

Harpenden Secondary Education Trust
(Katherine Warrington School)
(A Company Limited by Guarantee)

Annual Report and Financial Statements
For the year ended 31 August 2023

Harpenden Secondary Education Trust (Katherine Warington School)

Contents

Item	Page
Reference and Administrative Details	
Trustees' Report	1
Governance Statement	12
Statement on Regularity, Propriety and Compliance	16
Statement of Trustees' Responsibilities	17
Independent Auditor's Report on the Financial Statements	18
Independent Reporting Accountant's Report on Regularity	22
Statement of Financial Activities incorporating Income & Expenditure Account	24
Balance Sheet	25
Statement of Cash Flows	26
Notes to the Financial Statements, incorporating:	
Statement of Accounting Policies	27
Other Notes to the Financial Statements	28

Harpenden Secondary Education Trust

Trustees' Report

Reference and Administrative Details

Members 1.9.22 to 31.8.23

Individual member

Chair of Trust Board - Jennifer Howarth

Corporate Members

Sir John Lawes School (Scholars Education Trust)

Roundwood Park School Academy Trust

St George's (Harpenden) Academy Trust

University of Hertfordshire

Rothamsted Education Limited

Trustees 1.9.22 to 31.8.23

Adam Badi (from 05/03/2023)

Gerry Brady (resigned 06/03/2023)

Dani Cook

Jennifer Howarth

Simon Laing

Suzy Lawrence

Sally Pearson

Anthony Smith (until 31.08.23)

Neal Tobin

Sonia Wall

Jamie Washburn

Donna Witter

Alex Vickers

Charlotte Zacharia

Company Secretary

Dean Inns

Senior Management Team:

- Headteacher - Mr Anthony Smith (Until 31/08/23 - now Executive Director)
- Deputy Headteacher - Mr David Martin (Until 31/08/23 - now Acting Headteacher)
- Assistant Headteacher - Mrs Grace Aikman
- Assistant Headteacher - Mrs Zoe Coomber
- Assistant Headteacher - Mr Gareth Livesey Jones
- Assistant Headteacher - Mr Chris Laing
- School Business Manager - Mr Dean Inns

Company Name

Principal and Registered Office

Harpenden Secondary Education Trust

Katherine Warrington School

Harpenden

Herts

AL5 5FH

Company Registration Number

09238779 (England and Wales)

Independent Auditor

Moore Kingston Smith LLP

4 Victoria Square

St Albans

Herts

AL1 3TF

Bankers

Barclays PLC

11 Bank Court

Hemel Hempstead

Herts.

Solicitors

Stone King LLP

13 Queen Square

Bath

Harpenden Secondary Education Trust

Trustees' Report (continued)

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 and strategic report under company law.

The academy trust operates an academy for pupils aged 11 to 18 serving a catchment area in North Hertfordshire. It has a pupil capacity of 1150 although during the 2022/2023 financial year had a roll of 750 Year 7, 8, 9 and Year 10 students.

The school will grow by 180 students each year. However, due to a shortage of places in the local area we took an additional form of 30 students in September 2022 meaning our current Year 8 has 210 students instead of 180. We also took an additional 6 pupils in Year 7 in September 2023 due to a shortage of places in the local area. At the time of the school census in October 2022, the roll was 750. The forecasted roll for the 2023/24 academic year is 936 and we currently have 931 students on roll as of the October 2023 Census.

Structure, Governance and Management Constitution

The 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 Trustees of Harpenden Secondary Education Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Katherine Warrington School.

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

Members' Liability

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

Trustees' Indemnities

In accordance with the Companies Act 2006 S236, the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on School and Trust business. The Risk Protection Arrangement provides cover up to £10,000,000 on any one claim.

Recruitment and Appointment of Trustees

Trustees are appointed by the Members, co-opted by the Board or appointed by parents (two Trustees). The articles of association require that there are at least 3 Trustees, but there is no maximum number. We seek to appoint Trustees with relevant background or experience to complement the existing Trustee qualifications. An annual Trustee skills audit helps to identify our recruitment needs. We recognise the benefit of a diverse board which reflects the school community and welcome applications from all.

Policies and Procedures Adopted for the Induction and Training of Trustees

There is a full induction and training programme for new Trustees supported by the Governance Professional, School HR, School Business Manager and office manager. Ongoing training is mandatory for all Trustees and those undertaking specific roles undertake further appropriate subject training. All Trustees undertake mandatory safeguarding training every year.

Harpenden Secondary Education Trust

Trustees' Report (continued)

Organisational Structure

The Trustees are responsible for the overall management and control of the Harpenden Secondary Education Trust and meet six times a year as a full Trust Board. Each Trustee is then allocated to either the Education committee or the Resources committee. Some (such as the Chair of Trustees and the Headteacher) will alternate between committees or attend both where possible. Both the Education and Resources Committees comprise a minimum of 5 Trustees. There is also a Remuneration Committee - this committee will comprise at least 3 Trustees: the Chair of Trustees, a minimum of one Trustee representative from the Resources Committee and at least one other Trustee. Trustees who are also staff may not join the Remuneration Committee.

The work of reviewing and monitoring most policies is delegated to individual members of the Education and the Resources Committees. Both these committees meet twice per term. The Remuneration Committee meets once per year in the Autumn term. Committee Chairs are elected at the first committee meeting of the academic year. Terms of reference for all committees are approved annually at the first Full Trust Board meeting of the academic year. The Harpenden Secondary Education Trust Governance Professional is responsible for coordinating the work of the Trustees and their Committees, preparation of agendas and papers and review of matters arising. The Chief Financial Officer is responsible for the preparation of accounts.

The core functions of the Trust Board fall into three main areas: overseeing the financial performance of the school and making sure its money is well spent; holding the Headteacher to account for the educational performance of the school and its pupils; and, ensuring clarity of vision, ethos and strategic direction.

The day to day running of the School is delegated to the Headteacher, supported by the Senior Leadership Team. The Headteacher undertakes the key leadership role overseeing educational, pastoral and administrative functions in consultation with the Senior Leadership Team. The day to day administration is undertaken within the policies and procedures approved by the Trustees which provide for only significant expenditure decisions and major capital projects to be referred to the Trustees for prior approval.

The Headteacher oversees the recruitment of all school staff. The Headteacher is a Trustee/ Principal Accounting Officer and attends all meetings where possible. Members of the Senior Leadership Team are invited to attend meetings as appropriate.

All Trustees give their time freely and no remuneration or expenses were paid in the year in respect of their work as a Trustee.

Arrangements for setting pay and remuneration of key management personnel

Teachers' pay is set against the nationally negotiated scale inclusive of Outer London Fringe. Support staff pay is set against the National Joint Council pay grades.

Pay grades are determined by the Remuneration Committee who also set the Headteacher remuneration using guidance of the STRB, based on size and success of the Academy as well as additional duties undertaken. Headteacher pay is ratified by the Chair of Trustees on behalf of the Trust Board.

Harpenden Secondary Education Trust

Trustees' Report (continued)

Trade Union Facility Time

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, where an academy trust has more than 49 full time equivalent employees throughout any 7 months within the reporting period, it must include information included in Schedule 2 of the Regulations. The information to be published consists of four tables covering the period starting from 1 April each year and as follows:

Relevant Union Officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
0	0

Percentage of Time spent on facility time

Percentage of Time	Number of Employees
0%	0
1-50%	0
51-99%	0
100%	0

Percentage of pay bill spent on facility time

Provide the total cost of facility time	£0
Provide the total pay bill	£3,893,788
Provide the percentage of the total pay bill spent on facility time, calculated as: $(\text{total cost of facility time} \div \text{total pay bill}) \times 100$	0%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: $(\text{total hours spent on paid trade union activities by relevant union officials during the relevant period} \div \text{total paid facility time hours}) \times 100$	0%
---	----

Harpenden Secondary Education Trust

Trustees' Report (continued)

Related Parties and other Connected Charities and Organisations

The Corporate members of Harpenden Secondary Education Trust are the three other secondary schools in Harpenden, Rothamsted Research and Hertfordshire University. These corporate members are represented by senior members of staff. For the year 1/09/2022-31/08/2023 these individuals were Alan Henshall (Roundwood), Helen Barton (St George's), Philip Newbery (Sir John Lawes), Julie Newlan (University of Hertfordshire) and Angela Karp (Rothamsted).

Objectives and Activities

The original objectives of the academy trust were to successfully open and populate a new secondary school in Harpenden, meeting the outstanding educational expectations of the community.

All the secondary schools in Harpenden are oversubscribed with Katherine Warington receiving the most first preference applications in the town for the September 2023 intake.

The school was established through the educational partnership of Harpenden's three other secondary schools supported by excellent local further educational establishments.

The aim of the school is to provide an excellent education. As the first new secondary school in Harpenden for 50 years, we offer traditional academic values with an innovative approach.

Our core purpose is learning. Our plan is designed to focus on learning outcomes for all our students and, by doing so, enhance the life chances of all of the young people in our community and allow them to achieve economic wellbeing and take their place in society as active, global citizens. Academic excellence is of prime importance but it is not the measure of a human being's worth.

Our school allows students to achieve because they will learn in a happy, friendly community where the contributions of all staff and students are valued.

Our vision for KWS enshrines our values: **Knowledge, Wellbeing, Success.**

Knowledge – built through our robust and diverse curriculum. Students develop a thirst for knowledge through inspirational teaching and, as their school career progresses, they are afforded more and more personalised opportunities to apply knowledge and develop life skills.

Wellbeing – students and staff value the importance of looking after their own and others wellbeing and health. Through participation, collaboration and a focus on kindness and integrity, our school community is ready to face the challenges of a developing world.

Success – students and staff believe nothing is impossible if it will improve learners' life chances. They are supported to fulfil their potential, realise their personal ambitions, and have the confidence and resilience to meet their challenges.

Curriculum- Inspiring, Evidence Informed and Knowledge Based

Within the framework of the national curriculum our school delivers an inclusive and personalised school curriculum that is designed around each student. In Key Stage 3, Year 8 students select up to 10 GCSE subjects to study through Years 9,10 and 11 (Key Stage 4) with an additional option point in Year 9 for final GCSE selection. Our school provides an exciting, dynamic, and inspiring environment that utilises the latest technology and augmented reality to drive teaching and learning. The school environment fosters a collaborative and caring community of learners who are proud of their school and are aware of the pride their school has in them. The principles that underpin our evidence based approach to learning are: Rosenshine's Principles of Instruction, Willingham's Principles of the Mind and Caviglioli's summary of Cognitive Load Theory.

Harpenden Secondary Education Trust

Trustees' Report (continued)

Objects and Aims

Katherine Warrington School is a modern school with traditional core values.

Central to our vision for the school is the shared belief that young people have the right to a transformational educational experience that will enable them to fulfill their potential and realise their ambitions. Our school has established a culture that fosters and rewards success and engenders a shared belief amongst all members of the school community that nothing is impossible if it will improve learners' life chances. We aim to provide the highest quality teaching and learning to meet the needs and expectations of Harpenden and the surrounding community.

We intend for our students to be fully fledged members and leaders of our democratic society – ready, when they leave us as adults, to make their mark on the world.

The ethos of our school focuses on enabling every student to make outstanding progress whatever their starting point and will be achieved by:

- a relentless focus on improving standards of teaching and learning;
- an innovative and flexible curriculum which enables learners to follow individualised pathways
- developing a strong student voice so that learners are involved in the transformational process;
- developing the inclusion agenda by providing high quality provision for learners who struggle to access a mainstream curriculum and stretch and challenge the most able;
- a high quality and creative programme of CPD for staff which will improve learner experience and also contribute to staff recruitment and retention;
- working in partnership with all members of the local community, both educational and wider;
- embed and embody the principles of the Prevent strategy, teaching tolerance, respect for others and responding unequivocally to the ideological challenge of terrorism and addressing any areas of risk of radicalisation.

Objectives, Strategies and Activities

Katherine Warrington School defines success using the standards and targets described below. Key Performance Indicators in governance and finance use the guidance provided by the self-evaluation framework published by the Education Funding Agency (EFA). We will also consider success measures such as:

- High quality relationships between staff, students and families;
- Ability to recruit high quality staff and replacements for leavers;
- High numbers of referrals and staff applications;
- Low exclusion and persistent absence rates;
- High levels of staff/student/parent satisfaction;
- The levels and outcomes of investment in the CPD of staff (teaching and support) and Trust Board
- The size and continuing efficacy of our community network and levels of community involvement

Self-evaluation involves collecting, analysing and interpreting a wide range of evidence through such activities as data analysis, sampling of students' work, lesson observations, learning walks, interviews and surveys. This allows the identification of development priorities.

The school listens and responds to the views of its stakeholders. Evaluation will focus strongly on the impact of the school's actions on learners, families, staff and the local community. We also measure contributory factors to achievement including attendance and punctuality as well as other pastoral indicators such as behaviour measures (e.g. detentions and exclusion rates) as intermediate outcomes.

Harpenden Secondary Education Trust

Trustees' Report (continued)

Strategic objectives

- To establish Katherine Warrington School as an outstanding school for Harpenden and Hertfordshire.
- To establish a highly aspirational learning-led environment, delivering an outstanding education to all students. With this all-encompassing vision, monitoring identifiable sections of the student community such as higher achieving pupil premium recipients to ensure all are stretched and challenged.
- To promote innovative learning where all staff will also be learners.
- To promote an enviable programme of enrichment opportunities for all students.
- To create an environment of belonging and succeeding for every student, where those with specific learning needs (of all abilities and disabilities) will be fully supported, stretched and challenged in class, through one to one and small group learning, depending upon their individual requirements.
- To embed continuous assessment for learning, at the heart of securing outstanding student progress. To use restorative approaches to secure outstanding behaviour for learning, courtesy and integrity amongst the students.
- To participate in a robust and resilient network of excellent critical friends to support KWS learning targets.
- To create a pastoral approach based on a strong year group identity, recognising and celebrating effort and personal development.
- To have a positive impact on the local community, fully using the school's resources for the benefit of the local community.

Public Benefit

Harpenden Secondary Education Trust is a charitable trust which seeks to benefit the public through the pursuit of its stated aims.

The Academy Trust Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

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

Strategic Report

Achievements and Performance

We are now in our fifth year of operation as a school. We have successfully filled each year group and have been oversubscribed for applications in every year of admissions. Our success has led to the County asking us to exceed our pupil admissions number in 2022/23 and 2023/24. We now have 936 students spread over our five-year groups.

Our school building has been successfully completed and we have adapted it further by creating a bespoke sixth form area and work has begun on constructing a 3G artificial all-weather playing pitch/area.

We are now a Joint Council for Qualification (JCQ) approved Exam Centre and work in partnership with multiple awarding bodies to offer a range of qualifications at level 2 with our first exams taking place in the summer of 2024. We have begun to launch our post-16 level 3 offer and will run the exams for these in the summer of 2026.

We have established a school-wide system of KS3 assessment to measure and ensure good progress is made in KS3. Alongside this we have set up and are delivering quality education at KS4 in line with exam board specifications and criteria for programmes of study.

Harpenden Secondary Education Trust

Trustees' Report (continued)

Key Performance Indicators

We meet all expectations regarding education standards and safeguarding. The school received an exemplary report from the Education Advisor inspection carried out post opening. Subsequent visits by our School Effectiveness Advisor in our second, third, fourth and fifth years have resulted in further complimentary reports.

Other performance indicators include:

- High quality relationships between staff, students and families;
- Ability to recruit high quality staff (as the school grows to full capacity) and replacements for leavers;
- High numbers of referrals and staff applications;
- Low exclusion rates;
- Attendance data that is above national averages;
- High levels of staff/student/parent satisfaction;
- The levels and outcomes of investment in the CPD of staff (teaching and support) and Trust Board;
- The size and continuing efficacy of our community network and levels of community involvement.

Evidence to support the achievement of these goals has been presented to Trustees.

In line with our vision for the school, the Trust's proposed key outcomes are as follows:

- the school ranks amongst the highest performing schools in Hertfordshire and nationally in terms of attainment, progress and attendance;
- a culture of praise, recognition and reward using student and staff voice in line with our ethos and values;
- all students develop a sense of physical, social, spiritual, cultural and emotional well-being;
- all students leave the school ready to move to the next stage of education, employment or training;
- parents demonstrate a high degree of satisfaction with the school as judged by parental feedback and formal surveys;
- the school has a positive impact on the community as monitored by feedback and surveys;
- the school has a sustainable budget and is providing good value for money.

In addition, student and staff attendance is monitored, as are rewards and sanctions, staff performance management and its impact, SEND progress and impact, use of Pupil Premium, CLA, destination post-16, quality of teaching assessments and departmental and whole school budget management.

The Headteacher is responsible for overseeing school improvement and performance, with the support of the leadership team and Trust. The Headteacher, in conjunction with the Trust, completed the School Evaluation Form and has created a robust School Development Plan. The Trust reviews and provides formal input before it is agreed. The Trustees then provide challenge at a detailed level during their monitoring visits, where they focus on key areas from the School Development Plan to find evidence to back up what is being reported by the school and report back to the Trust on its impact.

The responsibility for safeguarding sits with the Trust. However, the work is delegated to the Headteacher. This does not remove the responsibility of the Trustees. The Trust Board appoints a link Trustee with the specific responsibility for safeguarding. They work with the school to ensure the safeguarding responsibilities are fulfilled. This includes ensuring the appropriate training has taken

Harpenden Secondary Education Trust

Trustees' Report (continued)

place for all staff, Trustees, visitors and volunteers e.g. safeguarding training (appropriate level for role), Prevent, safer recruitment.

The Trustees are responsible for ensuring the Single Central Register is up to date. The work will be done in school, but will be closely monitored by the link Trustee.

Going Concern

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

Financial Review

The vast majority of the Trust's incoming resources is obtained from the DfE via the Education and Skills Funding Agency (ESFA) in the form of recurrent grants restricted to specific educational purposes. The Trust continues to receive set up resource funding and diseconomies funding as a new school. Katherine Warrington serves a catchment area where 16% of pupils are in receipt of Pupil Premium funding and this funding has enabled greater resources to be spent on educational support staff and materials, to support pupil interventions.

All students have a Chromebook for use in School and for Home Learning. These are funded by a parental contribution scheme with the school providing assistance for those in financial need with support from local charities such as the James Marshall Foundation.

Lettings and external hirings of the school facilities continue to thrive and were above budget for the second year running. The school has continued to evolve its theatre space and has launched 'Harpenden Art's Centre' at the school. We have hosted numerous performances including dance shows, performances, conferences and a Summer Festival.

We have received additional funding from Herts County Council for taking an additional 6 students in the 2023/24 academic year in addition to the funding received last year for an additional 30 students. This funding has been spent on improvements to the school facilities including changes to our Sixth Form/Pastoral areas, a dedicated SEN area, Solar Panels, and funding is earmarked for our new 3G all weather pitch which has now started being built with an expected opening in January 2024.

The school has maintained robust cost controls whilst maintaining a high staff to student ratio. As such the Trust made an in year surplus of £268,601

We continue to remain incredibly grateful to KWAF for their fundraising events and continued support via donations to the school. Donations this year have included 5K to the Performing Arts Department for a Grand Piano and 5K to the Science Department. The KWS Wellness Centre (gym) opened in September 2023 funded by previous donations from KWAF and the Harpenden Trust.

Harpenden Secondary Education Trust

Trustees' Report (continued)

Reserves Policy

The school will always try to spend funding allocated for the education of students within the same financial year. The Trustees consider free reserves to be unrestricted funds excluding fixed assets and general restricted funds arising from carried forward GAG funds.

The total restricted income reserves held by the Trust at 31st August 2023 are £23,576,540 and total unrestricted reserves are £794,212. The surplus is largely restricted and can only be spent on specific items.

It should be noted that a surplus or deficit position of the pension scheme would generally result in a cash flow effect for the academy trust in the form of an increase or decrease in employers' pension contributions over a period of years.

Investment Policy

Any surplus cash is held overnight in a Barclays savings account with minimal interest earned. The school ensures it has sufficient cash either in its Barclays current account or instant access investment accounts to meet its liquidity needs. The School has a secure account with the Insignis Cash Management Platform and this has enabled the school to invest surplus cash in a range of short and medium term investments to gain a higher interest rate than available in high street banks.

Funds will be invested with banking institutions that are regulated by the FCA and with a rating of at least A-. This is monitored by the Resources Committee.

Principal Risks and Uncertainties

To monitor and manage the strategic, operational, compliance and financial risks of the school, a comprehensive risk register has been developed which is reviewed regularly by Trustees.

The principal financial risk that may affect the School is: Government funding

The School has considerable reliance on continued government funding through the ESFA. For the future there can be no assurance that government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

The School is committed to ensuring that the school buildings and facilities are maintained to a high standard although the school is only 4 years old we continue to make improvements such as the Whiterock added to the walls and the external canopies added in the Summer of 2022 and the perimeter fencing completed in November 2022. A Capital Pot is set aside on an annual basis to deal with any issues that arise and to continue to make improvements such as additional Car Parking. The School continues to monitor its facilities in line with the Good Estates Management for School guidance.

This risk is mitigated in a number of ways:

- maintaining the positive relationships with the ESFA and DfE that developed successfully during the pre opening phase;
- by ensuring the School is rigorous in delivering good value for money high quality education and training;
- identifying potential sources of funding through grant funding, donations and lettings income to supplement core ESFA funding.
- Compliance with the Good Estates Management for School guidance.

Harpenden Secondary Education Trust

Trustees' Report (continued)

Fundraising

Katherine Warington Association of Friends (KWAF) have raised £10,000 in the Academic Year to support the Performing Arts department with the purchase of a Grand Piano and further improvements to the Schools Theatre facilities. A further £5,000 was donated to the Science Department to help with the purchase of essential equipment required for GCSE Practicals.

The School Wellbeing Gym was opened in September 2022 following KWAF's donations in the previous academic year.

Some of the events that KWAF have run during the 2022/23 academic year are a Comedy night, a Christmas raffle and a series of Wreath Workshops. We also held our first KWAF Fireworks night in November 2022 and this event was a huge success with over 1,500 people in attendance. We have continued to promote our Founders' Wall. In the 2023/24 academic year we are fundraising towards kitchenette facilities for the new Sixth Form and an additional school minibus.

The KWS Performing Arts department also carried out some fundraising during the academic year as part of their Winter Showcases, Music Concerts and also the whole school production of Shrek The Musical. These funds have been re-invested in developing the Hall/Theatre facilities at KWS.

Plans for Future Periods

The Trustees intend to continue their current strategies of maintaining the school's position in a competitive market by providing outstanding education for all students. Achieving high standards of academic results is a constant aim whilst maintaining the breadth and depth of wider education to develop the whole person.

The Headteacher and senior staff continue to review the curriculum to ensure that the educational qualifications remain appropriate for our students' development. This includes plans for our Sixth Form opening in September 2024.

Our future plans are financed from income direct from the DfE, related to student numbers and other lump-sum factors. Trustees will ensure funding is invested appropriately for the next generation of students as they have done in the past for current students.

Maintaining and, where necessary, developing the fabric of the facilities of the school are central to our strategy. Opportunities to develop our facilities to enhance students' learning are key. We have a planned programme of maintenance and seek to invest when funding is available.

Funds Held as Custodian Trustee on Behalf of Others

No funds are held by the School on behalf of others

Harpenden Secondary Education Trust

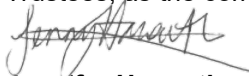
Trustees' Report (continued)

Auditor

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware;
- 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; Moore Kingston Smith are to be reappointed as external auditors of Katherine Warrington School.
- Herts for Learning are to be reappointed as the internal auditors of Katherine Warrington School.

The Trustees' report, incorporating a strategic report, was approved by order of the board of Trustees, as the company directors, on 21st December 2023 and signed on the board's behalf by:



Jennifer Howarth
Chair of Trustees

21st December 2023

Harpenden Secondary Education Trust

Trustees' Report (continued)

Governance Statement

Scope of Responsibility

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

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

The board of Trustees has delegated the day-to-day responsibility to the Headteacher as accounting officer for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Harpenden Secondary Education Trust and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Full Trust Board met formally 6 times; the Resources committee (incorporating Audit) which operates to monitor finance, HR, Health & Safety and Premises met formally 3 times and the Education committee met 3 times. The remuneration committee, a sub-committee, meets once a year to check the robustness of the appraisal cycle and consider and approve any pay awards for staff.

Attendance during the year 1.9.22 to 31.8.23 for all applicable meetings was as follows:

Current Trustees		Meetings attended out of a possible *
Badi	Adam	6 out of 6
Cook	Dani	10 out of 13
Howarth	Jenny	11 out of 13
Laing	Simon	11 out of 13
Lawrence	Suzy	13 out of 13

Harpenden Secondary Education Trust Trustees' Report (continued)

Pearson	Sally	13 out of 13
Smith	Tony	13 out of 13
Tobin	Neal	7 out of 13
Vickers	Alex	13 out of 13
Wall	Sonia	7 out of 13
Washburn	Jamie	12 out of 13
Witter	Donna	10 out of 13
Zacharia	Charlotte	8 out of 13
Trustees who left during the year		
Brady	Gerard	4 out of 7

* The number of possible meetings is defined by start dates for Trustees, resignation dates and also the number of committees the Trustee represents.

An AGM was held in December 2022 - this is the only meeting the Members are required to attend.

Governance reviews

The Trust Board carries out a skills audit every year and all prospective Trustees complete the same audit as part of their application process in order to ensure any skills gaps are carefully considered and filled wherever possible. The most recent audit was completed in June 2022 with results shared at the Trust Board meeting July 2022, with the next audit due to be completed in December 2023. Alongside the template audit, Trustees are asked 4 key review questions in a survey around:

1. Individual contribution over the past year
2. Relevant courses, training or other development undertaken
3. Any areas or responsibilities they would like to take on in the future
4. Any additional training and/or support they feel would help them to carry out their role more effectively

Harpenden Secondary Education Trust

Trustees' Report (continued)

The survey was completed in the Summer term and discussed at Trust Board level. Outcomes feed into the Trust Board priorities for the following year. The survey also helps Trustees reflect on the year and identify areas for improvement in the next year. Trustees are asked about a range of topics including their understanding of how they fit into the Board's structure, strategic direction, pupil premium spend and the financial accounting cycle.

Responses are used to help identify any gaps for future Trustee recruitment and to determine roles and responsibilities moving forwards, including Trustee succession planning. In most cases, we have been able to advertise, recruit and fill vacant positions in good time allowing a handover between the outgoing and incoming Trustees to provide a better induction for the new person resulting in a smooth transition for the school staff member who they usually meet with.

Review of value for money

As accounting officer, the Headteacher 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 educational and wider societal outcomes, as well as estates safety and management, achieved in return for the taxpayer resources received. The accounting officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the Trust Board 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: •

- Monitoring monthly management accounts
- Benchmarking of expenditure against other establishments
- Procurement processes followed for all purchases.
- Tight budget monitoring.

Reviewing Controls and Managing Risk

We continually monitor processes with the intention of achieving greater efficiencies that also lead to cost reductions. Trustees have agreed on a risk register which details all potential financial and business risks, weights their impact based on significance and likelihood, and details mitigating measures to reduce risk exposure.

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 ongoing process designed to identify and prioritize the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realized and the impact should they be realized, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Harpenden Secondary Education 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 Trust Board 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 Trust Board is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1st 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.

Harpenden Secondary Education Trust

Trustees' Report (continued)

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 to buy-in an internal audit service from Herts for Learning. This option has been chosen because it meets the requirements of the School and Academies Financial Handbook.

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:

- Budget Setting Process
- HR/Payroll

On a bi-annual basis, the auditor reports to the Trust Board, through the Resources committee (including our Audit and Risk Committee) on the operation of the systems of control and on the discharge of the Trust Board's financial responsibilities. On an annual basis the auditor/reviewer prepares a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

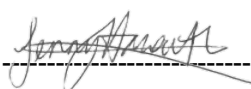
Review of Effectiveness

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

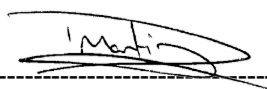
- the work of the internal and external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Trust Board on 21st December 2023 and signed on its behalf by:



J Howarth
Chair of the Trust Board



D Martin
Accounting Officer

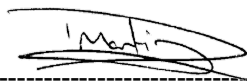
Harpenden Secondary Education Trust Trustees' Report (continued)

STATEMENT ON REGULARITY, PROPRIETY & COMPLIANCE

As accounting officer of Harpenden Secondary Education Trust I have considered my responsibility to notify the academy trust governing body and the Education Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of 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 Trust Board are able to identify any material irregular or improper use of all 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 Trust Board and ESFA.



D Martin
Accounting
officer

Date: 21st December 2023

Harpenden Secondary Education Trust

Statement of Trustees' Responsibilities

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

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

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

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended. The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Trust Board on 21st December 2023 and signed on its behalf by:

Signed



21st December 2023

J Howarth

Chair of the Trust Board

Independent Auditor's Report on the Financial Statements to the Members of Harpenden Secondary Education Trust (Katherine Warington School)

Opinion

We have audited the financial statements of Harpenden Secondary Education Trust (Katherine Warington School) ('the academy trust') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

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 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 FRS'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 company'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. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent Auditor's Report on the Financial Statements to the Members of Harpenden Secondary Education Trust (Katherine Warrington School) (continued)

Opinion on other matter 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 strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements, and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In 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 strategic report or the trustees' annual report.

We have nothing to report in respect of the following matters where 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 or 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 set out on page 17, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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 academy trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Independent Auditor's Report on the Financial Statements to the Members of Harpenden Secondary Education Trust (Katherine Warington School) (continued)

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the academy trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the academy trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit any significant audit findings, including and significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charity complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

Independent Auditor's Report on the Financial Statements to the Members of
Harpenden Secondary Education Trust (Katherine Warington School)
(continued)

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of this report

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

Moore Kingston Smith LLP

Shivani Kothari (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP

Date: 21 December 2023

4 Victoria Square
St Albans
Hertfordshire
AL1 3TF

Independent Reporting Accountant's Assurance Report on Regularity to Harpenden Secondary Education Trust (Katherine Warington School) and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 10th June 2020 and further to the requirements of the Education Funding and Skills 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 Harpenden Secondary Education Trust (Katherine Warington School) 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 Harpenden Secondary Education Trust (Katherine Warington School) and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Harpenden Secondary Education Trust (Katherine Warington School) 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 Harpenden Secondary Education Trust (Katherine Warington School) and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Harpenden Secondary Education Trust (Katherine Warington School)'s accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Harpenden Secondary Education Trust (Katherine Warington School)'s funding agreement with the Secretary of State for Education dated 26th February 2019 and the Academies Financial Handbook, extant from 1 September 2023 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 Academies Accounts Direction 2022 to 2023 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.

Independent Reporting Accountant's Assurance Report on Regularity to Harpden Secondary Education Trust (Katherine Warington School) and the Education and Skills Funding Agency

The work undertaken to draw to our conclusion includes:

- Review of financial records for unusual transactions
- sample testing expenditure transactions were reasonable, appropriate and appropriately authorised in accordance with the trust's procurement policy
- Review the minutes of the Board meetings
- review the processes and controls to identify related party transactions and potential conflicts
- obtaining formal representations from the Board and the accounting officer
- reviewing any evidence of impropriety resulting from our work and determining whether it was significant enough to be referred to in our regularity report.

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.

Date: 21 December 2023

Moore Kingston Smith LLP

Shivani Kothari (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP

4 Victoria Square
St Albans
Hertfordshire
AL1 3TF

Harpenden Secondary Education Trust (Katherine Warington School)
Statement of Financial Activities for the year ended 31 August 2023
(including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2023 £	Total 2022 £
Income and endowments from:						
Donations and capital grants	3	10,005	-	50,449	60,454	533,892
Charitable activities:						
educational operations	4	-	5,498,145	-	5,498,145	3,515,065
Other trading activities	5	555,643	-	-	555,643	303,859
Investments	6	11,803	-	-	11,803	90
Total		577,451	5,498,145	50,449	6,126,045	4,352,906
Expenditure on:						
Charitable activities:						
Academy trust educational operations	7, 8	43,256	5,307,139	507,049	5,857,444	4,289,683
Total		43,256	5,307,139	507,049	5,857,444	4,289,683
Net income/(expenditure)		534,195	191,006	(456,600)	268,601	63,223
Transfers between funds	17	(142,692)	-	142,692	-	-
Other recognised gains/(losses):						
Actuarial (losses)/gains on defined benefit pension schemes	17, 24	-	106,000	-	106,000	449,000
Net movement in funds		391,503	297,006	(313,908)	374,601	512,223
Reconciliation of funds						
Total funds brought forward		402,709	368,937	23,224,505	23,996,151	23,483,928
Total funds carried forward		794,212	665,943	22,910,597	24,370,752	23,996,151

All of the academy's activities derive from continuing operations during the above two financial periods.

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

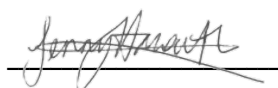
The detailed comparative information for the Statement of Financial Activities is included on note 26.

Harpenden Secondary Education Trust (Katherine Warington School)
Balance Sheet as at 31 August 2023

Company number: 09238779

	Notes	2023 £	2023 £	2022 £ as restated	2022 £ as restated
Fixed assets					
Tangible assets	12		22,910,597		22,905,681
Investments	13		25		25
			<u>22,910,622</u>		<u>22,905,706</u>
Current assets					
Debtors	15	327,396		255,219	
Cash at bank and in hand		<u>1,659,494</u>		<u>1,325,332</u>	
		1,986,890		1,580,551	
Liabilities					
Creditors : Amounts falling due within one year	16	<u>(526,760)</u>		<u>(433,106)</u>	
Net current assets/(liabilities)			<u>1,460,130</u>		<u>1,147,445</u>
Total assets less current liabilities			24,370,752		24,053,151
Net assets excluding pension liability			<u>24,370,752</u>		<u>24,053,151</u>
Defined benefit pension scheme liability	24		-		(57,000)
Total net assets			<u>24,370,752</u>		<u>23,996,151</u>
Funds of the academy trust:					
Restricted funds					
Fixed asset fund	17	22,910,597		23,224,505	
Restricted income fund	17	665,943		425,937	
Pension reserve	17	<u>-</u>		<u>(57,000)</u>	
Total restricted funds			23,576,540		23,593,442
Unrestricted income funds	17		794,212		402,709
Total funds			<u>24,370,752</u>		<u>23,996,151</u>

The financial statements on pages 24 to 44 were approved by the trustees, and authorised for issue on 21 December 2023 and are signed on their behalf by:



Jennifer Howarth

Director

Company Registration Number: 09238779 (England and Wales)

Harpenden Secondary Education Trust (Katherine Warington School)
Statement of Cash Flow for the year ended 31 August 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	20	783,876	433,653
Cash flows from financing activities	21	-	-
Cash flows from investing activities	21	(449,714)	357,928
Change in cash and cash equivalents in the reporting period		<u>334,162</u>	<u>791,581</u>
Cash and cash equivalents at 1 September 2022		1,325,332	533,751
Cash and cash equivalents at 31 August 2023		<u>1,659,494</u>	<u>1,325,332</u>

1 Statement of 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.

Company information

Harpenden Secondary Education Trust (Katherine Warington School) is a private company limited by guarantee, domiciled and incorporated in England and Wales. The registered office and principal place of business is Katherine Warington School, Lower Luton Road, Harpenden, Hertfordshire, AL5 5FH.

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

Harpenden Secondary Education Trust (Katherine Warington School) meets the definition of a public benefit entity under FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

Prior year restatement

Prior year errors are corrected by restating the comparative amounts for the prior period(s) presented in which the error occurred.

Going Concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the 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.

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 year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

• 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 the amount can be reliably measured.

• Donations

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

• Other Income

Other income, including the hire of facilities, is recognised in the 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 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".

1 Statement of Accounting Policies (continued)

• Donated fixed assets

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and 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.

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 a 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 the support costs involved in undertaking each activity. Direct costs attributable to a single activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

• Expenditure on Raising Funds

This includes all expenditure incurred by the 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.

All resources expended are inclusive of irrecoverable VAT.

Tangible Fixed Assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Long leasehold buildings	50 years straight line balance
Motor vehicles	5 years straight line balance
Computer hardware	3 years straight line balance

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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.

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 the 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 and services it must provide.

Provisions

Provisions can be recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle an obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the last pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1 Statement of Accounting Policies (continued)

Leased Assets

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

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:

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

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.

Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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 part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

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.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. The TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities 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.

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 Education and Skills Funding Agency/Department for Education.

1 Statement of Accounting Policies (continued)

Critical accounting estimates and areas of judgment

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.

Local Government Pension Scheme

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 29, 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 2022 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.

The ultimate responsibility for setting the assumptions is that of the academy trust, as the employer, however each year the LGPS actuary proposes a standard set of assumptions as part of the valuation exercise, using their expert opinion, and which comply with the accounting requirements. The academy trust has, in practice with most employers, adopted the recommended actuarial assumptions.

One of the key assumptions is the discount rate, which is the estimated rate of long-term investment returns. This year the discount rate of 5.2% is higher than the rate of 4.25% used in the prior year as the bond yield at 31 August 2023 is higher at all terms than at 31 August 2022. Since a higher discount rate means the present value of liabilities is lower, this results in lower overall net liabilities.

Demographic assumptions have been adopted in line with those used in the most recent actuarial valuation as at 31 March 2022, with the exception of an update of the CMI 'Continuous Mortality Investigation' projection model, which has been based on the more recently published updated standard mortality projections model 'CMI_2022', which has been used as the basis for mortality assumptions. Updating the future improvements model to the CMI 2022 model has reduced assumed life expectancies which results in an improve to the balance sheet position.

2 General Annual Grant (GAG)

Under the funding agreement with the Secretary of State the academy trust was subject to limits at 31 August 2016 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The academy has not exceeded these limits during the year ended for the year ended 31 August 2023.

3 Donations and capital grants

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2023 £
Other donations	10,005	-	50,449	60,454
2022/23 Total	10,005	-	50,449	60,454
2021/22 Total	7,500	-	526,392	533,892

Harpenden Secondary Education Trust (Katherine Warington School)
Notes to the Financial Statements for the year ended 31 August 2023 (continued)

4 Funding for the Academy Trust's Educational Operations

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
DfE / ESFA revenue grants				
General Annual Grant (GAG)	-	4,239,296	4,239,296	2,808,035
Start Up Grants	-	121,000	121,000	152,500
Pupil Premium	-	112,013	112,013	83,833
Teachers Pay grant	-	-	-	-
Teachers Pension grant	-	-	-	-
Others	-	280,879	280,879	103,217
	<u>-</u>	<u>4,753,188</u>	<u>4,753,188</u>	<u>3,147,585</u>
Other Government grants				
Local authority grants	-	346,917	346,917	141,358
	<u>-</u>	<u>346,917</u>	<u>346,917</u>	<u>141,358</u>
COVID-19 Additional Funding (DfE/ESFA)				
Other DfE/ESFA COVID-19 funding	-	-	-	16,245
	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,245</u>
Other Income from the academy trust's educational operations	-	398,040	398,040	209,877
2022/23 Total	<u>-</u>	<u>5,498,145</u>	<u>5,498,145</u>	<u>3,515,065</u>
2021/22 Total	<u>-</u>	<u>3,515,065</u>		<u>3,515,065</u>

The academy trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "exceptional government funding"

Harpenden Secondary Education Trust (Katherine Warington School)
Notes to the Financial Statements for the year ended 31 August 2023 (continued)

5 Other trading activities

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Hire of facilities	127,307	-	127,307	103,612
Trip income	322,791	-	322,791	95,965
Other income	105,545	-	105,545	104,282
2022/23 Total	555,643	-	555,643	303,859
2021/22 Total	303,859	-		303,859

6 Investment income

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Short term deposits	11,803	-	11,803	90
2022/23 Total	11,803	-	11,803	90
2021/22 Total	90	-		90

7 Expenditure

	Staff Costs £	Non Pay Expenditure		Total 2023 £	Total 2022 £
		Premises £	Other £		
Academy's educational operations:					
Direct costs	3,435,881	-	779,298	4,215,179	2,826,124
Allocated support costs	527,845	816,375	298,045	1,642,265	1,463,559
2022/23 Total	3,963,726	816,375	1,077,343	5,857,444	4,289,683
2021/22 Total	2,739,674	876,906	673,103		4,289,683

Net income/(expenditure) for the period includes:

	2023 £	2022 £
Depreciation	507,050	582,693
Fees payable to auditor for:		
Audit	13,090	11,000
Other services	2,045	1,590

8 Charitable Activities

	Total 2023 £	Total 2022 £
Direct costs - educational operations	4,215,179	2,826,124
Support costs - educational operations	1,642,265	1,463,559
2022/23 Total	5,857,444	4,289,683
2021/22 Total		4,289,683

Analysis of support costs

	Educational operations £	Total 2023 £	Total 2022 £
Support staff costs	527,845	527,845	399,991
Depreciation	507,049	507,049	582,692
Technology costs	59,314	59,314	47,046
Premises costs	309,326	309,326	294,214
Other support costs	201,713	201,713	122,649
Legal costs	20,215	20,215	2,264
Governance costs	16,803	16,803	14,703
Total support costs	1,642,265	1,642,265	1,463,559

Harpenden Secondary Education Trust (Katherine Warington School)
Notes to the Financial Statements for the year ended 31 August 2023 (continued)

9 Staff

a. Staff costs

Staff costs during the period were:

	2023	2022
	£	£
Wages and salaries	2,937,197	1,884,756
Social security costs	278,784	182,709
Operating costs of defined benefit pension scheme	704,193	657,796
	3,920,174	2,725,261
Staff training	26,580	-
Supply staff costs	16,972	14,413
	3,963,726	2,739,674

b. Staff numbers

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

	2023	2022
	No.	No.
Teachers	42	25
Administration and support	55	26
Management	7	6
	104	57

The full time equivalent number of persons employed by the trust during the period was as follows:

	2023	2022
	No.	No.
Teachers	38	17
Administration and support	34	26
Management	6	6
	78	49

c. Higher paid staff

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

	2023	2022
	No.	No.
£60,001 - £70,000	1	1
£70,001 - £80,000	1	1
£100,001 - £110,000	1	1

d. 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) received by key management personnel for their services to the academy trust was £657,394 (2022: £474,833).

10 Related Party Transactions - Trustees' Remuneration and Expenses

One or more 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.

Grace Aikman (Trustee)

Remuneration £nil (2022: £60,000 - £70,000)

Employer's pension contributions £nil (2022: £5,000 - £10,000)

Anthony Smith (Trustee)

Remuneration £100,000 - £110,000 (2022: £90,000 - £100,000)

Employer's pension contributions £20,000 - £30,000 (2022: £20,000 - £23,000)

Sonia Wall (staff trustee):

Remuneration £30,000 - £40,000 (2022: £30,000 - £40,000)

Employer's pension contributions £5,000 - £10,000 (2022: £5,000 - £10,000)

No governors received reimbursements for expenses during the year ended 31 August 2023 (2022: none).

11 Trustees and officers insurance

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

Harpenden Secondary Education Trust (Katherine Warington School)
Notes to the Financial Statements for the year ended 31 August 2023 (continued)

12 Tangible fixed assets

	Freehold Land and Buildings £	Furniture and Equipment £	Motor Vehicles £	Computer Equipment £	Total £
Cost					
At 1 September 2022	23,322,864	70,263	36,559	732,041	24,161,727
Additions	403,122	64,867	-	43,977	511,966
Disposals	-	-	-	-	-
At 31 August 2023	<u>23,725,986</u>	<u>135,130</u>	<u>36,559</u>	<u>776,018</u>	<u>24,673,693</u>
Depreciation					
At 1 September 2022	638,314	16,773	19,092	581,867	1,256,046
Charged in year	324,535	25,706	7,312	149,497	507,050
At 31 August 2023	<u>962,849</u>	<u>42,479</u>	<u>26,404</u>	<u>731,364</u>	<u>1,763,096</u>
Net book values					
At 31 August 2023	<u>22,763,137</u>	<u>92,651</u>	<u>10,155</u>	<u>44,654</u>	<u>22,910,597</u>
At 31 August 2022	<u>22,684,550</u>	<u>53,490</u>	<u>17,467</u>	<u>150,174</u>	<u>22,905,681</u>

13 Fixed asset investments

	Total £
Cost	
At 1 September 2022	<u>25</u>
At 31 August 2023	<u>25</u>
Carrying amount	
At 31 August 2023	<u>25</u>
At 31 August 2022	<u>25</u>

The investment is recorded at cost and represents unlisted shareholding.

14 Financial instruments

	2023 £	2022 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	<u>236,916</u>	<u>255,219</u>
	<u>236,916</u>	<u>255,219</u>
Carrying amount of financial liabilities		
Measured at amortised cost	<u>526,760</u>	<u>433,106</u>

Harpenden Secondary Education Trust (Katherine Warington School)
Notes to the Financial Statements for the year ended 31 August 2023 (continued)

15 Debtors

	2023	2022
	£	£
Trade debtors	24,726	19,625
VAT recoverable	86,300	72,113
Other debtors	125,890	4,762
Prepayments and accrued income	90,480	158,719
	327,396	255,219

16 Creditors: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	77,061	113,000
Other taxation and social security	73,669	107,567
Other creditors	75,065	2,517
Accruals and deferred income	300,965	210,022
	526,760	433,106

Deferred income

	2023	2022
	£	£
Deferred income as at 1 September 2022	94,548	43,704
Resources deferred in the year	151,663	94,548
Amounts released from previous years	(94,548)	(43,704)
Deferred income as at 31 August 2023	151,663	94,548

At the balance sheet date the academy trust was holding funds received in advance for Chrome books and trips.

Harpenden Secondary Education Trust (Katherine Warington School)
Notes to the Financial Statements for the year ended 31 August 2023 (continued)

17 Funds

	Balance at 1 September 2022 £	Incoming Resources £	Resources Expended £	Gains, Losses and Transfers £	Balance at 31 August 2023 £
Restricted general funds					
General Annual Grant (GAG)	370,307	4,239,296	(3,943,660)	-	665,943
Start Up Grant	-	121,000	(121,000)	-	-
Pupil Premium	-	112,013	(112,013)	-	-
Other grants	-	280,879	(280,879)	-	-
Catch-up premium	28,440	-	(28,440)	-	-
Other DfE/ESFA COVID-19 funding	27,190	-	(27,190)	-	-
Local Authority Grant	-	346,917	(346,917)	-	-
Pension reserve	(57,000)	-	(49,000)	106,000	-
Other Income	-	398,040	(398,040)	-	-
	<u>368,937</u>	<u>5,498,145</u>	<u>(5,307,139)</u>	<u>106,000</u>	<u>665,943</u>
Restricted fixed asset funds					
DfE/ESFA capital grants	797,124	-	-	(797,124)	-
Other funding	(612,642)	50,449	-	562,193	-
Fixed assets	<u>23,040,023</u>	<u>-</u>	<u>(507,049)</u>	<u>377,623</u>	<u>22,910,597</u>
	<u>23,224,505</u>	<u>50,449</u>	<u>(507,049)</u>	<u>142,692</u>	<u>22,910,597</u>
Total restricted funds	<u>23,593,442</u>	<u>5,548,594</u>	<u>(5,814,188)</u>	<u>248,692</u>	<u>23,576,540</u>
Total unrestricted funds	<u>402,709</u>	<u>577,451</u>	<u>(43,256)</u>	<u>(142,692)</u>	<u>794,212</u>
Total funds	<u>23,996,151</u>	<u>6,126,045</u>	<u>(5,857,444)</u>	<u>106,000</u>	<u>24,370,752</u>

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

Unrestricted funds represent those resources which may be used towards meeting any of the charitable objectives of the free school 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.

Prior year restatement

Prior year restatement represents a correction between pension fund and General Annual Grant as a result of expenditure allocation error.

Harpenden Secondary Education Trust (Katherine Warington School)
Notes to the Financial Statements for the year ended 31 August 2023 (continued)

17 Funds (continued)

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

	Balance at 1 September 2021 £ as restated	Incoming Resources £ as restated	Resources Expended £ as restated	Gains, Losses and Transfers £ as restated	Balance at 31 August 2022 £ as restated
Restricted general funds					
General Annual Grant (GAG)	309,099	2,808,035	(2,746,827)	-	370,307
Start Up Grant	-	152,500	(152,500)	-	-
Pupil Premium	-	83,833	(83,833)	-	-
Other grants	-	103,217	(103,217)	-	-
Catch-up premium	28,440	-	-	-	28,440
Other DfE/ESFA COVID-19 funding	27,190	16,245	(16,245)	-	27,190
Local Authority Grant	-	141,358	(141,358)	-	-
Pension reserve	(271,000)	-	(235,000)	449,000	(57,000)
Other Income	-	209,877	(209,877)	-	-
	<u>93,729</u>	<u>3,515,065</u>	<u>(3,688,857)</u>	<u>449,000</u>	<u>368,937</u>
Restricted fixed asset funds					
DfE/ESFA capital grants	797,124	-	-	-	797,124
Other funding	(556,342)	526,392	(582,692)	-	(612,642)
Fixed assets	23,040,023	-	-	-	23,040,023
	<u>23,280,805</u>	<u>526,392</u>	<u>(582,692)</u>	<u>-</u>	<u>23,224,505</u>
Total restricted funds	<u>23,374,534</u>	<u>4,041,457</u>	<u>(4,271,549)</u>	<u>449,000</u>	<u>23,593,442</u>
Total unrestricted funds	<u>109,394</u>	<u>311,449</u>	<u>(18,134)</u>	<u>-</u>	<u>402,709</u>
Total funds	<u>23,483,928</u>	<u>4,352,906</u>	<u>(4,289,683)</u>	<u>449,000</u>	<u>23,996,151</u>

18 Analysis of net assets between Funds

Fund balances at 31 August 2023 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Investments	-	25	-	25
Tangible fixed assets	-	-	22,910,597	22,910,597
Current assets	794,212	1,192,678	-	1,986,890
Current liabilities	-	(526,760)	-	(526,760)
Total net assets	<u>794,212</u>	<u>665,943</u>	<u>22,910,597</u>	<u>24,370,752</u>

Harpenden Secondary Education Trust (Katherine Warington School)
Notes to the Financial Statements for the year ended 31 August 2023 (continued)

Fund balances at 31 August 2022 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Intangible fixed assets	-	25	-	25
Tangible fixed assets	-	-	22,905,681	22,905,681
Current assets	402,709	1,177,842	-	1,580,551
Current liabilities	-	(433,106)	-	(433,106)
Pension scheme liability	-	(57,000)	-	(57,000)
Total net assets	402,709	687,761	22,905,681	23,996,151

19 Commitments under operating leases

a) 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	13,867	32,285
Amounts due between two and five years	3,726	18,556
	17,593	50,841

20 Reconciliation of Net Income/(expenditure) to Net Cash Inflow from Operating Activities

	2023 £	2022 £
Net income/(expenditure) for the reporting period	268,601	63,223
<i>Adjusted for:</i>		
Depreciation	507,050	582,693
Capital grants from DfE/ESFA and other capital income	(50,449)	(526,392)
Interest receivable	(11,803)	(90)
Defined benefit pension scheme cost less contributions payable	49,000	235,000
(Increase)/decrease in debtors	(72,177)	(44,970)
Increase/(decrease) in creditors	93,654	124,189
Net Cash provided by / (used in) Operating Activities	783,876	433,653

21 Cash flows from investing activities

	2023 £	2022 £
Dividends, interest and rents from investments	11,803	90
Purchase of tangible fixed assets	(511,966)	(168,554)
Capital grants from DfE Group	50,449	526,392
Net Cash provided by / (used in) investing Activities	(449,714)	357,928

22 Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand and at bank	1,659,494	1,325,332
Total cash and cash equivalents	1,659,494	1,325,332

23 Members' Liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

24 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 Hertfordshire County Council. Both are multi-employer defined-benefit schemes.

Contributions amounting to £75,065 were payable to the schemes at 31 August 2023 (2022: £55,006) and are included within creditors.

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £450,918 (2022: £281,933).

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS affecting contributions during the year was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 26 October 2023. The key elements of the valuation are:

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% employer administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million giving a notional past service deficit of £39,800 million

- the SCAPE (Superannuation Contributions Adjusted for Past Experience) rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is based on OBR's forecast for long-term GDP growth. The current SCAPE rate is 1.7% above the rate of CPI.

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

24 Pension and Similar Obligations (continued)
Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £259,275 (2022: £178,117), of which employer's contributions totalled £204,275 (2022: £140,936) and employees' contributions totalled £55,000 (2022: £37,181).

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of an 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.

Additional disclosure should be made where the scheme is in deficit and the entity has entered into an agreement with the trustees to make additional contributions in addition to normal funding levels, including the number of years over which it is anticipated that the additional contributions will be paid.

Principal Actuarial Assumptions

	2023	2022
Rate of increase in salaries	3.45%	3.45%
Rate of increase for pensions in payment/inflation	5.20%	4.25%
Inflation assumption (CPI)	2.95%	3.05%

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

	2023	2022
<i>Retiring today</i>		
Males	21.60	21.90
Females	24.30	24.40
<i>Retiring in 20 years</i>		
Males	22.50	22.90
Females	26.10	26.00

Sensitivity analysis

	2023 £	2022 £
Discount rate -0.1%	26,000	12,000
Mortality assumption - 1 year increase	33,000	16,000
CPI rate +0.1%	25,000	12,000

Harpenden Secondary Education Trust (Katherine Warington School)
Notes to the Financial Statements for the year ended 31 August 2023 (continued)

24 Pension and Similar Obligations (continued)

Amounts recognised in the statement of financial activities:

	2023	2022
	£	£
Current service cost	249,000	367,000
Interest income	20,000	5,000
Interest cost	(24,000)	(10,000)
Total amount recognised in the SOFA	<u>245,000</u>	<u>362,000</u>

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

	2023	2022
	£	£
At 1 September	(405,000)	(408,000)
Current service cost	(249,000)	(367,000)
Interest cost	(24,000)	(10,000)
Employee contributions	(55,000)	(36,000)
Actuarial (gain)/loss	(88,000)	416,000
At 31 August	<u>(821,000)</u>	<u>(405,000)</u>

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

	2023	2022
	£	£
At 1 September	348,000	193,000
Interest income	20,000	5,000
Actuarial gain/(loss)	232,000	(23,000)
Employer contributions	204,000	137,000
Employee contributions	55,000	36,000
At 31 August	<u>859,000</u>	<u>348,000</u>

Actuarial gain	144,000	449,000
Impact of asset not recognised	(38,000)	-
Amount recognised in SOFA	106,000	449,000
Net asset/(liability)	38,000	(57,000)
	asset not recognised	

25 Related Party Transactions

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the trust's financial regulations and normal procurement procedures. There were no related party transactions to disclose in the year.

Harpenden Secondary Education Trust (Katherine Warington School)
Notes to the Financial Statements for the year ended 31 August 2023 (continued)

26 Comparative Statement of Financial Activities

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2022 £
Income and endowments from:				
Donations and capital grants	7,500	-	526,392	533,892
Charitable activities:				
Funding for the academy trust's educational operations	-	3,515,065	-	3,515,065
Other trading activities	303,859	-	-	303,859
Investments	90	-	-	90
Total	311,449	3,515,065	526,392	4,352,906
Expenditure on:				
Charitable activities:				
Academy trust educational operations	18,134	3,688,857	582,692	4,289,683
Total	18,134	3,688,857	582,692	4,289,683
Net income / (expenditure)	293,315	(173,792)	(56,300)	63,223
Other recognised gains/(losses):				
Actuarial (losses) / gains on defined benefit pension schemes	-	449,000	-	449,000
Net movement in funds	293,315	275,208	(56,300)	512,223
Reconciliation of funds				
Total funds brought forward	109,394	93,729	23,280,805	23,483,928
Total funds carried forward	402,709	368,937	23,224,505	23,996,151