
SACRED HEART HIGH SCHOOL HAMMERSMITH
(A company limited by guarantee)

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

SACRED HEART HIGH SCHOOL HAMMERSMITH
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2023

Members	Sr. Christine Ann Edwards (1 March 2012) Sr. Lorraine Pratt (1 March 2012) Sr. Margaret Wilson (1 March 2012) Sr. Jane Maltby (1 March 2012) Sr Cath Lloyd (1 July 2019) Glen Hodgson (1 September 2022)
Governors (Trustees)	<p>Glen Hodgson * (1 Sept 2021 – 1 Sept 2025) Foundation Governor (Chair) Kate Farmer (1 Sept 2021- 1 Sept 2025) Foundation Governor (Dep. Chair) Lorraine Lawson * (16 July 2020 – 16 July 2024) Foundation Governor Dr Michael Phelan (16 July 2020 - 16 July 2024) Foundation Governor Gavin Leonard (10 Jan 2022 – 10 Jan 2026) Foundation Governor Ann Gregory (14 Sept 2020 – 14 Sept 2024) Foundation Governor Linda Quinn (1 Sept 2022-1 Sept 2026) Foundation Governor Vicky Lorenzato (1 Sept 2022-1 Sept 2026) Foundation Governor Catherine Umeh (17 Mar 2023- 17 Mar 2027) Foundation Governor Sharon O'Donovan * (Headteacher Governor) Patrick Sadd (8 Nov 2019 - 8 Nov 2023) Parent Governor Maureen McCooke * (8 Nov 2019 - 8 Nov 2023) Parent Governor Louise Hogan (9 Nov 2021 to 9 Nov 2025) Parent Governor Helen Sharma (9 Nov 2021 to 9 Nov 2025) Parent Governor Bernard Chauchet (9 Nov 2021 to 9 Nov 2025) Parent Governor * = <i>Members of the Staffing, Management & Finance Committee</i></p> <p>Note 1: Maureen McCooke commences as a Foundation Governor in November 2023 after the end of her current term as a parent governor.</p> <p>Note 2: Changes from the previous report for 2021-22: <i>John Sills (term of office ended 31 Aug 2022)</i> <i>David Kinchlea (term of office ended 5 July 2022).</i> <i>Heather Alston (term of office ended 15 July 2022)</i> <i>Marian Doyle (term of office ended 31 August 2022)</i> <i>Maggie Lysaght (term of office ended 17 Jan 2022)</i> <i>Hannah Brown (stepped down 8 June)</i> <i>Janet Hopper (term of office ended 15 July 2022)</i></p>
Company Secretary	(Eileen Galvin for the time period of this audit. Replaced in Sept 2023 by Alex Dijkhuis)
Senior Leadership Team	Sharon O'Donovan, Headteacher Marian Conran, Deputy Headteacher Eleisha Maton, Deputy Headteacher Jacqueline Greenwood, Assistant Headteacher Flora Vitija, Assistant Headteacher Charlotte Key, Assistant Headteacher Howard Williams, Associate Assistant Headteacher Y Khan / E Galvin, Business Managers
Company Address	212 Hammersmith Road, London W6 7DG
Registration Number	07941140
Auditors	BKL Audit LLP, 35 Ballards Lane N3 1XW
Bankers	NatWest, Strand Branch, 38 Strand London WC2H 5JB
Solicitors	Browne Jacobson, 6 Bevis Marks London EC3A 7BA

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GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

Sacred Heart High School Hammersmith is a company limited by guarantee and an exempt charity. The Academy was formed on 8 February 2012. The charitable company's memorandum and articles of association together with the Funding Agreement are the primary governing documents of the Academy Trust.

The Governors act as the trustees for the charitable activities of Sacred Heart High School Hammersmith. They are also the directors of the charitable company for the purposes of company law. The charitable company is known as Sacred Heart High School Hammersmith.

Details of the Governors who served throughout the year are included in the table in section 1.2 above.

Members Liability

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

Governors' Indemnities

The Governors and employees of the Academy are covered by professional indemnity insurance should they be subject to a civil claim in respect of the performance of their duties.

Recruitment & Appointment/Election of Governors

The numbers of Governors shall not be less than three. The Articles of Association the Academy Trust provide for 11 Foundation Governors, 1 Staff Governor, 2 Local Community Governors, 5 Parent Governors, Co-opted Governors, and the Headteacher. Further Governors may be appointed subject to the conditions laid down in the Articles of Association. There must always be a majority of Foundation Governors.

Foundation Governors are recruited based on their eligibility, specialist skills and knowledge on the recommendation of the Society of the Sacred Heart. Parent Governors are Parents/Carers of pupils within the School at the time of their election. They are elected by Parents/Carers of pupils by secret ballot and the Staff Governor is elected by staff members, again by secret ballot. Local community Governors are appointed in liaison with the Local Authority or other local groups. The Headteacher is an ex-officio Governor.

The Governors are elected to the various committees at a full Governors' Meeting based on their skills, knowledge, areas of interest and preference. The term of office for each Governor is 4 years.

Induction and Training of Governors

New Governors are invited to the school prior to their first governing body meeting. They follow an induction programme, which includes an explanation of their role, in respect of the school, in particular the distinct charism as a school in the trusteeship of the Society of the Sacred Heart, the company and the implications of being an exempt Charity. They are invited to meet staff members in order to familiarise themselves with the running of the School. They also receive copies of policies and procedures and other relevant documentation.

All Governors are encouraged to attend professional training courses and to meet and question external advisors.

Organisational Structure

The organisational structure of the school has two levels:

- The Governing Body including the Headteacher;
- The Senior Leadership Team as listed on page 2.

The aim of the management structure is to distribute leadership and responsibility and encourage involvement in decision making at all levels as well as to ensure good practice in terms of professional development.

The governing body is responsible for the strategy adopted by the school, which is then implemented by the Headteacher and Senior Team

There are three main subcommittees of the Governing Body, which meet, at least termly, see details below. In addition, there is an ad hoc Capital Projects committee to meet as needed when large projects (such as the theatre development) need additional attention. There is also a Governors' Admissions Committee, which meets when required, and an independent Admissions Panel to consider appeals.

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

Organisational Structure (continued)

- **Ethos Committee** – monitors and review implementation of Mission Statement, links with parents and the community, attendance target, safeguarding, draft admission policies.
- **Curriculum Committee** - ensures that National Curriculum is taught to all pupils, ensures that Religious Education is delivered in accordance with the Trust Deed for the School and Diocesan policy. Endorses targets for achievement of pupils and monitor progress and results.
- **Staffing, Management and Finance Committee** – plans, endorses and monitors the school budget and finance. Ensures the budget reflects the Academy's prioritised educational objectives. Monitors, evaluates and review the Performance Management Policy. Review the Headteacher's Performance and pay. Reviews the staffing structure on a yearly basis through the budget. Manages, reviews and updates the School's Health & Safety Policy, considers and determines needs for capital projects, in line with the School's objectives and assessment management priorities. Ensure best value in awarding of contracts and works.
- **Pay Sub-Committee** to determine appropriate pay ranges for all individual staff; ensure pay decisions are fair and equitable and link with the school's performance management policy; ensure accurate and up to date person specifications and job descriptions are maintained.

Additional ad hoc committees are set up as required.

Ofsted, September 2017

Governance is strong; governors are highly active in their support of the school.

Section 48 Diocesan Inspection, March 2020

The school's leadership team is fully committed to the Church's mission in education and demonstrates this in a dynamic and consistent way. They are similarly committed to the values of the Society of the Sacred Heart which shape and underpin all aspects of school life. Senior leaders are supported by a strong governing body which challenges them to continue to provide a vibrant and engaging Catholic community.

The Senior Leadership Team run the Academy at an executive level and implement the policies and decisions of the Governors through an agreed Scheme of Delegation. The Senior Leadership Team (as listed on page 2) control and authorise the spending of budgets. Curriculum budgets are devolved to Heads of Departments. The Headteacher and the Business Manager meet regularly to monitor and review the current cash flow and budget requirements.

Ofsted, September 2017

'Sacred Heart High School is an exceptional school led by an outstanding Headteacher. The Headteacher, together with her senior team, works tirelessly to promote the principle of academic excellence on which the school was founded.'

'Senior leaders constantly reflect on how they can do even more to support their pupils'.

'Leaders actively promote equality of opportunity. Pupils are encouraged to discuss other faiths and cultures. They develop a keen sense of respect and tolerance for others.'

'Leaders' use of funding to support pupils who have special educational needs and/or disabilities has significant impact.'

'The school uses the pupil premium funding very effectively.'

Section 48 Diocesan Inspection, March 2020

The school's leadership team is fully committed to the Church's mission in education and demonstrates this in a dynamic and consistent way.

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GOVERNORS' REPORT (CONTINUED)
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Pay and Remuneration of Key Management Personnel

The key management personnel are defined as the Chair of the Governing Body and the Headteacher. Trustees (Governors) are not paid for their work as trustees.

The arrangements for the setting of their pay are set out below.

Pay Review for Headteacher

On appointment of the Headteacher, the Governing Body will assign a seven-point Individual School Range (ISR), normally based on the school group size, as determined by the School Teachers' Review Body. Exceptionally, the Governing Body may offer a higher ISR to reflect market conditions or experience of a candidate. There will be no overlap of ISR between that of the Head teacher and leadership posts. The Head teacher will be appointed on one of the first 4 points on the ISR.

Progression on the ISR will be subject to an annual appraisal of performance, drawing upon the school priorities and conducted by the Salaries Committee, who will determine the ISR and award one increment for sustained high quality performance or two where it has been exceptional. The pay review will be completed by 31 January.

Additional payments may be considered if:

- the school is causing concern;
- there would be substantial difficulty filling a vacant post or retaining a head teacher;
- the Head teacher has undertaken significant continuing professional development outside the school day or activities relating to the provision of teacher training;
- the Headteacher has assumed additional responsibilities related to the raising of standards in other schools.

Pay Review for Other Leadership Posts

On appointment, the Governing Body will determine a 5-point ISR from within the Leadership Scale in the national pay-scales with no overlap between the Headteacher and other posts and beginning on one of the first 3 points. The range will be determined according to responsibilities and experience and may vary.

Progression will be subject to an annual appraisal of performance conducted by the Headteacher or a more senior member of the team and reported to the Staffing, Management and Finance Committee, which may award one increment for sustained high quality performance or two where it has been exceptional, completed by 31st October or during the year if there is a significant increase in responsibilities, or it is necessary to consider a retention payment.

Connected Organisations, included Related Party Relationships

The Society of the Sacred Heart owns the land on which the School is situated. The Society of the Sacred Heart is an international religious congregation of women, founded in Paris in 1800 for the work of education. Sacred Heart High School Hammersmith is a member of the international network of Sacred Heart Schools and Colleges. There is an international meeting of the heads of Sacred Heart Schools every four years, a European meeting every two years, and a national meeting annually. In England each of the Sacred Heart Schools liaises with the Sacred Heart co-ordinator to ensure that the vision of Sacred Heart education is maintained.

The Sacred Heart Parent Teacher and Friends Association is an association set up by Parents to raise funds for the work of the School.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The Academy Trust's object is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing, a Catholic school, which shall offer a broad and balanced curriculum.

The school was founded by the Society of Sacred Heart and is part of the educational mission of the Catholic Church. The school is to be conducted as a Catholic School in accordance with the teachings and disciplines of the Roman Catholic Church, and in accordance with the characteristics of Sacred Heart education and the Trust Deed of the Society of the Sacred Heart, and, in particular:

- a) religious education is to be in accordance with the teachings, doctrines, discipline and general and particular normalities of the Catholic Church;

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

Objects and Aims (continued)

b) religious worship is to be in accordance with the rites, practices, discipline and liturgical normalities of the Catholic Church;

and

c) at all times the School is to serve as a witness to the Catholic faith in Our Lord Jesus Christ.

Through all aspects of its work, the School responds to the call to help each person become more fully human and thus to come closer to God in the setting of a Catholic community of faith and learning. The School is conscious, within this call, of the need to emphasise the role and dignity of women within the Church, society and the world and to help girls develop a critical understanding of their potential so that they can make their contribution in society with dignity and faith. The School is part of an international network of Sacred Heart schools and colleges, which provides opportunities for collaborative work internationally.

Key Priorities

These are taken from Sacred Heart's School Improvement Plan 2022-2025

Priority 1: Catholic Life of the School: Ensure all staff and students understand and 'live' the charism of the Society of the Sacred Heart. Continued affirmation of our Sacred Heart ethos and offering opportunities for pupils and staff to progress on their journey of faith including through liturgical and sacramental celebrations.

Priority 2: Leadership & Management: To implement collaborative leadership at all levels to deliver the School Improvement Plan

Priority 3: Quality of Education: A clearly articulated rigorous and ambitious curriculum aligned with national standards and underpinned gospel values; and whose rationale is understood by all students, staff, and parents.

Highly effective evidenced based methods of teaching, learning and assessment (with in particular more consistency between subjects at KS3 in terms of assessment).

Robust systems in place for target setting, tracking, and monitoring pupil data, to identify individual students' progress and achievement and further target learning gaps as a means of optimising progress for all.

Priority 4: Behaviour & Attitudes: Ongoing development of student motivation, positive attitudes to learning and respectful behaviours and values across the whole school community.

Priority 5: Personal Development: The flourishing of students' holistic personal development, encompassed in emotional and mental and physical wellbeing and access to support; coupled with the provision of extra-curricular opportunities that respond to the breadth of students' interests.

Priority 6: Collaborative Teacher Development: Improve standards of learning, teaching, leadership and outcomes for students by strengthening research-led teacher development opportunities and collaboration across departments for the three accredited strands of Initial Teacher Training, Early Career Induction and National Professional Qualifications together with ongoing professional development.

Public Benefit

The primary purpose of Sacred Heart High School Hammersmith is the advancement of education of its pupils who come from a range of backgrounds. Inextricably linked with this purpose is the aim of contributing to the public good. With this in mind, and in setting the school's objectives and planning its activities, the Governors have considered the Charity Commission's general guidance on public benefit.

In particular, through the various links with other schools and groups; through the outreach and leadership work done in our role coordinating the West London Teacher Training Alliance and our work in delivering Early Career Teacher development programmes in partnership with the Central London Teaching School Hub; also, our charity work and pupil services; the school aims to contribute considerable benefit to the local community. More than that, by developing articulate and critical learners who are confident they can make a difference in society, in justice and faith, the Academy contributes to the long-term building up and support of the wider community.

The school celebrates the ethnic and cultural diversity of its pupils and families (Black History Month; the establishment of a pupil Diversity & Inclusion Committee and appointment of a member of staff to lead the school's Diversity & Inclusion initiatives, international events, PSE, Liturgies) as a source of richness. Initiatives such as parent induction sessions and meetings to promote school/home partnership before pupils join the School, parental information evenings, PTFA activities, and liturgies contribute to building a community with shared values.

Pupils are engaged with local charities and parishes; they also participate in Youth Parliament and Duke of Edinburgh activities.

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GOVERNORS' REPORT (CONTINUED)
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Public Benefit (continued)

The School also values and uses its international identity as a Sacred Heart school, with links to Schools and colleges across the world and in very different circumstances, such as Uganda, South America, Taiwan and Mexico and through extensive fundraising schools in the Philippines, Peru, India and Africa receive financial support.

Within the curriculum, the School ensures that pupils appreciate other faith traditions and that pupils are critically involved in learning about debating justice, and geopolitical issues. Cross phase PSHE lessons for pupils in different year groups provide opportunities for pupils of different ages, years, and form and ability groups to work together and are planned and led by pupils.

Ofsted, September 2017

'Senior leaders have established a caring environment where pupils from all backgrounds excel.'

'Teachers have developed a culture of openness and tolerance. The incidence of bullying and prejudice incidents are exceptionally low.'

ACHIEVEMENTS AND STANDARDS

GCSE 2023 Headline figures

Based on first entry result, (not including discounted pupils)

	No. of pupils	%
Pupils in Year 11 achieving 9-4 in English	178	94%
Pupils in Year 11 achieving 9-5 in English	166	88%
Pupils in Year 11 achieving 9-4 in mathematics	165	87%
Pupils in Year 11 achieving 9-5 in mathematics	129	68%
Pupils in Year 11 achieving 9-4 in English and mathematics	162	86%
Pupils in Year 11 achieving 9-5 in English and mathematics	128	66%
Pupils entering the English Baccalaureate	159	84%
Pupils achieving the English Baccalaureate (based on grade 5 'standard passes')	79	42%
English Baccalaureate average points score per pupil		5.6

GCSE Progress and Attainment Measures 2023

Attainment 8 score	58.9
Indicative Progress 8 score (after adjustment for extreme pupil scores)	0.62
Progress 8 score for English element	0.89
Progress 8 score for maths element	0.14

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GOVERNORS' REPORT (CONTINUED)
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Ofsted 2017, September 2017

'Leaders set exceptionally high targets for themselves and their pupils. They promote an ethos that 'postcode and background must not limit pupils' outcomes'. This ethos is realised in the very good progress made by disadvantaged pupils.'

'Disadvantaged pupils and pupils who have special educational needs and/or disabilities make progress, which is much greater than pupils with the same starting points nationally.'

'The pupil premium and Year 7 catch-up funding is used very effectively. The impact of this funding is seen in the excellent outcomes achieved by disadvantaged pupils.'

A-level Results 2023

	2018 %	2019 %	2020 %	2021 %	2022 %	2023 %	2023 National	Difference from National
A*	10	8	11	28	15	5	9	-4
A*-A	33	30	37	68	32	20	27	-7
A*-B	58	58	71	88	57	56	53	+3
A*-E	99	99	100	100	99	97	99	+2

BTEC Results 2023

	2018 %	2019 %	2020 %	2021 %	2022 %	2023 %
D*D* (Double Distinction star)	9	16	0	71	13	17
D*D* to DD	56	83	100	86	87	92
D*D* to MM	100	100	100	100	100	92
D*D* to PP	100	100	100	100	100	100

National comparative data currently unavailable.

Ofsted 2017, September 2017

'Leaders in the sixth form are extremely effective. They have high expectations for their students. They know their students very well as individuals. They set demanding targets for the students and carry out regular reviews of their progress against these targets. Outcomes for students are improving year on year.'

FINANCIAL REVIEW

Going Concern

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

Key Financial Performance Indicators

The Key Financial Indicators used by the Governors to assess performance of the school area:

- Pupil outcomes
- Staff: pupil ratio
- Quality of teaching and learning
- Funding level received per pupil
- Outcomes of departmental reviews
- Student and parent satisfaction
- Producing a balanced budget which meets the Academy needs with an adequate reserve
- Level of success of the school in accessing other funding opportunities, including capital grants

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GOVERNORS' REPORT (CONTINUED)
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Key Financial Performance Indicators (continued)

Overview

Most of the School's income is obtained from the Department for Education (DfE), principally in the form of a recurrent annual grant, the use of which is restricted to cover the normal running costs of the school. The grants received from the DfE during the period ended 31 August 2023 totalled £8,410,980 (2022: £7,977,894) and the associated expenditure totalled £8,220,559 (2022: £6,857,594 (excluding transfers)). These are shown within restricted expenditure in the Statement of Financial Activities.

The restricted fixed asset fund includes the book value of fixed assets and any unspent restricted asset grants provided by the DfE and local authority. Total income is £69,582 (2022: £78,029). The restricted fixed asset fund balance is reduced by annual depreciation charges over the useful life of the assets concerned plus improvements to the buildings owned by the Society of Sacred Heart; expenditure of £95,957 (2022: £98,062) has been made in the current year. The balance of the fund at the period end totalled £673,848 (2022: £682,573) (including transfers), which is in line with the net book value of assets held on the balance sheet, plus any unspent capital funds.

During the year ending 31 August 2023, total income of £9,208,789 (2022: £9,261,777) (excluding restricted fixed asset funds) was higher than expenditure of £8,946,132 (2022: £8,699,179) (excluding fixed asset costs) by £262,657 surplus (2022: £542,565).

The Academy took on pension liabilities relating to staff members transferred from its predecessor school that were part of the Local Government Defined Benefits pension scheme. As at 31 August 2023, the scheme's liabilities exceeded its assets by £243,000 (2022: £241,000). Where the amount of pension scheme assets being held is less than the liability value, the implication is that we will eventually need to make good this deficit. It is therefore treated as a provision in our financial statements, although this does not need to be paid immediately, nor does it affect the current cash contributions paid by us as an employer to the local government pension scheme.

Financial and Risk Management Objectives and Policies

Sacred Heart High School Hammersmith is subject to various risks as is common with other Academies. Structures and procedures are in place to identify and mitigate financial risks as discussed throughout this report.

Principal Risks and Uncertainties

The Governors keep under review the strategic risks facing the School and the programmes that help to manage or mitigate the risk.

Sixth Form dropped slightly during the post pandemic recovery period. New marketing initiatives and outreach work are being undertaken for growth or at the very least to maintain current numbers. Numbers have slightly improved for 2023.

Governors met with senior staff at Easter and developed strategies to help tackle some of the admissions challenges. This will be on ongoing to track admission numbers and ensure that any gaps are filled.

The Grade II* listed buildings continue to be a challenge and require significant resources to be maintained, improved and be fit for purpose. This ongoing risk is regularly reviewed through the Staffing, Management & Finance Committee

Risk Management

The Governors have assessed the major risks to which the Academy is exposed and have taken steps to reduce and manage these risks. Risks are managed and reduced through the workings of the Governing Body, Sub Committees, Senior Leadership Team, and Staff. Governors' committees monitor, direct and evaluate curriculum and performance results; ethos; premises management; health and safety; and financial controls and procedures within the school.

Due to the volatility in student numbers and increased competition at Sixth form, recruitment remains challenging.

The National Fairer Funding formula continues to impact inner city Schools across the country as funding is being levelled up. The LA's Schools' Forum influences the grant funding allocation currently but this will come to an end over the next couple of years.

Reserves Policy

As part of procedures in place within the School, the reserves levels are consistently monitored as part of the budget monitoring process, both at Governor level through the Finance committee and the Headteacher with the Business Manager.

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GOVERNORS' REPORT (CONTINUED)
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Reserves Policy (continued)

The Governors have decided to maintain reserve levels which are sufficient to maintain the needs of the Academy and to encompass variations within the Academy budget. At 31 August 2023 the Academy held free reserves of £3,891,476 (2022: £3,419,799). The School also holds a restricted GAG fund balance of £1,904,221 (2022: £1,728,654), the purposes of which is for the objects of the Academy Trust.

The School holds a further £673,848 (2022: £682,573) in restricted asset funds tied up in the fixed assets of the Trust. The Governors have set aside the majority of these reserves as follows:

Capital Works 2023/24

Chapel	-£300,000
Bute Hall	-£100,000
Old Gym	-£1,500,000
Boilers	-£300,000
Windows	-£250,000
IT	- £200,000
<u>Refurb/Décor</u>	<u>-£250,000</u>
	- £2,900,000

Investment Policy

Sacred Heart High School Hammersmith's investment policy is based on a low risk short term bank deposit accounts.

Overview and Areas for Development

The school year 2022-2023 has focused on the continued building of community and outward facing initiatives. Academically it has been important to continue to address gaps in students' learning as a result of the pandemic and continue to raise academic standards as well as increase resources to support their wellbeing. A-Level and GCSE examinations returned to their pre-Covid standards through a national down scaling of results; particularly of the higher grades.

Catholic Life of the School

Our priority has been to rebuild community, relationships and the prayer and liturgical life of the school. This has been underpinned by a renewed focus on the five goals of Sacred Heart Education as principles to support the holistic formation of all students. To support this all students were part of our retreat programme, assemblies, prayer and worship and access to the sacraments. Our commitment to social justice was evident in the impact of our fundraising projects, both locally and to support our Sacred Heart network of schools in Africa.

Leadership and Management

The leadership focus has been on systems, structures and procedures to support effective self-evaluation, preparation for Ofsted inspection and continued improvement in all aspects of schoolwork. This has included:

- Improving GCSE and A-Level outcomes through ensuring quality teaching first, and effective interventions as needed.
- Continued embedding of the philosophy of 'High Performance Learning' and the linking of this with the 5 goals of SH education.
- Continued development of effective safeguarding provision
- Implementation and ongoing development of The Janet Stuart Inclusion Centre
- Continuing to develop the KS3 curriculum to ensure it is suitably diverse, inclusive and rigorous.
- Implementation of year two of attendance strategy.
- Implementation of strategic approach to support all aspects of students' personal growth and development

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GOVERNORS' REPORT (CONTINUED)
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DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are governors at the time when this Governors' Report is approved has confirmed that:

- so far as that Governor is aware there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Governor has taken all steps that they ought to have taken as a Governor in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information.

AUDITORS

The auditors, BKL Audit LLP have indicated their willingness to continue in office. The Designated Governors will propose a motion re-appointing the auditors at a meeting of the Governors.

Approved by order of the Governing Body as the company directors, on 15 December 2023 and signed on its behalf by:



Glen Hodgson
Chair of Governors

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GOVERNANCE STATEMENT

Scope of responsibility

The Governors acknowledge overall responsibility for ensuring that Sacred Heart High School Hammersmith has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Governing Body has delegated the day-to-day responsibility to the Headteacher as Accounting Officer, for ensuring that 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 Sacred Heart High School Hammersmith and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The full Governing Body met formally three times between 1 September 2022 and 31 August 2023. Attendance during the period was as follows:

Full Governor Meetings Attended 2022-23

Name	Full Governors Meetings
Mrs S O'Donovan	4 of 4
Glen Hodgson	4 of 4
Kate Farmer	4 of 4
Lorraine Lawson	1 of 4
Gavin Leonard	4 of 4
Maureen McCooke	4 of 4
Ann Gregory	3 of 4
Bernard Chauchet	3 of 4
Helen Sharma	2 of 4
Linda Quinn	2 of 4
Dr Michael Phelan	4 of 4
Vicky Lorenzato	3 of 4
Catherine Umeh	1 of 1
Louise Hogan	4 of 4
Patrick Sadd	0 of 4

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Ofsted 2017, September 2017

'Governors have undertaken a skills audit and a review by an external consultant.

Governance is now a real strength of the school.

Governors are aware of the strengths of the school and the areas for development.

Governors work closely with different areas across the school, including a highly effective safeguarding governor.

Governors support and challenge school leaders. They contributed fully to the development of the new teaching and learning policy'

Staffing, Management and Finance Committee

The Staffing, Management and Finance Committee is a sub-committee of the Governing body. The scope of this committee includes

Finance

- Plan, and prepare the budget, in line with the School Development Plan (SDP), School Improvement Plan or Post Ofsted Action Plan, and present to the Governors for approval.
- Ensure the budget reflects the School's prioritised educational objectives.
- Monitor the budget and ensure expenditure stays within agreed limits, reporting significant potential variances to the Governors Body.
- Consider and contribute to the School Improvement Plan.
- Identify and approve the allocation of surplus funds in line with SIP and priorities.
- Recommend whether to delegate the Governors' responsibility to spend the delegated budget and any grants, including Standards Fund grants to the Headteacher, and if so, to decide the amount to be delegated.
- To monitor compliance with approved financial procedures and consider action required as a result of internal/external audit reports.
- Monitor the implementation of the Charging Policy and remissions for school activities and review if necessary.
- To authorise expenditure, in line with the School's financial policy which is based on the Academies Financial Handbook within the agreed budget plan.

Performance Management and Pay Assessment

- Observe all statutory and contractual obligations.
- Monitor, evaluate and review the Performance Management Policy for teaching staff, including (see below).
- Review the Headteacher's Performance – two or three Governors, who are not employed at the School, are to be appointed by the Governors from amongst the committee, to carry out the review.
- Draft and recommend, and implement the Whole School Pay Policy for teachers and support staff, including reviewing the salaries and any discretionary allowances of the Headteacher, Deputy Headteacher and other staff in line with the performance reviews and the Whole School Pay Policy.
- Review the operation of the Performance Management Policy and Whole School Pay Policy and advise the Governors accordingly.

SACRED HEART HIGH SCHOOL HAMMERSMITH
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Staffing

- Draft and recommend the staffing structure of the school, in line with the School Improvement Plan.
- Undertake the recruitment and selection of the Headteacher and Deputy Headteacher.
- Ensure that every member of staff has a job description which is kept under regular periodic review.
- Implement the Disciplinary and Grievance Policy and Procedures adopted by the Governors.
- Monitor and review relevant aspects of the School Equality Plan.
- Oversee and advise on the continuing professional development of the school management and staff, in line with the educational priorities of the School and the recommendations made by the performance reviewers.
- Monitor and review West London Teacher Training Alliance activities.
- Draft and recommend relevant aspects of the School Improvement Plan (SIP) to the Governors.
- Take primary responsibility for matters concerning staff welfare.

Premises, Health & Safety

- Oversight of premises management compliance documents
- Ensure that legal minimum standards for health and safety are being met. On a termly basis, receive and consider a report on health and safety including notification of any accidents. Appointment of a Health & Safety Governor.
- Audit & Review the use of the school premises, the equipment and resources and ensure they match the requirements of School Improvement Plan.
- Monitor and review internal and external space as a source of spiritual support and development. To ensure internal and external spaces are maintained and developed to promote aesthetic and spiritual needs.
- Review site management, cleaning and grounds maintenance practices where appropriate.
- Review site security arrangements and practice at least annually, or sooner following any security breach.
- Consider, determine the need for capital works at the school, in line with the School Improvement Plan and Asset Management Plan priorities, liaising with the Diocese/Trustees as suitable, and plan for these, making appropriate use of the school's devolved capital budget.
- On behalf of the Governors and using principles of Best Value the Premises Committee has the authority to award contracts for premises and site work whereby funds are already in place and professional advice has been sought where necessary.

Attendance at Staffing, Management & Finance Committee Meetings 2022-23

Name	Staffing, Management & Finance Committee
Mrs S O'Donovan	1 of 3
Glen Hodgson	3 of 3
Lorraine Lawson	2 of 2
Gavin Leonard	3 of 3
Maureen McCooke	3 of 3

SACRED HEART HIGH SCHOOL HAMMERSMITH
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

The school seeks best value in all areas of procurement that is supported by a tendering policy and financial regulations to ensure that suppliers are reviewed and competitive quotes are assessed to achieve value for money.

Following attendance at a DfE Auditor procurement webinar the school went out to tender for their external Audit services. Using a combination of Crescent Purchasing Consortium and the Diocese of Westminster approved auditor list the school appointed new auditors Baker Landau. This was done during a challenging time for the market but we are pleased that we achieved value for money and have appointed experienced auditors that have more than 100 academies and MATs on their books.

The school meals tender process has begun with the view to appoint a new contractor for 2024-25. This is being done through the School Business Manager network.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Sacred Heart High School Hammersmith for the period ended 31 August 2023 and up to the date of approval of the annual report and financial statements

Capacity to handle risk

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

The risk and control framework

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

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

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Governors appointed Maureen McCooke as Responsible Officer (RO) in this reporting year.

The checks carried out by the RO in the current period include:

- Payroll records and reports
- Single Central Record (SCR) Audit
- Review of the recommendations of the external auditors

SACRED HEART HIGH SCHOOL HAMMERSMITH
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GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

As accounting officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

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

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

Approved by order of the members of the Board of Governors on 15 December 2023 and signed on their behalf by:



Glen Hodgson
Chair of Governors



Mrs S O'Donovan
Accounting Officer

SACRED HEART HIGH SCHOOL HAMMERSMITH
(A company limited by guarantee)

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Sacred Heart High School Hammersmith, I have considered my responsibility to notify the Academy Board of Governors and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

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

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



Mrs S O'Donovan
Accounting Officer
Date: 15 December 2023

SACRED HEART HIGH SCHOOL HAMMERSMITH
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STATEMENT OF GOVERNORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2023

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

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

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

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

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

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the 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 Governors on 15 December 2023 and signed on its behalf by:



Glen Hodgson
Chair of Governors

SACRED HEART HIGH SCHOOL HAMMERSMITH
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SACRED HEART HIGH SCHOOL HAMMERSMITH**

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

SACRED HEART HIGH SCHOOL HAMMERSMITH
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SACRED HEART HIGH SCHOOL HAMMERSMITH (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 Governors are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' 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 Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

SACRED HEART HIGH SCHOOL HAMMERSMITH
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SACRED HEART HIGH SCHOOL HAMMERSMITH (CONTINUED)**

Auditors' responsibilities for the audit of the financial statements

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

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

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

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

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

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

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

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

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

SACRED HEART HIGH SCHOOL HAMMERSMITH
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SACRED HEART HIGH SCHOOL HAMMERSMITH (CONTINUED)**

Use of our report

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

Edward Passmore

Edward Passmore FCA (Senior statutory auditor)

for and on behalf of

BKL Audit LLP

Chartered Accountants
Statutory Auditor

35 Ballards Lane
London
N3 1XW

18/01/2024 for 2023

SACRED HEART HIGH SCHOOL HAMMERSMITH
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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SACRED
HEART HIGH SCHOOL HAMMERSMITH AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 18 December 2023 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 Sacred Heart High School Hammersmith 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 Sacred Heart High School Hammersmith and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Sacred Heart High School Hammersmith 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 Sacred Heart High School Hammersmith and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Sacred Heart High School Hammersmith's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Sacred Heart High School Hammersmith's funding agreement with the Secretary of State for Education dated 1 March 2012 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

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

In line with the Framework and guide for external auditors and reporting accountants of academy trusts issued April 2023, we have not performed any additional procedures regarding the Trust's compliance with

SACRED HEART HIGH SCHOOL HAMMERSMITH
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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SACRED
HEART HIGH SCHOOL HAMMERSMITH AND THE EDUCATION & SKILLS FUNDING AGENCY
(CONTINUED)**

safeguarding, health and safety and estates management.

Conclusion

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

BKL Audit LLP

Reporting Accountant

BKL Audit LLP

Chartered Accountants
Statutory Auditor

35 Ballards Lane
London
N3 1XW

Date: 18/01/2024 or 2023

SACRED HEART HIGH SCHOOL HAMMERSMITH
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**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	-	144,571	69,582	214,153	227,846
Other trading activities	5	28,563	347,551	-	376,114	28,220
Investments	6	50,673	-	-	50,673	2,107
Charitable activities	4	-	8,554,931	-	8,554,931	8,894,995
Teaching schools		-	82,500	-	82,500	453,983
Total income		79,236	9,129,553	69,582	9,278,371	9,607,151
Expenditure on:						
Charitable activities	8	-	8,946,132	95,957	9,042,089	8,540,707
Teaching schools		-	-	-	-	108,609
Total expenditure		-	8,946,132	95,957	9,042,089	8,649,316
Net income/(expenditure)		79,236	183,421	(26,375)	236,282	957,835
Transfers between funds	16	-	(34,428)	34,428	-	-
Net movement in funds before other recognised gains/(losses)		79,236	148,993	8,053	236,282	957,835
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	22	-	5,000	-	5,000	3,329,000
Net movement in funds		79,236	153,993	8,053	241,282	4,286,835
Reconciliation of funds:						
Total funds brought forward		3,812,240	1,507,228	665,795	5,985,263	1,698,428
Net movement in funds		79,236	153,993	8,053	241,282	4,286,835
Total funds carried forward		3,891,476	1,661,221	673,848	6,226,545	5,985,263

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

The notes on pages 27 to 50 form part of these financial statements.

SACRED HEART HIGH SCHOOL HAMMERSMITH

(A company limited by guarantee)

REGISTERED NUMBER: 07941140

**BALANCE SHEET
AS AT 31 AUGUST 2023**

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	673,848	665,795
		673,848	665,795
Current assets			
Debtors	14	493,322	357,843
Cash at bank and in hand		6,089,852	5,887,190
		6,583,174	6,245,033
Creditors: amounts falling due within one year	15	(787,477)	(684,565)
Net current assets		5,795,697	5,560,468
Total assets less current liabilities		6,469,545	6,226,263
Net assets excluding pension liability		6,469,545	6,226,263
Defined benefit pension scheme liability	22	(243,000)	(241,000)
Total net assets		6,226,545	5,985,263

Funds of the Academy

Restricted funds:

Fixed asset funds	16	673,848	665,795
Restricted income funds	16	1,904,221	1,748,228
Restricted funds excluding pension asset	16	2,578,069	2,414,023
Pension reserve	16	(243,000)	(241,000)
Total restricted funds	16	2,335,069	2,173,023
Unrestricted income funds	16	3,891,476	3,812,240
Total funds		6,226,545	5,985,263

The financial statements on pages 24 to 50 were approved by the Governors, and authorised for issue on 15 December 2023 and are signed on their behalf, by:



Glen Hodgson
Chair of Governors

The notes on pages 27 to 50 form part of these financial statements.

SACRED HEART HIGH SCHOOL HAMMERSMITH
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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	186,417	1,378,705
Cash flows from investing activities	19	16,245	30,885
Change in cash and cash equivalents in the year		202,662	1,409,590
Cash and cash equivalents at the beginning of the year		5,887,190	4,477,600
Cash and cash equivalents at the end of the year	20, 21	6,089,852	5,887,190

The notes on pages 27 to 50 form part of these financial statements

SACRED HEART HIGH SCHOOL HAMMERSMITH
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

1.2 Going concern

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

1.3 Income

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

- **Grants**

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

General Annual Grant is recognised in full in the Statement of financial activities in the year for which it is receivable and any abatement in respect of the 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**

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

- **Other income**

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

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

1. Accounting policies (continued)

1.4 Expenditure

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

1.6 Tangible fixed assets

Assets costing £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:

Freehold property	- 50 years
Furniture and equipment	- 5 - 10 years straight line
Computer equipment	- 3 years straight line

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.

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

1. Accounting policies (continued)

1.7 Debtors

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

1.8 Cash at bank and in hand

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

1.9 Liabilities

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

1.10 Financial instruments

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

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

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

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

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

1. Accounting policies (continued)

1.11 Pensions

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

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

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

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

1.12 Fund accounting

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

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

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

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

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

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

3. Income from donations and capital grants

	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Donations	144,571	-	144,571
Capital Grants	-	69,582	69,582
	<u>144,571</u>	<u>69,582</u>	<u>214,153</u>

	<i>Restricted funds 2022 £</i>	<i>Restricted fixed asset funds 2022 £</i>	<i>Total funds 2022 £</i>
Donations	149,817	-	149,817
Capital Grants	-	78,029	78,029
	<u>149,817</u>	<u>78,029</u>	<u>227,846</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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4. Funding for the Academy's charitable activities

	Restricted funds 2023 £	Total funds 2023 £
DfE/ESFA grants		
General Annual Grant (GAG)	8,219,440	8,219,440
Other DfE/ESFA grants		
Pupil premium	178,974	178,974
Others	12,566	12,566
	<hr/> 8,410,980	<hr/> 8,410,980
Other Government grants		
Local authority grants	130,196	130,196
	<hr/> 130,196	<hr/> 130,196
Other income from the Academy's educational activities	13,755	13,755
	<hr/> 8,554,931	<hr/> 8,554,931
	<hr/> <hr/> 8,554,931	<hr/> <hr/> 8,554,931
	 <i>Restricted funds 2022 £</i>	 <i>Total funds 2022 £</i>
DfE/ESFA grants		
General Annual Grant (GAG)	7,875,684	7,875,684
	<hr/> 7,875,684	<hr/> 7,875,684
Other Government grants		
Local authority grants	739,928	739,928
	<hr/> 739,928	<hr/> 739,928
Other income from the Academy's educational activities	279,383	279,383
	<hr/> 8,894,995	<hr/> 8,894,995
	<hr/> <hr/> 8,894,995	<hr/> <hr/> 8,894,995

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**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 £
Trip income	-	152,545	152,545
Rental income	28,563	-	28,563
Other income	-	195,006	195,006
	<u>28,563</u>	<u>347,551</u>	<u>376,114</u>

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Rental income	<u>28,220</u>	<u>28,220</u>

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £
Income from short term deposits	<u>50,673</u>	<u>50,673</u>

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Income from short term deposits	<u>2,107</u>	<u>2,107</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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7. Expenditure

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £
Educational Activities:				
Direct costs	5,276,810	-	661,351	5,938,161
Allocated support costs	958,970	1,361,952	783,006	3,103,928
Teaching school	-	-	-	-
	<u>6,235,780</u>	<u>1,361,952</u>	<u>1,444,357</u>	<u>9,042,089</u>

	<i>Staff Costs 2022 £</i>	<i>Premises 2022 £</i>	<i>Other 2022 £</i>	<i>Total 2022 £</i>
Educational Activities:				
Direct costs	4,980,763	-	1,102,119	6,082,882
Allocated support costs	1,024,903	818,550	614,372	2,457,825
Teaching school	-	-	108,609	108,609
	<u>6,005,666</u>	<u>818,550</u>	<u>1,825,100</u>	<u>8,649,316</u>

8. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Educational Activities	<u>5,938,161</u>	<u>3,103,928</u>	<u>9,042,089</u>

	<i>Activities undertaken directly 2022 £</i>	<i>Support costs 2022 £</i>	<i>Total funds 2022 £</i>
Educational Activities	<u>6,082,882</u>	<u>2,457,825</u>	<u>8,540,707</u>

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

Analysis of direct costs

	Educational Activities 2023 £	Total funds 2023 £
Staff costs	5,276,810	5,276,810
Depreciation	81,566	81,566
Educational supplies	387,845	387,845
Examination fees	135,821	135,821
Educational consultancy	15,160	15,160
Staff development	25,312	25,312
Other direct costs	15,647	15,647
	<hr/> 5,938,161 <hr/>	<hr/> 5,938,161 <hr/>
	<i>Educational Activities 2022 £</i>	<i>Total funds 2022 £</i>
Staff costs	4,980,763	4,980,763
Depreciation	69,910	69,910
Educational supplies	620,793	620,793
Examination fees	103,001	103,001
Staff development	308,415	308,415
	<hr/> 6,082,882 <hr/>	<hr/> 6,082,882 <hr/>

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

Analysis of support costs

	Educational Activities 2023 £	Total funds 2023 £
Pension finance costs	10,000	10,000
Staff costs	958,970	958,970
Depreciation	14,391	14,391
Technology costs	56,220	56,220
Maintenance of premises and equipment	1,003,299	1,003,299
Recruitment and support	1,255	1,255
Cleaning	184,585	184,585
Rent and rates	79,642	79,642
Energy costs	92,610	92,610
Insurance	23,730	23,730
Health and safety	31,599	31,599
Non cash pension costs	(3,000)	(3,000)
Professional fees- non governance	109,125	109,125
Governance costs	15,230	15,230
Catering	121,139	121,139
Other support costs	405,133	405,133
	<hr/> 3,103,928 <hr/>	<hr/> 3,103,928 <hr/>

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

8. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	<i>Educational Activities 2022 £</i>	<i>Total funds 2022 £</i>
Pension finance costs	55,000	55,000
Staff costs	1,024,903	1,024,903
Depreciation	16,152	16,152
Technology costs	2,617	2,617
Maintenance of premises and equipment	377,764	377,764
Recruitment and support	26,000	26,000
Cleaning	174,858	174,858
Rent and rates	38,318	38,318
Energy costs	227,611	227,611
Insurance	21,432	21,432
Health and safety	21,237	21,237
Professional fees- non governance	60,297	60,297
Governance costs	37,091	37,091
Catering	108,397	108,397
Other support costs	266,148	266,148
	<u>2,457,825</u>	<u>2,457,825</u>

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023 £	2022 £
Depreciation of tangible fixed assets	95,957	86,062
Fees paid to auditors for:		
- audit	10,000	16,650
- other services	3,500	7,840
	<u>109,457</u>	<u>110,552</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023	2022
	£	£
Wages and salaries	4,472,269	4,338,379
Social security costs	481,344	485,102
Pension costs	1,006,658	1,038,988
	5,960,271	5,862,469
Agency staff costs	275,509	143,197
	6,235,780	6,005,666

b. Staff numbers

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

	2023	2022
	No.	No.
Teachers	66	72
Support Staff	30	40
	96	112

c. Higher paid staff

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

	2023	2022
	No.	No.
In the band £60,001 - £70,000	7	5
In the band £70,001 - £80,000	3	2
In the band £80,001 - £90,000	2	1
In the band £90,001 - £100,000	-	1
In the band £100,001 - £110,000	1	-
In the band £110,001 - £120,000	-	1
In the band £120,001 - £130,000	-	-
In the band £130,001 - £140,000	-	1

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

10. Staff (continued)

d. Key management personnel

The key management personnel of the Academy comprise the Governors and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £147,988 (2022 - £285,534).

11. Governors' remuneration and expenses

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

		2023	<i>2022</i>
		£	£
M Doyle	Remuneration	NIL	<i>130,000 - 135,000</i>
	Pension contributions paid	NIL	<i>30,000 - 35,000</i>
S O'Donovan	Remuneration	105,000 - 110,000	<i>NIL</i>
	Pension contributions paid	25,000 - 30,000	<i>NIL</i>

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

12. Governors' and Officers' insurance

The Academy 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.

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**NOTES TO THE FINANCIAL STATEMENTS
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13. Tangible fixed assets

	Freehold property £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2022	719,600	336,417	766,366	1,822,383
Additions	-	20,573	83,437	104,010
At 31 August 2023	<u>719,600</u>	<u>356,990</u>	<u>849,803</u>	<u>1,926,393</u>
Depreciation				
At 1 September 2022	151,116	313,328	692,144	1,156,588
Charge for the year	14,392	13,501	68,064	95,957
At 31 August 2023	<u>165,508</u>	<u>326,829</u>	<u>760,208</u>	<u>1,252,545</u>
Net book value				
At 31 August 2023	<u>554,092</u>	<u>30,161</u>	<u>89,595</u>	<u>673,848</u>
At 31 August 2022	<u>568,484</u>	<u>23,089</u>	<u>74,222</u>	<u>665,795</u>

The Academy Trust company occupies land (including buildings) which are owned by The Society of the Sacred Heart. The Academy Trust occupies the land (and buildings) under a mere licence. The Trustees have given an undertaking to the Secretary of State that they will not give the Academy Trust less than two years notice to terminate the occupation of the land (including buildings). Having considered the factual matrix under which the Academy Trust is occupying the land (and buildings) the Governors have concluded that the value of the land and buildings occupied by the Academy Trust will not be recognised on the balance sheet of the Academy Trust.

14. Debtors

	2023 £	2022 £
Due within one year		
Prepayments and accrued income	93,021	199,264
VAT recoverable	400,301	158,579
	<u>493,322</u>	<u>357,843</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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15. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	216,624	396,633
Other taxation and social security	122,631	125,389
Other creditors	89,891	-
Accruals and deferred income	358,331	162,543
	787,477	684,565
	2023	2022
	£	£
Deferred income at 1 September 2022	39,779	14,964
Resources deferred during the year	-	39,779
Amounts released from previous periods	(39,779)	(14,964)
	-	39,779

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

16. Statement of funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
General funds	3,812,240	79,236	-	-	-	3,891,476
	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Restricted general funds						
Other donations	-	40,446	(40,446)	-	-	-
General Annual Grant (GAG)	1,748,228	8,219,440	(8,029,019)	(34,428)	-	1,904,221
Pupil premium	-	178,974	(178,974)	-	-	-
Other DfE Group grants	-	12,566	(12,566)	-	-	-
Other income	-	465,431	(465,431)	-	-	-
SEN income	-	130,196	(130,196)	-	-	-
Teaching schools	-	82,500	(82,500)	-	-	-
Pension reserve	(241,000)	-	(7,000)	-	5,000	(243,000)
	1,507,228	9,129,553	(8,946,132)	(34,428)	5,000	1,661,221
Restricted fixed asset funds						
Capital grants	665,795	69,582	(95,957)	34,428	-	673,848
Total Restricted funds	2,173,023	9,199,135	(9,042,089)	-	5,000	2,335,069
Total funds	5,985,263	9,278,371	(9,042,089)	-	5,000	6,226,545

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

The General Annual Grant (GAG) funding from the DfE for the Academy's operating costs.
Other DfE/ESFA grants mainly relate to statemented funding.
The Restricted Asset Fund is specifically for use on the Academy's fixed assets.

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

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Statement of funds (continued)

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

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2022 £</i>
Unrestricted funds						
General Funds	3,672,888	459,527	(348,953)	28,778	-	3,812,240
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted general funds						
General Annual Grant (GAG)	551,934	8,053,888	(6,857,594)	-	-	1,748,228
Other DFE/ESFA grants	-	907,098	(907,098)	-	-	-
Teaching School	-	108,609	(108,609)	-	-	-
Pension reserve	(3,229,000)	-	(341,000)	-	3,329,000	(241,000)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	(2,677,066)	9,069,595	(8,214,301)	-	3,329,000	1,507,228
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted fixed asset funds						
Capital grants	-	78,029	(78,029)	-	-	-
Fixed asset book value	702,606	-	(8,033)	(28,778)	-	665,795
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	702,606	78,029	(86,062)	(28,778)	-	665,795
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Restricted funds	<hr/> (1,974,460) <hr/>	<hr/> 9,147,624 <hr/>	<hr/> (8,300,363) <hr/>	<hr/> (28,778) <hr/>	<hr/> 3,329,000 <hr/>	<hr/> 2,173,023 <hr/>
Total funds	<hr/> 1,698,428 <hr/>	<hr/> 9,607,151 <hr/>	<hr/> (8,649,316) <hr/>	<hr/> - <hr/>	<hr/> 3,329,000 <hr/>	<hr/> 5,985,263 <hr/>

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**NOTES TO THE FINANCIAL STATEMENTS
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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	-	-	673,848	673,848
Current assets	3,891,476	2,691,698	-	6,583,174
Creditors due within one year	-	(787,477)	-	(787,477)
Provisions for liabilities and charges	-	(243,000)	-	(243,000)
Total	3,891,476	1,661,221	673,848	6,226,545

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Restricted fixed asset funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	-	-	665,795	665,795
Current assets	3,812,240	2,432,793	-	6,245,033
Creditors due within one year	-	(684,565)	-	(684,565)
Provisions for liabilities and charges	-	(241,000)	-	(241,000)
Total	3,812,240	1,507,228	665,795	5,985,263

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

	2023 £	2022 £
Net income for the year (as per Statement of financial activities)	236,282	957,835
Adjustments for:		
Depreciation	95,957	86,062
Capital grants from DfE and other capital income	(69,582)	(78,029)
Interest received on short term deposits	(50,673)	(2,107)
Defined benefit pension scheme cost less contributions payable	(3,000)	286,000
Defined benefit pension scheme finance cost	10,000	55,000
(Increase)/decrease in debtors	(135,479)	(151,518)
Increase/(decrease) in creditors	102,912	225,462
Net cash provided by operating activities	186,417	1,378,705

19. Cash flows from investing activities

	2023 £	2022 £
Interest received	50,673	2,107
Purchase of tangible fixed assets	(104,010)	(49,251)
Capital grants from DfE Group	69,582	78,029
Net cash provided by investing activities	16,245	30,885

20. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand and at bank	6,089,852	5,887,190
Total cash and cash equivalents	6,089,852	5,887,190

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21. Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	5,887,190	202,662	6,089,852
	<u>5,887,190</u>	<u>202,662</u>	<u>6,089,852</u>

22. Pension commitments

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

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

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

Teachers' Pension Scheme

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

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

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22. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £777,034 (2022 - £751,061).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £294,000 (2022 - £277,000), of which employer's contributions totalled £230,000 (2022 - £215,000) and employees' contributions totalled £64,000 (2022 - £62,000). The agreed contribution rates for future years are 24.7% per cent for employers and 5.5 and 7.5% per cent for employees.

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

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22. Pension commitments (continued)

Principal actuarial assumptions

London Borough of Hammersmith and Fulham Pension Fund

	2023	<i>2022</i>
	%	%
Rate of increase in salaries	4.00	4.05
Rate of increase for pensions in payment/inflation	3.00	3.05
Discount rate for scheme liabilities	5.20	4.25
Inflation assumption (CPI)	3.00	3.05

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

	2023	<i>2022</i>
	Years	Years
<i>Retiring today</i>		
Males	21.6	21.4
Females	24.3	24.1
<i>Retiring in 20 years</i>		
Males	22.6	22.9
Females	25.6	26.1

Sensitivity analysis

London Borough of Hammersmith and Fulham Pension Fund

	2023	<i>2022</i>
	£000	£000
Discount rate +0.1%	(75)	3,126
Discount rate -0.1%	75	3,320
Mortality assumption - 1 year increase	145	3,352
Mortality assumption - 1 year decrease	(145)	3,094
CPI rate +0.1%	74	3,294
CPI rate -0.1%	(74)	3,152

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22. Pension commitments (continued)

Share of scheme assets

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

	At 31 August 2023 £	<i>At 31 August 2022 £</i>
Equities	2,104,000	1,938,000
Corporate bonds	780,000	477,000
Property	475,000	537,000
Cash	34,000	30,000
Total market value of assets	3,393,000	2,982,000

The actual return on scheme assets was £194,000 (2022 - £332,000).

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

	2023 £	<i>2022 £</i>
Current service cost	(227,000)	(501,000)
Interest income	131,000	49,000
Interest cost	(141,000)	(104,000)
Total amount recognised in the Statement of Financial Activities	(237,000)	(556,000)

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

	2023 £	<i>2022 £</i>
At 1 September	3,223,000	6,075,000
Current service cost	227,000	501,000
Interest cost	141,000	104,000
Employee contributions	64,000	62,000
Actuarial losses/(gains)	58,000	(3,473,000)
Benefits paid	(77,000)	(46,000)
At 31 August	3,636,000	3,223,000

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22. Pension commitments (continued)

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

	2023 £	2022 £
At 1 September	2,982,000	2,846,000
Interest income	131,000	49,000
Actuarial gains/(losses)	63,000	(144,000)
Employer contributions	230,000	215,000
Employee contributions	64,000	62,000
Benefits paid	(77,000)	(46,000)
At 31 August	3,393,000	2,982,000

23. Members' liability

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

24. Related party transactions

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

25. Post balance sheet event

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