern Hills & Herefordshire)

Financial review

The accounting period runs from the 1 September 2021 to 31 August 2022 and the school finished the year with an in-year consolidated surplus of £45,000. This surplus was achieved despite the impact of increasing Utility costs and other costs due higher inflation.

The majority of the Academies income is obtained from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the period ended 31 August 2022 and the associated expenditure are shown as restricted funds in the statement of financial activities. The other key source of funding was from the DFE, £407,000, for our SCITT and Teaching School Hub. The continued support for the SCITT and now the Teaching School Hub is ensuring that we maintain a good cohort of highly trained students and motivated teaching staff.

The School was also successful with a Wolfson Foundation bid for £50,000 to relocate and modernise the Music Department. Funding of £10,000 was also secured from Worcester County Council to alleviate congestion on the school site. Works were completed on these projects during 2021-22. The pension balance at 31 August 2022 is £1,067,000 (see page 61). The Governing Body continues to investigate the development of other sources of income.

The Board of Governors would like to thank the sponsors: the John Martin Charity for their kind donations to the academy. In accordance with the Charities statement of recommended practise ‘Accounting activities by Charities’ (SORP 2019) such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund, the restricted fixed asset fund balance will be reduced by annual depreciation charges over the expected useful life of the assets concerned. This funding is used specifically to support disadvantaged students.

a. Reserves policy

Governors determine what the level of uncommitted reserves should be. This is currently planned to be equal to at least one month’s operational costs, approximately £548,000. Currently the school holds approximately £464,000 in reserves. Once confirmation is received on the scope and quantum resulting from the new Funding Formula, the aim is to maintain reserves at a level so as to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

As a part of its monitoring of in year financial performance, the Governing Body reviews the forecast impact on reserves and considers this as a part of its medium term financial planning. As at 31 August 2022 the academy held total general funds of £464,000 which it plans to use in part as a component of that medium term financial plan.

Under Accounting Standard FRS102 it is necessary to charge projected deficits on the Local Government Pension Scheme that is provided for non-teaching staff to a specific restricted reserve. As at 31 August 2022 the deficit on this reserve amounted to £1,067,000. It should be noted however that this does not present the academy with a current Capital or Liquidity problem. Contributions to the pension scheme are being budgeted over the next few years in order to reduce the deficit.

Unrestricted funds show an acceptable carry forward balance of £387,000 (2021: £355,000) which is in line with academy budgets and objectives.

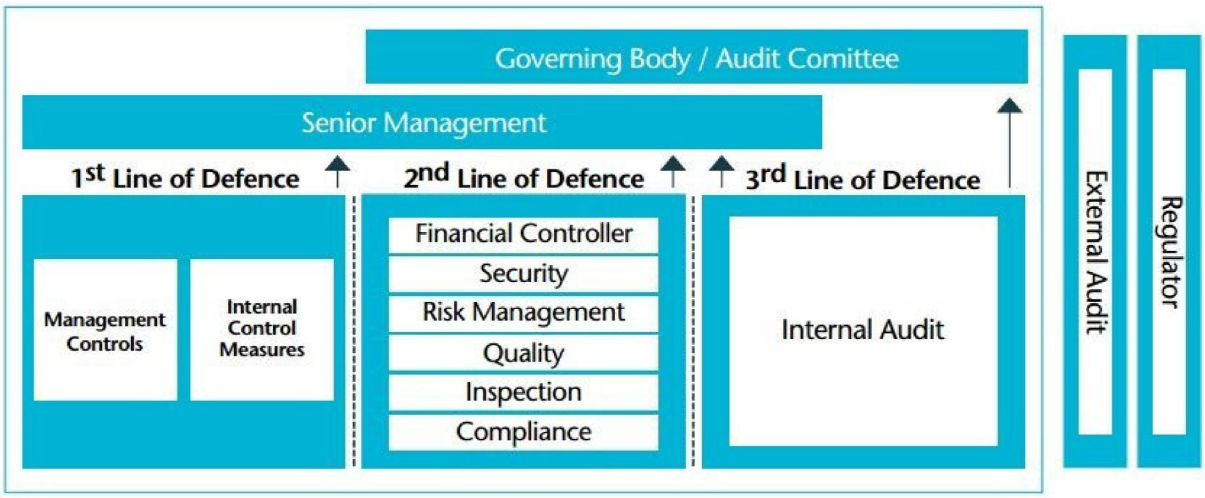
The Headteacher together with the Finance Manager will ensure that any surplus funds are deposited to maximise interest whilst maintaining a safe and secure investment strategy. This is set out in the Academy’s Investment Policy and is actively monitored through the Senior Leadership Team and Audit and Risk Committee.

b. Principal risks and uncertainties

Our principal risks and uncertainties during the 2021 - 22 academic year were:

- Covid-19 pandemic including:
  - Risk to staff
  - Risk to pupils
  - Covid-secure site
  - Missed education from Prince Henry’s and feeder schools
  - Ability to deliver construction programme on time and in budget
  - Loss of income from theatre and sports facilities
- Safeguarding
- Variations in school funding due to National Insurance increases, unfunded pay awards and increasing energy bills
- Site safety and security
- Cybersecurity and Data protection
- School closure
- The volatility of student numbers for demographic reasons, both at entry Year 9 and post 16
- Provision for alternative curriculum

The Academy has an ongoing risk management process and for the 2021-22 academic year ensured that any additional changes outlined in the Academy Trust Handbook 2021 were implemented. Overall responsibility for risk management rests with the Governing Body. The Audit and Risk Committee regularly monitors the types of risk the Academy faces, monitoring any changing levels of risk and identifying newly emerging risks. From 2021-22 the Academy adopted the principles and practices of Enterprise Risk Management as a key component of a Three Lines of Defence Model, as illustrated below:



Day-to-day managing and monitoring of risk is delegated to the Operations Manager who, as Chief Risk Officer (CRO), reports to the Headteacher and the Senior Leadership Team (SLT). During 2021-22 a new strategic plan for Risk Management was implemented. This plan includes details of:

- A Scheme of Delegation
- A new Risk Management Policy
- Improved risk reporting to the Governing Body
- Developing risk appetites and key performance indicators for key risk areas
- Developing risk appetite profiles to support the ongoing management and reporting of risk

The Academy will continue to monitor the principal risks and uncertainties as outlined above, together with any other emerging risks identified through the risk management process.

We have also taken a number of actions to assess and treat several major risks across the site, namely:

- Routinely updated the risk register.
- Conducted essential maintenance and repairs in house.
- Asbestos management survey and plan routinely updated in June 2022
- Tree survey September 2019, with planned re-survey during 2022-23
- Legionella Risk Assessment conducted during academic year 2020-21
- Multiple surveys of utilities around site prior to building works, resulting in a refresh of existing information
- Other risk areas are the protection of pupils, staff and assets as well as maintaining pupil numbers in order to manage the financial risks. Systems and procedures to minimise these are constantly being reviewed and updated.

As well as the Risk Management Procedures, the school has a Continuity Plan and a Whistleblower Policy in place.

The Academy undertakes a regular programme of Internal Audit (undertaken by an external third party) and has a clearly articulated Internal Audit Universe. In 2020, a School Resource Management Adviser (SRMA) review on behalf of the ESFA took place, and in 2022 two internal assurance audits undertaken by Optimum Professional Services, focused upon cybersecurity and the effectiveness of the Academy's addressing of points raised in the external auditor's management letter.

The key objectives of the Financial Risk Management Strategy are as follows: monitoring the government's intention to fully introduce the delayed National Funding Formula from 2022 and focusing closely on the teacher pay and pension grants and how these will eventually be incorporated into the National Funding Formula, as well as the impact of the increase to National Insurance Contributions from April 2022, unfunded pay awards and increased energy costs. As highlighted in the SRMA report of 2020, the school has taken a strategic approach to find efficiencies within its existing staffing structure as a result of natural movement of staff.

The Local Government Pension Scheme (LGPS) is reviewed by qualified actuaries on behalf of the Academy. There is currently a deficit on this as disclosed in the notes to the financial statements. The Trustees consider a significant source of financial risk to be that of the funding requirements of the LGPS. In order to mitigate this risk, the current and foreseeable service cost is monitored and periodic actuarial valuations are reviewed to assess the impact of external factors on the scheme liability.

Fundraising

Other than fundraising for local, national and international charities, including via the students' Interact group, which raised £4,750 from September 2021 to July 2022, the school does not participate in the collection of school funds from parents.

Plans for future periods

The school’s aims now are:

- To continue to focus intensely upon student outcomes with the return to external examination following the pandemic.
- To monitor and refine the school curriculum so students can identify any gaps in knowledge, skills and understanding from the lockdown period.
- To carefully manage the financial resources available through the school budget.
- To continue to develop our SCITT and to focus upon a role as a delivery partner for the continuation of the SCITT post-2024.
- To develop Teaching School Hub to meet the targets set for Year Two.
- To focus upon the outcomes of the new courses embedded into the Sixth Form curriculum.
- To support new Heads of Department in their role.
- To maintain outstanding teaching and learning for all groups of students in all departments; ensuring teaching reflects the new demands of the curriculum change to support Attainment 8 and Progress 8 measures
- To continue to thoroughly focus upon the progress of Disadvantaged Students
- To implement a rolling programme of classroom refurbishment throughout the year
- To further improve the quality, sustainability and retention of the staff through appropriate and targeted professional development
- To enhance sporting facilities with the installation of a 3-G pitch
- To expand and enhance extra-curricular and enrichment opportunities for students through expansion of the Duke of Edinburgh Award Scheme

Funds held as custodian on behalf of others

The Academy does not hold any funds as custodian Trustee on behalf of others.

Disclosure of information to auditor

Insofar as the Governors are aware:

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

Auditor

The auditor, Crowe U.K. LLP, has indicated his willingness to continue in office. The designated Governors will propose a motion reappointing the auditor at a meeting of the Governors.

The Governors' Report was approved by order of the Board of Governors, as the company directors, on 9 December 2022 and signed on its behalf by:

....	....
Stephen Butcher	**Dr Anthony Evans**
Chair of Governors	Accounting Officer

GOVERNANCE STATEMENT

Scope of responsibility

As Governors, we acknowledge we have overall responsibility for ensuring that The Prince Henry's 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 Governors, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The Board of Governors 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 The Prince Henry's High School Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Governors any material weaknesses or breakdowns in internal control.

Conflict of interest

All trustees recognise they have a legal duty to act only in the best interests of the trust and that they must not put themselves in any position where their duties as trustee may conflict with any personal interest they may have.

Trustees' personal and professional connections can bring benefits to the work of a charity and they often form part of the reason why an individual has been asked to join the trustee body however there may be a situation where there is a conflict of interest where a trustee's personal interests or loyalties could, or could be seen to, prevent them from making a decision only in the best interests of the charity.

To address these rare situations, the Trust holds a full Register of Business Interests which is recorded on the Trust's website alongside the Scheme of Delegation and Guide to Governance. The register is subdivided into:

- Academy Trust Members
- Trust Board Trustees
- School Governing Boards
- Senior Employees

Updates to the register are made as a result of information either resulting from a formal minuted committee meeting, where the first agenda item records any Declarations of Interest in respect of agenda items or otherwise, or from the annual business interests returns, which are completed in readiness for the year end external audit, and refreshed during the year, as circumstances dictate.

If there is a conflict of interest, the committee clerk ensures that the written record of the decision shows that the Trust has acted properly and complied with their duties by recording:

- the nature of the conflict
- which trustee or trustees were affected
- whether any conflicts of interest were declared in advance
- an outline of the discussion
- whether anyone withdrew from the discussion
- how the trustees took the decision in the best interests of the charity

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The Board of Governors has formally met 4 times during the year.

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

Governor	Meetings attended	Out of a possible
Linda Biggs, Co-Opted Governor	3	4
Joanna Brett, Parent Governor	4	4
Stephen Butcher, Chair of Governors / Partnership Governor	4	4
Stephen Cook, Community Governor	4	4
James Curran, Community Governor	3	4
Dr Anthony Evans, Staff Governor / Head Teacher / Accounting Officer	4	4
Ginette Getting, Parent Governor	4	4
Dr Victoria Hardwick, Parent Governor	4	4
Alan Harris, Partnership Governor	2	4
Harry Organ, Partnership Governor	3	4
John Painter, Partnership Governor	4	4
Dr Edward Pillar, Community Governor	3	4
Christopher Simpson, Parent Governor	4	4
Susan Sollis BEM, Community Governor	2	4
Michael Thompson, Staff Governor	3	4
Linda Walker, Staff Governor	2	4
Keith Watson, Vice Chair / Community Governor	4	4

The Full Governing Body meets formally four times per year. Discussions are held and decisions are made or ratified as appropriate. There are three main committees, which meet three or four times per year: Audit and Risk (A&R); Safeguarding, Property and General Purposes (SP&GP); and Academic, Pastoral and Teaching. The Accounts and Budget Sub-Committee meets at least twice a year and the Salaries and Appointments Committee meets as required, but normally at least twice a year.

During the year, these committees met in person or virtually, to discuss adherence to plan, to debate developing operational, financial and strategic issues and to support and challenge the Senior Leadership Team in their ongoing management of the performance, direction and strategy of the Academy. Specific work was undertaken in the areas of policy development and strategy with a particular focus on the budgetary constraints due to the impact of rapidly rising energy costs and unfunded national pay awards.

Interim decisions are reached at committee for ratification at Full Governing Body meetings. The day-to-day running of the Academy is delegated to the senior management team who report back to the Governors' committees as appropriate.

All committees are sub committees of the main board of governors as highlighted above. In addition to the Governors, the Academy Operations Manager and Academy Finance Manager attend all relevant meetings.

The effectiveness of governance is reviewed regularly and is included on the Risk Register. This is discussed at the Accounts and Budget meeting in December and then reviewed at the annual Members' meeting in January.

Governance (continued)

Attendance at meetings in the year was as follows:

Audit and Risk

Governor	Meetings attended	Out of a possible
Mr Alan Harris (Chair)	3	3
Mr Stephen Butcher	3	3
Dr Anthony Evans	2	3
Mr Chris Simpson	3	3
Mr Harry Organ	3	3
Mr John Painter	3	3
Mr Michael Thompson	0	3

Accounts and Budget

Governor	Meetings attended	Out of a possible
Mr John Painter (Chair)	2	2
Mr Stephen Butcher	2	2
Dr Anthony Evans	2	2
Mr Alan Harris	2	2

Academic, Pastoral and Teaching

Governor	Meetings attended	Out of a possible
Mr Keith Watson (Chair)	2	3
Mr Stephen Butcher	3	3
Dr Anthony Evans	3	3
Dr Victoria Hardwick	2	3
Rev Dr Edward Pillar	3	3
Mrs Linda Walker	3	3

Safeguarding, Property and General Purposes

Governor	Meetings attended	Out of a possible
Mr Stephen Cook (Chair)	3	3
Mrs Linda Biggs	3	3
Mrs Joanna Brett	2	3
Mr Stephen Butcher	3	3
Mr James Curran	2	3
Dr Anthony Evans	3	3
Mrs Sue Sollis	1	3
Mrs Linda Walker (moved Committee)	1	3

Salaries and Appointments

Governor	Meetings attended	Out of a possible
Mr Stephen Butcher	2	2
Mr Stephen Cook	2	2
Mr Alan Harris	1	2
Mr John Painter	2	2

Review of value for money

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

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

- Delivering a new Music Department in 2022 following a successful grant from the Wolfson Foundation. The contracts were sought, having undertaken an options appraisal to provide the best value for money in terms of timescale, delivery and the facility provided to the school. The department was delivered to the school on time and in budget.
- Undertaking a review of the teachers and support staff pay award, benchmarked against similar organisations in relation to staffing structures and in line with affordability for the school in order to keep within budget. The outcome was the designing of a new pay scale structure for support staff to be implemented from September 2022.
- Undertaking a review of cybersecurity through internal assurance by Optimum Professional Services to ensure that the school has robust procedures in place to prevent disruption to learning and day-to-day operations, avoiding financial and time costs that a security breach would cause.

All of the above has been undertaken to ensure key performance indicators are met and with the oversight and approval of the Audit and Risk Committee and, for the pay review, the Salaries and Appointments Committee.

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 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 The Prince Henry's High School Academy Trust for the year 1 September 2021 to 31 August 2022 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 is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks, which has been in place for the year 1 September 2021 to 31 August 2022 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 Trust has organised its internal controls to maximise its use of assets. The Senior Team and Governors receive monthly budget reports. The budget is closely monitored to utilise spare resources and prevent waste.

The Trust reviews its controls and managing risk through Senior Leadership Meetings, termly Audit and Risk and Safeguarding, Property and General Purposes meetings. Separate Accounts and Budget meetings are held twice a year. The Risk Register is annually reviewed, as are the Critical Incident Plan, the school's Insurance protections, handbooks and financial procedures. Relevant various sections are reviewed at individual Committee level. Bank balances are monitored monthly and when necessary higher interest accounts are used for the accumulation of slightly higher interest rates. The school normally commissions an independent external assurance report in an internal audit role, which reviews and gives recommendations relating to the above. During 2021-22, internal assurance audits were undertaken in relation to Remote Learning and Governance.

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 Governors
- Rregular 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

The Board of Governors has decided to employ Optimum Professional Services as internal auditor.

On an annual basis, the external auditor 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. The Auditors role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. In addition to an annual audit they will perform an interim audit during the year. They attend the Accounts & Budget Sub-Committee meeting once a year and other meetings, if required, during the year.

On an annual basis the internal assurance reviewer prepares a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress

The board of trustees decided to retain Optimum Professional Services in 2022 in order to undertake internal assurance reviews into cybersecurity and the effectiveness of the Academy's addressing of points raised in the external auditor's management letter.

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 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 work of the external auditor;
  Latest updates from ESFA

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 Accounts and Budget sub-committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Governors on 9 December 2022 and signed on their behalf by:

....
Stephen Butcher
Chair of Trustees

....
Dr Anthony Evans
Accounting Officer

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of The Prince Henry's High School Academy Trust I have considered my responsibility to notify the Academy Board of Governors and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Trust Handbook 2021.

I confirm that I and the Academy Board of Governors 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 Academies Trust Handbook 2021.

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the Board of Governors. If any instances are identified after the date of this statement, these will be notified to the Board of Governors and ESFA:

An email was received by the music department to say that there was a baby grand piano for sale and the piano was ordered by PHHS following further approval by the Headteacher. Despite payment of £580 being made the piano didn’t ever arrive.

This was an isolated incident that happened during the summer holidays when the finance and management team were working remotely and normal protocols became compromised. Improvements to controls have been put in place to prevent a similar occurrence, especially during holiday periods.

....
Dr Anthony Evans
Accounting Officer
Date: 9 December 2022

STATEMENT OF GOVERNORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2022

The Governors (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' 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 Governors to prepare financial statements for each financial . Under company law, the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the charitable company and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Governors 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 2021 to 2022;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governors are responsible for ensuring that in their conduct and operation the Group and the charitable company apply 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 Governors are responsible for the maintenance and integrity of the corporate and financial information included on the group'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 Governors on 9 December 2022 and signed on its behalf by:

....
Stephen Butcher
Chair of Governors

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE PRINCE HENRY'S HIGH SCHOOL ACADEMY TRUST

Opinion

We have audited the financial statements of The Prince Henry's High School Academy Trust (the 'parent Academy') and its subsidiaries (the 'Group') for the year ended 31 August 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Academy Balance Sheet, the Consolidated 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 2021 to 2022 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 Group's and of the parent Academy's affairs as at 31 August 2022 and of the Group's 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 2021 to 2022 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group 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 Governors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE PRINCE HENRY'S 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 Auditor's Report thereon. The Governors 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 Governors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Governors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Group and the parent Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' 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:

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

Responsibilities of Governors

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

In preparing the financial statements, the Governors are responsible for assessing the Group's and the parent 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 Governors either intend to liquidate the Group or the parent Academy or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 Auditor's 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 obtained an understanding of the legal and regulatory frameworks within which the charitable group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102), Companies Act 2006, Academies Accounts Direction and the Academy Trust Handbook. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable group’s ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable group for fraud. The key laws and regulations we considered in this context were General Data Protection Regulation, health and safety legislation, Ofsted and employee legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquire of the Trustees and other management and inspection of regulatory and legal correspondence, if any. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing and completeness of income recognition and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Board about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the ESFA, and reading minutes of meetings of those charged with governance. In addition to this we have also designed audit procedures over income to test the timing and completeness of income recognition in the year.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 Auditor's Report.

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE PRINCE HENRY'S 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 Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Dave Darlaston (Senior Statutory Auditor)

for and on behalf of
Crowe U.K. LLP

Statutory Auditor

Black Country House

Rounds Green Road

Oldbury

West Midlands

B69 2DG

14 December 2022

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

In accordance with the terms of our engagement letter dated 15 October 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Prince Henry's High School Academy Trust during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to The Prince Henry's 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 The Prince Henry's 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 The Prince Henry's High School Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Prince Henry's High School Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Prince Henry's High School Academy Trust's funding agreement with the Secretary of State for Education dated 1 March 2011 and the Academy Trust Handbook, extant from 1 September 2021, 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 2021 to 2022. 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 2021 to 31 August 2022 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 our conclusion includes a review of the design and implementation of the charitable company's internal controls and review processes on regularity, supported by detailed tests on samples of costs incurred by the charitable company and specific transactions identified from our review.

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

Conclusion

In the course of our work, except for the matters listed below nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

As detailed in the Accounting Officers Regularity Report on page 25, the Trust was subject to a fraud during the year which led to a loss of £580.

Crowe UK LLP

Reporting Accountant
Crowe U.K. LLP

Statutory Auditor

Date: 14 December 2022

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 AUGUST 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Income from:						
Donations and capital grants	4	**-**	**126,115**	**180,274**	**306,389**	*61,060*
Other trading activities	6	**73,363**	**64,815**	**-**	**138,178**	*106,034*
Investments		**2,237**	**-**	**-**	**2,237**	*3,168*
Charitable activities		**-**	**7,259,215**	**-**	**7,259,215**	*7,016,504*
Teaching schools		**-**	**505,432**	**-**	**505,432**	*716,332*
Total income		**75,600**	**7,955,577**	**180,274**	**8,211,451**	*7,903,098*
Expenditure on:						
Raising funds		**37,031**	**3,959**	**-**	**40,990**	*14,687*
Charitable activities		**6,940**	**7,475,782**	**437,226**	**7,919,948**	*9,163,291*
Teaching schools		**-**	**503,432**	**-**	**503,432**	*648,798*
Total expenditure	7	**43,971**	**7,983,173**	**437,226**	**8,464,370**	*9,826,776*
Net income/(expenditure)		**31,629**	**(27,596)**	**(256,952)**	**(252,919)**	*(1,923,678)*
Transfers between funds	17	**-**	**(143,741)**	**143,741**	**-**	*-*
Net movement in funds before other recognised gains		**31,629**	**(171,337)**	**(113,211)**	**(252,919)**	*(1,923,678)*
Other recognised gains:						
Other gains		**-**	**2,039,000**	**-**	**2,039,000**	*67,000*
Net movement in funds		**31,629**	**1,867,663**	**(113,211)**	**1,786,081**	*(1,856,678)*

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Reconciliation of funds:						
Total funds brought forward		**355,228**	**(2,857,766)**	**20,282,000**	**17,779,462**	*19,636,140*
Net movement in funds		**31,629**	**1,867,663**	**(113,211)**	**1,786,081**	*(1,856,678)*
Total funds carried forward		**386,857**	**(990,103)**	**20,168,789**	**19,565,543**	*17,779,462*

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

The notes on pages 40 to 73 form part of these financial statements.

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2022

	Note		2022 £		2021 £
Fixed assets					
Tangible assets	13		**20,121,509**		*19,825,424*
			20,121,509		*19,825,424*
Current assets					
Debtors	14	**512,646**		*881,035*	
Cash at bank and in hand		**903,824**		*867,735*	
		1,416,470		*1,748,770*	
Creditors: amounts falling due within one year	15	**(905,436)**		*(873,732)*	
Net current assets			**511,034**		*875,038*
Total assets less current liabilities			**20,632,543**		*20,700,462*
Net assets excluding pension liability			**20,632,543**		*20,700,462*
Defined benefit pension scheme liability	24		**(1,067,000)**		*(2,921,000)*
Total net assets			**19,565,543**		*17,779,462*

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2022

	Note		2022 £		2021 £
Funds of the Academy					
Restricted funds:					
Fixed asset funds	17	**20,168,789**		*20,282,000*	
Restricted income funds	17	**76,897**		*63,234*	
Restricted funds excluding pension asset	17	**20,245,686**		*20,345,234*	
Pension reserve	17	**(1,067,000)**		*(2,921,000)*	
Total restricted funds	17		**19,178,686**		*17,424,234*
Unrestricted income funds	17		**386,857**		*355,228*
Total funds			**19,565,543**		*17,779,462*

The financial statements on pages 33 to 73 were approved by the Governors, and authorised for issue on 09 December 2022 and are signed on their behalf, by:

....
Stephen Butcher
Chair of Governors

....
Dr Anthony Evans
Accounting Officer

The notes on pages 40 to 73 form part of these financial statements.

ACADEMY BALANCE SHEET
AS AT 31 AUGUST 2022

	Note		2022 £		2021 £
Fixed assets					
Tangible assets	13		**20,121,509**		*19,825,424*
			20,121,509		*19,825,424*
Current assets					
Debtors	14	**512,647**		*1,170,361*	
Cash at bank and in hand		**903,824**		*578,949*	
		1,416,471		*1,749,310*	
Creditors: amounts falling due within one year	15	**(905,436)**		*(864,213)*	
Net current assets			**511,035**		*885,097*
Total assets less current liabilities			**20,632,544**		*20,710,521*
Net assets excluding pension liability			**20,632,544**		*20,710,521*
Defined benefit pension scheme liability	24		**(1,067,000)**		*(2,921,000)*
Total net assets			**19,565,544**		*17,789,521*

ACADEMY BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2022

	Note		2022 £		*2021 £*
Funds of the Academy					
Restricted funds:					
Fixed asset funds	17	**20,168,789**		*20,279,000*	
Restricted income funds	17	**76,897**		*66,234*	
Restricted funds excluding pension liability	17	**20,245,686**		*20,345,234*	
Pension reserve	17	**(1,067,000)**		*(2,921,000)*	
Total restricted funds	17		**19,178,686**		*17,424,234*
Unrestricted income funds	17		**386,858**		*365,287*
Total funds			**19,565,544**		*17,789,521*

The financial statements on pages 33 to 73 were approved by the Governors, and authorised for issue on 09 December 2022 and are signed on their behalf, by:

....
Stephen Butcher
Chair of Governors

....
Dr Anthony Evans
Accounting Officer

The notes on pages 40 to 73 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £	*2021* *£*
Cash flows from operating activities	19	**599,126**	*758,322*
Cash flows from investing activities	20	**(563,037)**	*(2,164,000)*
Change in cash and cash equivalents in the year		**36,089**	*(1,405,678)*
Cash and cash equivalents at the beginning of the year		**867,735**	*2,273,413*
Cash and cash equivalents at the end of the year	21, 22	**903,824**	*867,735*

The notes on pages 40 to 73 form part of these financial statements

1. Accounting policies

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

The company is a private company (limited by guarantee), which is incorporated and registered in England and Wales (no. 07512962). The address of the registered office is Victoria Avenue, Evesham, Worcestershire, WR11 4QH.

1.1 Basis of preparation of financial statements

The financial statements of the Group, 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 *2021* to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Prince Henry's High School Academy Trust meets the definition of a public benefit entity under FRS 102.

The Trust is the ultimate parent undertaking, having 100% control of PHHS Trading Company Limited, a company limited by guarantee and registered in England and Wales.

The subsidiary has ceased operating trading activities and will be dormant from 1 September 2022.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Academy and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Academy has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

1.2 Going concern

The Governors assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The Governors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy 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. Accounting policies (continued)

1.3 Income

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

- **Grants**

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

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

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

- **Sponsorship income**

  Sponsorship income provided to the Group which amounts to a donation is recognised in the Consolidated Statement of Financial Activities in the year in which it is receivable (where there are no performance-related conditions) where receipt is probable and it is measurable.

- **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 Group has provided the goods or services.

1. Accounting policies (continued)

1.4 Expenditure

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

- **Expenditure on raising funds**
  This includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Taxation

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

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

1.6 Tangible fixed assets

Assets costing £500 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 Consolidated 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 Consolidated 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:

1. Accounting policies (continued)

1.6 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

Freehold property	- 120 Years Straight Line (Buildings) & 10 Years Straight Line (Temporary Structures)
Furniture and fittings	- 5 Years Straight Line
Plant and machinery	- 7 Years Straight Line
Computer equipment	- 4 Years Straight Line

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

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 Consolidated 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 and provisions

Liabilities and provisions 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 Group anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1. Accounting policies (continued)

1.10 Financial instruments

The Group only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Group 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. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in 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. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment.

1.11 Operating leases

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

1. Accounting policies (continued)

1.12 Pensions

Retirement benefits to employees of the Group 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 Group 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 Group 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 Consolidated Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.13 Agency arrangements

The Academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Trust does not have control over the charitable application of the funds. The Trust can use up to 5% of the allocation towards its own administrative costs and this is recognised in the Statement of Financial Activities. The funds received and paid and any balances are disclosed in note 31.

1.14 Fund accounting

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

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 judgement

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

Critical accounting estimates and assumptions:

The Academy 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 24, 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 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The asset values are reported using estimated asset allocations prepared by the scheme Actuary. The asset value is calculated at each triennial valuation. Thereafter it is rolled forward to accounting dates using investment returns, contributions received and benefits paid out. During each annual reporting period between triennial valuations, asset returns are estimated using 11 months of market experience and one month of extrapolation being assumed.

Critical areas of judgement:

Fixed asset valuations have been included at their estimated fair value at the date of conversion, and depreciated over their useful life since. With no formal valuations occurring since this date, the judgement is to assess whether this valuation is still appropriate in the accounts.

3. General Annual Grant (GAG)

Under the funding agreement with the Secretary of State, the Academy was subject to limits at 31 August 2022 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The Academy has not exceeded these limits during the year ended 31 August 2022.

4. Income from donations and capital grants

	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Donations	126,115	50,000	**176,115**
Grants	-	130,274	**130,274**
	126,115	180,274	**306,389**

	Restricted funds 2021 £	*Restricted fixed asset funds 2021 £*	*Total funds 2021 £*
Donations	*33,913*	*-*	*33,913*
Grants	*-*	*27,147*	*27,147*
	33,913	*27,147*	*61,060*

5. Funding for the Academy's charitable activities

	Restricted funds 2022 £	Total funds 2022 £
Academy Educational Operations		
DfE/ESFA grants		
General Annual Grant	6,789,289	**6,789,289**
Other DfE/ESFA grants		
Rates Reclaim	34,560	**34,560**
Other DfE/ESFA Grants	68,226	**68,226**
Pupil Premium	131,566	**131,566**
Teachers Pay & Pension Grant	89,300	**89,300**
	7,112,941	**7,112,941**
Other Government grants		
Local authority grants	28,073	**28,073**
Other income from the Academy's academy educational operations	77,144	**77,144**
COVID-19 additional funding (DfE/ESFA)		
Catch-up Premium	16,971	**16,971**
COVID-19 additional funding (non-DfE/ESFA)		
Other COVID-19 funding	24,086	**24,086**
	7,259,215	**7,259,215**

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

	Restricted funds 2021 £	Total funds 2021 £
Academy Educational Operations		
DfE/ESFA grants		
General Annual Grant	*6,239,562*	*6,239,562*
Other DfE/ESFA grants		
Rates Reclaim	*34,913*	*34,913*
Other DfE/ESFA Grants	*88,896*	*88,896*
Pupil Premium	*111,864*	*111,864*
Teachers Pay & Pension Grant	*335,849*	*335,849*
	6,811,084	*6,811,084*
Other Government grants		
Local authority grants	*31,320*	*31,320*
Other income from the Academy's academy educational operations	*57,236*	*57,236*
COVID-19 additional funding (DfE/ESFA)		
Catch-up Premium	*75,192*	*75,192*
COVID-19 additional funding (non-DfE/ESFA)		
Coronavirus Job Retention Scheme grant	*4,652*	*4,652*
Other COVID-19 funding	*37,020*	*37,020*
	41,672	*41,672*
	7,016,504	*7,016,504*

The Academy Trust received £17k *(2021: £75k)* of funding for catch-up premium and costs incurred in respect of this funding totalled £17k *(2021: £75k)*.

The Academy Trust has also been eligible to claim additional funding of £24k *(2021: £37k)* in year from government support schemes in response to the coronavirus outbreak for mass testing.

6. Income from other trading activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Music fees	-	29,368	**29,368**
Sports co-ordinator and other staff recharges	-	9,183	**9,183**
Examination fees	-	1,590	**1,590**
Insurance claim income	-	600	**600**
Other income	23,885	24,074	**47,959**
Lettings and hire of facilities	49,478	-	**49,478**
	73,363	64,815	**138,178**

	Unrestricted funds 2021 £	*Restricted funds 2021 £*	*Total funds 2021 £*
Music fees	-	*27,114*	*27,114*
Sports co-ordinator and other staff recharges	-	*10,087*	*10,087*
Examination fees	-	*662*	*662*
Insurance claim income	-	*3,988*	*3,988*
Other income	*43,254*	*7,636*	*50,890*
Lettings and hire of facilities	*13,293*	-	*13,293*
	56,547	*49,487*	*106,034*

7. Expenditure

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £
Expenditure on fundraising trading activities:				
Direct costs	-	-	40,990	**40,990**
Academy Educational Operations:				
Direct costs	4,822,437	-	616,841	**5,439,278**
Allocated support costs	1,252,178	437,226	791,266	**2,480,670**
Teaching school	304,232	-	199,200	**503,432**
	6,378,847	437,226	1,648,297	**8,464,370**

	Staff Costs 2021 £	*Premises 2021 £*	*Other 2021 £*	*Total 2021 £*
Expenditure on fundraising trading activities:				
Direct costs	-	-	*14,687*	*14,687*
Academy Educational Operations:				
Direct costs	*4,358,015*	-	*886,129*	*5,244,144*
Allocated support costs	*1,594,035*	*1,875,654*	*400,507*	*3,870,196*
Teaching school	*537,400*	-	*111,398*	*648,798*
Total 2021	*6,489,450*	*1,875,654*	*1,412,721*	*9,777,825*

8. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Academy Educational Operations	5,439,278	2,480,670	**7,919,948**

	Activities undertaken directly 2021 £	*Support costs 2021 £*	*Total funds 2021 £*
Academy Educational Operations	*5,244,144*	*3,870,196*	*9,114,340*

Analysis of direct costs

	Academy Educational Operations 2022 £	Total funds 2022 £
Pension finance costs	49,000	**49,000**
Staff costs	4,822,437	**4,822,437**
Staff expenses	3,500	**3,500**
Educational supplies	128,606	**128,606**
Examination fees	207,165	**207,165**
Staff development	15,631	**15,631**
Insurance	24,358	**24,358**
Technology costs	85,984	**85,984**
Other	102,597	**102,597**
	5,439,278	**5,439,278**

8. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	Academy Educational Operations 2021 £	*Total funds 2021 £*
Pension finance costs	*49*	*49*
Staff costs	*4,687,815*	*4,687,815*
Staff expenses	*5,000*	*5,000*
Educational supplies	*141,044*	*141,044*
Examination fees	*146,080*	*146,080*
Staff development	*5,074*	*5,074*
Insurance	*22,788*	*22,788*
Technology costs	*129,419*	*129,419*
Other	*106,875*	*106,875*
	5,244,144	*5,244,144*

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Academy Educational Operations 2022 £	Total funds 2022 £
Staff costs	1,252,178	**1,252,178**
Depreciation	437,226	**437,226**
Insurance	8,124	**8,124**
Other	69,545	**69,545**
Maintenance of Premises	83,026	**83,026**
Cleaning and Caretaking	187,335	**187,335**
Operating Lease Rentals	40,950	**40,950**
Rates	34,560	**34,560**
Energy	142,572	**142,572**
Security	11,109	**11,109**
Transport	28,930	**28,930**
Catering	39,304	**39,304**
Other Premises Costs	53,980	**53,980**
Legal & Professional	67,395	**67,395**
Auditor costs	16,925	**16,925**
Governance costs	7,511	**7,511**
	2,480,670	**2,480,670**

8. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	Academy Educational Operations 2021 £	*Total funds 2021 £*
Staff costs	*1,243,635*	*1,243,635*
Depreciation	*1,875,654*	*1,875,654*
Insurance	*10,302*	*10,302*
Other	*58,544*	*58,544*
Maintenance of Premises	*88,865*	*88,865*
Cleaning and Caretaking	*179,516*	*179,516*
Operating Lease Rentals	*41,329*	*41,329*
Rates	*34,913*	*34,913*
Energy	*110,214*	*110,214*
Security	*8,882*	*8,882*
Transport	*2,849*	*2,849*
Catering	*78,359*	*78,359*
Other Premises Costs	*47,219*	*47,219*
Legal & Professional	*74,676*	*74,676*
Auditor costs	*12,205*	*12,205*
Governance costs	*3,034*	*3,034*
	3,870,196	*3,870,196*

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2022 £	*2021 £*
Operating lease rentals	**40,950**	*41,329*
Depreciation of tangible fixed assets	**437,226**	*1,875,654*
Fees paid to auditor for:		
- audit	**10,200**	*10,200*
- other services	**2,925**	*4,000*

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2022 £	2021 £
Wages and salaries	**4,594,006**	*4,499,338*
Social security costs	**456,187**	*433,596*
Pension costs	**1,244,054**	*1,185,516*
	6,294,247	*6,118,450*
Temporary staff and apprentice	**84,600**	*350,000*
Staff restructuring costs	**-**	*21,000*
	6,378,847	*6,489,450*

Staff restructuring costs comprise:

	Academy 2022 £	Academy 2021 £
Severance payments	**-**	*21,000*
	-	*21,000*

b. Staff numbers

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

	2022 No.	2021 No.
Teachers	**88**	*87*
Administration & Support	**69**	*66*
Management	**7**	*7*
	164	*160*

10. Staff (continued)

b. Staff numbers (continued)

The average headcount expressed as full-time equivalents was:

	2022 No.	*2021 No.*
Teachers	**74**	*73*
Administration & Support	**41**	*41*
Management	**7**	*7*
	122	*121*

c. Higher paid staff

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

	2022 No.	*2021 No.*
In the band £60,001 - £70,000	**4**	*4*
In the band £70,001 - £80,000	**1**	*-*
In the band £110,001 - £120,000	**1**	*1*

d. Key management personnel

The key management personnel of the Academy comprise the Governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £700,576 *(2021: £677,900)*.

11. Governors' remuneration and expenses

One or more Governors has been paid remuneration or has received other benefits from an employment with the Academy. The principal and other staff Governors 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 Governors' remuneration and other benefits was as follows:

		2022	*2021*
		£	*£*
Dr Anthony Evans	Remuneration	**120,000 - 125,000**	*115,000 - 120,000*
	Pension contributions paid	**25,000 - 30,000**	*25,000 - 30,000*
Michael Thompson	Remuneration	**50,000 - 55,000**	*50,000 - 55,000*
	Pension contributions paid	**10,000 - 15,000**	*10,000 - 15,000*
Linda Walker	Remuneration	**5,000 - 10,000**	*50,000 - 55,000*
	Pension contributions paid	**0 - 5,000**	*10,000 - 15,000*

During the year ended 31 August 2022, no expenses were reimbursed or paid directly to Governor *(2021 - £NIL to Governor)*.

12. Governors' and Officers' insurance

In accordance with normal commercial practice, the Group has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the year ended 31 August 2022 was indeterminable, due to its inclusion within the overall RPA agreement which is consistent with the prior year.

13. Tangible fixed assets

Group and Academy

	Freehold property £	Fixtures and fittings £	Plant and machinery £	Computer equipment £	Assets under construction £	Total £
Cost or valuation						
At 1 September 2021	**20,840,378**	**650,858**	**442,406**	**466,724**	**153,910**	**22,554,276**
Additions	**615,724**	**13,266**	**24,053**	**18,005**	**62,263**	**733,311**
Disposals	**-**	**(2,997)**	**-**	**(2,250)**	**-**	**(5,247)**
Transfers between classes	**153,910**	**-**	**-**	**-**	**(153,910)**	**-**
At 31 August 2022	**21,610,012**	**661,127**	**466,459**	**482,479**	**62,263**	**23,282,340**
Depreciation						
At 1 September 2021	**1,703,470**	**459,729**	**220,554**	**345,099**	**-**	**2,728,852**
Charge for the year	**298,592**	**47,420**	**44,079**	**47,135**	**-**	**437,226**
On disposals	**-**	**(2,997)**	**-**	**(2,250)**	**-**	**(5,247)**
At 31 August 2022	**2,002,062**	**504,152**	**264,633**	**389,984**	**-**	**3,160,831**
Net book value						
At 31 August 2022	**19,607,950**	**156,975**	**201,826**	**92,495**	**62,263**	**20,121,509**
At 31 August 2021	*19,136,908*	*191,129*	*221,852*	*121,625*	*153,910*	*19,825,424*

14. Debtors

	Group 2022 £	*Group 2021 £*	**Academy 2022 £**	*Academy 2021 £*
Due within one year				
Trade debtors	**15,135**	*2,781*	**15,135**	*300*
Amounts owed by group undertakings	**-**	*-*	**-**	*291,863*
Other debtors	**40,162**	*97,419*	**40,162**	*97,419*
Prepayments and accrued income	**457,349**	*780,779*	**457,350**	*780,779*
Tax recoverable	**-**	*56*	**-**	*-*
	512,646	*881,035*	**512,647**	*1,170,361*

15. Creditors: Amounts falling due within one year

	Group 2022 £	*Group 2021 £*	**Academy 2022 £**	*Academy 2021 £*
Trade creditors	**475,110**	*483,092*	**475,110**	*482,174*
Other creditors	**229,563**	*234,070*	**229,563**	*226,219*
Accruals and deferred income	**200,763**	*156,570*	**200,763**	*155,820*
	905,436	*873,732*	**905,436**	*864,213*

	Group 2022 £	*Group 2021 £*	**Academy 2022 £**	*Academy 2021 £*
Deferred income at 1 September 2021	**55,231**	*50,000*	**55,231**	*50,000*
Resources deferred during the year	**90,304**	*55,231*	**90,304**	*55,231*
Amounts released from previous periods	**(55,231)**	*(50,000)*	**(55,231)**	*(50,000)*
	90,304	*55,231*	**90,304**	*55,231*

At the balance sheet date, the Academy Trust was holding funds received in advance for the ESFA Rates Relief and Sixth Form Bursary funding received in advance of the 2022/23 financial year.

16. Financial instruments

	Group 2022 £	*Group 2021 £*	**Academy 2022 £**	*Academy 2021 £*
Financial assets				
Financial assets measured at fair value through income and expenditure	**903,824**	*867,735*	**903,824**	*578,949*

Financial assets measured at fair value through income and expenditure comprise of cash at bank and in hand.

17. Statement of funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
General Funds - all funds	**355,228**	**75,600**	**(43,971)**	**-**	**-**	**386,857**
Restricted general funds						
General Annual Grant	**31,234**	**6,789,289**	**(6,632,476)**	**(143,741)**	**-**	**44,306**
Pupil Premium	**15,000**	**131,566**	**(128,975)**	**-**	**-**	**17,591**
Catch-up premium	**-**	**16,971**	**(16,971)**	**-**	**-**	**-**
Other COVID-19 funding	**-**	**24,086**	**(24,086)**	**-**	**-**	**-**
Other DfE/ESFA grants	**-**	**102,786**	**(102,786)**	**-**	**-**	**-**
LA grants	**-**	**28,073**	**(28,073)**	**-**	**-**	**-**
Teaching School and SCITT	**13,000**	**505,432**	**(503,432)**	**-**	**-**	**15,000**
Donations	**1,000**	**-**	**(1,000)**	**-**	**-**	**-**
Other restricted income	**3,000**	**268,074**	**(271,074)**	**-**	**-**	**-**
Teachers Pay & Pension Grant	**-**	**89,300**	**(89,300)**	**-**	**-**	**-**
Pension reserve	**(2,921,000)**	**-**	**(185,000)**	**-**	**2,039,000**	**(1,067,000)**
	(2,857,766)	**7,955,577**	**(7,983,173)**	**(143,741)**	**2,039,000**	**(990,103)**

17. Statement of funds (continued)

Restricted fixed asset funds						
Fixed Asset Fund	**19,825,000**	**-**	**(437,226)**	**733,735**	**-**	**20,121,509**
Devolved Formula Capital	**-**	**27,462**	**-**	**(27,462)**	**-**	**-**
Other Contributions to projects	**200,000**	**-**	**-**	**(200,000)**	**-**	**-**
CIF grant: D-block project	**257,000**	**-**	**-**	**(257,000)**	**-**	**-**
CIF grant: Roof replacement	**-**	**(16,731)**	**-**	**16,731**	**-**	**-**
Conditional Improvement Fund grant	**-**	**109,543**	**-**	**(62,263)**	**-**	**47,280**
Wolfsen Grant	**-**	**50,000**	**-**	**(50,000)**	**-**	**-**
Local Authority Capital income	**-**	**10,000**	**-**	**(10,000)**	**-**	**-**
	20,282,000	**180,274**	**(437,226)**	**143,741**	**-**	**20,168,789**
Total Restricted funds	**17,424,234**	**8,135,851**	**(8,420,399)**	**-**	**2,039,000**	**19,178,686**
Total funds	**17,779,462**	**8,211,451**	**(8,464,370)**	**-**	**2,039,000**	**19,565,543**

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

The restricted general fund includes grants receiveable from the DfE / ESFA, Local Authority and other goverment grants to be used for the primary activity of the charitable company.

The restricted fixed asset fund relates to the grants received and assets transferred in and are held for the charitable company's primary activity.

17. Statement of funds (continued)

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

	Balance at 1 September 2020 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 31 August 2021* £
Unrestricted funds						
General Funds - all funds	*396,228*	*60,000*	*(15,000)*	*(86,000)*	*-*	*355,228*
Restricted general funds						
General Annual Grant	*21,234*	*6,152,000*	*(6,129,000)*	*(13,000)*	*-*	*31,234*
Pupil Premium	*-*	*112,000*	*(97,000)*	*-*	*-*	*15,000*
Catch-up premium	*-*	*75,000*	*(75,000)*	*-*	*-*	*-*
Other COVID-19 funding	*-*	*37,000*	*(37,000)*	*-*	*-*	*-*
Coronavirus Job Retention Scheme grant	*-*	*5,000*	*(5,000)*	*-*	*-*	*-*
Other DfE/ESFA grants	*20,000*	*212,000*	*(232,000)*	*-*	*-*	*-*
LA grants	*-*	*31,000*	*(31,000)*	*-*	*-*	*-*
Direct Income	*-*	*57,000*	*(57,000)*	*-*	*-*	*-*
Teaching School and SCITT	*6,000*	*716,000*	*(709,000)*	*-*	*-*	*13,000*
Donations	*-*	*34,000*	*(33,000)*	*-*	*-*	*1,000*
Other restricted income	*-*	*49,000*	*(46,000)*	*-*	*-*	*3,000*
Teachers Pay & Pension Grant	*-*	*336,000*	*(336,000)*	*-*	*-*	*-*
Pension reserve	*(2,839,000)*	*-*	*(149,000)*	*-*	*67,000*	*(2,921,000)*
	(2,791,766)	*7,816,000*	*(7,936,000)*	*(13,000)*	*67,000*	*(2,857,766)*

17. Statement of funds (continued)

Restricted fixed asset funds						
Fixed Asset Fund	*19,510,000*	*-*	*(1,876,000)*	*2,191,000*	*-*	*19,825,000*
Devolved Formula Capital	*-*	*27,000*	*-*	*(27,000)*	*-*	*-*
Other Contributions to projects	*126,000*	*-*	*-*	*74,000*	*-*	*200,000*
CIF grant: D-block project	*2,160,000*	*-*	*-*	*(1,903,000)*	*-*	*257,000*
CIF grant: Roof replacement	*236,000*	*-*	*-*	*(236,000)*	*-*	*-*
	22,032,000	*27,000*	*(1,876,000)*	*99,000*	*-*	*20,282,000*
Total Restricted funds	*19,240,234*	*7,843,000*	*(9,812,000)*	*86,000*	*67,000*	*17,424,234*
Total funds	*19,636,462*	*7,903,000*	*(9,827,000)*	*-*	*67,000*	*17,779,462*

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	20,121,509	**20,121,509**
Current assets	386,857	982,333	47,280	**1,416,470**
Creditors due within one year	-	(905,436)	-	**(905,436)**
Provisions for liabilities and charges	-	(1,067,000)	-	**(1,067,000)**
Total	386,857	(990,103)	20,168,789	**19,565,543**

18. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	*Restricted funds 2021 £*	*Restricted fixed asset funds 2021 £*	*Total funds 2021 £*
Tangible fixed assets	*424*	*-*	*19,825,000*	*19,825,424*
Current assets	*354,804*	*936,966*	*457,000*	*1,748,770*
Creditors due within one year	*-*	*(873,732)*	*-*	*(873,732)*
Provisions for liabilities and charges	*-*	*(2,921,000)*	*-*	*(2,921,000)*
Total	*355,228*	*(2,857,766)*	*20,282,000*	*17,779,462*

19. Reconciliation of net expenditure to net cash flow from operating activities

	2022 £	*2021 £*
Net expenditure for the year (as per Statement of Financial Activities)	**(252,919)**	*(1,923,678)*
Adjustments for:		
Depreciation	**437,226**	*1,876,000*
Capital grants from DfE and other capital income	**(170,274)**	*(27,000)*
Decrease in debtors	**368,389**	*522,000*
Increase in creditors	**31,704**	*162,000*
LGPS Adjustments	**185,000**	*149,000*
Net cash provided by operating activities	**599,126**	*758,322*

20. Cash flows from investing activities

	Group 2022 £	*Group 2021 £*
Purchase of tangible fixed assets	**(733,311)**	*(2,191,000)*
Capital grants from DfE Group	**170,274**	*27,000*
Net cash used in investing activities	**(563,037)**	*(2,164,000)*

21. Analysis of cash and cash equivalents

	Group 2022 £	*Group 2021 £*
Cash in hand and at bank	903,824	*867,735*
Total cash and cash equivalents	**903,824**	*867,735*

22. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	867,735	36,089	903,824
	867,735	36,089	903,824

23. Capital commitments

	Academy 2022 £	*Academy 2021 £*
Contracted for but not provided in these financial statements		
Purchase, construction or development of property	5,768	*455,000*

24. 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 Mercer. Both are multi-employer defined benefit schemes.

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

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

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.

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £842,234 *(2021 - £847,222)*.

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 Group has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Group has set out above the information available on the scheme.

24. Pension commitments (continued)

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 2022 was £300,000 *(2021 - £286,000)*, of which employer's contributions totalled £250,000 *(2021 - £238,000)* and employees' contributions totalled £ 50,000 *(2021 - £48,000)*. The agreed contribution rates for future years are 20.7 per cent for employers and 6.8 per cent for employees.

As described in note the LGPS obligation relates to the employees of the Academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy at the balance sheet date.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Principal actuarial assumptions

	2022 %	*2021 %*
Rate of increase in salaries	**4.4**	*4.2*
Rate of increase for pensions in payment/inflation	**3.0**	*2.8*
Discount rate for scheme liabilities	**4.3**	*1.7*
Inflation assumption (CPI)	**2.9**	*2.7*

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

	2022 Years	*2021 Years*
Retiring today		
Males	**22.6**	*22.7*
Females	**25.0**	*25.1*
Retiring in 20 years		
Males	**24.1**	*24.4*
Females	**27.0**	*27.1*

24. Pension commitments (continued)

Sensitivity analysis

	2022 **£000**	*2021* *£000*
Discount rate +0.1%	**(81,000)**	*(113,000)*
Mortality assumption - 1 year increase	**89,000**	*191,000*
CPI rate +0.1%	**82,000**	*114,000*
Pay growth +0.1%	**8,000**	*13,000*

Share of scheme assets

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

	At 31 August 2022 **£**	*At 31 August 2021* *£*
Equities	**2,366,000**	*2,551,000*
Corporate bonds	**87,000**	*3,000*
Property	**268,000**	*135,000*
Cash and other liquid assets	**58,000**	*77,000*
Other	**445,000**	*300,000*
Total market value of assets	**3,224,000**	*3,066,000*

The actual return on scheme assets was £-72,000 *(2021 - £459,000)*.

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

	2022 **£**	*2021* *£*
Current service cost	**(383,000)**	*(335,000)*
Interest cost	**(49,000)**	*(49,000)*
Administrative expenses	**(3,000)**	*(3,000)*
Total amount recognised in the Consolidated Statement of Financial Activities	**(435,000)**	*(387,000)*

24. Pension commitments (continued)

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

	2022 £	2021 £
At 1 September	**5,987,000**	*5,225,000*
Current service cost	**383,000**	*335,000*
Interest cost	**103,000**	*94,000*
Employee contributions	**50,000**	*48,000*
Benefits paid	**(67,000)**	*(61,000)*
Actuarial (gain)/loss	**(2,165,000)**	*346,000*
At 31 August	**4,291,000**	*5,987,000*

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

	2022 £	2021 £
At 1 September	**3,066,000**	*2,386,000*
Interest income	**54,000**	*45,000*
Employer contributions	**250,000**	*238,000*
Employee contributions	**50,000**	*48,000*
Benefits paid	**(67,000)**	*(61,000)*
Administration cost	**(3,000)**	*(3,000)*
Actuarial (losses)/gains	**(126,000)**	*413,000*
At 31 August	**3,224,000**	*3,066,000*

25. Operating lease commitments

At 31 August 2022 the Group and the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2022 £	Group 2021 £	Academy 2022 £	Academy 2021 £
Not later than 1 year	**35,717**	*44,000*	**35,717**	*44,000*
Later than 1 year and not later than 5 years	**65,778**	*101,000*	**65,778**	*101,000*
	101,495	*145,000*	**101,495**	*145,000*

26. 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 £NIL for the debts and liabilities contracted before he/she ceases to be a member.

27. Related party transactions

Owing to the nature of the Academy and the composition of the Board of Governors being drawn from local public and private sector organisations, transactions may take place with organisations in which the governors 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.

The following transactions took place in the period of account:

Westacre Middle School - in which the wife of governor Dr A Evans is a governor. Staff services were invoiced for £4,160 *(2021: £3,975)*; and mentoring services were purchased for £1,860. The amount due to Westacre Middle School at 31 August 2022 was £1,860 *(2021: £nil)*. The services were invoiced at the normal commercial rate.

28. Principal subsidiaries

PHHS Trading Company Limited

Subsidiary name	PHHS Trading Company Limited
Company registration number	7768785
Basis of control	Majority share holder
Equity shareholding %	100%

	2022	2021
Total assets as at 31 August 2022	£0	£291,323
Total liabilities as at 31 August 2022	£0	£301,381
Total equity as at 31 August 2022	-£1	-£10,059
Turnover for the year ended 31 August 2022	£0	£17,803
Expenditure for the year ended 31 August 2022	-£10,058	£12,849
Profit for the year ended 31 August 2022	£10,058	£5,078

The financial statements of PHHS Trading Company Limited have not been prepared on the going concern basis, as the entity ceased trading from 1 September 2021. The activity, assets and liabilities of the company transferred to the Prince Henry's High School Academy Trust during the year.

29. Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting year ending 31 August 2022 the Trust received £37,113 *(2021 - £38,807)* and disbursed £24,076 *(2021 - £29,946)* from the fund. An amount of £13,037 *(2021 - £8,861)* is included in creditors relating to undistributed funds that are repayable to ESFA.