



Company registration number 10499669 (England and Wales)

**HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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



# HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

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# HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Members

Rt Rev C Cocksworth (Resigned 6 November 2023)  
Mr P Tribe  
Canon L Wainscot  
Mr R Coppell  
Mrs A Gold  
Rt Rev R Worsley (Appointed 7 November 2023)

### Trustees

Mr P Tribe (Chair of Trustees until 28 September 2023) (Resigned 28 September 2023)  
Mr A Taylor (Headteacher and Accounting Officer)  
Mr C Sawtell (Resigned 28 September 2023)  
Mrs J Thomas  
Dr R Pogson (Resigned 31 December 2022)  
Rev. S Gold  
Mr D Neeld  
Mr S Baptiste  
Mrs Y Morley-McKay  
Canon L Wainscot (Chair of Trustees from 28 September 2023) (Appointed 2 February 2023)  
Mrs G Newton (Appointed 26 September 2023)

### Senior management team

- Headteacher	Mr A Taylor
- Deputy Headteacher	Mr M McCormick
- Assistant Headteacher	Mrs B Garner
- Assistant Headteacher	Mrs R Roberts
- Trust Business Manager	Miss S Roberts

### Company registration number

10499669 (England and Wales)

### Registered office

St Gabriels C of E Academy  
Houlton Way  
Houlton  
Rugby  
Warwickshire  
CV23 1AN

### Independent auditor

Ellacotts Audit Services Limited  
Vantage House  
2700 Kettering Parkway  
Kettering Venture Park  
Kettering  
Northamptonshire  
NN15 6XR



# HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2023

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

The financial statements have been prepared in accordance with the accounting policies on pages 26-29 of the financial statements, and comply with the Company's Memorandum and Articles of Association, the Companies Act 2006, and the requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) and the Academies Accounts Direction 2022 to 2023.

The Academy Trust operates an Academy for pupils aged 3-11 serving a catchment area in Houlton, Rugby. During the year 2022/23, it had a pupil capacity of 270 and had a roll of 280 in the Summer 2023 school census. Post year end, the Academy Trust increased its pupil capacity to 360 and had a roll of 374 in the Autumn 2023 school census

#### **Structure, governance and management**

##### Constitution

Houlton Church of England Multi-Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Charitable Company was incorporated on 28 November 2016.

The Trustees and Governors are responsible for the charitable activities of Houlton Church of England Multi-Academy Trust and of the Charitable Company for the purposes of Company Law. The charitable company operates as Houlton Church of England Multi Academy Trust, running St Gabriel's Church of England Academy.

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

##### Members' liability

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

##### Trustees' indemnities

In accordance with normal commercial practice, the Academy has purchased insurance via the DfE Risk Protection Arrangement (RPA) scheme to protect the Governors, Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst undertaking Academy business. The insurance provider provides cover up to £10,000,000 in any one claim.



# HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

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

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### Method of recruitment and appointment or election of trustees

The number of Trustees shall not be less than 3 (unless otherwise determined by ordinary resolution) but shall not be subject to any maximum.

The Trust members may appoint up to 4 Trustees with approval of the Coventry Diocesan Board of Education. Urban & Civic Plc, as a corporate member of the company, may appoint 2 Trustees. The Bishop of Coventry, as a member of the company, may appoint 1 Trustee. The Chief Executive Officer of the company will be a Trustee for as long as they are in office as is listed in the Articles.

In addition to the Trust Governing Body, there is a Local Governing Body in operation for St Gabriel's CofE Academy. The Coventry Diocesan Board of Education may appoint up to five foundation Governors in addition to a local clergy ex officio Governor. Trustees shall appoint a minimum of 2 Parent Governors. Trustees may appoint Staff Governors through such a process as they may determine, provided that the total number of Governors (Including the Headteacher - ex officio) who are employees of the Trust does not exceed one third of the total number of Governors. The members may also appoint two Co-opted Governors.

The term of office for Trustees/Governors is 4 years, however, this time limit shall not apply to any post which is held ex officio. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-appointed or re-elected. Any member of the Trust may resign provided that after such resignation, the number of members is not less than three.

Trustee vacancies are advertised using nationally recognised channels such as Inspiring Governance and Academy Ambassadors. Applicants are asked to complete a Skills Matrix and a detailed application form, which is then considered in detail by the Trust Board.

### Policies and procedures adopted for the induction and training of trustees

Following their appointment, trustees receive an introduction to their role from the Chair of Trustees and CEO, a tour of the Academy site and the opportunity to meet members of staff. Trustees complete a details form for information required at Companies house and 'Get Information about Schools' portal. Details are uploaded to the Academy website.

The Trust board at Houlton CofE MAT are committed to providing adequate opportunities for Trustees to receive suitable training so as to enable them to undertake their role more effectively. Training is procured by way of a service level agreement with the Trust Governance service provider, Warwickshire County Council and the Coventry Diocesan Board of Education.

All new Trustees are actively encouraged to undertake training to gain a better understanding of the role and responsibilities. Additionally, Trustees with specific responsibilities are encouraged to undertake specific training.

### Organisational structure

The structure of Houlton Church of England Multi Academy Trust consists of 4 senior levels:

1. The Board of Trustees
2. The Local Governing Body
3. The Chief Executive Officer / Headteacher
4. The Senior Leadership Team which consists of the Headteacher, Deputy Headteacher and Assistant Headteachers.

The Trust board is responsible for the strategic direction of the Academy; the approval of the annual budget, approval of Trust policies, the approval of the accounts and audit procedures; oversight of Trust interaction with the Local and National Government and the Diocese as well as holding the CEO to account.



# HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

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

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The Local Governing Body is delegated with oversight of the Academy's performance, standards and operation; the approval of Academy policies; admissions; safeguarding and behaviour; provision and holding the Senior Leadership Team to account.

Operational management is the responsibility of the Head Teacher and Senior Leadership Team. Academy policies are developed by senior members of the Academy's staff to reflect both the strategic direction agreed by the Governors and also statutory requirements.

Operational management, including the creation of Academy policies, is scrutinised by working committees of Governors who look in detail at all aspects of the Academy's work. The committees of the Board of Trustees are: Finance and Audit Committee & HR and Pay Committee. Recommendations and points of note are shared and approved by the full board of Trustees. Endorsements through the full Governing Body and Trust Board are implemented as procedures, strategy and systems by members of staff.

### Arrangements for setting pay and remuneration of key management personnel

The Trust Board are responsible for setting the pay and remuneration of key management personnel. They ensure that the appropriate arrangements are in place for linking appraisal to pay are applied consistently. The aggregate remuneration and benefits of the personnel for services to St Gabriel's CofE Academy during the year were £350,038 (2022: £324,613).

### Related parties and other connected charities and organisations

The land and buildings are let at a peppercorn rent on a 125-year lease from Warwickshire County Council.

The Coventry Diocesan Board of Education remain a member of the Academy Trust. They have a significant influence in the selection and approval of Trustees and Governors.

The master developer of the site (Houlton, Rugby) Urban&Civic Plc remain a member of the Academy Trust.

Trustees Mrs Joh Thomas is an employees of Urban&Civic Plc.

Trustee Mrs Joh Thomas is Chair of Governors at a local school as part of the Transforming Lives Educational Trust.

Trustee Rev Stephen Gold is spouse to the Director of the Diocesan Board of Education.

Trustee Georgina Newton is Director of School Genie, a provider of school leader training.

Trustee Yolanda Morley-McKay is an employee of the Church of England Foundation for Education Leadership, a provider of school leader training.

Trustee Dan Neeld is an employee of Knitreact a provider of EdTech services.

### **Objectives and activities**

#### Objects and aims

The aims of the Trust rest on the following principle:

- Our guiding Christian value of love drives what we do and in sharing God's love with our community we can inspire each other to flourish and experience fullness of life.

The Trustees, Governors and Staff recognise that this is a Church of England Trust and on these foundations commit to:

- To provide excellent education for the pupils at its schools in the context of a loving, inclusive Christian ethos.
- To ensure its schools have a positive impact on their community.
- To deliver a rich educational opportunity that allows all children to flourish in different ways.
- To develop children's spiritual, moral, social and cultural understanding enabling them to recognise the needs of others, promote kindness and positively contribute to their society.



# HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

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

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### Objectives, strategies and activities

The main objective of the Trust board is to ensure its school thrive, upholding and developing the Christian foundation, ethos, values, standards and achievements of the Academies whilst working to fulfil the Trust's medium and longer term development plans.

The Trust development objectives for the coming year are:

- MAT growth

Secure growth for the Trust, subject to DfE commissioning, to support Academy growth in Rugby and the surrounding area, providing an additional high-quality Trust opinion for Church (and non-church) schools. This work is supported by:

- Securing a strong financial position for the future;
- Securing and developing an exceptional workforce contributing to an outstanding culture;
- Developing and deploying high-quality school improvement capacity for schools within the Trust and in the local network.

- Academy growth.

Ensure the Trust school(s) (St Gabriel's) will sustain and further develop high standards and strongly evidence the Christian vision at its heart whilst embedding continued growth. Secure funding and arrange for full completion of Academy size.

- Board growth.

Consider further recruitment and development for Trustees to further strengthen three core functions of the board as part of succession planning. Utilise local and national.

- Community service growth.

Expand high-quality, financially sustainable community extended services.

Utilise existing staff and further recruit to enable the successful implementation of a larger pre-school Nursery provision and before & after school services for families. The services will be profitable; they will enhance the Trust's community support and they will be educationally enriching to the children who attend them.

### Public benefit

The Directors confirm that they have complied with the requirement in the Charities Act 2011 to have due regard to the Charity Commission general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy Trust's aims and objectives and in planning its future activities.

The key public benefit delivered by the Trust is the provision and development of high quality education at the Academy, to the children of Houlton, Rugby and the surrounding area. In doing this, St Gabriel's CofE Academy not only offers a broad and balanced academic education but aims to educate the whole child, enabling them to flourish in a variety of ways. The Trust works to offer provision for the community in Early Years Pre School education and extended hours childcare whilst the Academy facilities are offered for community use to local groups and St Gabriel's local church.

## **Strategic report**

### **Achievements and performance**

St Gabriel's CofE Academy has high aspirations for its pupils and a drive for continuous improvement. The analysis of performance is thorough and information is gathered from a range of sources. The leadership team operate a programme of monitoring and self-evaluation, supported by Governors and external consultants.



# HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

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

<u>End of Reception: Good Level of Development</u>		National % (2023)		St Gabriel's % 2023		
All (60)		67		87		
<u>Year 1: Phonics Screening Check</u>		National (2023)		St Gabriel's 2023		
All (60)		79		96		
<u>Year 2: Phonics Screening Check</u>		National (2023)		St Gabriel's 2023		
All (60)		94		93		
<u>End of KS1 (Year 2):</u>	Reading	Writing		Maths		
	All (30)	All (30)		All (30)		
	National (2023)	School	National (2023)	School	National (20223)	School
Expected Standard +	68	70	60	70	70	87

<u>End of KS2 (Year 6):</u>	Reading		Writing (TA)		Maths		Combined	
	All (32)		All (32)		All (32)		All (32)	
	National (2023)	School	National (2023)	School	National (2023)	School	National (2023)	School
Expected Standard +	73	81	72	81	73	84	60	78

Nearly all statutory reportable assessment results are **above comparable national and local averages**.

RAG Rating of Performance indicators (Trust and St Gabriel's)

High quality education		Pupil progress is in the top 20% of schools in core subjects across KS2, very strong attainment above all national and local comparators. Ofsted evidenced 'Good' in every area. Strong safeguarding practice, attendance above National comparators.
School improvement		Strong and growing leadership team developed with capacity to undertake school improvement work externally.
Finance		Reduced Trust reserves, in-year deficit and forecast challenging break even budget for 2023-2024.
Estates		Newly increased school estate and improved grounds not yet complete.
Governance		Strong governance leadership over the course of the year, excellent recruitment however some vacancies created by departing directors.





# HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

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

### Key performance indicators

The majority of the Trust's income is obtained from the DfE via the ESFA in the form of its General Annual Grant (GAG), the use of which is restricted to particular purposes; i.e. the objects of the Academy Trust.

The GAG received during the period covered by this report and the associated expenditure are shown as restricted funds in the statement of Financial Activities. In accordance with the Charities SORP 2015, the Devolved Formula Capital received is shown in the statement of Financial Activities (SOFA) as Restricted Fixed Asset Funds.

During the year ended 31 August 2023 pupil numbers grew by 18.1%; the Trust operated a small deficit.

### Key Financial performance indicators:

Spend on <b>teaching staff</b> as a percentage of total expenditure	44.11%	Lowest 20% of similar schools
Spend on <b>supply staff</b> as a percentage of total expenditure	1.78%	Middle 20% of similar schools
Spend on <b>education support staff</b> as a percentage of total expenditure	18.5%	Broadly in line with similar schools
Spend on <b>administrative and clerical staff</b> as a percentage of total expenditure	8.10%	Highest 10% of similar staff
Spend on <b>other staff costs</b> as a percentage of total expenditure	1.43%	Broadly in line with similar schools
Spend on <b>premises (including staff costs)</b> as a percentage of total expenditure	5.59%	Broadly in line with similar schools
Spend on <b>teaching resources</b> as a percentage of total expenditure	6.24%	Broadly in line with similar schools
Spend on <b>energy</b> as a percentage of total expenditure	1.88%	Highest 10% of similar schools
Other spending as a percentage of total expenditure (balancing line)	12.37%	N/A
In-year balance as a percentage of total income	-4.50%	Medium risk
Revenue reserve as a percentage of total income	10.08%	Low risk

### Other Key Performance Indicators

Senior leaders as a percentage of workforce	15.05%	Highest 20% of similar schools
Pupil to teacher ratio	20.00	Middle 20% of similar schools
Pupil to adult ratio	8.78	Broadly in line with similar schools
Average class size	31.1	Highest 10% of similar schools

### Going concern

After making appropriate enquiries, the Board of Trustees, including all Committees, 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 Accounting Policies note of the financial statements. The Trust ensures that resources are managed to ensure sustainability.

### **Financial review**

During the year ended 31 August 2023, the net movement in funds was an increase of £2,555,903 including net movement in fixed asset funds of £2,608,248 and actuarial gain on the Local Government Pension Scheme of £22,000. The net movement on funds, excluding fixed assets and pension, is therefore a deficit of £74,345. Revenue funds available decreased from £232,792 in August 2022 to £158,447 in August 2023; while the fixed asset fund increased from £4,711,628 to £7,319,895 and the pension deficit moved from a £22,000 deficit to £nil.



# HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

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

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The Trust is reporting an in-year revenue funds deficit of £74,345 for the year ended 31 August 2023, which equates to -4.3% of total income. The in-year deficit is a result of numerous factors:

- Partly unfunded staff pay awards: The Trust adopted the 2022-23 National Pay Award for teachers and support staff, although this was only partly funded by the ESFA's Mainstream Schools' Additional Grant and the Schools' Supplementary Grant, leaving an unfunded shortfall of £21,000.
- Increased premises and utility costs: Energy costs exceeded budget by £7,000 due to the impact of the energy crisis on gas and electricity unit rates. In addition, cleaning and repair costs were in excess of budget by a further £12,000 due to the expansion of the St Gabriel's site to include a second building, and the increase in the National Living Wage driving up cleaning costs.
- Reduced income generation from extended services: Although the Academy's extended services were still profitable, the Academy faced £63,000 less income generation than budgeted from its extended services, primarily due to the adoption of the National Pay Award for staff and lower pupil uptake of wraparound services than forecast.
- Purchase of equipment required for the accelerated opening of three new classrooms: In order to meet the demand for school places in the local area the Academy took the decision to open three new classrooms in 2023-24, for which equipment had to be sourced costing approximately £10,000.

In light of these challenges, the Trust remained focused on budgeting and cost management, actively reducing budgeted spend on ICT, furniture and professional services to save £21,000 of planned expenditure. Overall, the Trust is presenting an in-year revenue funds deficit of £74,345 which has consequently reduced revenue funds to £158,447 (2022: £232,792).

Despite reporting an in-year deficit position, the Trust still holds a healthy year-end revenue reserve balance of £158,447. The revenue reserve balance comprises restricted funds (excluding pension reserve) of £42,019 (2022: £60,983) and unrestricted funds of £116,428 (2022: £171,809). The decrease in both restricted and unrestricted revenue reserves reflects the Trust spend on academy operations.

The increase in fixed asset funds from £4,711,628 to £7,319,876 is primarily due to the addition of a new school building to house the expansion of the school into a two-form of entry school. Depreciation charge of £144,688 is expensed in the financial year 2022/23. Additions of the value of £2,736,448 were capitalised in the financial year 2022/23.

The LGPS defined benefit pension scheme has been revalued at the year-end 31 August 2023 at £nil. The value of the pension deficit is based on a valuation report carried out by an independent, qualified pension actuary. The deficit balance is not controllable by Houlton Church of England Multi-Academy Trust, as employer pension contributions are defined by the Local Government Pension Scheme and the valuation of the pension is as stated by the actuary. Parliament has agreed, at the request of the Secretary of State for Education, to guarantee that, in the event of an academy trust closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education.

The majority of the Academy Trust's income is received from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2023 and the associated expenditure of these grants are shown as Restricted Funds in the Statement of Financial Activities.

Across the Academy, key ongoing challenges exist around pressures on Government funding streams and the lagged funding model, which has particular impact on the Academy in these years of significant pupil number growth. In order to maintain a healthy reserves level while also balancing the increased demand for resources that come with pupil number growth, careful budget setting and management is essential. The Trustees are aware that robust financial management and controls must underpin Trust activities and so the financial systems are subject to annual external audit, annual reviews from an Internal Scrutineer and management reviews of monthly management accounts. A scheme of delegation setting out responsibilities, accountabilities and segregation of duties is in place. Monthly management accounts are prepared for Trustees to monitor revenue and capital spend and income against budgets, forecasts, funds and cash. In addition to robust scrutiny of financial systems and careful management of budgets, the Trustees support the decision to explore opportunities around generation of unrestricted funding sources to bolster the Academy's income.



# HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

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

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### Reserves policy

The Trust has reviewed reserve levels and are confident that they should provide sufficient working capital to cover delays between spending and receipt of grants and to allow for unexpected situations such as urgent maintenance work. Under normal circumstances the Trustees would aim to maintain reserves of between four and six weeks working capital as an appropriate cushion. As at the year ended 31 August 2023, the Trust held around five weeks of working capital as reserve which is planned for use during the growth phase of the school as funding grants lag behind pupil numbers.

The total reserves at 31 August 2023 is £7,478,323 of which £7,319,876 are held as fixed asset funds. The Academy's level of free reserves (total funds less the amount held in fixed assets or pension reserve) as at 31 August 2023 was £158,447 (2022: £232,793). Of free reserves, £17,121 is restricted UIFSM funding and £24,898 is restricted Sports Premium funding. There are spending plans in place to utilise these designated funds – there is a plan in place to spend the Sports Premium reserves, where planned expenditure in the 2020/21 academic year was unfortunately postponed due to the restrictions imposed by the pandemic on the delivery of face-to-face sports clubs across year group bubbles.

Due to the accounting rules for the Local Government Pension Scheme under Financial Reporting Standard 102, the Academy is recognising a pension fund deficit at 31 August 2023 of £nil (2022: £22,000 deficit). This does not mean that an immediate liability for this amount crystallises and that such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years. The recognition of the deficit has no direct impact on the free reserves of the Academy Trust.

### Investment policy

Aside from the cash held for the operation of the Academy, the Trust has no realisable investments. With respect to its cash holdings the Trust has adopted a low risk strategy. The Trust maintains a business account generating a market norm level of interest. If at any point cash held in reserve exceeds three months of working capital the Trustees will consider alternative investment solutions.

### Principal risks and uncertainties

The principal risks to the future of the Academy have been identified as:

1. Operating a high quality educational provision within the constraints of school funding grants, compounded by the challenges of the lagged funding model.
2. Loss of personnel, or inability to recruit for positions required to maintain all operations.

The Trustees are aware of the need to manage these risks effectively and are keen to ensure there are strategies in place to address risk areas. In order to manage the risks surrounding funding constraints while the Academy is in a growth phase, the Trustees recognise the importance of careful budget setting and management. Robust financial controls are in place and the Finance System are appropriately scrutinised by the annual external audit, the internal scrutineer and management reviews of monthly financial accounts. Further, other income generating opportunities will be explored in order to increase unrestricted income sources and diversify the risks associated with the constraints of finite grant income.

Loss of personnel remains a key risk in the current competitive market for high-quality teaching and support staff. In order to promote employee retention, the Trust promotes a culture of wellbeing and support, offering a wellbeing package to all employees. Training and development opportunities are made available to staff and employee feedback is sought and considered. Salaries are considered in line with local markets to remain competitive. Career progression and succession planning is considered for staff positions.

### **Fundraising**

The Trust is keen to support a range of good causes both locally, nationally and internationally and encourages involvement from pupils and the school community to raise funds periodically throughout the school year. The Senior Leadership Team consider causes for support on an annual basis to ensure those charities are appropriate. There is no obligation on pupils, families or the community to support the charities and no pupils are excluded from in-school fundraising events due to any financial constraints. Contributions are always voluntary and 'opt-in'.



# HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

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

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The Trust does not operate a regulated fundraising scheme nor does it employ or use the service of a professional fundraiser.

### Plans for future periods

The Trust seeks to continue to meet its objective for the public benefit to advance education to provide excellent opportunities for all pupils to flourish and to support its local communities.

As part of the broader Trust objectives and priorities listed above, the Key aims for 2023-2024 can be crystallised into the following:

- Secure growth for the Trust.
- Secure a strong financial position for the future.
- Secure and develop an exceptional workforce contributing to an outstanding culture.
- Recruit skills and experience to the Trust board.
- Develop and deploy high quality school improvement capacity for schools.
- Sustain and further develop high standards in its schools (and for Church Schools to strongly evidence their Christian foundation).
- Develop community services to maintain a high quality, maximise profitability and grow.

### Funds held as custodian trustee on behalf of others

The Academy Trust and its Trustees do not act as Custodian Trustees of any other charity.

### Auditor

In so far as the trustees are aware:

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

Ellacotts Audit Services Limited were appointed as auditor of the charitable company and a resolution that they be reappointed will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 18/12/23 and signed on its behalf by:



Canon L Wainscot

Chair of Trustees from 28 September 2023



# HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

## GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2023

### Scope of responsibility

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

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

The Board has delegated the day-to-day responsibility to the CEO, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Houlton Church of England Multi Academy Trust and the Secretary of State for Education. The CEO is also responsible for reporting to the Board any material weaknesses or breakdowns in internal control.

### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 4 times during the year and the Local Governing body has formally met 6 times in the year. Additionally, the finance and audit subcommittee has met 3 times.

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

Trustees	Meetings attended	Out of possible
Mr P Tribe (Chair of Trustees until 28 September 2023) (Resigned 28 September 2023)	4	4
Mr A Taylor (Headteacher and Accounting Officer)	4	4
Mr C Sawtell (Resigned 28 September 2023)	3	4
Mrs J Thomas	2	4
Dr R Pogson (Resigned 31 December 2022)	0	2
Rev. S Gold	3	4
Mr D Neeld	1	4
Mr S Baptiste	1	4
Mrs Y Morley-McKay	4	4
Canon L Wainscot (Chair of Trustees from 28 September 2023) (Appointed 2 February 2023)	2	2
Mrs G Newton (Appointed 26 September 2023)	0	0

Attendance during the year at meetings of the Local Governing Body was as follows:

Governors	Meetings attended	Out of possible
Mrs B Garner	6	6
Rev S Gold	6	6
Mr A Taylor	6	6
Mrs G Newton	4	6
Mr A Gray (Resigned 13 October 2022)	1	1
Dr R Pogson (Resigned 31 December 2022)	1	2
Mr B Mitchell (Resigned 24 July 2023)	4	6
Mr M van den Berg	2	6
Mrs F Ikuomola	3	6
Rev A Marsh (Appointed 23 September 2022)	6	6
Mrs C Dixon (Appointed 26 January 2023)	3	4
Mr A Mohan (Appointed 26 January 2023)	4	4



# HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### Key Changes to the composition to the board of trustees:

During the year 2022/23, 1 new Trustee was recruited and appointed to the Board of Trustees. Canon Linda Wainscot was appointed to the Trust Board on 2 February 2023, bringing her experience of working with multiple Diocesan Boards of Education and various school governance roles for over 20 years. Post year end, 1 new Trustee was recruited and appointed to the Board of Trustees. Mrs Georgina Newton was appointed to the Trust Board on 26 September 2023, bringing her extensive experience of the teaching profession, school leadership, teacher training and teacher wellbeing.

#### The coverage of its work:

The Trust Board has provided oversight of the activities of the Houlton Church of England Multi Academy Trust in the year 2022/23. The Trust Board was responsible for the review and adoption of Trust policies, as well as the Scheme of Delegation and Terms of Reference. The Trust Board also discusses any matters arising from Safeguarding updates, Health & Safety updates and Premises updates as reported by the CEO and CFO.

The Board continues to oversee financial performance, discussing the findings of Internal Scrutiny visits and that of the annual External Audit. Further, the Trust Board approved the financial budget for 2023/24 as well as the 3-year projections to 2025/26.

Looking forward, longer term growth of the MAT has also been discussed and explored by the Trust Board, with various options being considered.

#### The board's performance, including assessment of its own effectiveness and any particular challenges that have arisen for the board:

The Trust Board has managed effective oversight of the Academy Trust throughout 2022/23 with meetings being held regularly and key issues being discussed and considered. Meeting attendance could be improved to ensure full participation in all meetings.

The Trustees bring a wealth of different skills and knowledge to the Board, with Trustees having experience in education leadership, religious ministry, public relations and communication, accounting and financial management and education technology.

Some Trustees have also conducted Governor visits to review the practices across the Trust and to understand, analyse and critique the processes in place. This is a vital role in order to promote continuing school improvement and ensure governance oversight of key processes is good.

#### Information about the quality of the data used by the board, and why the board finds it acceptable:

The Board of Trustees is presented data by the CEO and CFO for consideration and analysis at Trust Meetings. Financial data presented is collated by the CFO, who is a qualified accountant, and the financial systems are subject to an annual external audit as well as internal scrutiny visits – on this basis the Trust Board deems the quality of financial data is reliable and acceptable for use. Non-financial data and strategic planning is presented by the CEO who, as Headteacher, leads the day-to-day running of the Academy Trust and therefore has a strong knowledge of the information to be presented – on this basis the Trust deems the quality of non-financial and strategic data is reliable and acceptable for use.

Although the Board of Trustees has met fewer than 6 times in the year, effective oversight has been maintained through the meeting of additional sub-committees and the Local Governing Body. The Board of Trustees has formally met 4 times during the year and the Local Governing body has formally met 6 times in the year. Additionally, the finance and audit subcommittee has met 3 times.

#### **Review of value for money**

As accounting officer, the CEO has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.



## GOVERNANCE STATEMENT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

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

- Tendering and Quotation exercises: purchases from new suppliers over £5,000 have been subject to value for money reviews. Alternative quotations are obtained in line with the procedures set out in the Financial Scheme of Delegation. Value for money is a key factor in determining choice of supplier.
- Budget management: monthly management accounts are produced to compare actual spend against budget. Variances are closely analysed and any overspend is discussed by management, with consideration given as to whether greater value for money can be achieved.

### **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 Houlton Church of England Multi Academy Trust for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

### **Capacity to handle risk**

The board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees. The Academy Trust has an up to date risk register.

### **The risk and control framework**

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

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

The Board of trustees has decided not to appoint an auditor for this purpose. However, the Trustees have decided not to use a bought-in internal audit service from a firm, to carry out a programme of internal checks.

The internal auditor's role includes giving advice on financial and other matters and performing a range of checks on the academy trust's financial and other systems. In particular, the checks carried out in the current period included:

- Risk management processes
- Maintenance of trust risk register



# HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

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On an annual basis, the auditor reports to the board of trustees, through the Finance, Audit and Risk committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

### Review of effectiveness

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

- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process or the school resource management self-assessment tool;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the board of trustees on 18/12/23 and signed on its behalf by:

Mr A Taylor  
Headteacher and Accounting Officer

Canon L Wainscot  
Chair of Trustees from 28 September 2023





# HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

## STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2023

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As accounting officer of Houlton Church of England Multi Academy Trust, I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

I confirm that I and the academy trust's 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 Academy Trust Handbook 2022.

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

Mr A Taylor  
**Accounting Officer**

A handwritten signature in black ink, appearing to read 'A Taylor', written over a dotted line.

18/12/23

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

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The trustees (who are also the directors of Houlton Church of England Multi Academy Trust for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the Academies Accounts Direction 2022 to 2023 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these financial statements, the trustees are required to:

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

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

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

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

Approved by order of the members of the board of trustees on 18/12/23 and signed on its behalf by:



Canon L Wainscot

**Chair of Trustees from 28 September 2023**



# HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

FOR THE YEAR ENDED 31 AUGUST 2023

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### Opinion

We have audited the financial statements of Houlton Church of England Multi Academy Trust for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the academy trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

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

We have nothing to report in this regard.

### Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report including the incorporated strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
  - the trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.
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# HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report, including the incorporated 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:

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

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

### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also perform the following procedures:

- Enquiry of management, those charged with governance around actual and potential litigation and claims.
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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



# HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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### Use of our report

This report is made solely to the charitable company'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 charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Charlotte Toemaes*

**Charlotte Toemaes BSc FCA (Senior Statutory Auditor)**  
for and on behalf of Ellacotts Audit Services Limited

### Chartered Accountants

#### Statutory Auditor

Vantage House  
2700 Kettering Parkway  
Kettering Venture Park  
Kettering  
Northamptonshire  
NN15 6XR

*19/12/23*



# HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2023

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

This report is made solely to Houlton Church of England Multi Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Houlton Church of England Multi Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Houlton Church of England Multi Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of Houlton Church of England Multi Academy Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Houlton Church of England Multi Academy Trust's funding agreement with the Secretary of State for Education dated 1 September 2018 and the Academies Financial Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Approach**

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Reviewing the minutes of meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity;
- A review of the objectives and activities of the academy, with reference to the income streams and other information available to us as auditors of the academy;
- Testing a sample of payroll payments to staff;
- Testing of a sample of payments to suppliers and other third parties;
- Testing a sample of grants received and other income streams;
- Evaluating the internal control procedures and reporting lines, and testing as appropriate;
- Making appropriate enquiries of the Accounting Officer.



# HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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### 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 period 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*Ellacotts Audit Services Limited*

### Reporting Accountant

Ellacotts Audit Services Limited  
Vantage House  
2700 Kettering Parkway  
Kettering Venture Park  
Kettering  
Northamptonshire  
NN15 6XR

Dated: *19/12/23*.....



# HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds £	Restricted funds: General £	Fixed asset £	Total 2023 £	Total 2022 £
<b>Income and endowments from:</b>						
Donations and capital grants	3	-	64,564	2,754,633	2,819,197	61,663
Charitable activities:						
- Funding for educational operations	4	-	1,284,827	-	1,284,827	1,048,581
Other trading activities	5	281,308	21,600	-	302,908	278,766
Investments	6	33	-	-	33	32
<b>Total</b>		<u>281,341</u>	<u>1,370,991</u>	<u>2,754,633</u>	<u>4,406,965</u>	<u>1,389,042</u>
<b>Expenditure on:</b>						
Charitable activities:						
- Educational operations	8	336,722	1,413,652	144,688	1,895,062	1,677,531
<b>Total</b>	7	<u>336,722</u>	<u>1,413,652</u>	<u>144,688</u>	<u>1,895,062</u>	<u>1,677,531</u>
<b>Net income/(expenditure)</b>		(55,381)	(42,661)	2,609,945	2,511,903	(288,489)
Transfers between funds	16	-	1,697	(1,697)	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial gains on defined benefit pension schemes	18	-	44,000	-	44,000	342,000
<b>Net movement in funds</b>		<u>(55,381)</u>	<u>3,036</u>	<u>2,608,248</u>	<u>2,555,903</u>	<u>53,511</u>
<b>Reconciliation of funds</b>						
Total funds brought forward		<u>171,809</u>	<u>38,983</u>	<u>4,711,628</u>	<u>4,922,420</u>	<u>4,868,909</u>
Total funds carried forward		<u>116,428</u>	<u>42,019</u>	<u>7,319,876</u>	<u>7,478,323</u>	<u>4,922,420</u>





# HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

Comparative year information Year ended 31 August 2022	Notes	Unrestricted	Restricted funds:		Total
		funds	General	Fixed asset	2022
		£	£	£	£
<b>Income and endowments from:</b>					
Donations and capital grants	3	-	41,935	19,728	61,663
Charitable activities:					
- Funding for educational operations	4	-	1,048,581	-	1,048,581
Other trading activities	5	252,762	26,004	-	278,766
Investments	6	32	-	-	32
<b>Total</b>		<u>252,794</u>	<u>1,116,520</u>	<u>19,728</u>	<u>1,389,042</u>
<b>Expenditure on:</b>					
Charitable activities:					
- Educational operations	8	141,056	1,390,593	145,882	1,677,531
<b>Total</b>	7	<u>141,056</u>	<u>1,390,593</u>	<u>145,882</u>	<u>1,677,531</u>
<b>Net income/(expenditure)</b>		111,738	(274,073)	(126,154)	(288,489)
Transfers between funds	16	-	(1,586)	1,586	-
<b>Other recognised gains/(losses)</b>					
Actuarial gains on defined benefit pension schemes	18	-	342,000	-	342,000
<b>Net movement in funds</b>		111,738	66,341	(124,568)	53,511
<b>Reconciliation of funds</b>					
Total funds brought forward		60,071	(27,358)	4,836,196	4,868,909
Total funds carried forward		<u>171,809</u>	<u>38,983</u>	<u>4,711,628</u>	<u>4,922,420</u>



# HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

## BALANCE SHEET AS AT 31 AUGUST 2023

	Notes	2023		2022	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	12		7,303,388		4,711,628
<b>Current assets</b>					
Debtors	13	129,923		52,198	
Cash at bank and in hand		154,638		302,147	
			284,561		354,345
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	14	(109,626)		(121,553)	
<b>Net current assets</b>			174,935		232,792
<b>Net assets excluding pension liability</b>			7,478,323		4,944,420
Defined benefit pension scheme liability	18		-		(22,000)
<b>Total net assets</b>			7,478,323		4,922,420
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>	16				
- Fixed asset funds			7,319,876		4,711,628
- Restricted income funds			42,019		60,983
- Pension reserve			-		(22,000)
<b>Total restricted funds</b>			7,361,895		4,750,611
<b>Unrestricted income funds</b>	16		116,428		171,809
<b>Total funds</b>			7,478,323		4,922,420

The financial statements on pages 22 to 43 were approved by the trustees and authorised for issue on 15/12/23 and are signed on their behalf by:

Canon L Wainscot

Chair of Trustees from 28 September 2023

Company registration number 10499669 (England and Wales)



# HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>					
Net cash used in operating activities	19		(165,727)		(146)
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		33		32	
Capital funding received from sponsors and others		2,754,633		19,728	
Purchase of tangible fixed assets		(2,736,448)		(21,314)	
<b>Net cash provided by/(used in) investing activities</b>			18,218		(1,554)
<b>Net decrease in cash and cash equivalents in the reporting period</b>			(147,509)		(1,700)
Cash and cash equivalents at beginning of the year			302,147		303,847
<b>Cash and cash equivalents at end of the year</b>			154,638		302,147

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

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**1 Accounting policies**

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

**1.1 Basis of preparation**

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 financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Houlton Church of England MAT meets the definition of a public benefit entity under FRS 102.

**1.2 Going concern**

The trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy 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.

**1.3 Income**

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

Grants

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

General Annual Grant is recognised in full in the statement of financial activities in the period 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 in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Donations

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



# HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 1 Accounting policies

(Continued)

##### Other income

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

##### Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

##### Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

#### 1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

##### Expenditure on raising funds

This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

##### Charitable activities

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

#### 1.5 Tangible fixed assets and depreciation

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding that require 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.



# HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 1 Accounting policies

(Continued)

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset, less their residual value, over its expected useful life, as follows:

Land and buildings	50 years straight line
Computer equipment	3 years straight line
Fixtures, fittings & equipment	5 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.

#### 1.6 Liabilities

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

#### 1.7 Leased assets

Rentals under operating leases are charged on a straight-line basis over the lease term.

#### 1.8 Financial instruments

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust 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. Prepayments are not financial instruments.

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

##### Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

#### 1.9 Taxation

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

#### 1.10 Pensions benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the academy trust.



# HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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### 1 Accounting policies

(Continued)

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

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy 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 net income or expenditure are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

#### 1.11 Fund accounting

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

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.

### 2 Critical accounting estimates and areas of judgement

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

#### Critical accounting estimates and assumptions

The academy 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18, 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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.



# HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Donated fixed assets	-	2,672,159	2,672,159	-
Capital grants	-	82,474	82,474	19,728
Other donations	-	64,564	64,564	41,935
	-	2,819,197	2,819,197	61,663

### 4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
<b>DfE/ESFA grants</b>				
General annual grant (GAG)	-	980,950	980,950	828,951
Other DfE/ESFA grants:				
UIFSM	-	57,925	57,925	43,665
Pupil premium	-	60,825	60,825	48,027
Others	-	70,801	70,801	38,064
	-	1,170,501	1,170,501	958,707
<b>Other government grants</b>				
Local authority grants	-	109,178	109,178	85,578
<b>COVID-19 additional funding</b>				
<b>DfE/ESFA</b>				
Other DfE/ESFA COVID-19 funding	-	5,148	5,148	4,296
<b>Total funding</b>	-	1,284,827	1,284,827	1,048,581

### 5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Hire of facilities	12,155	-	12,155	11,715
Catering income	-	21,100	21,100	18,334
Staff absence insurance claims	-	500	500	7,670
Nursery income	195,673	-	195,673	164,976
Wraparound income	72,476	-	72,476	75,394
Other income	1,004	-	1,004	677
	281,308	21,600	302,908	278,766





# HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

6	Investment income	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £	
	Short term deposits	33	-	33	32	
<hr/>						
7	Expenditure	Staff costs £	Non-pay expenditure Premises      Other £                      £		Total 2023 £	Total 2022 £
	Academy's educational operations					
	- Direct costs	1,083,050	-	153,573	1,236,623	989,264
	- Allocated support costs	221,554	250,316	186,569	658,439	688,267
		<u>1,304,604</u>	<u>250,316</u>	<u>340,142</u>	<u>1,895,062</u>	<u>1,677,531</u>
	<b>Net income/(expenditure) for the year includes:</b>			<b>2023</b> £	<b>2022</b> £	
	Depreciation of tangible fixed assets			144,688	145,882	
	Fees payable to auditor for:					
	- Audit			6,150	5,775	
	- Other services			3,300	2,250	
	Net interest on defined benefit pension liability			2,000	5,000	
<hr/>						
8	Charitable activities	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £	
	<b>Direct costs</b>					
	Educational operations	294,163	942,460	1,236,623	989,264	
	<b>Support costs</b>					
	Educational operations	42,559	615,880	658,439	688,267	
		<u>336,722</u>	<u>1,558,340</u>	<u>1,895,062</u>	<u>1,677,531</u>	



# HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 8 Charitable activities (Continued)

	2023	2022
	£	£
<b>Analysis of support costs</b>		
Support staff costs	233,367	318,952
Depreciation	144,688	145,882
Technology costs	14,394	11,284
Premises costs	105,628	72,303
Professional services	28,156	26,440
Other support costs	132,206	113,406
	<u>658,439</u>	<u>688,267</u>

### 9 Staff

#### Staff costs

Staff costs during the year were:

	2023	2022
	£	£
Wages and salaries	954,694	778,314
Social security costs	89,414	71,085
Pension costs	229,801	319,896
Staff costs - employees	1,273,909	1,169,295
Agency staff costs	30,695	13,138
	<u>1,304,604</u>	<u>1,182,433</u>
Staff development and other staff costs	26,927	29,224
Total staff expenditure	<u>1,331,531</u>	<u>1,211,657</u>

#### Staff numbers

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

	2023	2022
	Number	Number
Teachers	11	9
Administration and support	21	19
Management	5	5
	<u>37</u>	<u>33</u>



# HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 9 Staff

(Continued)

##### Higher paid staff

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

	2023 Number	2022 Number
£60,000 - £70,000	-	1
£70,001 - £80,000	1	-
	<u>          </u>	<u>          </u>

##### Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £350,038 (2022: £324,613).

#### 10 Trustees' remuneration and expenses

One or more of the trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their services as trustees.

The value of trustees' remuneration and other benefits was as follows:

Mr A Taylor (Head teacher and Governor)

Remuneration £70,001 - £75,000 (2022: £65,001 - £70,000)

Employers pension contributions £15,001 - £20,000 (2022: £15,001 - £20,000)

#### 11 Trustees' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance is in place through the DFE risk protection arrangement (RPA) to the value of £2,000,000 for any one claim and in the aggregate in any one period. The cost of this is included within the Statement of Financial Activities.



# HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 12 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£
<b>Cost</b>				
At 1 September 2022	4,994,460	76,057	176,298	5,246,815
Additions	2,631,996	26,402	78,050	2,736,448
Disposals	-	(2,249)	-	(2,249)
At 31 August 2023	7,626,456	100,210	254,348	7,981,014
<b>Depreciation</b>				
At 1 September 2022	386,356	63,372	85,459	535,187
On disposals	-	(2,249)	-	(2,249)
Charge for the year	99,889	8,609	36,190	144,688
At 31 August 2023	486,245	69,732	121,649	677,626
<b>Net book value</b>				
At 31 August 2023	7,140,211	30,478	132,699	7,303,388
At 31 August 2022	4,608,104	12,685	90,839	4,711,628

#### 13 Debtors

	2023 £	2022 £
Trade debtors	27,627	5,105
VAT recoverable	23,446	8,408
Other debtors	124	1,579
Prepayments and accrued income	78,726	37,106
	129,923	52,198

#### 14 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	2,175	44,970
Other taxation and social security	39,670	36,087
Other creditors	-	238
Accruals and deferred income	67,781	40,258
	109,626	121,553



# HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 15 Deferred income

	2023 £	2022 £
Deferred income is included within:		
Creditors due within one year	38,372	28,368
Deferred income at 1 September 2022	28,368	30,090
Released from previous years	(28,368)	(30,090)
Resources deferred in the year	38,372	28,368
Deferred income at 31 August 2023	38,372	28,368

### 16 Funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2023 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	20,042	980,950	(1,000,992)	-	-
UIFSM	16,348	57,925	(57,152)	-	17,121
Pupil premium	-	60,825	(60,825)	-	-
Other DfE/ESFA COVID-19 funding	-	5,148	(5,148)	-	-
Other DfE/ESFA grants	24,593	70,801	(70,496)	-	24,898
Other government grants	-	109,178	(110,875)	1,697	-
Other restricted funds	-	86,164	(86,164)	-	-
Pension reserve	(22,000)	-	(22,000)	44,000	-
	<u>38,983</u>	<u>1,370,991</u>	<u>(1,413,652)</u>	<u>45,697</u>	<u>42,019</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	3,924,603	-	(85,940)	-	3,838,663
DfE group capital grants	30,057	82,474	(18,943)	(1,697)	91,891
Capital expenditure from GAG	73,467	-	(25,856)	-	47,611
Private sector capital sponsorship	683,501	2,672,159	(13,949)	-	3,341,711
	<u>4,711,628</u>	<u>2,754,633</u>	<u>(144,688)</u>	<u>(1,697)</u>	<u>7,319,876</u>
<b>Total restricted funds</b>	<u>4,750,611</u>	<u>4,125,624</u>	<u>(1,558,340)</u>	<u>44,000</u>	<u>7,361,895</u>
<b>Unrestricted funds</b>					
General funds	171,809	281,341	(336,722)	-	116,428
<b>Total funds</b>	<u>4,922,420</u>	<u>4,406,965</u>	<u>(1,895,062)</u>	<u>44,000</u>	<u>7,478,323</u>



# HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### 16 Funds

(Continued)

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

#### **General Annual Grant (GAG)**

The General Annual Grant (GAG) has been provided by the ESFA/DfE in order to fund the normal running costs of the Academy. During the period the Academy's GAG expenditure exceeded GAG income. Where the GAG income exceeds GAG expenditure, the balance will be carried forward to use in future years and enable the establishment of a minimum prudent level of reserves to manage risks and unforeseen costs. Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2023.

#### **Other DfE/ESFA Grants**

This represents various grants from local and national government bodies for the provision of specific services to pupils of the Academy.

#### **Other Restricted Funds**

Other Restricted Funds include funding from the sale of uniforms and education related goods, exam fee income and income for educational supplies and services.

#### **Pension Reserve**

The restricted Pension reserve represents the deficit on the Academy's share of the Local Government Pension Scheme as at 31 August 2023.

#### **Restricted Fixed Assets**

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



# HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 16 Funds

(Continued)

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	140,296	828,951	(912,551)	(1,586)	55,110
UIFSM	12,047	43,665	(39,364)	-	16,348
Pupil premium	2,843	48,027	(50,870)	-	-
Catch-up premium	5,708	-	(5,708)	-	-
Other DfE/ESFA COVID-19 funding	-	4,296	(4,296)	-	-
Other DfE/ESFA grants	21,748	38,064	(35,219)	-	24,593
Other government grants	-	85,578	(120,646)	-	(35,068)
Other restricted funds	-	67,939	(67,939)	-	-
Pension reserve	(210,000)	-	(154,000)	342,000	(22,000)
	<u>(27,358)</u>	<u>1,116,520</u>	<u>(1,390,593)</u>	<u>340,414</u>	<u>38,983</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	4,010,543	-	(85,940)	-	3,924,603
DfE group capital grants	28,048	19,728	(17,719)	-	30,057
Capital expenditure from GAG	100,155	-	(28,274)	1,586	73,467
Private sector capital sponsorship	697,450	-	(13,949)	-	683,501
	<u>4,836,196</u>	<u>19,728</u>	<u>(145,882)</u>	<u>1,586</u>	<u>4,711,628</u>
<b>Total restricted funds</b>	<u>4,808,838</u>	<u>1,136,248</u>	<u>(1,536,475)</u>	<u>342,000</u>	<u>4,750,611</u>
<b>Unrestricted funds</b>					
General funds	<u>60,071</u>	<u>252,794</u>	<u>(141,056)</u>	<u>-</u>	<u>171,809</u>
<b>Total funds</b>	<u>4,868,909</u>	<u>1,389,042</u>	<u>(1,677,531)</u>	<u>342,000</u>	<u>4,922,420</u>



# HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 17 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
<b>Fund balances at 31 August 2023 are represented by:</b>				
Tangible fixed assets	-	-	7,303,388	7,303,388
Current assets	116,428	151,645	16,488	284,561
Current liabilities	-	(109,626)	-	(109,626)
<b>Total net assets</b>	<b>116,428</b>	<b>42,019</b>	<b>7,319,876</b>	<b>7,478,323</b>

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
<b>Fund balances at 31 August 2022 are represented by:</b>				
Tangible fixed assets	-	-	4,711,628	4,711,628
Current assets	171,809	182,536	-	354,345
Current liabilities	-	(121,553)	-	(121,553)
Pension scheme liability	-	(22,000)	-	(22,000)
<b>Total net assets</b>	<b>171,809</b>	<b>38,983</b>	<b>4,711,628</b>	<b>4,922,420</b>

#### 18 Pension and similar obligations

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 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 Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academy trusts. All teachers have the option to opt out of the TPS following enrolment.

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





# HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 18 Pension and similar obligations

(Continued)

#### Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £113,066 (2022: £81,781).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

#### Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below.

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

Total contributions made	2023 £	2022 £
Employer's contributions	72,000	59,000
Employees' contributions	22,000	18,000
Total contributions	<u>94,000</u>	<u>77,000</u>



# HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 18 Pension and similar obligations (Continued)

Principal actuarial assumptions	2023 %	2022 %
Rate of increase in salaries	3.95	3.85
Rate of increase for pensions in payment/inflation	2.95	3.05
Discount rate for scheme liabilities	5.2	4.25

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

	2023 Years	2022 Years
Retiring today		
- Males	21.3	21.6
- Females	22.5	24.1
Retiring in 20 years		
- Males	21.4	22.7
- Females	25.9	25.9

Scheme liabilities would have been affected by changes in assumptions as follows:

	2023	2022
0.1% decrease in Real Discount Rate	10,000	9,000
1 year increase in member life expectancy	11,000	10,000
0.1% increase in Pension Increase Rate (CPI)	10,000	9,000

#### The academy trust's share of the assets in the scheme

	2023 Fair value £	2022 Fair value £
Equities	197,200	131,400
Bonds	85,000	59,130
Property	54,400	24,090
Cash	3,400	4,380
Total market value of assets	340,000	219,000

The actual return on scheme assets was £27,000 (2022: £(9,000)).



# HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

18 Pension and similar obligations	(Continued)	
Amount recognised in the statement of financial activities	2023	2022
	£	£
Current service cost	92,000	208,000
Interest income	(11,000)	-
Interest cost	13,000	5,000
Benefit changes, curtailments and settlements gains or losses	(59,000)	-
Administration expenses	59,000	-
	<hr/>	<hr/>
Total operating charge	94,000	213,000
	<hr/> <hr/>	<hr/> <hr/>
<b>Changes in the present value of defined benefit obligations</b>		<b>2023</b>
		<b>£</b>
At 1 September 2022		241,000
Current service cost		92,000
Interest cost		13,000
Employee contributions		22,000
Actuarial gain		(87,000)
Effect of non-routine settlements and administration expenses		59,000
		<hr/>
At 31 August 2023		340,000
		<hr/> <hr/>
<b>Changes in the fair value of the academy trust's share of scheme assets</b>		<b>2023</b>
		<b>£</b>
At 1 September 2022		219,000
Interest income		11,000
Actuarial (gain)/loss		16,000
Employer contributions		72,000
Employee contributions		22,000
		<hr/>
At 31 August 2023		340,000
		<hr/> <hr/>



# HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 19 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	Notes	2023 £	2022 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)		2,511,903	(288,489)
Adjusted for:			
Capital grants from DfE and other capital income		(2,754,633)	(19,728)
Investment income receivable	6	(33)	(32)
Defined benefit pension costs less contributions payable	18	20,000	149,000
Defined benefit pension scheme finance cost	18	2,000	5,000
Depreciation of tangible fixed assets		144,688	145,882
(Increase) in debtors		(77,725)	(9,865)
(Decrease)/increase in creditors		(11,927)	18,086
<b>Net cash used in operating activities</b>		<u>(165,727)</u>	<u>(146)</u>

#### 20 Analysis of changes in net funds

	1 September 2022 £	Cash flows £	31 August 2023 £
Cash	302,147	(147,509)	154,638
	<u>302,147</u>	<u>(147,509)</u>	<u>154,638</u>

#### 21 Long-term commitments

##### Operating leases

At 31 August 2023 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2023 £	2022 £
Amounts due within one year	9,354	4,256
Amounts due in two and five years	23,386	14,895
	<u>32,740</u>	<u>19,151</u>

On 22 May 2018 the Academy Trust had committed to a 125 year lease of the land it occupies from Warwickshire County Council for a peppercorn rent.



# HOULTON CHURCH OF ENGLAND MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### **22 Related party transactions**

Owing to the nature of the academy trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the academy trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures.

There were no transactions with related parties during the year ended 31 August 2023 which require disclosure.

In the opinion of the Governors, there is no ultimate controlling party.

#### **23 Members' liability**

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