Company Registration Number: 09066965 (England & Wales)

HEATHLAND WHITEFRIARS FEDERATION

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

HEATHLAND WHITEFRIARS FEDERATION
(A Company Limited by Guarantee)

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HEATHLAND WHITEFRIARS FEDERATION
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	L Malzard D Mattison D Parker D Pillay (resigned 7 June 2023)
Trustees	L Malzard, Chair of Trustees C Ho (appointed 17 April 2023) J Tushaw, Vice Chair E Shahini (appointed 17 April 2023, resigned 11 November 2023) P Vekaria, Accounting Officer (appointed 26 April 2023) F Hopkins J Watson, Accounting Officer (resigned 31 December 2022) S Srivastava M Cole (appointed 14 September 2022, resigned 5 September 2023) T Fung (appointed 14 September 2022) T Halai (appointed 14 September 2022, resigned 10 March 2023) J Laroussi (appointed 14 September 2022) S Ramsay (appointed 14 September 2022) R Williams (appointed 1 January 2023, resigned 16 April 2023) R Crossland (appointed 1 January 2023, resigned 16 April 2023) N Vashist (appointed 14 September 2022, resigned 11 November 2022) R Hastings (appointed 14 October 2022, resigned 15 December 2022) J Steinitz (resigned 14 December 2022)
Company registered number	09066965
Company name	Heathland Whitefriars Federation
Principal and registered office	Heathland Whitefriars Federation Heathland School Eastcote Lane Harrow HA2 9AG
Company Secretary	A Bowd
Senior Leadership Team	F Hopkins, Headteacher - Heathland School P Vekaria, Headteacher - Whitefriars School L Bose, Head of HR P Connolly, Deputy Headteacher - Whitefriars School R Crossland, Deputy Headteacher - Whitefriars School M Rome, Deputy Headteacher - Whitefriars School M O'Neill, Head of Finance C Webb, Acting Deputy Headteacher - Whitefriars School L Farrant, Deputy Headteacher - Heathland School

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

Independent Auditors	Price Bailey LLP Chartered Accountants Statutory Auditors Causeway House 1 Dane Street Bishop's Stortford Hertfordshire CM23 3BT

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their Annual Report together with the financial statements and Auditor's Report of Heathland Whitefriars Federation ("the Charitable Company" or "the Trust") for the year to 31 August 2023. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' Report under company law.

The Trust operates one primary Academy and one all-through Academy ("the Academies" or "the Schools") serving catchment areas in the London Borough of Harrow. The Academies have a combined pupil capacity of 2,264 and had a roll of 2,126, including 4 subsidiary registrations, in the census on 05 October 2023.

Structure, Governance and Management

Constitution

The Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents. The Trustees of Heathland Whitefriars Federation are also the Directors of the Charitable Company for the purposes of company law. Within this Report the terms Trustee and Director are interchangeable. The Charitable Company includes the following Academies:

- Heathland School
- Whitefriars School

The operation of The Trust's Academies and employment of staff are the responsibility of the Trustees. The Trust retains control of Academy budgets and finances, and monitors these through its Resources Committee (RC). The Trust has a Stakeholder Council which supports the Trust in an advisory role to shape and achieve its objectives. Within this Report, the term Trustee refers to a member of the Board of Trustees and the term Stakeholder to a member of the Stakeholder Council.

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

Members' Liability

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

Trustees' and Officers' Indemnities

The Trust has opted to be covered under the Government's Risk Protection Arrangements (RPA) scheme to protect Trustees, Stakeholders and Officers, from claims arising from negligent acts, omissions or errors whilst performing Trust business.

Method of Recruitment and Appointment or Election of Trustees

The arrangements are as set out in the Articles and Funding Agreement.

Trustees are appointed for a fixed term of 4 years. The Articles of Association make provision for not less than three but no maximum number of Trustees, including the Chair of the Safeguarding Committee, the Chair of the Resources Committee, the Chair of the Standards Committee, the Chair of the Stakeholder Council, and a minimum of 2 parent Trustees, unless there are parent Members of the Stakeholder Council. The Company may also have any co-opted Trustee. The total number of Trustees who are employees of the Company shall not exceed one third of the total number of Trustees.

The Members may appoint up to 5 Trustees. Parent Trustees and parent members of the Stakeholder Council shall be elected or appointed in accordance with the terms of reference determined by the Trustees. The Trustees, who have not themselves been so appointed, may appoint co-opted Trustees. Subject to them remaining eligible, any Trustee may be re-appointed or re-elected.

Policies and Procedures Adopted for the Induction and Training of Trustees and Stakeholders

The Trust is committed to providing adequate opportunities for Trustees and Stakeholders to undertake and receive suitable training so as to enable them to perform their role effectively. To this end the Trust provides internal training led by Trust and School staff and also links with local training providers and a number of highly regarded online providers and governance associations which are also sources of guidance and information.

All new Trustees and Stakeholders have an induction programme, according to their need, which includes introductory sessions, mentoring, formal training courses, and a tour of their/both Schools. This process will involve a meeting with the Chair of Trustees and/or Chair of the Stakeholder Council as appropriate and selected students and staff. All Trustees and Stakeholders are provided with access to a handbook plus copies of policies and procedures documents that are appropriate to the role they undertake as Trustees and Stakeholders with particular emphasis on the committee work that they will undertake.

Organisational Structure

The governance of the Trust is defined in the Memorandum and Articles of Association together with the Funding Agreement with the Department for Education.

The Board of Trustees meets on at least 6 occasions per year and is responsible for the strategic direction of the Trust. The Trustees are responsible for setting strategic policy, adopting an annual plan and budget, monitoring The Trust by the use of those budgets and making major decisions about the direction of The Trust, capital expenditure, senior staff appointments and executive pay.

The Stakeholder Council meets on at least 3 occasions each year to consider and recommend to the Board how the voice of pupils, parents, staff members and community should shape the objectives of the Schools' annual Improvement Plans and to focus on assisting with School activities and specific curriculum areas which have been highlighted in the Plan. Stakeholders are members of at least one other sub-committee, the terms of reference for which are reviewed annually, who report to the Board of Trustees.

The Trust's Senior Leadership Team (SLT) controls the Academies at an executive level implementing policies and reporting to the Board. The SLT is responsible for the day to day operation of the Academies, in particular organising staff, resources and students. They are responsible for the authorisation of spending in accordance with the agreed spending limits within financial regulations and agreed budgets. The Headteachers are responsible for the appointment of staff at Deputy Headteacher level and below, following vetting and safeguarding recruitment processes.

The Headteacher of Whitefriars School is the designated Accounting Officer and has overall responsibility for the day to day financial management of the Trust. The Headteachers manage the Trust on a daily basis supported by the Trust Senior Leadership Team comprising the Headteachers and Deputy Headteachers, the Heads of Finance, HR, and Operations, who look at the strategic aims of the Trust as a whole. The Trust Senior Leadership Team meets frequently to discuss emerging matters and to help to develop strategies for future development to be put to the Board of Trustees, as required, for approval.

Arrangements for setting pay and remuneration of key management personnel

Key management personnel include Trustees and those staff to whom the Trustees have delegated significant authority and responsibility in the day-to-day running of the Trust.
Pay and remuneration of key management personnel is decided by a variety of contributory factors, such as the Head Teacher Group size, Individual Salary Range, the pay scales for each role and the level of experience of each staff member. In addition, pay levels may be affected by nationally agreed pay awards, the ability to recruit and retain in post, all of which are in accordance with the Trust's appointment and pay policies.

All amendments to key management's pay and remuneration is approved by the appropriate sub-committee and ratified by the Board of Trustees.

Trade Union Facility Time

The Trust has no employees that are Trade Union Representatives.The Trust paid £2,226 in the year to Harrow Council to support backfill arrangements for schools whose employees are trade union representatives undertaking trade union duties on behalf of maintained schools, academies and free schools in Harrow.

Related Parties and other Connected Charities and Organisations

Owing to the nature of the Trust's operations and the composition of the Board of Trustees and Stakeholder Council being drawn from local public and private sector organisations, it is inevitable that from time to time transactions will take place with organisations in which a Trustee or a Stakeholder may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procedures. Any transaction where the Trustee or Stakeholder may have a pecuniary interest is only undertaken in accordance with the 'at cost' principle described in the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required.

The Trust did not cooperate with any related party during the academic year in pursuit of its charitable activities and does not have a formal sponsor.

Engagement with employees (including disabled persons)

The Trustees recognise that our employees are fundamental and core to our business and delivery of high quality education. Our success depends on attracting, retaining and motivating employees. The Trustees factor the implications of decisions on employees and the wider workforce, where relevant and feasible. Where appropriate, the Trust consults on matters such as policy, pay, health, safety and welfare with the relevant support staff and teaching trades unions.

The Trust provides information to employees generally by way of email, memoranda and staff meetings. Information is also channelled via leadership meetings and staff briefings. Employees are encouraged to familiarise themselves with Ofsted reports, available from the Trust website and student progress and attainment statistics, when they are made available.

Applications for employment by disabled persons are given full and fair consideration for all vacancies in accordance with their particular aptitude and abilities. In the event of employees becoming disabled then every effort is made to make reasonable adjustments, consider alternative posts and/or to retrain them in order that their employment within the Trust may continue.

Engagement with suppliers, customers and others in a business relationship with the Trust

The Trustees have implemented clear policies and procedures for dealing fairly with suppliers. Formal orders are placed and agreed payment terms adhered to.

The Trustees consider pupils and parents to be their "customers". Whilst pupils encounter engagement on a daily basis, engagement with parents is carried out through regular newsletters and face to face meetings.

Promoting the success of the Charitable Company

The Trustees have an obligation to act in a way most likely to promote the success of the Charitable Company. Details regarding engagement with employees, suppliers, parents, pupils and other connected parties have been covered in separate notes within the Trustees' Report. The obligation to assess the likely consequences of decisions in the longer term is noted within the reserves policy below as Trustees balance the needs of current and future cohorts.

The Trustees have identified reputational and ethical areas as key risks and their actions in these areas are covered within Principal risks and uncertainties later within this Strategic Report.

Objectives and Activities

Objects and Aims

The Trust's main aims as set out in its Articles of Association are:

- to advance, for the public benefit, education in the United Kingdom, offering a broad and balanced curriculum;
- to provide childcare facilities and adult training to develop the capacity and skills of parents to be and parents with children in such a way that they are better able to identify and help meet the needs of children;
- to promote, in Harrow and Wealdstone, the physical, intellectual and social development of children, especially those who are socially and economically disadvantaged;
- to develop the capacity and skills of those inhabitants of the area who are socially and economically disadvantaged in such a way that they are better able to identify, and help meet, their needs and to participate more fully in society;
- to provide recreational and leisure time facilities in the interests of social welfare for the inhabitants of the area, especially those who have need of such facilities by reason of their youth, age, infirmity or disablement, poverty or social and economic circumstances.

Objectives, Strategies and Activities

During the year the Trust has worked towards these aims by:

- Maintaining and building on exceptionally high standards of attainment and progress for all pupils;
- Sustaining outstanding pupil progress and attainment in all subjects by continuing to support teaching focus on "next steps" learning and high expectations within the new curriculum, ensuring that learning is central to all activity;
- Increasing the proportion of pupils achieving at greater depth (KS2 SATs) across the Federation;
- Increasing the proportion of pupils achieving a pass and a good pass in a range of GCSEs
- Increasing the proportion of pupils achieving at the highest standard in a range of GCSEs;
- Continuing to develop KS4 provision at Whitefriars School including inclusion and access arrangements for GCSE's
- Reviewing and improving Primary curriculum
- Raising the profile of children and young people's mental health and emotional well-being;
- Improving outdoor provision at Heathland School including play and sport equipment;
- Improving outdoor provision at Whitefriars School
- Raising the profile of strategies for supporting staff well-being; and

- Working with our School Improvement Partner on key areas for development.

- Increase the curriculum offer for KS5 subjects

Our success in fulfilling our aims can be measured by:

- Outcomes and wellbeing of pupils and students of all ages;
- Ofsted judgements;
- The reputation of the Schools and the Trust; and
- The support and approval of parents and families.

Public Benefit

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

Strategic Report

Achievements and Performance

The Trust continued its mission to:
- provide world class teaching and learning;
- encourage a wide range of extra-curricular activities;
- develop and retain suitable staff;
- guide students in suitable progression when they leave our Schools; and
- ensure that students at Whitefriars School achieved their potential in of public examinations.

Key Performance Indicators (KPIs)

Trustees monitor Key Performance Indicators (Key Dials), including the following, at least once per term, to ensure that performance remains outstanding in all areas:

- OFSTED outcomes;
- School attainment/standards data;
- EYFS Assessments;
- Phonics Test outcomes;
- SATs results;
- GCSE Results
- Pupil attendance data;
- Pupil recruitment data;
- Financial indicators – balanced budget based on reasonable assumptions, variances against budget in the management accounts, sufficiency of reserves;
- Staffing data, including outcomes of teaching and learning reviews;
- Governance data;
- Safeguarding data;
- Premises spending.

Going Concern

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

Financial Review

The principal source of funding for the Trust is the GAG and other grants that it receives from the Education and Skills Funding Agency (ESFA). For the year ended 31 August 2023 the Trust received £14,882,502 (2022 - £13,114,564) of GAG and other income. A high percentage of this income is spent on wages and salaries and support costs to deliver the Trust's primary objective of the provision of education. During the year the Trust spent a total of £14,990,223 (2022 - £14,865,527) including capital projects.

In common with many others, our schools are feeling the impact of price rises dwarfing increases in funding. Incessantly increasing pressure on SEND provision continues to have a major impact on the trust and is being felt most keenly in the primary sections, particularly at Heathland School, which has seen in year deficits in recent years which are eroding reserves earmarked for capital projects. The trust is looking at ways to halt this trend while maintaining the safety of staff and pupils and the standard of provision for all pupils.

	Restricted General Funds	Unrestricted Funds	Fixed Asset Fund	Pension Reserve	Total
Incoming Resources	14,577,800	202,652	102,050	-	14,882,502
Resources Expended	(13,803,899)	(97,218)	(44,431)		(13,945,548)
LGPS Charge				(888,000)	(888,000)
Depreciation			(787,675)		(787,675)
Employer contributions paid				631,000	631,000
Total Resources Expended	(13,803,899)	(97,218)	(832,106)	(257,000)	(14,990,223)
Assets Purchased from GAG	(78,079)	-	78,079		-
Actuarial Gains				1,232,000	1,232,000
Surplus / (Deficit) for the year	695,822	105,434	(651,977)	975,000	1,124,279
Balance at 1 September 2022	1,614,634	275,518	20,500,298	(2,092,000)	20,298,450
Balance at 31 August 2023	2,310,456	380,952	19,848,321	(1,117,000)	21,422,729

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Trust is recognising a significant pension fund deficit of £1,117,000. This does not mean that an immediate liability for this amount crystallises and such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years.

Reserves Policy

The Trust has determined a minimum level for relevant revenue reserves as 7% of annual income ('target ratio'); this is based on the amount expected to be required to cover to cover one month's payroll costs in the event of disruption to funding receipts. Our schools also set aside funds where they have identified the need to invest in specific capital or other projects. The aim is that a maximum of 20% of total revenue income will be held in revenue reserves. The Trust considers that this level of reserves should enable it to adjust quickly to changes in financial circumstances. Reserves may also be used where the Board deem it appropriate to approve a short term in-year deficit budget for a particular school.

The Trustees are aware of the requirement to balance current and future needs and always aim to set a balanced budget with annual income balancing annual expenditure. The Trustees monitor estimated year-end carry forward figures via the monthly reports from the Head of Finance. The budget plan identifies how any reserves carry forward will be allocated in the plan for the following academic year, including the identification of any funds earmarked for a specific project or purpose.

In common with many schools, those in the trust, and Heathland School in particular, face significant issues with both the affordability of appropriate SEND provision and with maintaining their estate to an adequate standard. Additional funding such as Condition Improvement Funding is hard to come by. The trust considers these factors when deciding on its reserves policy.

The Trust's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £380,952. This has been built up from a mixture of locally raised income and balances transferred from the predecessor schools.

The Trust's balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds at 31 August 2023 was £2,691,409.

The cash balance of the Trust has been very healthy all year, ending the year with a balance of £2,956,492. A significant proportion of this cash is held against specific projects and is not available to meet normal recurring expenditure.

Investment Policy

An Investment Policy was approved by the Board of Trustees in February 2022.

The aim of the policy is to ensure funds that the Trust does not immediately need to cover anticipated expenditure are invested to maximise the Trust's income but with minimal risk. The aim is to research where funds may be deposited applying prudency in ensuring there is minimum risk. The Trustees do not consider the investment of surplus funds as a primary activity, but rather as good stewardship, and as and when circumstances allow.

Principal Risks and Uncertainties

The Trustees maintain a risk register identifying the major risks to which the Trust and the individual schools are exposed, and identifying actions and procedures to mitigate those risks. A formal review of the risk register process is undertaken on an annual basis and the internal control systems and the exposure to said risks are monitored on behalf of the Trustees under the heading of Audit & Risk at Resources Committee meetings. The principal risks facing the Trust are outlined below; risks facing the Trust at an operational level are addressed by its systems and by internal financial and other controls.

The Trustees report that the Trust's financial and internal controls conform to guidelines issued by the ESFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

As a group of academy schools, the level of financial risk is low. Cash flows can be reliably forecast and monitored. Staff costs make up the majority of expenditure and are relatively stable with contingencies in place to cover such items as sickness and maternity.
The Trustees assess the other principal risks and uncertainties facing the Trust as follows:

- The Trust has considerable reliance on continued Government funding through the ESFA and whilst there has been a small injection of additional funding this will not be enough to counteract increases in wages and salaries, pension and national insurance contributions, energy prices, prices of supplies in general as a result of increasing inflation and any other additional costs that the Government may choose to introduce. Insufficient funding also impacts on trustees' responsibilities to ensure the trust's estate is safe, well maintained and complies with relevant regulations

- Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks;

- Reputational - the continuing success of the Schools is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk, Trustees ensure that student progress and outcomes are closely monitored and reviewed;

- Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline;

- Staffing - the success of the Schools is reliant on the quality of its staff and the Trustees monitor and review policies and procedures and recruitment to ensure continued development and training of staff as well as ensuring there is clear succession planning;

- Fraud and mismanagement of funds - the Trustees have appointed Alliotts LLP Chartered Accountants and Business Advisors to carry out a programme of internal scrutiny which includes independent and external checks on financial systems and records as required by the Academy Trust Handbook. All finance staff receive training to keep up to date with financial practice requirements and develop their skills in this area;

- Financial instruments – the Trust only deals with bank balances, cash and trade creditors, with limited trade and other debtors. The risk in this area is considered to be low;

- Defined benefit pension liability – as the Government has agreed to meet the defined benefit pension liability of any School (ceasing to exist, the main risk to the Trust is the annual cash flow funding of part of the deficit). Trustees take these payments into account when setting the annual budget plan;

- Cyber – keeping abreast of changes in technological threats and solutions in order to maintain adequate controls to reduce risk and protect systems to ensure continuity of service;

- Estate – the trust works with qualified Health & Safety Consultants experienced in the education sector to ensure the safety of our pupils, staff and other users and it does what it can to maintain its estate in order to deliver the best possible outcomes for its pupils, utilising information from the Condition Data Collections and accessing funding from the Condition Improvement Fund when it can but it is difficult to minimise all of the risks while also meeting the challenges of providing the education that our pupils deserve especially when Capital funding is so hard to come by and the system for allocating it is deeply unsatisfactory. Some aspects of maintenance and, in particular, remedial and improvement works, are very costly and unaffordable from the revenue budget, for Heathland School in particular, so need to be planned years in advance. This year the schools in the Trust have carried out the recommended checks for Reinforced Autoclaved Aerated Concrete and have been advised that RAAC is not present but this nationwide issue highlights that some estates risks are almost impossible to identify without very specialised knowledge.

The Trust has sought to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness.

Fundraising

The Trust only held small fundraising events during the year including various collections for charities selected by the Schools' Pupil Councils. The Trust does not work with professional fundraisers or companies who carry out fundraising on its behalf. During the year no complaints or issues have arisen as a result of the fundraising events. All fundraising undertaken during the year was monitored by the Trustees.

Streamlined Energy and Carbon Reporting

Greenhouse gas emissions and energy use data for the period 1 September 2022 to 31 August 2023

Total energy consumption (kWh)

Energy consumption break down (kWh)	1,572,017
Gas	1,011,007
Electricity	559,373
Oil	-
Biomass	-
Bulk Propane	-
Transport fuel - owned transport	1,617
Transport fuel - employee vehicles	20

Scope 1 emissions in metric tonnes CO2e

Gas consumption	181.98
Oil	-
Bulk propane	-
Biomass	-
Owned transport – mini-buses	0.63
Total scope 1	182.61

Scope 2 emissions in metric tonnes CO2e

Electricity	115.83

Scope 3 emissions in metric tonnes CO2e

Business travel in employee owned vehicles	0.01
Total gross emissions in metric tonnes CO2e	298.44

Intensity ratio

Number of pupils	2,126
Tonnes CO2e per pupil	0.1404

Quantification and Reporting Methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2023 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

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

Measures taken to improve energy efficiency

- We have installed solar panels where possible/economically viable;
- We have replaced and will continue to seek to replace older heating and lighting systems with more efficient versions, when and wherever possible
- We have continued to use video conferencing technology for staff meetings, to reduce the need for travel between and
- We have encouraged staff and pupils to use public transport rather than cars for as much travel as possible.

Plans for Future Periods

The Federation's Aims and Objectives for academic years 2023/24 and 2024/25:

- Further improve progress and attainment in reading and the provision for reading for pleasure;
- Ensure outstanding EYFS provision at Whitefriars School;
- Increase the % of pupils working at the higher standard at KS1 and KS2;
- Further improve the % of pupils gaining 4+ and 5+ in GCSE Maths and English;
- Further increase the % of pupils gaining 4+ and 5+ in GCSE Spanish;
- Ensure high GCSE/Equivalent attainment for prior higher-attaining Year 11 pupils;
- Ensure high attainment in the Sixth Form;
- Ensure that our curriculum enhances pupils' cultural capital;
- Evolve the curriculum to ensure greater opportunity for learning about Black, Asian and minority ethnic figures and achievers;
- Ensure clear progression of content at skills throughout the whole through-school at Whitefriars;
- Further reduce the rate of persistent absenteeism across both Schools;
- Further improve and enhance outdoor provision in both Schools
- CIF bid to replace the windows in the primary building at Whitefriars
- Replace the grass field at Whitefriars with an astro turf pitch by Autumn 25
- Increase the number of classrooms on the higher floors at Whitefriars with air conditioning, to make the l earning environment more comfortable
- New curricuclum with 3 year KS4 with increased staffing and teaching rooms
- CIF bid to replace huts at Heathland.

Funds Held as Custodian Trustee on Behalf of Others

Tne Trust acts as an agent in distributing 16-19 Bursary Funds for defined vulnerable groups, from the ESFA. Payments received from the 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 administration costs and this is recognised in the Statement of Financial Activities. Where the funds have not been fully applied in the accounting period then an amount will be included as amounts due to the ESFA.

Provision of Information to Auditors

Insofar as the Trustees are aware there is no relevant audit information of which the Charitable Company's Auditors are unaware, and the Trustees have taken all the 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.

Auditors

The Auditors, Price Bailey LLP, are willing to continue in office and a resolution to appoint them will be proposed at the Annual General Meeting.

The Trustees' Report, incorporating a strategic report, was approved by the Board of Trustees on 17 December 2023 and signed on its behalf by:

Lynne Malzard
Chair

GOVERNANCE STATEMENT

Scope of responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher of Whitefriars School, 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 Heathland Whitefriars Federation and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 7 times during the year.

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

Trustee	Meetings attended	Out of a possible
L Malzard, Chair of Trustees	7	7
C Ho	0	2
J Tushaw, Vice Chair	6	7
E Shahini	1	2
P Vekaria, Accounting Officer	2	2
F Hopkins	7	7
J Watson, Accounting Officer	3	3
S Srivastava	5	7
R Williams	2	2
R Crossland	1	2
N Vashist	0	1
R Hastings	0	0
J Steinitz	0	0

Review of year

There was a drive to increase the overall number of Trustees including the number of parent Trustees. 12 new Trustees were appointed during the year but 5 of these resigned during the year together with 2 of those of those who had been in post at the start of the year leaving 11 in post at the end of the year. Another 2 trustees resigned post year end. The Chair of Finance role, vacant since September 2022, was filled in April 2023 by a newly appointed trustee who is a qualified accountant with an extensive background in finance.

The Board's work this year has included:

- Consideration of the DfE's Education White Paper 2022
- Recruiting a replacement Headteacher for Whitefriars School, following resignation of the incumbent in December 2022
- strategic financial planning to ensure that Heathland Whitefriars continues to be a going concern

The trustees use specified key information from across the schools (including our Key Dials and management accounts) to facilitate them in holding the Trust's and schools' leadership to account in a range of areas including standards, attainment and pupil progress, safeguarding and financial management while maintaining an understanding of the schools' effectiveness in all areas.

Governance (continued)

Conflicts of interest

At the start of each academic year, and when a new Trustee or Member is appointed, Trustees and Members are required to complete a Declaration of Interests form which details their business interests and the business interests of persons connected to them. The Head of Finance also checks the Companies House website to confirm that disclosures regarding Directorships is accurate.

Trustees and Members are reminded to keep this information up to date during the year and Declarations of Financial or Pecuniary interest is an agenda item for each Board and committee meeting.

This information is used by the Company Secretary to keep the information on the trust website up to date and the Chair, Headteachers and Finance Teams are alert to any interests that have declared so that they are aware of any potential conflicts of interest.

Governance reviews

The Trust self-assesses annually which includes completing the required School Resource Management Self-Assessment checklist annually to assist it with assessing its Governance arrangements and identifying areas for improvement.

It plans to commission an external review of governance to take place in academic year 2023/24.

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

- Provide guidance and assistance to the Headteacher (Accounting Officer), Head of Finance (Chief Financial Officer) and Board of Directors on all financial matters including: Accounting Policies, Audit & Controls, Financial Monitoring, Procurement of Goods and Services, Payroll, Assets, Insurance;
- Advise the Board of Trustees on priorities, including health and safety, for the maintenance and development of the Federation's premises including: repairs and maintenance, premises related expenditure and funding bids, establishment and review of Building Development and Accessibility Plans;
- Provide guidance and assistance to the Board of Trustees on all staffing matters including: staffing structure, Pay Policy including operation of the Pay Committee and Pay Appeals Panel, appointments and other personnel related expenditure, system of appraisal, overseeing processes for staff reductions, staff work/life balance, working conditions and wellbeing, including the monitoring of absence, monitoring PPA time for all teachers;
- Review the Academy's internal and external financial statements and reports to ensure that they reflect best practice, consider all relevant reports and management letters by the appointed Auditors and recommend to the Board action as appropriate in response to audit findings, review the effectiveness of the Academy's internal control systems, develop, review and monitor the Trust's risk register and to recommend to the Members the appointment or reappointment of the external Auditors;
- Review the operation of the Academy Trust's code of conduct for Trustees and code of conduct for staff; and
- To establish and maintain effective whistleblowing procedures.

During the year the following issues were dealt with by the committee:
- Annual budget setting and review of variances against budget in the management accounts,
- Oversight of tendered services and projects and other significant capital expenditure projects
- Policy review

Under the heading of Audit and Risk, the committee dealt with the following issues:
- Oversight of risk management
- Oversight of internal scrutiny,
- Liaison with external auditors,
- Follow up on actions from previous year audits and risk management related activities.

Governance (continued)

During the year the following changes to the committee took place:

4 new members of the Committee were added in September 2022 including a new Chair; 3 of these later resigned. A further 5 new members were added later in the year including 2 acting Headteachers, a permanent Headteacher (Whitefriars) plus a new Chair and another member, both from financial backgrounds who were appointed in April 2023; the acting Headteachers were replaced by the new permanent Headteacher.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
F Hopkins	5	5
P Vekaria	2	2
J Tushaw	1	1
S Ramsay	1	1
J Laroussi	3	5

Review of value for money

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

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

1. Ensuring efficiency through financial governance and management
   There is robust financial governance and oversight including the following:
- Regular review of financial regulations, procedures and delegations.
- Use of DfE approved and other public sector purchasing frameworks and buying organisations where available and appropriate e.g. to procure a Managed ICT Service, in spring 2023, to improve ICT throughout the trust to support attainment and administrative efficiency
- Purchasing procedures based on clear segregation of duties and a requirement for a minimum of three quotes when specified thresholds are exceeded.
- Collaborative joint purchasing and procurement to reduce duplication of effort.
- Regularly reminding budget holders of the need to achieve best value and overseeing spending and staffing decisions and reviewing these for best value as well as optimising educational outcomes.
- Three-year financial planning and regular budget monitoring via monthly management accounts.
- Pay policies that are under pinned by the use of national and local pay scales.

2. Economy through working collaboratively to share best practice and reduce cost
   The trust actively participates in a range of collaborative initiatives including:
- Collaborative procurement across schools in the London Borough of Harrow, covering a wide range of services including catering and HR/payroll services this year and cleaning, Health & Safety and pest control services in 2023/24
- Sharing staff and resources across the two schools in the trust to eliminate duplication of effort and to achieve economies of scale.
- Use of the School Resource Management Advisor service to aid with implementation of the use of ICFP and benchmarking against closest statistical neighbours – the recommendations from this process will be utilised going forward into the academic year 2023/24 and beyond.

GOVERNANCE STATEMENT (CONTINUED)

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 Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Heathland Whitefriars Federation for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the Annual Report and financial statements.

Capacity to handle risk

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

The risk and control framework

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

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

The Board of Trustees has decided to buy-in an internal audit service from Alliotts LLP

This option has been chosen because the company has expertise in the provision of internal audit services to Academy Trusts and has accumulated knowledge of the Trust; the service also represents value for money.

The Internal Auditor's role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. In particular, the checks carried out in the current period included a review of the following:

- Fraud awareness
- Cash management

On an annual basis, the internal auditor reports to the Board of Trustees, through the audit committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. On an annual basis the internal auditor 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 Internal Auditor has delivered their schedule of work as planned and there were no material control issues arising as a result of the internal auditor's work.

GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

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

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

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

Approved by order of the members of the Board of Trustees on 17 December 2023 and signed on their behalf by:

Lynne Malzard
Chair of Trustees

Pritam Vekaria
Accounting Officer

HEATHLAND WHITEFRIARS FEDERATION
(A Company Limited by Guarantee)

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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

P Vekaria
Accounting Officer
Date: 15 December 2023

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

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

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

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

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

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

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

Approved by order of the members of the Board of Trustees on 17 December 2023 and signed on its behalf by:

Lynne Malzard
Chair

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF HEATHLAND WHITEFRIARS FEDERATION

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF HEATHLAND WHITEFRIARS FEDERATION (CONTINUED)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

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

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

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF HEATHLAND WHITEFRIARS FEDERATION (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:
We gained an understanding of the legal and regulatory framework applicable to the Academy and the sector in which it operates and considered the risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations in particular those regulations directly related to the financial statements, including financial reporting, and tax legislation. This included those regulations directly related to the financial statements, including compliance with Companies Act 2006, Charities Act 2011 and academy sector regulations.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

- We reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness. We also assessed management bias in relation to the accounting policies adopted and in determining significant accounting estimates.
- We reviewed minutes of Trustee Board meetings and other relevant sub-committees of the Board such as the Finance Committee and agreed the financial statement disclosures to underlying supporting documentation.
- We have made enquiries of the Accounting Officer and senior management team to identify laws and regulations applicable to the Academy. We assessed details of any breaches where applicable in order to assess the impact upon the Academy.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF HEATHLAND WHITEFRIARS FEDERATION (CONTINUED)

Use of our Report

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

Michael Cooper-Davis FCCA ACA (Senior Statutory Auditor)
for and on behalf of
Price Bailey LLP
Chartered Accountants
Statutory Auditors
Causeway House
1 Dane Street
Bishop's Stortford
Hertfordshire
CM23 3BT

18 December 2023

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO HEATHLAND WHITEFRIARS FEDERATION AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 6 July 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Heathland Whitefriars Federation during the year 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Heathland Whitefriars Federation's Accounting Officer and the Reporting Accountant

The accounting officer is responsible, under the requirements of Heathland Whitefriars Federation's funding agreement with the Secretary of State for Education dated 27 June 2014 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO HEATHLAND WHITEFRIARS FEDERATION AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

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 Trust's income and expenditure.

The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material irregularity, impropriety and non-compliance.
- Consideration and corroboration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance and how the Trust complies with the framework of authorities.
- Evaluation of the general control environment of the Trust, extending the procedures required for financial statements to include regularity, propriety and compliance.
- Discussions with and representations from the Accounting Officer and other key management personnel.
- An extension of substantive testing from our audit of the financial statements to cover matters pertaining to regularity, in order to support the regularity conclusion, including governance, internal controls, procurement and the application of income.

Conclusion

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

Reporting Accountant
Price Bailey LLP

Date: 18 December 2023

HEATHLAND WHITEFRIARS FEDERATION

(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:						
Donations and capital grants	3	630	49,878	102,050	152,558	72,859
Other trading activities	5	87,435	25,351	-	112,786	104,413
Investments	6	8,217	-	-	8,217	598
Charitable activities	4	106,370	14,502,571	-	14,608,941	12,936,694
Total income		202,652	14,577,800	102,050	14,882,502	13,114,564
Expenditure on:						
Charitable activities	7	97,218	14,060,899	832,106	14,990,223	14,865,527
Total expenditure		97,218	14,060,899	832,106	14,990,223	14,865,527
Net income / (expenditure)		105,434	516,901	(730,056)	(107,721)	(1,750,963)
Transfers between funds	16	-	(78,079)	78,079	-	-
Net movement in funds before other recognised gains/(losses)		105,434	438,822	(651,977)	(107,721)	(1,750,963)
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	23	-	1,232,000	-	1,232,000	6,561,000
Net movement in funds		105,434	1,670,822	(651,977)	1,124,279	4,810,037
Reconciliation of funds:						
Total funds brought forward		275,518	(477,366)	20,500,298	20,298,450	15,488,413
Net movement in funds		105,434	1,670,822	(651,977)	1,124,279	4,810,037
Total funds carried forward		380,952	1,193,456	19,848,321	21,422,729	20,298,450

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

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

HEATHLAND WHITEFRIARS FEDERATION
(A Company Limited by Guarantee)
REGISTERED NUMBER: 09066965

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note		2023 £		2022 £
Fixed assets					
Tangible assets	13		19,848,321		20,500,298
Current assets					
Debtors	14	669,637		407,653	
Cash at bank and in hand		2,956,492		2,359,480	
		3,626,129		2,767,133	
Creditors due within one year	15	(934,721)		(876,981)	
Net current assets			2,691,408		1,890,152
Total assets less current liabilities			22,539,729		22,390,450
Net assets excluding pension liability			22,539,729		22,390,450
Defined benefit pension scheme liability	23		(1,117,000)		(2,092,000)
Total net assets			21,422,729		20,298,450
Funds of the Trust					
Restricted funds:					
Fixed asset funds	16	19,848,321		20,500,298	
Restricted income funds	16	2,310,456		1,614,634	
Pension reserve	16	(1,117,000)		(2,092,000)	
Total restricted funds			21,041,777		20,022,932
Unrestricted income funds	16		380,952		275,518
Total funds			21,422,729		20,298,450

The financial statements on pages 27 to 54 were approved by the Trustees, and authorised for issue on 17 December 2023 and are signed on their behalf, by:

L Malzard
Chair

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

HEATHLAND WHITEFRIARS FEDERATION
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by operating activities	18	724,493	5,475
Cash flows from investing activities	20	(127,481)	(296,346)
Cash flows from financing activities	19	-	(517)
Change in cash and cash equivalents in the year		597,012	(291,388)
Cash and cash equivalents at the beginning of the year		2,359,480	2,650,868
Cash and cash equivalents at the end of the year	21, 22	2,956,492	2,359,480

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

1. Accounting policies

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

The Trust is a company limited by guarantee. The Members of the Company are named on page 1. In the event of the Trust being wound up, the liability in respect of the guarantee is limited to £10 per Member. The Trust's registered office is Heathland School, Eastcote Lane, Harrow, HA2 9AG.

1.1 Basis of preparation of financial statements

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

Heathland Whitefriars Federation meets the definition of a public benefit entity under FRS 102.

The Trust's functional and presentational currency is Pounds Sterling.

1.2 Going concern

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

The Trust derives the majority of its income from local and national Government grant funding which is secured for a number of years, under the terms of the Academy Funding Agreement with the Secretary of State for Education. This will ensure that the Trust can continue operating for a period of at least 12 months following the date of this Report. The financial statements do not contain any adjustments that would be required if the Trust were not able to continue as a going concern.

1. Accounting policies (continued)

1.3 Income

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

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the 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.

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.

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

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

All resources expended are inclusive of irrecoverable VAT.

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

1. Accounting policies (continued)

1.5 Interest receivable

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

1.6 Taxation

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

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

1.7 Tangible fixed assets

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following bases:

Long-term leasehold property	- 50 - 125 years
Furniture and equipment	- 5 - 10 years
Computer equipment	- 3 - 5 years
Motor vehicles	- 10 years

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

1.8 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. Accounting policies (continued)

1.9 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.

1.10 Liabilities

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

1.11 Financial instruments

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

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

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

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

1.12 Operating leases

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

1. Accounting policies (continued)

1.13 Pensions

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

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

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

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

1.14 Fund accounting

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

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

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

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The Trustees make 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 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and capital grants

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	630	49,878	-	50,508	38,918
Capital grants	-	-	102,050	102,050	33,941
Total 2023	630	49,878	102,050	152,558	72,859
Total 2022	519	38,399	33,941	72,859	

In 2022, income from donations was £38,918 of which £519 was unrestricted, £38,399 was restricted and £nil was attributable to restricted fixed asset funds.

In 2022, income from capital grants was £33,941, all of which was attributable to restricted fixed asset funds.

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

4. Funding for the Trust's Educational activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	11,751,557	11,751,557	10,923,377
Other DfE/ESFA grants				
Rates relief	-	22,055	22,055	19,578
Pupil Premium	-	626,968	626,968	589,310
Free school meals	-	158,435	158,435	158,678
Other DfE group grants	-	381,664	381,664	23,651
Teachers Pay grant	-	4,324	4,324	10,079
Teachers Pension grant	-	12,662	12,662	28,477
Sports premium	-	76,885	76,885	8,215
Schools supplementary grant	-	-	-	132,331
National tutoring programme	-	59,180	59,180	71,888
Mainstream additional grants	-	161,563	161,563	-
	-	13,255,293	13,255,293	11,965,584
Other Government grants				
Local Authority grants	-	824,602	824,602	763,596
Other funding				
Catering income	106,370	314,218	420,588	119,700
COVID-19 additional funding (DfE/ESFA)				
Other DfE/ESFA COVID-19 funding	-	-	-	16,130
Recovery premium funding	-	108,458	108,458	71,684
	-	108,458	108,458	87,814
Total 2023	106,370	14,502,571	14,608,941	12,936,694
Total 2022	119,700	12,816,994	12,936,694	

In 2022, Income from DFE / ESFA grants was £11,965,584, all of which was restricted.

In 2022, income from other Government grants was £763,596 all of which was restricted

In 2022, income from Other Funding was £119,700, all of which was unrestricted.

In 2022, income from COVID-19 additional funding was £87,814, all of which was restricted.

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

5. Income from other trading activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Lettings income	21,420	-	21,420	17,684
Other income	66,015	10,314	76,329	74,787
Music income	-	14,256	14,256	11,950
Sales income	-	781	781	(8)
Total 2023	87,435	25,351	112,786	104,413
Total 2022	92,471	11,942	104,413	

In 2022, lettings income was £17,684, all of which was unrestricted.

In 2022, other income was £74,787, all of which was unrestricted.

In 2022, music income was £11,950, all of which was restricted.

In 2022, sales income was (£8), all of which was restricted.

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Bank interest	8,217	8,217	598
Total 2022	598	598	

In 2022, investment income was £598, all of which was unrestricted.

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

7. Expenditure

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £	Total 2022 £
Provision for Education:					
Direct costs	9,078,850	-	727,889	9,806,739	9,653,908
Support costs	2,698,335	1,554,452	930,697	5,183,484	5,211,619
Total 2023	11,777,185	1,554,452	1,658,586	14,990,223	14,865,527
Total 2022	11,984,948	1,299,234	1,581,345	14,865,527	

In 2023, of total expenditure £97,218 (2022: £106,345) was on unrestricted funds, £14,060,899 (2022: £13,993,308) was on restricted funds and £832,107 (2022: £765,874) was on restricted fixed asset funds.

In 2022, direct costs consisted of £8,957,374 staff costs and £696,534 other costs.

In 2022, support costs consisted of £3,027,574 staff costs, £1,299,234 premises costs and £884,811 other costs.

	2023 £	2022 £
Analysis of support costs		
Support staff costs	2,698,335	3,027,574
Premises costs (excluding depreciation)	766,775	481,131
Depreciation	787,677	765,820
Technology costs	-	61,352
Governance costs	-	30,235
Legal costs	5,249	1,534
Other support costs	925,448	843,973
	5,183,484	5,211,619

8. Net expenditure

Net expenditure for the year includes:

	2023 £	2022 £
Operating lease rentals	14,675	27,649
Depreciation of tangible fixed assets	787,677	760,825
Fees paid to Auditors for:		
- audit	10,520	10,340
- other services	8,380	5,120

9. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	7,861,513	7,379,149
Social security costs	753,530	703,465
Pension costs	1,773,176	2,529,093
	10,388,219	10,611,707
Agency staff costs	1,388,966	1,373,241
	11,777,185	11,984,948

b. Staff numbers

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

	2023 No.	2022 No.
Teachers	102	99
Administration & support	156	164
Management	9	9
	267	272

9. Staff (continued)

c. Higher paid staff

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

	2023 No.	2022 No.
In the band £60,001 - £70,000	12	5
In the band £70,001 - £80,000	1	1
In the band £80,001 - £90,000	1	-
In the band £90,001 - £100,000	-	1
In the band £100,001 - £110,000	1	1

d. Key management personnel

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Trust was £900,302 (*2022* - £863,143). The number of key management personnel in the year was 14 (2022 - 10).

Employer National Insurance contributions included within key management personnel remuneration was £82,802 (2022 - £79,037).

Employer pension contributions included within key management personnel remuneration was £148,847 (2022 - £125,919).

10. Central services

The Trust has provided the following central services to its Academies during the year:

- Special educational needs
- Pupil and assessment data
- IT
- HR and Recruitment
- Legal services and Audit
- Publicity and communications
- Strategic Leadership
- Financial managment

The Trust charges for these services on the following basis:

The net cost of central services, including shared staff costs, provided to each of the Academies are recharged in proportion to their GAG funding for the year.

The actual amounts charged during the year were as follows:

	2023 £	2022 £
Heathland School	152,358	233,759
Whitefriars School	419,049	607,020
Total	571,407	840,779

11. Trustees' remuneration and expenses

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

		2023 £	2022 £
P Vekaria	Remuneration	35,000 - 40,000	
	Pension contributions paid	5,000 - 10,000	
J Watson	Remuneration	35,000 - 40,000	100,000 - 105,000
	Pension contributions paid	5,000 - 10,000	20,000 - 25,000
F Hopkins	Remuneration	105,000 - 110,000	95,000 - 100,000
	Pension contributions paid	25,000 - 30,000	20,000 - 25,000

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

12. Trustees' and Officers' insurance

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

13. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2022	21,635,900	3,096,418	567,418	36,525	25,336,261
Additions	-	98,480	36,785	-	135,265
At 31 August 2023	21,635,900	3,194,898	604,203	36,525	25,471,526
Depreciation					
At 1 September 2022	2,696,313	1,686,753	449,244	3,653	4,835,963
Charge for the year	395,098	289,878	98,613	3,653	787,242
At 31 August 2023	3,091,411	1,976,631	547,857	7,306	5,623,205
Net book value					
At 31 August 2023	18,544,489	1,218,267	56,346	29,219	19,848,321
At 31 August 2022	18,939,587	1,409,665	118,174	32,872	20,500,298

14. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	2,510	975
Other debtors	125,359	194,124
Prepayments and accrued income	541,768	212,554
	669,637	407,653

15. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	189,763	226,638
Other taxation and social security	180,816	164,460
Other creditors	184,545	170,693
Accruals and deferred income	379,597	315,190
	934,721	876,981

	2023 £	2022 £
Deferred income brought forward	179,559	161,594
Resources deferred during the year	240,928	179,559
Amounts released from previous periods	(179,559)	(161,594)
Deferred income carried forward	240,928	179,559

At the balance sheet date, the Trust deferred funds received in advance related to Universal Infant Free School Meals, SEN funding, rates relief, music and catering income relating to the 2023/2024 financial period.

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

16. Statement of funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
General Funds	275,518	202,652	(97,218)	-	-	380,952
Restricted general funds						
General Annual Grant (GAG)	1,614,634	11,751,557	(10,977,656)	(78,079)	-	2,310,456
Other DfE / ESFA grants	-	1,612,194	(1,612,194)	-	-	-
Other Government grants	-	824,602	(824,602)	-	-	-
Other restricted income	-	339,569	(339,569)	-	-	-
Restricted donations	-	49,878	(49,878)	-	-	-
Pension reserve	(2,092,000)	-	(257,000)	-	1,232,000	(1,117,000)
	(477,366)	14,577,800	(14,060,899)	(78,079)	1,232,000	1,193,456
Restricted fixed asset funds						
Restricted fixed asset funds	20,500,298	-	(787,676)	135,699	-	19,848,321
Devolved Formula Capital	-	35,795	(35,795)	-	-	-
Conditional Improvement Fund	-	66,255	(8,635)	(57,620)	-	-
	20,500,298	102,050	(832,106)	78,079	-	19,848,321
Total Restricted funds	20,022,932	14,679,850	(14,893,005)	-	1,232,000	21,041,777
Total funds	20,298,450	14,882,502	(14,990,223)	-	1,232,000	21,422,729

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

16. Statement of funds (continued)

General Annual Grant (GAG) represents the core funding for the educational activities of the Schools that has been provided to the Trust via the Education & Skills Funding Agency by the Department of Education.

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

Other DfE / ESFA grants: This fund has also arisen from funding received from the Department for Education and the Education and Skills Funding Agency for the furtherance of the Academy Trust's activities that are not funded through the General Annual Grant.

Other Government grants: This represents various grants from local and national Government Bodies for the provision of specific services to pupils of the Schools which are restrictive in nature.

Other restricted funds: This restricted fund has arisen from other income that the Academy Trust has received. The monies have to be used for the benefit of the Trust and there are restrictions on how these monies can be spent.

Restricted donations: This fund largely represents contributions made by parents to the running of educational visits for the pupils of the Schools and the associated costs of running the trips.

Pension reserve: This fund represents the Trust's share of the deficit on the Local Government Pension Scheme (LGPS).

Restricted fixed asset funds: These funds have arisen from the fixed assets inherited upon conversion and from the subsequent purchases of new assets for use by the Trust. All assets held are specifically for the use of the Trust.

Unrestricted funds: This represents those resources which may be used towards meeting any of the charitable objects of the Trust at the discretion of the Trustees.

Condition Improvement Funding: This represents Conditional Improvement Funding received from the ESFA for specific capital projects.

Devolved Formula Capital: This represents funding received from ESFA for the maintenance and improvement of the Trust’s buildings and facilities.

Transfer made within the year consitute capitalisations of fixed assets from various funding streams.

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

16. Statement of funds (continued)

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
General Funds	168,575	213,288	(106,345)	-	-	275,518
Restricted general funds						
GAG	1,867,776	10,923,377	(10,880,827)	(295,692)	-	1,614,634
Other DfE / ESFA grants	64,523	1,130,021	(1,194,544)	-	-	-
Other Government grants	-	763,596	(763,596)	-	-	-
Other restricted income	-	11,942	(11,942)	-	-	-
Restricted donations	-	38,399	(38,399)	-	-	-
Pension reserve	(7,549,000)	-	(1,104,000)	-	6,561,000	(2,092,000)
	(5,616,701)	12,867,335	(13,993,308)	(295,692)	6,561,000	(477,366)
Restricted fixed asset funds						
Restricted fixed asset funds	20,935,235	-	(765,820)	330,883	-	20,500,298
DFC	-	33,941	(54)	(33,887)	-	-
CIF	1,304	-	-	(1,304)	-	-
	20,936,539	33,941	(765,874)	295,692	-	20,500,298
Total Restricted funds	15,319,838	12,901,276	(14,759,182)	-	6,561,000	20,022,932
Total funds	15,488,413	13,114,564	(14,865,527)	-	6,561,000	20,298,450

16. Statement of funds (continued)

Total funds analysis by Academy

Fund balances at 31 August 2023 were allocated as follows:

	2023 £	2022 £
Heathland School	491,531	715,863
Whitefriars School	2,199,877	1,174,289
Total before fixed asset funds and pension reserve	2,691,408	1,890,152
Restricted fixed asset fund	19,848,321	20,500,298
Pension reserve	(1,117,000)	(2,092,000)
Total	21,422,729	20,298,450

Total cost analysis by Academy

Expenditure incurred by each academy during the year was as follows:

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2023 £	Total 2022 £
Heathland School	2,859,627	686,759	32,964	606,948	4,186,298	3,807,163
Whitefriars School	6,073,230	1,533,500	80,948	1,491,946	9,179,624	8,347,144
Central services	145,993	478,076	93,000	119,555	836,624	1,945,400
Trust	9,078,850	2,698,335	206,912	2,218,449	14,202,546	14,099,707

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

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	19,848,321	19,848,321
Current assets	380,952	3,245,177	-	3,626,129
Creditors due within one year	-	(934,721)	-	(934,721)
Provisions for liabilities and charges	-	(1,117,000)	-	(1,117,000)
Total	380,952	1,193,456	19,848,321	21,422,729

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	20,500,298	20,500,298
Current assets	275,518	2,491,615	-	2,767,133
Creditors due within one year	-	(876,981)	-	(876,981)
Provisions for liabilities and charges	-	(2,092,000)	-	(2,092,000)
Total	275,518	(477,366)	20,500,298	20,298,450

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

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

	2023 £	2022 £
Net expenditure for the year (as per Statement of Financial Activities)	(107,721)	(1,750,963)
Adjustments for:		
Depreciation	787,675	765,822
Capital grants from DfE and other capital income	-	(33,941)
Interest receivable	(8,217)	(598)
Pension adjustments	257,000	1,104,000
Increase in debtors	(261,984)	(111,792)
Increase in creditors	57,740	32,947
Net cash provided by operating activities	724,493	5,475

19. Cash flows from financing activities

	2023 £	2022 £
Repayments of borrowing	-	(517)
Net cash provided by/(used in) financing activities	-	(517)

20. Cash flows from investing activities

	2023 £	2022 £
Interest received	8,217	598
Purchase of tangible fixed assets	(135,698)	(330,885)
Capital grants from ESFA/DfE	-	33,941
Net cash used in investing activities	(127,481)	(296,346)

21. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand and at bank	2,956,492	2,359,480
Total cash and cash equivalents	2,956,492	2,359,480

22. Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	2,359,480	597,012	2,956,492
	2,359,480	597,012	2,956,492

23. Pension commitments

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

The 31 March 2016 TPS actuarial valuation results were implemented from 1 September 2019.

Contributions amounting to £122,169 were payable to the schemes at 31 August 2023 (2022 - £109,119) and are included within creditors.

Teachers' Pension Scheme

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

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

23. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS 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; and
- 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 latest actuarial TPS valuation results, as at 31 March 2020, were released in October 2023. The revised employer contribution rate, arising from this valuation, is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the year amounted to £993,287 (2022 - £937,881).

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate Trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £807,000 (2022 - £787,000), of which employer's contributions totalled £631,000 (2022 - £620,000) and employees' contributions totalled £176,000 (2022 - £167,000). The agreed contribution rates for future years are 21.9 per cent for employers and 5.5 to 12.5 per cent for employees.

As described in note the LGPS obligation relates to the employees of the Trust, 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 Trust 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.

23. Pension commitments (continued)

Principal actuarial assumptions

	2023 %	2022 %
Rate of increase in salaries	4	3.8
Rate of increase for pensions in payment/inflation	3	3.1
Discount rate for scheme liabilities	5.2	4.25

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

	2023 Years	2022 Years
Retiring today		
Males	20.7	22
Females	24.6	24.4
Retiring in 20 years		
Males	22.4	23.3
Females	25.9	26.7

Sensitivity analysis

	2023 £000	2022 £000
Discount rate +0.1%	(209)	(218)
Discount rate -0.1%	209	218
Mortality assumption - 1 year increase	379	386
Mortality assumption - 1 year decrease	(379)	(386)
CPI rate +0.1%	197	205
CPI rate -0.1%	(197)	(205)

Share of scheme assets

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

	At 31 August 2023 £	At 31 August 2022 £
Equities	5,942,000	5,291,000
Corporate bonds	1,088,000	1,587,000
Property	1,172,000	605,000
Cash and other liquid assets	167,000	75,000
Total market value of assets	8,369,000	7,558,000

23. Pension commitments (continued)

The actual return on scheme assets was £148,000 (2022 - £(541,000)).

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

	2023 £	2022 £
Current service cost	795,000	1,591,000
Interest income	334,000	128,000
Interest cost	(427,000)	(261,000)
Total amount recognised in the Statement of Financial Activities	702,000	1,458,000

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

	2023 £	2022 £
At 1 September	9,650,000	15,013,000
Current service cost	795,000	1,591,000
Interest cost	427,000	261,000
Employee contributions	176,000	167,000
Actuarial gains	(1,394,000)	(7,230,000)
Benefits paid	(168,000)	(152,000)
At 31 August	9,486,000	9,650,000

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

	2023 £	2022 £
At 1 September	7,558,000	7,464,000
Interest income	334,000	128,000
Actuarial losses	(162,000)	(669,000)
Contributions by employer	631,000	620,000
Employee contributions	176,000	167,000
Benefits paid	(168,000)	(152,000)
At 31 August	8,369,000	7,558,000

24. Operating lease commitments

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

	2023 £	2022 £
Not later than 1 year	16,513	17,591
Later than 1 year and not later than 5 years	11,997	28,510
	28,510	46,101

25. 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 they are a Member, or within one year after they ceases to be a Member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before they cease to be a Member.

26. Related party transactions

Owing to the nature of the Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trustees have an interest. 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 Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

The sister of F Hopkins is employed by the Trust as teaching staff members. The appointments were made in open competition and F Hopkins was not involved in the decision-making process regarding the appointment. The individual concerned is paid within the normal pay scale for her role and she receives no special treatment as a result of her relationship to the Trustee. In entering into these transactions, the Trust has complied with the requirements of the Academies Trust Handbook.

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