

SACRED HEART HIGH SCHOOL HAMMERSMITH

(A COMPANY LIMITED BY GUARANTEE)



REPORT AND FINANCIAL STATEMENTS

for the period ended 31 August 2022

Registered Company No: 07941140

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A REFERENCE & ADMINISTRATIVE DETAILS**A.1 Members of the Academy Trust**

Name of Member	Date of Appointment
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 (taking over from Sr Jane Maltby)	1 July 2019
John Sills	3 November 2016

A.2 Governors (Trustees) 2021-22

Governor	Current Term of Office	
John Sills	22 Oct 2018 - 31 August 2022	Foundation Governor (Chair)
Glen Hodgson*	1 Sept 2021 – 1 Sept 2025	Foundation Governor
Lorraine Lawson*	15 July 2016 – 15 July 2020 16 July 2020 – 16 July 2024	Foundation Governor
David Kinchlea*	15 July 2018 – 15 July 2022	Foundation Governor
Heather Alston	15 July 2018 – 15 July 2022	Foundation Governor
Dr Michael Phelan	15 July 2016 – 15 July 2020 16 July 2020 - 16 July 2024	Foundation Governor
Gavin Leonard	1 Sept 2018 – 1 Sept 2022 (term revised mid-year to: 10 Jan 2022 – 10 Jan 2026)	Foundation Governor
Kate Farmer	1 Sept 2021- 1 Sept 2025	Foundation Governor
Ann Gregory	14 Sept 2020 – 14 Sept 2024	Foundation Governor
Tess Reid	21 Sept 2020 – 7 Dec 2021	Foundation Governor
Marian Doyle*	n/a	Headteacher Governor
Maggie Lysaght*	16 Jan 2015 - 16 Jan 2019 17 Jan 2019 -17 Jan 2022	Parent Governor
Patrick Sadd	8 Nov 2019 - 8 Nov 2023	Parent Governor
Maureen McCooke*	8 Nov 2019 - 8 Nov 2023	Parent Governor
Hannah Brown	18 Jan 2019 – 30 March 2022	Staff Governor
Janet Hopper	15 July 2016 – 15 July 2020 15 July 2020 – 15 July 2022	Co-opted
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

* = Members of the Staffing, Management & Finance Committee

A.3 Company Secretary

Eileen Galvin

A.4 Senior Leadership Team 2021-2022

Name	Role
Marian Doyle	Headteacher
Sharon O'Donovan	Associate Headteacher
Philip Hambleton	Assistant Headteacher
Flora Vitija	Assistant Headteacher
Eleisha Maton	Assistant Headteacher
Jacqueline Greenwood	Assistant Headteacher
Y Khan / E Galvin	Business Managers

A.5 Company Address and Registration Number

Principal and Registered Office: 212 Hammersmith Road, London W6 7DG
 Company Registration Number: 07941140

A.6 Auditors, Bankers & Solicitors

Auditors	Bankers	Solicitors
Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG	NatWest, Strand Branch 38 Strand London WC2H 5JB	Browne Jacobson 6 Bevis Marks London EC3A 7BA

GOVERNORS' REPORT

For year ending 31 August 2022

1 STRUCTURE, GOVERNANCE AND MANAGEMENT

1.1 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.

1.2 Members Liability

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

1.3 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.

1.4 Recruitment & Appointment/Election of Governors

The numbers of Governors shall not be less than three. In accordance with the Articles of Association the Academy Trust has 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.

Subsequent to this accounting period (i.e. since 31 August 2022) Glen Hodgson has been elected Chair following John Sills stepping down on 31 August 2022.

1.5 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.

1.6 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

At the start of the year there were four main subcommittees of the Governing Body, which meet, at least termly. Mid-year a decision was taken to merge the Premises & Health and Safety Committee with the Staffing, Management & Finance Committee from December 2021 as a result of duplication in many of the matters discussed at these committees. It was further decided to set up a separate adhoc 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.

- **Ethos Committee** – monitor and review implementation of Mission Statement, links with parents and the community, attendance target, safeguarding, draft admission policies.
- **Curriculum Committee** - ensure 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. Set targets for achievement of pupils and monitor progress and results.
- **Staffing, Management and Finance Committee** - plan, prepare and monitor the school budget and finance. Ensure the budget reflects the Academy's prioritised educational objectives. Monitor, evaluate and review the Performance Management Policy. Review the Headteacher's Performance and pay. Review the staffing structure on a yearly basis through the budget.
 - **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.
- **Premises & Health and Safety Committee** – manage, review and update the School's Health & Safety Policy, consider and determine needs for capital projects, in line with the School's objectives and assessment management priorities. Ensure best value in awarding of contracts and works.

Additional ad hoc committees are set up as required and last year included a Covid Committee made up of governors and staff.

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.

1.7 Pay and Remuneration of Key Management Personnel

The key management personnel are defined as the Governing Body and the Senior Staff at the school. Trustees (Governors) are not paid for their work as trustees, although two governors are employed at the school.

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.

1.8 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.

2 OBJECTIVES AND ACTIVITIES

2.1 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;

- 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.

2.2 Key Priorities

These are taken from Sacred Heart's School Improvement Plan.

Priority 1: Continued affirmation of our Sacred Heart ethos, philosophy and traditions, excellent opportunities for pupil and staff faith formation, participation in liturgical and sacramental celebrations and action in service for social justice

Priority 2: To ensure robust and rigorous leadership at all levels to secure continuous improvement, high expectations and outstanding achievement for all.

Priority 3: A clearly articulated rigorous curriculum aligned with national standards, 21st century skills and Gospel values, supported by highly effective teaching, and informed by well researched pedagogical approaches to strengthen learning and assessment

Priority 4: Strengthen and develop robust policies and practices to ensure highly effective support for pupils' spiritual, moral, social and cultural development, and their emotional, mental and physical, wellbeing and safety.

Priority 5: Have well established systems and process to secure excellent achievement and outcomes for all.

Priority 6: Through the Teaching School, strengthen and develop support for partner schools in the areas of initial teacher training, professional development, research & development and school-to-school support, with an aim to improve standards of learning, teaching and school leadership and to improve outcomes for pupils.

2.3 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 given careful consideration to 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 as part of the Teaching School, 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.

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 Kenya 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.'

3 ACHIEVEMENTS AND STANDARDS

3.1 GCSE 2022 Headline figures

<i>Based on first entry result, (not including discounted pupils)</i>	No. of pupils	%
Pupils in Year 11 achieving 9-4 in English	194	99%
Pupils in Year 11 achieving 9-5 in English	192	98%
Pupils in Year 11 achieving 9-4 in mathematics	185	94%
Pupils in Year 11 achieving 9-5 in mathematics	167	86%
Pupils in Year 11 achieving 9-4 in English and mathematics	186	95%
Pupils in Year 11 achieving 9-5 in English and mathematics	167	86%
Pupils entering the English Baccalaureate	180	92%
Pupils achieving the English Baccalaureate (based on grade 5 'standard passes')	127	65%
English Baccalaureate average points score per pupil		6.6

3.2 GCSE Progress and Attainment Measures 2022

Attainment 8 score	67.97
Indicative Progress 8 score (after adjustment for extreme pupil scores)	0.95
Progress 8 score for English element	0.91
Progress 8 score for maths element	0.67

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.'

3.3 A-level Results 2021 2022

	2017 %	2018 %	2019 %	2020 %	2021 %	2022 %	2022 National	Difference from National
A*	12	10	8	11	28	15	15	0
A*-A	35	33	30	37	68	32	36	-4
A*-B	64	58	58	71	88	57	63	-6
A*-E	100	99	99	100	100	99	98	+1

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.'

4 FINANCIAL REVIEW

4.1 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.

4.2 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

4.3 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 2022 totalled £7,977,894 (2021: £7,473,955) and the associated expenditure totalled £6,857,594 (2021: £6,922,021) (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 £78,029 (2021: £23,260). 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 £98,062 (2021: £109,068) has been made in the current year. The balance of the fund at the period end totalled £682,573 (2021: £702,606) (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 2022, total income of £9,261,777 (2021: £8,143,870) (excluding restricted fixed asset funds) was higher than expenditure of £8,699,179 (2021: £7,562,211) (excluding fixed asset costs) by £542,565 surplus (2021: £581,659).

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 2022, the scheme's liabilities exceeded its assets by £241,000 (2021: £3,229,000). 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.

4.4 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. The Local Government Pension Scheme is currently in deficit, but at present there are no plans to change the agreed contribution rates or any current cash flow risk.

4.5 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 in September 2021 from 2020 during the post pandemic recovery period. New marketing initiatives and outreach work will be undertaken for growth or at the very least to maintain current numbers.

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 Premises Committee.

4.6 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 influence the grant funding allocation currently but this will come to an end over the next couple of years.

4.7 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 and Business Manager.

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 2022 the Academy held free reserves of £3,419,799 (2021: £3,672,888). The School also holds a restricted GAG fund balance of £1,728,654 (2021: £551,934), the purposes of which is for the objects of the Academy Trust. The School holds a further £682,573 (2021: 702,606) 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	2022/23
Chapel	-£200,000
Bute Hall	-£600,000
Old Gym	-£1,000,000
Boilers	-£300,000
Windows	-£250,000
IT	-£200,000
Refurb - Décor	-£250,000
	-
	£2,800,000

4.8 Investment Policy

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

4.9 Overview and Areas for Development

The school year 2021 -2022 has been marked by a period of recovery. While an outbreak management plan was still in place for the autumn term of 2021, since then we have seen the beginning of a return to pre-Covid activities and a focus on the outward facing. Students sat the first set of public exams since 2019. Our excellent 2022 results in both GCSE and A level are testament to the hard work and resilience of students and staff. Our GCSE results place us in the top 3% of schools nationally.

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, we returned to face to face 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 school in Asia. Staff were given the opportunity and space to reflect on the impact of the Covid period on the school and suggest ways in which we could move forward as a school, rooted in the charism of the Sacred Heart.

Leadership and Management

The leadership focus has been on a re-establishing systems, structures and procedures to support effective self-evaluation and continued improvement in all aspects of school work. This has included:

- Identifying the impact of Covid on student progress and putting in place appropriate interventions.
- Analysis of the increase in safeguarding referrals and developing resourcing and capacity within school as well as partnership working with external organisations
- Continuing to develop the KS3 curriculum to ensure it is suitably diverse, inclusive and rigorous.
- Re-establishment of extracurricular programmes, enrichment and trips to support students' holistic formation
- Embedding of the philosophy of High Performance Learning.

Diversity and Inclusion

Staff continued to work and make changes to their KS3 curriculum to improve diversity and inclusiveness.

Diversity and inclusion leaders were elected for every form group and collectively worked together on school events, attendance at a governors' meeting and presenting assemblies.

Behaviour and Attitudes

The Behaviour and Exclusion policies were reviewed as per government guidelines and changes. As a result:

- Expectations of behaviour are revisited regularly and explicitly discussed by students and staff as part of PSHE, assembly and registration times

- Reward systems have been reviewed and new changes made to encourage student engagement at all key stages

Trade Union Facility Time

Sacred Heart High School had no employees who were relevant trade union official during the year, and therefore incurred no costs in relation to paid facility time.

5 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.

6 AUDITORS

The auditors, Haysmacintyre 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 29 December 2022 and signed on its behalf by:



Glen Hodgson
Chair of Governors

GOVERNANCE STATEMENT

For the period ending 31 August 2022

1 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.

2 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 2021 and 31 August 2022. Attendance during the period was as follows:

Full Governor Meetings Attended 2021-22

Name	Full Governors' Meetings attended
Marian Doyle	3 of 3
John Sills, Chair	2 of 3
Lorraine Lawson, Vice Chair	1 of 3
Heather Alston	2 of 3
Dr Michael Phelan	3 of 3
David Kinchlea	3 of 3
Maggie Lysaght	1 of 3
Gavin Leonard	2 of 3
Ann Gregory	3 of 3
Hannah Brown	1 of 2
Janet Hopper	3 of 3
Kate Farmer	2 of 3
Glen Hodgson	2 of 3
Patrick Sadd	1 of 3
Maureen McCook	3 of 3
Bernard Chauchet	3 of 3
Helen Sharma	3 of 3
Louise Hogan	2 of 3

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'

2.1 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 SDP.
- 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 procedure 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.

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 training school activities.
- Draft and recommend relevant aspects of the School Improvement Plan (SIP) to the Governors.
- Take primary responsibility for matters concerning staff welfare.

Attendance at Staffing, Management & Finance Committee Meetings 2020-21

NAME	Staffing, Management & Finance Committee meetings attended
Marian Doyle	3 of 3
Lorraine Lawson, Vice Chair	2 of 3
David Kinchlea	2 of 3
Maggie Lysaght	2 of 3
Glen Hodgson	3 of 3
Maureen McCooke	1 of 2

Additionally during this year with, John Sills (Chair of Governors) attended one of these finance committee meetings.

2.2 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.

The Chapel heating system has struggled to heat such a fast space. As part of the refurbishment works for this Grade II* listed building underfloor heating was considered. This would make the heating more effective as well as reduce our carbon footprint. Once again, we went through the Diocese of Westminster to appoint Architects that would coordinate the project. The appointed Architects specified the needs for the heating system and carried out the tender through a competitive process ensuring that value for money was achieved.

Similarly, the school meals contract ended in June 21, the Local Authority (LA) agreed a temporary extension with the view to continue for a further two years before the school will need to retender on its own. The advantage with the LA has always been the benefit of volume discount as the contractor works across the borough for most of the secondary schools. We hope to team up with the other secondary schools that are part of the School Business Manager network when the LA withdraws this service.

2.3 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 2021 and up to the date of approval of the annual report and financial statements

2.4 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 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

2.5 The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Governing Body;
- regular reviews by the Staffing, Management and Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The 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 Maggie Lysaght as Responsible Officer (RO) in this reporting year.

The RO's role includes giving advice on financial matters and performing a range of checks on the academy's financial systems. On a termly basis, the RO reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

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

- Payroll records and reports
- Bank and other reconciliations
- Banking procedures
- Petty cash
- Supplier scrutiny –invoicing and cheques
- Review of the recommendations of the external auditors

2.6 Review of Effectiveness

As Accounting Officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control.

During the year in question the review has been informed by:

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Staffing, Management and Finance 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 Governing Body on 29 December 2022 and signed on its behalf by:



Glen Hodgson
Chair of Governors



Mrs S O'Donovan
Accounting Officer and Headteacher

GOVERNANCE STATEMENT ON REGULARITY, PROPRIETY & COMPLIANCE

For year ending 31 August 2022

As Accounting Officer of Sacred Heart High School Hammersmith I have considered my responsibility to notify the Academy Trust Governing Body and the Education Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the Funding Agreement in place between the Academy Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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



Mrs S O'Donovan
Accounting Officer

Date: 22/10/22

STATEMENT OF GOVERNORS' RESPONSIBILITIES

For year ending 31 August 2022

The Governors (who act as trustees for charitable activities of Sacred Heart High School Hammersmith Limited and 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 Annual Accounts Requirements issued by the Education and Skills Funding Agency (ESFA), 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 in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

The 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 to the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA 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 Governing Body on December 29 2022 and signed on its behalf by:



Glen Hodgson
Chair of Governors

SACRED HEART HIGH SCHOOL HAMMERSMITH
(A Company Limited by Guarantee)

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 2022 which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, 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 2021 to 2022 issued by the Education & 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 2022 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 2021 to 2022 issued by the Education & Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The Governors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our

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

knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 Governors

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

In preparing the financial statements, the Governors are responsible for assessing the 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

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

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

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to safeguarding and academy regulations, health and safety requirements, GDPR, and employment law and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Academy Accounts Direction 2021-22, Companies Act 2006 and Charities Act 2011, and considered other factors such as payroll tax and VAT.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to income and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals posted during the year, in particular journal entries posted at yearend; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

SACRED HEART HIGH SCHOOL HAMMERSMITH
(A Company Limited by Guarantee)

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

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.



Thomas Wilson (Senior Statutory Auditor)

for and on behalf of

Haysmacintyre LLP

Statutory Auditors

10 Queen Street Place

London

EC4R 1AG

Date: 29/12/22

SACRED HEART HIGH SCHOOL HAMMERSMITH
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO SACRED HEART HIGH SCHOOL HAMMERSMITH AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 3 October 2019 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Sacred Heart High School Hammersmith during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Sacred Heart High School Hammersmith and the 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 the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Sacred Heart High School Hammersmith and the 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 Academies Financial Handbook extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2021 to 2022 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

SACRED HEART HIGH SCHOOL HAMMERSMITH
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO SACRED HEART HIGH SCHOOL HAMMERSMITH AND THE EDUCATION & SKILLS FUNDING AGENCY (continued)

The work undertaken to draw to our conclusion includes:

- Assessment of the control environment operated by the Academy.
- Walkthrough testing of controls to ensure operational effectiveness.
- Substantive testing on a sample of expenditure items, ensuring expenditure is in accordance with the funding agreement and appropriately authorised.
- Detailed testing on a selection of expense claims.
- Review of minutes, bank certificates and related party declarations provided by Governors and senior management.

Conclusion

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

Haysmacintyre LLP

Haysmacintyre LLP

Reporting accountant

10 Queen Street Place
London
EC4R 1AG

Date: 29/12/22

SACRED HEART HIGH SCHOOL HAMMERSMITH
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
INCOME FROM:						
Donations and capital grants	2	149,817	-	78,029	227,846	83,262
Charitable activities:	5					
Teaching School		-	108,609	-	108,609	149,508
Funding for the academy trust's educational operations		279,383	8,960,986	-	9,240,369	7,902,692
Other trading activities	3	28,220	-	-	28,220	31,365
Investments	4	2,107	-	-	2,107	303
TOTAL INCOME		459,527	9,069,595	78,029	9,607,151	8,167,130
EXPENDITURE ON:						
Charitable activities:						
Teaching School		-	108,609	-	108,609	149,508
Academy trust educational operations		348,953	8,105,692	86,062	8,540,707	7,521,771
TOTAL EXPENDITURE	6	348,953	8,214,301	86,062	8,649,316	7,671,279
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between Funds	15	110,574 28,778	855,294 -	(8,033) (28,778)	957,835 -	495,851 -
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		139,352	855,294	(36,811)	957,835	495,851
Actuarial gains/(losses) on defined benefit pension schemes	19	-	3,329,000	-	3,329,000	(238,000)
NET MOVEMENT IN FUNDS		139,352	4,184,294	(36,811)	4,286,835	257,851
RECONCILIATION OF FUNDS:						
Total funds brought forward		3,672,888	(2,677,066)	702,606	1,698,428	1,440,577
TOTAL FUNDS CARRIED FORWARD		3,812,240	1,507,228	665,795	5,985,263	1,698,428

The notes on pages 30 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 2022

	Note	2022 £	2021 £
FIXED ASSETS			
Tangible assets	12	665,795	702,606
CURRENT ASSETS			
Debtors	13	357,843	206,325
Cash at bank and in hand		5,887,190	4,477,600
		<u>6,245,033</u>	<u>4,683,925</u>
CREDITORS: amounts falling due within one year	14	<u>(684,565)</u>	<u>(459,103)</u>
NET CURRENT ASSETS		5,560,468	4,224,822
TOTAL ASSETS LESS CURRENT LIABILITIES		6,226,263	4,927,428
Defined benefit pension scheme liability	19	<u>(241,000)</u>	<u>(3,229,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES		<u>5,985,263</u>	<u>1,698,428</u>
FUNDS OF THE ACADEMY			
Restricted funds:			
Restricted income funds	15	1,748,228	551,934
Restricted fixed asset funds	15	665,795	702,606
		<u>2,414,023</u>	<u>1,254,540</u>
Restricted fixed asset funds		2,414,023	1,254,540
Pension reserve		<u>(241,000)</u>	<u>(3,229,000)</u>
Total restricted funds		2,173,023	(1,974,460)
Unrestricted income funds	15	3,812,240	3,672,888
TOTAL FUNDS		<u>5,985,263</u>	<u>1,698,428</u>

The financial statements on pages 27 to 50 were approved by the Governors, and authorised for issue, on and are signed on their behalf, by:



Glen Hodgson
Chair of Governors

Date: 29 December 2022

SACRED HEART HIGH SCHOOL HAMMERSMITH
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	17	1,378,705	804,446
Cash flows from investing activities:			
Interest received		2,107	303
Purchase of tangible fixed assets		(49,251)	(98,347)
Capital grants from DfE Group		78,029	23,260
Net cash provided by/(used in) investing activities		30,885	(74,784)
Change in cash and cash equivalents in the year		1,409,590	729,662
Cash and cash equivalents brought forward		4,477,600	3,747,938
Cash and cash equivalents carried forward	18	5,887,190	4,477,600

The notes on pages 30 to 50 form part of these financial statements.

SACRED HEART HIGH SCHOOL HAMMERSMITH
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

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 trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102) second edition effective 1 January 2019), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Sacred Heart High School Hammersmith constitutes a public benefit entity as defined by FRS 102.

1.2 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 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. ACCOUNTING POLICIES (continued)

1.3 Income

All income is recognised once the academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

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

Donations are recognised on a receivable basis where receipt is probable and the amount can be reliably measured.

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

The school has taken the decision not to incorporate the gift in kind associated with the ongoing use of the land and buildings of the school. The governors believe it is not possible to obtain an accurate measure of the current market value of any associated rental and therefore have decided to omit this from the financial statements.

1.4 Expenditure

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

Expenditure on charitable activities are costs incurred on the academy's educational operations, including support costs and those costs relating to the governance of the academy appointed to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. ACCOUNTING POLICIES (continued)

1.5 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 trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements

1.6 Tangible fixed assets and depreciation

All assets costing more than £6,000 are capitalised 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, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	50 years straight line
Furniture and fixtures	-	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.

1.7 Taxation

The academy is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.8 Debtors

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. ACCOUNTING POLICIES (continued)

1.9 Cash at Bank and in hand

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

1.10 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 19, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore 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 scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to 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 incorporating Income and Expenditure Account 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.

1.11 Liabilities and provisions

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the 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. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. ACCOUNTING POLICIES (continued)

1.12 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 basis are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. 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 costs as detailed in note 14. 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 instruments.

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The School has taken the decision to not recognise its land and buildings on its balance sheet on the basis that the ownerships resides with an external charity.

SACRED HEART HIGH SCHOOL HAMMERSMITH
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	149,817	-	-	149,817	60,002
Capital Grants	-	-	78,029	78,029	23,260
	<u>149,817</u>	<u>-</u>	<u>78,029</u>	<u>227,846</u>	<u>83,262</u>
Total 2021	<u>60,002</u>	<u>-</u>	<u>23,260</u>	<u>83,262</u>	

3. OTHER TRADING ACTIVITIES

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Rental income	28,220	-	28,220	31,365
	<u>28,220</u>	<u>-</u>	<u>28,220</u>	<u>31,365</u>
Total 2021	<u>31,365</u>	<u>-</u>	<u>31,365</u>	

4. INVESTMENT INCOME

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Short term deposits	2,107	-	2,107	303
	<u>2,107</u>	<u>-</u>	<u>2,107</u>	<u>303</u>
Total 2021	<u>303</u>	<u>-</u>	<u>303</u>	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

5. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Funding for Academy's education operations	279,383	8,615,612	8,894,995	7,902,692
Teaching school	-	453,983	453,983	149,508
	<u>279,383</u>	<u>9,069,595</u>	<u>9,348,978</u>	<u>8,052,200</u>
Total 2021	<u>159,598</u>	<u>7,892,602</u>	<u>8,052,200</u>	

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
General Annual Grant (GAG)	-	7,875,684	7,875,684	7,632,088
	<u>-</u>	<u>7,875,684</u>	<u>7,875,684</u>	<u>7,632,088</u>
Local authority grants	-	739,928	739,928	111,006
	<u>-</u>	<u>739,928</u>	<u>739,928</u>	<u>111,006</u>
Other educational income	279,383	-	279,383	159,598
	<u>279,383</u>	<u>-</u>	<u>279,383</u>	<u>159,598</u>
	<u>279,383</u>	<u>8,615,612</u>	<u>8,894,995</u>	<u>7,902,692</u>
Total 2021	<u>159,598</u>	<u>7,743,094</u>	<u>7,902,692</u>	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

6. EXPENDITURE

	Staff costs 2022 £	Premises 2022 £	Other costs 2022 £	Total 2022 £	Total 2021 £
Academy Trust's educational operations					
Direct costs	4,980,764	-	1,102,119	6,082,883	5,468,594
Support costs	1,024,902	818,550	685,890	2,529,342	2,188,808
Governance costs	-	-	37,091	37,091	13,877
	<u>6,005,666</u>	<u>818,550</u>	<u>1,825,100</u>	<u>8,649,316</u>	<u>7,671,279</u>
Total 2021	<u>5,799,625</u>	<u>774,176</u>	<u>1,097,478</u>	<u>7,671,279</u>	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

7. CHARITABLE ACTIVITIES

	Total funds 2022 £	Total funds 2021 £
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	3,859,312	3,685,740
National insurance	420,881	388,267
Pension cost	700,571	761,809
Depreciation	69,910	69,704
Educational supplies	620,793	438,586
Examination fees	103,001	89,275
Staff development	308,415	35,213
	<u>6,082,883</u>	<u>5,468,594</u>
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	622,263	536,565
National insurance	64,221	59,244
Pension cost	338,418	368,000
Pension finance cost	55,000	44,000
Depreciation	16,152	16,104
Recruitment and support	26,000	-
Maintenance of premises and equipment	377,764	417,806
Cleaning	174,858	179,613
Rent and rates	38,318	40,298
Insurance	21,432	20,214
Utilities	227,611	136,458
Catering	108,397	78,241
Health and Safety	21,237	28,082
Professional fees - non governance	60,297	154,990
Other support costs	374,757	106,273
Technology costs	2,617	2,920
	<u>2,529,342</u>	<u>2,188,808</u>
	<u>8,612,225</u>	<u>7,657,402</u>
OTHER ACTIVITIES		
Governance costs	37,091	13,877
	<u>8,649,316</u>	<u>7,671,279</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

8. NET INCOME/ (EXPENDITURE)

This is stated after charging:

	2022 £	2021 £
Depreciation of tangible fixed assets:		
- owned by the charity	86,062	85,808
Auditors' remuneration - audit (excluding VAT)	16,650	13,350
Auditors' remuneration - other services (excluding VAT)	7,840	6,400
	<u> </u>	<u> </u>

SACRED HEART HIGH SCHOOL HAMMERSMITH
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

9. STAFF COSTS

a. Staff costs

Staff costs were as follows:

	2022 £	2021 £
Wages and salaries	4,338,379	4,053,015
Social security costs	485,102	447,511
Operating costs of defined benefit pension schemes	1,038,988	1,129,809
	<u>5,862,469</u>	<u>5,630,335</u>
Agency staff costs	143,197	169,290
	<u>6,005,666</u>	<u>5,799,625</u>

b. Staff numbers

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

	2022 No.	2021 No.
Teachers	72	71
Support Staff	40	35
	<u>112</u>	<u>106</u>

c. Higher paid staff

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

	2022 No.	2021 No.
In the band £60,001 - £70,000	5	7
In the band £70,001 - £80,000	2	3
In the band £80,001 - £90,000	1	0
In the band £90,001 - £100,000	1	1
In the band £130,000 - £140,000	1	0

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

9. STAFF COSTS (continued)

11 (2021: 12) out of the above 11 (2021: 12) employees participated in a pension scheme. During the year to 31 August 2022, contributions totalling £155,548 (2021: £212,431) were made on behalf of these employees. Of the above employees, 10 (2021: 11) participated in the Teachers' Pension Scheme, contributions for these staff amounted to £136,315 (2021: £194,160). The other 1 (2021: 1) employees participated in the Local Government Pension Scheme, pension contributions amounted to £19,233 (2021: £18,271).

d. Key management personnel

The key management personnel of the academy trust has been redefined to comprise the Governors, Headteacher, and Associate Headteacher as detailed on page 5. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £285,534 (2021: £308,471).

10. 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 other staff members under their contracts of employment, and not in respect of their role as Governors. The value of Governors' remuneration and other benefits was as follows:

		2022 £	2021 £
M Doyle	Remuneration	130,000-135,000	130,000-135,000
	Pension contributions paid	30,000-35,000	30,000-35,000
H Johnson	Remuneration		45,000-50,000
	Pension contributions paid		0-5,000

During the year ended 31 August 2022, expenses totalling £nil (2021 - £nil) were reimbursed to Governors (2021: nil).

11. GOVERNORS' AND OFFICERS' INSURANCE

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

12. TANGIBLE FIXED ASSETS

	Freehold property £	Furniture and fixtures £	Computer equipment £	Total £
Cost				
At 1 September 2021	719,600	308,562	744,970	1,773,132
Additions	-	27,855	21,396	49,251
At 31 August 2022	719,600	336,417	766,366	1,822,383
Depreciation				
At 1 September 2021	136,724	303,942	629,860	1,070,526
Charge for the year	14,392	9,386	62,284	86,062
At 31 August 2022	151,116	313,328	692,144	1,156,588
Net book value				
At 31 August 2022	568,484	23,089	74,222	665,795
At 31 August 2021	582,876	4,620	115,110	702,606

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.

13. DEBTORS

	2022 £	2021 £
VAT Recoverable	158,579	108,140
Prepayments and accrued income	199,264	98,185
	357,843	206,325

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NOTES TO THE FINANCIAL STATEMENTS
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14. CREDITORS: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	396,633	288,018
Other taxation and social security	125,389	106,993
Accruals and deferred income	162,543	64,092
	<hr/>	<hr/>
	684,565	459,103
	<hr/>	<hr/>
	2022 £	2021 £
Deferred income		
Deferred income at 1 September 2021	14,964	49,474
Resources deferred during the year	39,779	14,964
Amounts released from previous years	(14,964)	(49,474)
	<hr/>	<hr/>
Deferred income at 31 August 2022	39,779	14,964
	<hr/>	<hr/>

At the balance sheet date the Academy Trust was holding funds received in advance for trips and activities in the next academic year, and at August 2022 further included amounts from the ESFA.

SACRED HEART HIGH SCHOOL HAMMERSMITH
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NOTES TO THE FINANCIAL STATEMENTS
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15. STATEMENT OF FUNDS

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
General Funds	3,672,888	459,527	(348,953)	28,778	-	3,812,240
Restricted 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)
	<u>(2,677,066)</u>	<u>9,069,595</u>	<u>(8,214,301)</u>	<u>-</u>	<u>3,329,000</u>	<u>1,507,228</u>
Restricted fixed asset funds						
Capital grants	-	78,029	(78,029)	-	-	-
Fixed assets book value	702,606	-	(8,033)	(28,778)	-	665,795
	<u>702,606</u>	<u>78,029</u>	<u>(86,062)</u>	<u>(28,778)</u>	<u>-</u>	<u>665,795</u>
Total restricted funds	<u>(1,974,460)</u>	<u>9,147,624</u>	<u>(8,300,363)</u>	<u>(28,778)</u>	<u>3,329,000</u>	<u>2,173,023</u>
Total of funds	<u>1,698,428</u>	<u>9,607,151</u>	<u>(8,649,316)</u>	<u>-</u>	<u>3,329,000</u>	<u>5,985,263</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

15. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
General Funds	3,520,510	251,268	(543)	(98,347)	-	3,672,888
Restricted funds						
General Annual Grant (GAG)	-	7,473,955	(6,922,021)	-	-	551,934
Other DfE/ESFA grants	-	269,139	(269,139)	-	-	-
Teaching School	-	149,508	(149,508)	-	-	-
Pension reserve	(2,770,000)	-	(221,000)	-	(238,000)	(3,229,000)
	<u>(2,770,000)</u>	<u>7,892,602</u>	<u>(7,561,668)</u>	<u>-</u>	<u>(238,000)</u>	<u>(2,677,066)</u>
Restricted fixed asset funds						
Capital grants	-	23,260	(23,260)	-	-	-
Fixed assets book value	690,067	-	(85,808)	98,347	-	702,606
	<u>690,067</u>	<u>23,260</u>	<u>(109,068)</u>	<u>98,347</u>	<u>-</u>	<u>702,606</u>
Total restricted funds	<u>(2,079,933)</u>	<u>7,915,862</u>	<u>(7,670,736)</u>	<u>98,347</u>	<u>(238,000)</u>	<u>(1,974,460)</u>
Total of funds	<u>1,440,577</u>	<u>8,167,130</u>	<u>(7,671,279)</u>	<u>-</u>	<u>(238,000)</u>	<u>1,698,428</u>

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/EFA grants mainly relate to statemented funding.

The Restricted Asset Fund is specifically for the use on the Academy's fixed assets.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
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)
Pension scheme liability	-	(241,000)	-	(241,000)
	<u>3,812,240</u>	<u>1,507,228</u>	<u>665,795</u>	<u>5,985,263</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	702,606	702,604
Current assets	3,672,888	1,011,037	-	4,683,928
Creditors due within one year	-	(459,103)	-	(459,103)
Pension scheme liability	-	(3,229,000)	-	(3,229,000)
	<u>3,672,888</u>	<u>(2,677,066)</u>	<u>702,606</u>	<u>1,698,429</u>

17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net income for the year (as per Statement of Financial Activities)	957,835	495,851
Adjustment for:		
Depreciation charges	86,062	85,808
Interest received on short term deposits	(2,107)	(303)
(Increase)/decrease in debtors	(151,518)	302,820
Increase/(decrease) in creditors	225,462	(277,470)
Capital grants from DfE and other capital income	(78,029)	(23,260)
Defined benefit pension scheme cost less contributions payable	286,000	177,000
Defined benefit pension scheme finance cost	55,000	44,000
Net cash provided by operating activities	<u>1,378,705</u>	<u>804,446</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

18. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2022 £	2021 £
Cash in hand	16	16
Notice deposits (less than 3 months)	5,887,174	4,477,584
Total	<u>5,887,190</u>	<u>4,477,600</u>

19. PENSION COMMITMENTS

The academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by The London Borough of Hammersmith and Fulham. Both are Multi-Employer Defined Benefit Pension Schemes.

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

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

Teachers' Pension Scheme

Introduction

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £751,651 (2021: £745,095) and at the year-end £nil (2021 - £nil) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million

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19. PENSION COMMITMENTS (continued)

- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.
- The next valuation result is due to be implemented from 1 April 2023.

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £277,000 (2021 - £247,000), of which employer's contributions totalled £215,000 (2021 - £191,000) and employees' contributions totalled £62,000 (2021 - £56,000). The agreed contribution rates for future years are 24.70% for employers and between 5.5 and 7.5% 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.

Principal actuarial assumptions:

	2022	2021
Discount rate for scheme liabilities	4.25 %	1.65 %
Rate of increase in salaries	4.05 %	3.90 %
Rate of increase for pensions in payment / inflation	3.05 %	2.90 %
Inflation assumption (CPI)	3.05 %	2.90 %

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

	2022	2021
Retiring today		
Males	21.4	21.9
Females	24.1	24.5
Retiring in 20 years		
Males	22.9	23.3
Females	26.1	25.9

	At 31 August	At 31 August
Sensitivity analysis - Obligation balance if key assumptions changed by the stated amounts	2022	2021
	£	£
Discount rate +0.1%	3,126,000	5,935,000
Discount rate -0.1%	3,320,000	6,218,000
Mortality assumption - 1 year increase	3,352,000	6,314,000
Mortality assumption - 1 year decrease	3,094,000	5,845,000
CPI rate +0.1%	3,294,000	6,207,000

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NOTES TO THE FINANCIAL STATEMENTS
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19. PENSION COMMITMENTS (continued)

CPI rate -0.1%	3,152,000	5,946,000
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The academy's share of the assets in the scheme was:

	Fair value at 31 August 2022 £	Fair value at 31 August 2021 £
Equities	1,938,000	1,332,000
Property	537,000	277,000
Cash	30,000	173,000
Cash plus funds	-	635,000
Investment funds	-	-
Asset backed securities	477,000	429,000
Total market value of assets	2,982,000	2,846,000

The actual return on scheme assets was £95,000 (2021 - £332,000).

The amounts recognised in the Statement of Financial Activities incorporating Income and Expenditure Account are as follows:

	2022 £	2021 £
Current service cost	(501,000)	(368,000)
Interest cost	(55,000)	(44,000)
Total	(556,000)	(412,000)

Movements in the present value of the defined benefit obligation were as follows:

	2022 £	2021 £
Opening defined benefit obligation	6,075,000	5,058,000
Current service cost	501,000	368,000
Interest cost	104,000	81,000
Employee contributions	62,000	56,000
Actuarial (gains)/losses	(3,473,000)	532,000
Benefits paid	(46,000)	(20,000)
Closing defined benefit obligation	3,223,000	6,075,000

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19. PENSION COMMITMENTS (continued)

Movements in the fair value of the academy's share of scheme assets:

	2022 £	2021 £
Opening fair value of scheme assets	2,846,000	2,288,000
Interest income	49,000	38,000
Actuarial gains/(losses)	(144,000)	294,000
Employer contributions	215,000	191,000
Employee contributions	62,000	56,000
Benefits paid net of transfers	(46,000)	(20,000)
Admin expenses	-	(1,000)
	<hr/>	<hr/>
Closing fair value of scheme assets	2,982,000	2,846,000
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20. RELATED PARTY TRANSACTIONS

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 10.

21. 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

22. TEACHING SCHOOL TRADING ACCOUNT

	2022 £	2022 £	2021 £	2021 £
INCOME				
DIRECT INCOME				
Other income	108,609		149,508	
TOTAL INCOME		108,609		149,508
EXPENDITURE				
DIRECT EXPENDITURE				
Direct staff costs	108,609		149,508	
TOTAL EXPENDITURE		108,609		149,508
SURPLUS FROM ALL SOURCES		<hr/>		<hr/>
		-		-