

Company Registration No. 07964015 (England and Wales)

**HESTON COMMUNITY ACADEMY TRUST**

**(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNORS' REPORT AND AUDITED ACCOUNTS**

**FOR THE YEAR ENDED 31 AUGUST 2022**



**Heston**  
COMMUNITY  
SCHOOL



# HESTON COMMUNITY ACADEMY TRUST

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# HESTON COMMUNITY ACADEMY TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Board of Trustees

Mr Ranjit Berdesha	Headteacher, Accounting Officer
Mr Narinder Phull	Chair of Trustees, Community (Chair of Finance & General Purposes)
Mrs Fran Hooker	Vice-Chair, Community
Mr Johnny Kyriacou	Community (Chair of Curriculum)
Mrs Glynis Ross-Wood	Co-opted (Chair of Appraisal & Pay)
Mr Waris Rajput	Parent
Mr Samir Vohra	Parent (Elected 23 September 2021)
Mrs Dominique Mann	Community
Mr Talveer Calay	Co-opted
Mr Keith Batten	Co-opted
Mr Sam Saib	Staff
Ms Mathilde Forrest	Staff (Elected 01 September 2022)

### Resignations

Ms Sarah Farmer	Staff (Resigned 31 August 2022)
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### Members

Mrs Fran Hooker	Vice-Chair of Trustees
Mr Michael Lawton	
Mrs Angela Bennett	
Mr Harinder Pattar	(Appointed 22 September 2022)

### Senior Leadership Team

Ranjit Berdesha	Headteacher
Mike O'Hagan	Deputy Headteacher
Beth Hart	Deputy Headteacher
Ronald Regnier	Assistant Headteacher (Resigned 31 August 2022)
Michelle Stone	Assistant Headteacher (Seconded 17 April 2022 - 31 August 2023)
Ingrid Hall	Assistant Headteacher
Matt Clayton	Assistant Headteacher
Janet MacDonald	Associate Assistant Headteacher
Nidhi Chhibba	Associate Assistant Headteacher (Appointed to 17 April 2022)
Saima Dad	Academy Business Manager

# HESTON COMMUNITY ACADEMY TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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**Company registration number**    07964015 (England and Wales)

**Registered office**                    Heston Community School  
Heston  
Heston Road  
Hounslow  
TW5 0QR

**Independent auditor**                UHY Hacker Young  
Quadrant House  
4 Thomas More Square  
London  
E1W 1YW

**Bankers**                                Lloyds Bank  
Corporate Customers  
PO Box 72  
Bailey Drive  
Gillingham  
ME8 0LS

**Solicitors**                              Judicium Education LLP  
72 Cannon Street  
London  
EC4N 6AE

**Internal Auditors**                    Buzzacott LLP  
130 Wood Street  
London  
EC2V 6DL

# **HESTON COMMUNITY ACADEMY TRUST**

## **GOVERNORS' REPORT**

### **FOR THE YEAR ENDED 31 AUGUST 2022**

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The Governors present their annual report together with the Financial Statements and Independent Auditor's Report of the Charitable Company for the period 1 September 2021 to 31 August 2022. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' Report under Company Law.

The Academy Trust was incorporated on 24 February 2012, in the name of Heston Community Academy Trust, and commenced as an Academy on 1 November 2012.

The Trust operates an Academy serving a catchment area in Hounslow. It has a combined pupil capacity of 1,410 and had a roll of 1,310 in the October 2022 School Census.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the company's Memorandum and Articles of Association, applicable laws and 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.

#### **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 Academy Trust was incorporated on 24 February 2012, in the name of Heston Community Academy Trust, and Heston Community School commenced as an Academy on 1 November 2012. The Academy Trust has entered into a funding agreement with the Department for Education [DfE] which provides the framework within which the Academy must operate.

The Governors are the Trustees of Heston Community Academy Trust and are also the Directors of the charitable company for the purposes of company law. The charitable company is known as Heston Community School.

In September 2021, Heston Community Academy Trust amended and adopted new Articles of Association to ensure a separation of Members and Trustees. The Trust will have a minimum of three and a maximum of five Members. Only one Member can be a Trustee.

Details of the Governors who served during the year are included in the Reference and Administrative Details on pages 1 to 2.

##### **Members' Liability**

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

# **HESTON COMMUNITY ACADEMY TRUST**

## **GOVERNORS' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2022**

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#### **Governors' Indemnities**

In accordance with the Articles of Association, subject to the provisions of the Companies Act 2006 and Article 6.3 every Trustee or other officer or auditor of the Company and every member of any Local Governing Body and/or Advisory Body (in so far as necessary) shall be indemnified out of the assets of the Company against any liability incurred by him in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

#### **Method of Recruitment and Appointment or Election of Governors**

The Academies Governing Body is made up of representatives from staff, parents and the community.

The Secretary of State for Education may appoint Governors in certain circumstances; no such appointments were made in the year under review.

The tenure of office for any Governor shall be four years, save that this time limit shall not apply to either the Headteacher or the Staff Governors. Subject to remaining eligible to be a particular type of Governor, any Governor may be re-appointed or re-elected.

A Governor shall cease to hold office if s/he resigns office by notice to the Academy (but only if at least three governors will remain in office when the notice of resignation is to take effect).

A Governor shall cease to hold office if he is removed by the person or persons who appointed him. The Article does not apply in respect of a Parent Governor. Co-opted Governors may be removed by resolution of the Governing Body provided that no Co-opted Governor may vote on the removal of another Co-opted Governor.

#### **Policies and Procedures Adopted for the Induction and Training of Governors**

Governors are provided with copies of all essential documentation needed to undertake their role, including the Memorandum and Articles of Association, Academy Trust Handbook and Academy Trust's Funding Agreement.

The Board of Governors subscribes to the Governing Bodies Support Service (GBS) Development and Training provision from the London Borough of Hounslow and in-house training is organised as and when required. Governors are informed of external training opportunities.

#### **Principal Activities**

The Academy's objectives are specifically restricted to the following:

- a. to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum ("the Academy"); and
- a. to promote for the benefit of individuals living in Heston and the surrounding area who have need by reason of their age, affinity or disability, financial hardship or social and economic circumstances or for the public at large the provision of facilities for recreation or other leisure time activities in the interests of social welfare and with the object of improving the condition of life of the said individuals.

# **HESTON COMMUNITY ACADEMY TRUST**

## **GOVERNORS' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2022**

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#### **Organisational Structure**

The Board of Governors of Heston Community School is constituted under the Memorandum and Articles of Association. The Board of Governors is responsible for ensuring high standards of corporate governance are maintained.

The Governors are responsible for the strategic direction of the Academy Trust, setting policy and agreeing the annual budget. Trustees are also responsible for monitoring the work of the Academy and ensuring the objectives of the Academy are achieved.

In addition to the full Board of Governors meetings, Heston Community School has a committee structure: the committees are Finance and General Purposes, Curriculum and Appraisal and Pay.

The management structure consists of three levels, the Trust Board, The Governing Body and its Committees and the Senior Leadership Team. The aim of this leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Trust is responsible for setting the general direction of the Academy. The Governing Body is responsible for setting general policy, adopting an Annual Plan and Budgets, monitoring the work of the Academy, its use of budgets and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments.

The Senior Leadership Team consists of the Headteacher, two Deputy Headteachers, four Assistant Headteachers and two Associate Assistant Headteacher. These Leaders control the Academy at an executive level, implementing the policies laid down by the Governors and reporting back to them. As a group, the Senior Leadership Team is responsible for the authorisation of spending within agreed budgets and the appointment of staff, through appointment panels. Appointments of Headteacher, Deputy Headteacher, Assistant Headteachers and Academy Business Manager will always involve at least one Governor. These leaders are also responsible for the day-to-day operation of the Academy, in particular organising the Teaching Staff, Support Staff, facilities and students.

The Headteacher is the 'Accounting Officer' of Heston Community School. Mr Ranjit Berdesha was appointed as the Headteacher and is undertaking the responsibilities of the Accounting Officer.

#### **Arrangements for Setting Pay and Remuneration of Key Management Personnel**

The Governing Body has decided that the Key Management Personnel of Heston Community School comprises the Members, Governors and Senior Leadership Team (SLT). Neither Members nor Governors receive any remuneration for this role.

All Teaching Staff are employed in accordance with the provisions of the School Teachers' Pay and Conditions Document (STP&C) Document. In reviewing Pay Scales in the future the Governing Body will have regard to any changes to national pay bands contained within the STP&C Document. The following pay arrangements have been agreed by the Governing Body using the flexibilities contained within the STP&C Document. The Governing Body's Appraisal and Pay Committee meet to discuss all staff pay as detailed below. The Governing Body will honour pay awards agreed nationally and will apply such award annually to the pay ranges detailed in this Policy.

## **HESTON COMMUNITY ACADEMY TRUST**

### **GOVERNORS' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2022**

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##### **Headteacher**

The Governing Body will assign a seven point Individual School Group based on the School Group Size, as determined by the STP&C document and ensure that there is no overlap of salary bands between the Headteacher and other leadership posts. The Governing Body will calculate the Headteacher Group Size at the start of each Academic Year and determine the appropriate Individual School Range (ISR) for the year. The Governing Body will determine the Group Size for the School in accordance with the provisions of the School Teachers' Pay and Conditions Document. On appointment, the Headteacher will be appointed on one of the first four points on the ISR. Progression on the ISR for the Headteacher will be subject to a review of the Headteacher's performance set against the annual appraisal review. The Governing Body will award one increment for sustained high quality performance. Where performance has not been of a sustained high quality the Governing Body may decide that there should be no pay progression. The Pay Review for the Headteacher will be completed by 31 December each year. The Governing Body will ensure that reasons for setting the ISR at a given level are recorded and that the process for the determination of the Headteacher's salary is fair and transparent.

##### **Discretionary Payments to the Headteacher**

The Governing Body may consider a discretionary payment not exceeding 25% of the Headteacher's salary, as determined above, for reasons not already taken into account in determining the ISR which are detailed in the pay policy.

##### **Other Leadership Posts**

The Governing Body will determine a five point pay range for all other Leadership Posts from within the Leadership Scale contained in the STP&C document. The range for individual posts will be determined according to the duties and responsibilities of the post and may vary between posts. A post with a designated Deputy role, in the absence of the Headteacher will be remunerated accordingly above the range for other leadership posts. The Governing Body will ensure that there is no overlap of pay points between the Headteacher and any other leadership post. On appointment, a teacher paid on the Leadership Scale will be appointed on one of the first 3 points on the pay range. The pay range for teachers paid on the Leadership Spine will be reviewed on 1 September each year or as soon after this date as possible or at any time during the year where there is a significant permanent change in the duties and responsibilities of the post or where it is necessary to consider a retention payment for a member of staff on the Leadership Spine.

Progression on the pay range for a member of staff paid on the Leadership Scale will be subject to a review of their performance set against the annual appraisal review. The Governing Body will award one increment for sustained high quality performance. Where performance has not been of a sustained high quality, the Governing Body may decide that there should be no pay progression. The pay review will be completed by 31 December.

Staff Governors are paid for their teaching or support staff roles in accordance with their contracts whilst all staff are subject to an annual performance review.



# HESTON COMMUNITY ACADEMY TRUST

## GOVERNORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### **Trade union facility time**

##### *Relevant union officials*

Number of employees who were relevant union officials during the relevant period	4
Full-time equivalent employee number	3.47

##### *Percentage of time spent on facility time*

Percentage of time	Number of employees
0%	-
1%-50%	4
51%-99%	-
100%	-

##### *Percentage of pay bill spent on facility time*

Total cost of facility time	3,956
Total pay bill	6,610,000
Percentage of the total pay bill spent on facility time	0.06%

##### *Paid trade union activities*

Time spent on paid trade union activities as a percentage of total paid facility time hours	-
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#### **Related Parties and Other Connected Charities and Organisations**

Heston Community School is a standalone Academy and through prudent financial management, reserves and forward planning, retains its independence. It exists as a single entity and is not part of a wider federation of academies. This allows it to retain its unique character as a Community School providing a broad and varied curriculum for all members of the community on a non-selective basis.

The School use services from the Local Authority and receives funding from the Authority for the School's Hearing Impaired Unit.

All Governors have disclosed their business and pecuniary interests via the required documentation and this has been recorded within the minutes of the meetings of the Full Governing Body and its Committees. In addition, all staff disclose any business and pecuniary interests at the start of each academic year. New staff, on joining the School, are also required to declare any business or pecuniary interests.

# **HESTON COMMUNITY ACADEMY TRUST**

## **GOVERNORS' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2022**

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#### **Objectives and Activities**

##### **Objects and Aims**

The charitable objectives for which the Charitable Company was established are set down in its governing document. These stated aims are:

- To advance, for the public benefit, education in the United Kingdom; in particular, but without prejudice, to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum; and
- To promote, for the benefit of individuals living in Heston and the surrounding area who have need by reason of their age, infirmity or disability, financial hardship or social and economic circumstances, or for the public at large the provision of facilities for recreation or other leisure time activities in the interests of social welfare, and with the object of improving the condition of life of the inhabitants.

The principal activity of Heston Community Academy Trust is currently to provide the highest quality education it can for young people aged 11 to 19. Following a Section 8 Ofsted inspection in July 2019, Heston Community School was judged to be a “Good School”.

Ofsted commented that "The leadership team has maintained the good quality of education in the school since the last inspection. Based on the evidence gathered during this short inspection, I am of the opinion that the school has demonstrated strong practice and marked improvement in specific areas. This may indicate that the school has improved significantly overall."

#### **Objectives, Strategies and Activities**

The School's strategic priorities, agreed with Governors, are:

- To ensure the learning outcomes for students and groups of students are improving and consistently above national benchmarks;
- Serve the community by attracting, developing and retaining students in the community to become positive ambassadors for the School; and
- Ensure all functions of the organisation are effective and deliver best value.

The main priorities of the Senior Leadership Team are:

- To Develop and embed a curriculum that is:
  - Well-sequenced
  - Literacy focused
  - Career centred
  - Enriched
  - Society centred
- To develop extra-curricular, cultural capital and careers curriculums; enabling our students to develop their individual interests, ambitions and talents, and;
- To drive the ‘Kind Thoughts... Kind Words ...’ campaign, to promote high expectations of behaviour and conduct.

## **HESTON COMMUNITY ACADEMY TRUST**

### **GOVERNORS' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2022**

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##### **Equal Opportunities and Disabled Persons Policies (Equalities Policy)**

The Academy Trust's policy on equal opportunities outlines the commitment of the Staff and Governors of Heston Community School to ensure that equality of opportunity is available to all members of the Trust community. For our Trust this means not simply treating everybody the same, but understanding and addressing the different barriers which could lead to unequal outcomes for different groups of students in the School. It also means celebrating and valuing the equal opportunity achievements and strengths of all members of the School community. These include:

- Students;
- Teaching staff;
- Support staff;
- Parents/carers;
- Community Governors;
- Multi-agency staff linked to the Trust;
- Visitors to the Trust and Academy; and
- Students on placement.

The Governors believe that equality at the Trust should permeate all aspects of Trust life and is the responsibility of every member of the Trust and wider community. Every member of the Trust community should feel safe, secure, valued and of equal worth.

At Heston Community School, equality is a key principle for treating all people the same irrespective of their gender, ethnicity, disability, religious beliefs, sexual orientations, age or any other recognised area of discrimination.

Heston Community School is an Equal Opportunities Employer and is committed to the employment of people with disabilities and guarantees an interview for those who meet minimum selection criteria. The Academy Trust provides training and development for all its employees, including people with disabilities, tailored where appropriate to ensure they have the opportunity to achieve their potential. If an Academy Trust employee becomes disabled while in our employment, the Academy Trust will do its best to retain them, including consulting them about their requirements, making reasonable and appropriate adjustments, and providing alternative suitable provisions.

# **HESTON COMMUNITY ACADEMY TRUST**

## **GOVERNORS' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2022**

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#### **Public Benefit**

In setting the objectives and planning the activities of the Academy, the Governors have given careful consideration to The Charity Commission's general guidance on public benefit.

Charity laws give a wide meaning to education and does not limit it to education by a teacher in classroom, playground or sports field. Broadly, education in Charity Law means to give knowledge to, or develop the abilities of, somebody by teaching, training or instruction or to bring up children or young people in particular manners, habits or ways of life. Similarly, education might commonly be taken to mean the systematic instruction, schooling or training of children and young people, or by extension, the development of mental or physical powers and the moulding of some aspects of character.

The Governors are required to assess the activities undertaken at Heston Community School and to confirm whether the aims of the Academy are for the public benefit.

Heston Community School plays a key role as a member of the local community and actively seeks to work closely with that community in a variety of ways.

The School gained Academy status in November 2012 and discussions did take place about whether it would be appropriate to change the name of the School to reflect its new status. Governors wanted the School to remain the School of choice for its tight-knit community and its name to reflect that desire as well as its pride in the community.

The Governors, through a framework of senior school leadership and termly committee meetings, discuss the curriculum, local community and school environment and have taken due regard to the Charity Commission guidance. They can demonstrate that the Academy's aims and activities are purely for the advancement of education, the development of the student cohort and the satisfaction of the parent body.

The local community is very important to the School and many links exist including:

- Primary schools whose students move to Heston;
- Local businesses who supply the School and offer work experience for our students;
- Local Charities who are regularly supported either through the fundraising activities at the School or with more practical help from our students' community service work; and
- The wider community who use our facilities, such as the Sports Hall, its grounds, buildings or classrooms or who attend evening or weekend classes.

The Governors have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

#### **Employee Information Policy**

Heston Community School includes two staff Governors on its board and has the Headteacher as ex-officio Governor. This ensures that:

- Employees views are taken into account on decisions affecting their interests, and there is a common awareness on the part of all employees of all factors that affect the Academy Trust's performance; and
- Heston Community School also undertakes discussions with employees and their unions when making decisions that affect employee interests to ensure that employees' views are reflected in decisions made and their interests are protected both in their daily working environment and the future direction of the school.

# HESTON COMMUNITY ACADEMY TRUST

## GOVERNORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### Strategic Report

##### **Achievements and Performance**

##### KS4 Student Outcomes

Examinations returned in 2022 after two years. 2021 examinations did not take place due to the COVID-19 Lockdown. In line with Ofqual and DfE guidance, the School adopted a rigorous approach to awarding students Teacher Assessed Grades (TAGs). The TAGs awarded were broadly in line with the grade distribution and progress achieved by students in previous years.

Internal analysis has confirmed that all student groups performed strongly across the curriculum.

<b>PROGRESS 8</b>				
<b>RESULTS</b>				
	2019	2020	2021	<b>2022</b>
Attainment	50.93	55.02	53.17	<b>51.25</b>
9-4 EM	71%	76%	75%	<b>77%</b>
9-5 EM	51%	60%	49%	<b>60%</b>
EBACC	4.85	5.30	5.12	<b>5.07</b>

##### Post 16 Student Outcomes

Heston has a Sixth Form that is a fully integrated into the school community providing all students with provision up to the age of 19. The Sixth Form draws students from a diverse range of ethnic and socio-economic backgrounds and regularly recruits between 20 – 50 external students.

At KS5, the school enjoyed an exceptionally string set of results.

<b>ALPS GRADE</b>	2019	2020	2021	<b>2022</b>
<b>A Level</b>	3	1	1	<b>2</b>
<b>BTEC</b>	4	3	3	<b>4</b>

<b>ATTAINMENT</b>	<b>A*- A</b>	<b>A*- C</b>	<b>BTEC D*- D</b>	<b>BTEC D*- M</b>
<b>2022</b>	35%	87%	45%	84%

## HESTON COMMUNITY ACADEMY TRUST

### GOVERNORS' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 31 AUGUST 2022

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#### OFSTED (July 2019)

*'the overall progress measure for Year 11 pupils, which is very strong and has been significantly above the national average since 2016. Likewise, pupils with different prior attainment, including disadvantaged pupils, make strong progress between Years 7 and 11 across nearly all subjects. Additionally, the progress made by post-16 students who sat academic A-level examinations increased from significantly below the national average in 2017 to significantly above average in 2018.'*

#### Quality of Education

Our Curriculum Intent is to have an ambitious and inclusive curriculum that empowers our students to become life-long learners and successful global citizens.

Our curriculum is underpinned by our five key curriculum aims;

- Well-sequenced
- Literacy focused
- Careers centred
- Enriched
- Society centred

It is designed to ensure that all our students, including SEND, LAC and disadvantaged students, have access to wide ranging experiences that broaden and deepen their understanding of their subjects and prepare them for the challenges of further education and employment, whilst creating successful, responsible and well-informed young adults; able and willing to make a positive contribution to society.

Curriculum Leaders have guided their teams to reflect on the coherent sequencing and rationale of their curriculum and to develop Schemes of Learning that ensure learners gain challenging, yet secure knowledge and skills. A dynamic and flexible approach to curriculum design allows curriculum teams to respond to areas of concern, identified through formative and summative assessment. This is particularly important as we continue to respond to the long-lasting impact of the Covid Pandemic.

We aim to promote a love of reading, develop a rich vocabulary and strong disciplinary literacy in our students, recognising the importance of literacy in accessing the curriculum, improving mental well-being and as a crucial foundation for future life success. We believe that a Literacy focused curriculum is one of the most effective strategies in closing the attainment and opportunity gap for disadvantaged students, which has been further exacerbated by the Covid Pandemic. Our rationale is reinforced by well-establish evidential links, published by the Educational Policy Institute and Education Endowment Foundation.

A Careers centred curriculum is a necessity for social mobility and so, as part of an extensive whole school CEIAG programme, students receive subject specific guidance to raise their aspirations and understanding of the world of work, allowing them to make informed decisions about their future.

## **HESTON COMMUNITY ACADEMY TRUST**

### **GOVERNORS' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2022**

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We aim to enrich learning, developing students' cultural capital and driving curiosity, beyond the National Curriculum by exposing our students to a wide range of real-life applications, current affairs and historical associations. With a cohort from over 40 different countries, speaking more than 50 languages and 89% of students identifying as British Ethnic Minorities, we embrace opportunities to celebrate diversity, whilst ensuring our students receive a comprehensive SMSC and British Values education. This is in line with our Hestonian Values, as part of our Society Centred curriculum aim.

Curriculum development is a continued cycle of improvement and reflection, driven by professional pedagogical conversations between subject experts, with a focus on improving the 'pedagogical content knowledge' of the entire departmental team.

Our staff have an in-depth and rich understanding of their specialisms and promote a love of their subject through high quality pedagogical techniques. We use our internal moderation processes to monitor the implementation of our five curriculum aims and identify strong pedagogical practice in the vast majority of our staff; identifying an approach designed to clearly present new subject matter, systematically check understanding, identify misconceptions and provide clear and direct feedback – optimising student potential to succeed.

Our strong KS4 outcomes, are a further indicator of the impact of our well-designed curriculum. We need to continue to focus on closing the Disadvantage gap and ensuring our Most Able students make progression in line with Low and Mid ability learners.

The 2021-2022 our Recovery Premium and School Led Tuition fund was used to provide additional learning support in English, Maths and Science through Catch-up Teaching Assistants, Academic Mentors, Reading Mentors and the National Tutoring Programme. This support was targeted at disadvantaged and underachieving students to promote rapid progression, and will continue this year.

We continue to provide our staff with extensive professional development opportunities and endeavour to better manage staff-workload through the sharing of good practice and effective, yet appropriate, assessment strategies. We are committed to developing new teachers as part of the Early Careers Framework ensuring they feel challenged yet supported.

The School believes the quality of education can be further improved by focusing on the following:

#### **AREAS OF DEVELOPMENT**

- Continued development and embedding of a curriculum underpinned by our key aims of well sequenced, literacy focused, careers centred, enriched and society centred.
- Supporting teachers in developing their pedagogy, subject and 'pedagogical content' knowledge.
- Targeting additional support at disadvantaged, SEND, LAC and underachieving students.
- Driving improvements whilst maintaining staff well-being.

# HESTON COMMUNITY ACADEMY TRUST

## GOVERNORS' REPORT (CONTINUED)

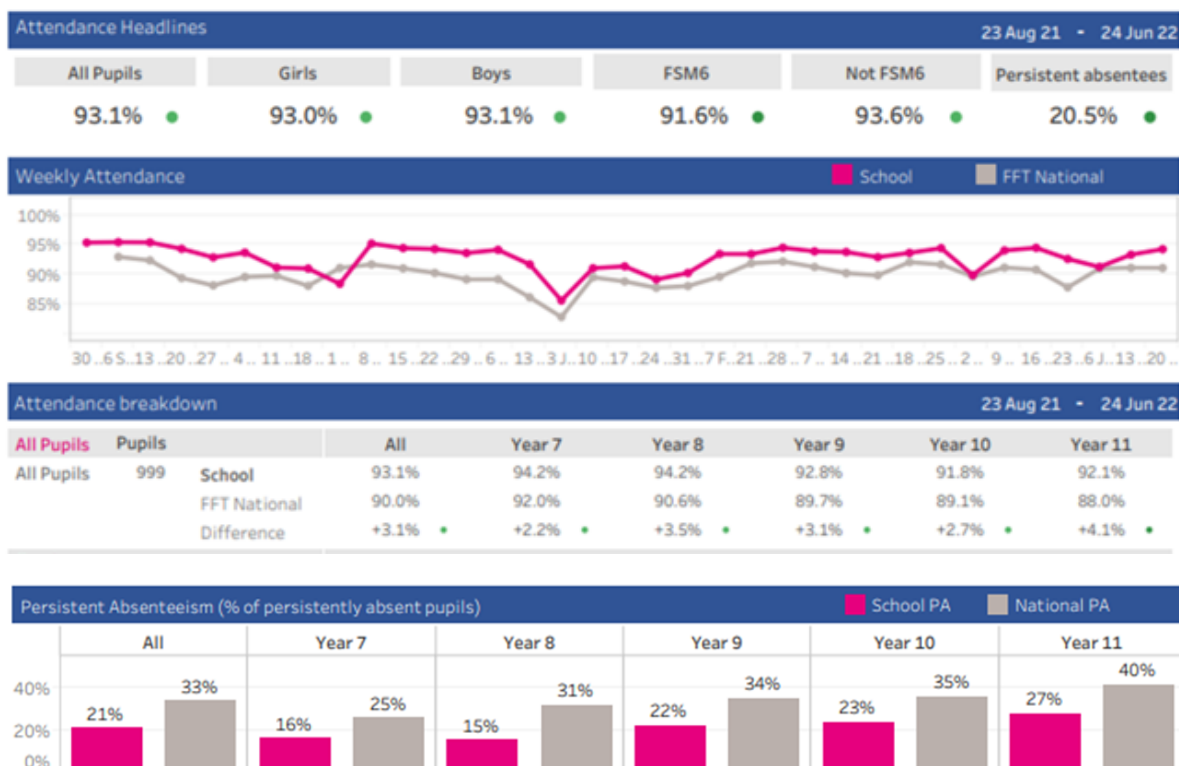
### FOR THE YEAR ENDED 31 AUGUST 2022

#### Behaviour and Attitudes

Students consistently demonstrate excellent attitudes towards their learning. They value education and are willing partners in building the School's positive and inclusive ethos. Students are committed to learning and have embraced the 'Hestonian Values' the School actively pursues. This focus has supported students making excellent progress (P8 score consistently between 0.7 and 0.9). Whilst our cohorts are broadly average on entry, their resilience and commitment have been developed to encourage good study habits that achieve excellent progress from their starting points. After interacting with our students, visitors to the School have frequently commented on the students' pride in their achievements and the warm positive relationships that are built.

The School re-enforces student engagement and aspirations with visual displays and an extensive Heston Alumni network, influencing our School Community in a very personal and meaningful way. These connect students to a culture of achievement and support, celebrating the value of education and how it can improve their lives. Students are receptive to guidance on how they can improve to achieve their goals.

The School's high expectations of its students help to create a positive and respectful culture that values learning. This is evidenced by excellent attendance across all year groups and strong student relationships, both within peer groups and toward staff. There is a real sense of community that is not only based on geographical location but family tradition. Large numbers of siblings from the same families come to our School - often over three or four generations.



The student body mixes well across the Year Groups and incidences of bullying and poor behaviour are relatively uncommon. The day-to-day experiences of the majority of our students are overwhelmingly positive. The students co-exist in harmony and with a confidence that when peers do transgress, staff deal with issues quickly and effectively, minimising their impact. There is a sense of respectfulness and fairness that supports a culture of inclusiveness. When students fall short of our expectations, a well-developed pastoral system supports students to make better choices.



## **HESTON COMMUNITY ACADEMY TRUST**

### **GOVERNORS' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2022**

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The School's response to the June 2021 OFSTED Report investigating sexual harassment and violence within schools started from a position of strength and inhouse expertise with a detailed, well planned and carefully sequenced RSHE programme embedded in PSHE. A range of student focus groups helped to establish a Heston context to the Report's findings and ensure our students' voices were at the heart of our response to the issues raised. We are mindful of the Report's recommendations and our strategy accepts all schools are facing these documented challenges. Greater awareness has been raised both within the student and staff bodies which have been reflected in revisions to our PHSE curriculum and assembly programmes. Our reporting and monitoring systems have also been refined to better capture and analyse 'child on child' abuse and ensure the student safety and welfare are paramount.

The investment of resources in our Well-being Hub – which include a full time counsellor and a Learning Mentor who work alongside our Safeguarding Lead - continues to successfully support our students with their mental health. These resources are deployed as a proactive, targeted, preventative strategy as well as an important safety net for those with specific needs.

Our Kind Thoughts... Kind Words initiative has embodied our Hestonian values. The COVID pandemic undoubtedly impacted our community with students isolated and disconnected from the positive School influences and habits that were previously part of their everyday experience. Our Kind Thoughts... Kind Words initiative recognised the value of reinforcing this crucial element to enhance students' experiences beyond the academic and vocational aspects.

The School believes it can further improve Heston's behaviour and attitudes by focusing on the following:

#### **AREAS OF DEVELOPMENT**

- Embedding our Kind Thoughts... Kind Words campaign
- Refining our pastoral programme, PSHE curriculum addressing sexual harassment, online sexual abuse, sexual violence and child on child abuse
- Embedding the role of tutors in engaging with the intent and implementation of our pastoral curriculum
- Creating a 'Teacher First' mentality amongst staff that recognises the value of holistic development
- Enhancing the profile and holistic mental health role of the Well-Being Hub
- Developing the role of ALCs – with a PPG focus
- Attendance and punctuality

#### **Personal Development**

We prioritise a curriculum that progresses beyond the academic, technical or vocational, enabling learners to develop and discover their interests and talents. This is exemplified particularly by the careers, enriched and society centred curriculum aims that underpin our curriculum design in all subjects.

We are confident that our PSHE programme provides an excellent starting point for health and well-being education, focusing on enabling students to make well-informed, positive choices for themselves. Our Pastoral Programme creates opportunities for students to develop and express themselves as active British citizens by equipping them with Hestonian values which encourage responsibility, respectfulness and tolerance of others. As our community recovered from the impact of COVID, students' commitment to the high expectations were successfully re-engaged. Undoubtedly, the challenge of combining studying with new and much missed social freedoms was significant for some students. However, the outstanding results at both GCSE and Post 16 point demonstrated that even in the face of frequent disruptions of enforced periods of isolation students' drive and focus made excellent progress.

## **HESTON COMMUNITY ACADEMY TRUST**

### **GOVERNORS' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2022**

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The well planned PSHE programme, staff training and the establishment of the 'Well-Being Hub' work well together to support students' development of the key attributes from character development. Student resilience, confidence and independence have all benefited from this as well as the School's focus on physical and mental health.

The School is a multicultural community where students mix well together and appreciate the diversity of West London; recognising the value of how much they have in common and respecting differences. There are a range of both formal and informal opportunities for students to develop their understanding of the fundamental British values of democracy, the rule of law, individual liberty, and mutual respect and tolerance of those with different faiths and beliefs. Our success is evidenced by harmonious nature in which the many different groups coexist. Expertise is embedded within key pastoral roles across the School that support students in preparing them for future success in their next steps. Good experiences and positive relationships have built trust and students appreciate the advice and guidance they can access. The high quality pastoral support enhances students' spiritual, moral, social and cultural development and this supports students engaging with views, beliefs and opinions that are different from their own in considered ways. Our academic success is certainly valued by our community but there is also a trust in the School to deliver the personal development their children need.

The School recognises that whilst it has a well organised and full Careers Programme there are opportunities to extend its breadth and provision – particularly in KS3. Given the local demographics and the negative economic impact of the COVID pandemic in our community, it is crucial that we build upon our current successes. Careers guidance education will greatly enhance the life chances of students and is essential to their personal development. The development of a Careers Hub in the coming year, is an exciting enhancement to our provision.

The take-up and student retention of extra-curricular activities offered by the School is an area we recognise we need to continue to develop. Music and peripatetic opportunities, had an excellent reintroduction last year, enriching both our curricular and extra-curricular offer, but requires further time to become embedded. We have worked collaboratively with Hounslow Music Services to invest heavily in staff, facilities and equipment.

The School also provided significant investment last year, working collaboratively with external providers to supplement the School's existing extracurricular programme. We recognise the need to build upon these foundations by expanding and strengthening student commitment to continuing the clubs and extra-curricular experiences so that our practice becomes more embedded.

The introduction of a Cultural Capital Lead, will improve our monitoring and understanding of students current opportunities and drive our programme to ensure, particularly disadvantaged students have increased exposure to improved cultural capital development prospects.

Last year's ambitious and extensive modernisation of the School's facilities has further helped the secure a learning environment that values students' personal development. Whilst they may not lead to immediate obvious benefits, they provide opportunities for greater social interaction and pride in their environment. In addition to refurbishing Science, Language and Business classrooms, the School achieved the following:

- Creation of a designated Post 16 outside space
- Investment for better seating and shade with the purchase of more tables and benches for the field
- Improvements to the School field and external sports storage
- Refurbishment of the Sports Hall's heating and ventilation to extend the opportunities for greater usage
- Extension of the School Canteen which will support the introduction of free cooled water for students
- Investigation of introducing a four bay outdoor cricket nets supported by securing professional coaching

## HESTON COMMUNITY ACADEMY TRUST

### GOVERNORS' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 31 AUGUST 2022

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The School believes it can further improve Heston's student's personal development by focussing on the following:

#### AREAS OF DEVELOPMENT

- Developing the confidence of those leading the Pastoral Curriculum to upskill tutors
- Establishing 'Deep Dive' learning conversations as a drive for PSHE pedagogical improvement
- Ensure the recent initiative of Kind Thoughts... Kind Words... is embedded and reflects the notion of 'Our School'
- Promoting mental and emotional health
- Embedding and strengthening Careers Education with a particular focus in the lower school
- Careers Hub
- Developing subject curriculums to enrich and extend student learning – improving students' 'cultural capital' and increasing SMSC links
- Extending opportunities to develop students interests and talents – the curriculum beyond academic subjects

#### Leadership and Management

##### OFSTED [July 2019]

*"Pupils appreciate the high aspirations which you and your staff model and expect. They really enjoy being at school. They say that the calm, orderly atmosphere in lessons and around the school supports them to learn well and feel safe. Parents and carers who responded to the online survey were positive about all aspects of the school's work."*

*"staff are aware of the latest safeguarding procedures because they receive regular training. Parents and staff agree that children are safe at your school. Likewise, pupils who spoke to inspectors said that they feel safe and know who to speak to if they have any concerns."*

High quality, ambitious and inclusive education, for all our students, is driven by our consistently high standards and expectations and is effectively communicated through our shared Hestonian values and policies.

To enhance the teaching of the curriculum and the appropriate use of assessment this year, we will continue to focus on improving staff subject, pedagogical and pedagogical content knowledge, through a scaffolded and targeted CPD strategy, whereby Middle Leaders are trained in developing their teams, as subject experts.

In the light of the COVID-19 crisis, Senior Leaders will prioritise guiding Curriculum Leads in ensuring that lost learning is identified and embedded and Pastoral Leads in ensuring students with mental and physical well-being concerns are recognised and supported.

We are committed to supporting all learners in completing their programme of study. Driven by our Attendance and Welfare Manager and our Data Manager, our improved and robust reporting system ensures Senior Leaders are fully aware of leavers and learner destinations.

Significant site investment supports our whole school improvement priorities. These include a new Learning Resource Centre, a new Sixth Form Centre and infrastructure projects to improve wiring, heating and ventilation.

## **HESTON COMMUNITY ACADEMY TRUST**

### **GOVERNORS' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2022**

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We are proud of the strong and productive relationships we have established with our community including parents, carers, other local schools and services. Parental surveys evidence that parents feel that the School is an extremely positive and safe environment for their children. Our successful partnership with the Virtual College means that Looked After Children thrive at Heston. Our impressive annual careers event, held with the support of Connexions, also demonstrates our commitment to engaging with employers. As a reflective and outward looking School we embrace opportunities for further school improvement, collaborating with the Hounslow Education Partnership and Challenge Partners.

We recognise the pressures that can be evident in the teaching profession and our aim of easing staff workload underpins every policy in the School. This filters down through our Whole School SIP into every Curriculum Area Improvement Plan. It is the responsibility of all Senior and Middle Leaders to regularly review efforts to reduce pressures on staff, whilst maintaining high standards and implementing improvements. Our Well-being Committee advises Senior Leaders on measures that can be taken to ease staff stress or workload. Harassment and bullying of staff will not be tolerated and is rapidly dealt with.

Governors hold Senior Leaders to account; questioning strategy, quality of education, fulfilment of statutory duties and effective resource management through regular, minuted meetings. Our annual Governor Day allows Trustees full access to the everyday practice in the School and allows them the opportunity to meet students and staff.

Finally, a culture of safeguarding is promoted through extensive training for all staff, trainee teachers and Trustees, explaining how to identify and support learners in need of help or at risk of neglect, abuse, grooming or exploitation. This year we will have a particular emphasis on remodelling our pastoral programme, PSHE curriculum and Behaviour Policy, and upskilling our staff, to address sexual harassment, online sexual abuse, sexual violence and peer on peer abuse.

Our safer recruitment practices and clear and effective allegations procedures, further support our commitment to safeguarding children.

The School believes it can further improve Heston's Leadership and Management by focussing on the following:

#### **AREAS OF DEVELOPMENT**

- Supporting Curriculum Leaders and teachers in developing their pedagogy, subject and pedagogical content knowledge
- Supporting Curriculum Leaders and Learning Coordinators in designing coherent and logically sequenced Curriculums, with a strong emphasis on literacy, to enrich and extend student learning and ensure any academic gaps are addressed
- Supporting Learning Coordinators and teachers and developing their understanding of RSHE, with a focus on sexual harassment, online sexual abuse, sexual violence and peer on peer abuse
- Embedding the use of CPOMS to streamline safeguarding reporting systems
- Re-establishing our collaboration with Challenge Partners to further drive school improvement
- Establishing a half-termly Safeguarding and LAC committee meeting to focus on the safety and progression of our most vulnerable students
- Driving improvements whilst maintaining staff well-being

# HESTON COMMUNITY ACADEMY TRUST

## GOVERNORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### Key Financial Performance Indicators (KPIs)

The Academy Trust has established KPIs for the financial year ended 31 August 2022. They include:

- Overall percentage of funds spent on staffing to remain below 76% of income (excluding Fixed Assets) for 2021-2022.
- Reduce whole school expenditure (excluding Fixed Assets) through efficiency savings and procurement improvements – for 2021-2022 this has been achieved by maintaining a focus on staffing and other key budget areas and re-tendering key contracts as they arose.

#### Going Concern

Going Concern is a fundamental accounting concept that underlies the preparation of financial statements of all UK companies. Under the going concern concept it is assumed that a company will continue in operation and that there is neither the intention to liquidate it nor to cease trading. It is a requirement that Governors should make a rigorous assessment of whether the company is a going concern when preparing annual financial statements.

To this end, the Governors have assessed and reviewed the Academy Trust's financial data for the year ended 31st August 2022. In addition, the SLT has prepared and evaluated, and Governors have discussed the Academy Trust's financial plan at the Summer 2022 Finance and General Purposes Committee meeting. After making appropriate enquiries, the Governing Body has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence in its current format 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

Most of the Academy's income is obtained from the Education and Schools Funding Agency (ESFA) formerly known as the Education Funding Agency (EFA). This is in the form of the General Annual Grant (GAG) and related grants, the use of which is restricted to educational expenditure. The grants received from the ESFA during the year ended 31 August 2022 are shown as restricted funds in the Statement of Financial Activities.

During the year ending 31 August 2022 total expenditure of £9,939k (2021: £9,137k) was covered by GAG funding from the ESFA together with other incoming resource. The excess of income over expenditure for the year was £1,257k (2021: £112k). Good financial management along with accurate budgeting and review of the purchasing process all account for the surplus.

# **HESTON COMMUNITY ACADEMY TRUST**

## **GOVERNORS' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2022**

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At 31 August 2022, the net book value of tangible fixed assets was £22,997k (2021: £21,488k). Movements in tangible fixed assets are shown in note 12. The assets are used exclusively for providing education and the associated support services to the students of the Academy.

The net current assets of The Academy at 31 August 2022 were £2,133k (2021: £1,829k) which included a cash balance of £2,729k (2021: £2,522k).

The Academy has received notification from the London Borough of Hounslow that the Local Government Pension Scheme deficit as of 31<sup>st</sup> August 2022 was valued at £1,183k (2021: £5,055k). The Academy inherited a pension deficit from The London Borough of Hounslow relating to its support staff and the Local Government Pension Scheme. The nature of this scheme is such that the deficit is linked to the demographic profile of the staff rather than to individual's liabilities and will change with staff resignations and appointments. The deficit is lower for the Academy as an independent academy than it was for the School when it was part of the local authority, and is not considered a material risk to the Academy.

The pension scheme deficit relates solely to the Local Government Pension Scheme and is in respect of support staff only. The evaluation provides as at 31 August 2022 calculates the liability based on the demographic profile of the scheme members as well as assumptions on fund returns. The liability is specifically entered onto the balance sheet as a restricted general fund, as it is intended to be funded through a restricted income source, likely to be funding devolved from the ESFA and via increased employer contributions funded directly by the General Annual Grant. Therefore, the liability is a long term one to be repaid.

#### **Reserves Policy**

The Governors review the reserve levels of the Academy Trust at each month end when the reports are sent to the Chair of Finance and General Purposes Committee. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of restricted and unrestricted reserves.

The Academy Trust has three types of reserves, namely Unrestricted, Restricted and Restricted Fixed Assets.

The Governors determined that the appropriate level of Unrestricted Reserves should ideally be at least £650k with an aim of accumulating reserves to cover one month's total staffing cost. The reserves balance at 31 August 2022 stands at £24,397k.

This contingency provides a financial cushion to deal with unexpected emergencies such as urgent maintenance or building works required to keep the Academy operational.

Unrestricted Funds which are surplus funds from fundraising activities outside of grants will be used by the Trust, where necessary, to help fund school improvement projects.

The Academy Trust held fund balances at 31 August 2022 of:

Restricted Funds	£2,274k (2021: £2,034k)
Restricted Fixed Assets	£23,069k (2021: £21,429k)
Unrestricted Funds	£237k (2021: £304k)
LGPS Deficit	£1,183k (2021: £5,055k)

# HESTON COMMUNITY ACADEMY TRUST

## GOVERNORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### **Investment Policy**

While the Academy still requires continual capital investment in its premises and infrastructure, there is unlikely to be any long term build-up of capital. Surpluses, therefore, are only invested in bank deposit accounts and not in other financial instruments.

The Trustees agree all investments made by the Academy Trust are in line with the Charity Commission guidance.

#### **Fundraising**

The Academy does not use any commercial participators / professional fundraisers. Fundraising for the Academy takes the following forms:

- students and staff engaging in fundraising for external charities
- approaching ECB to support the School in raising funds to improve sporting facilities.

The Academy aims to meet the fundraising Code of Practice and has not received any fundraising complaints. All fundraising is reported to the Governors Finance and General Purposes Committee.

#### **Financial Risks**

The Governors regularly assess the risk to which the Academy is exposed, in particular those relating to specific teaching, provision of facilities and other operational areas of the Academy, and its finances. The Governors have implemented a number of systems and procedures to manage the risk that the Academy faces, especially in key operational areas such as the vetting of new staff, maintenance and supervision of the School site and grounds as well as Health and Safety. Where significant financial or operational risk still remains, the Governors have ensured that there is adequate insurance cover in place.

The Governors are aware of the considerable financial pressures placed upon the school by the unfunded salary increases, cost of energy and inflation impacting on all aspects of the School activities.

Given the nature of Heston Community School as an Academy, the financial instruments that the Academy primarily deals with are largely bank balances, cash and trade creditors, with limited trade (and other) debtors. Consequently, there are limited risks in the Academy's financial and business activities and they do not materially affect the assessment of the Academy's assets.

Liquidity risks are managed by maintaining sufficient cash reserves to maintain its independence and to deal with unexpected matters arising (see Reserves Policy). Reserves are not invested in volatile instruments in line with its current agreements but in major banks as deposit accounts. The Academy currently has healthy of reserves and the liquidity risk credit risk and cash flow risk to the Academy is extremely low.

The Governors maintain an up-to-date Risks Register through which considerable risks to the School are managed.

#### **Plans for Future Periods**

The Academy will continue working to improve the levels of student performance and continue to direct its efforts to ensure all students achieve their potential. The School Improvement Plan and the Self Evaluation set out the Academy's vision and ambition for the future in terms of the curriculum and quality of education.

In addition, the Academy maintains a rigorous Asset Management Plan which outlines the main building and refurbishment projects planned for subsequent years based on a comprehensive and up to date site condition survey.

## **HESTON COMMUNITY ACADEMY TRUST**

### **GOVERNORS' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2022**

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##### **Auditor**

In so far as the Governors are aware:

- there is no relevant audit information of which the Charitable Company's auditors are unaware; and
- the Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

A resolution proposing that UHY Hacker Young be reappointed as auditor of the Charitable Company will be put to the Members.

The Governors' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the Company Directors, on 13 January 2023 and signed on its behalf by:



Mr Narinder Phull

**Chair of Trustees, Community (Chair of Finance & General Purposes)**



# HESTON COMMUNITY ACADEMY TRUST

## GOVERNANCE STATEMENT

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### Scope of responsibility

As Governors, we acknowledge we have overall responsibility for ensuring that Heston Community Academy 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.

The Board of Governors has delegated the day-to-day responsibility to the Headteacher, Accounting Officer, 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 Heston Community Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Governors any material weaknesses or breakdowns in internal control.

#### Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The Board of Governors has formally met four times during the year. Attendance during the year at meetings of the Board of Governors was as follows:

<b>Governors</b>	<b>Meetings attended</b>	<b>Out of possible</b>
Mr Ranjit Berdesha (Headteacher)	4	4
Mr Narinder Phull (Chair of Board and Chair FGP Committee)	4	4
Mrs Fran Hooker (Vice Chair)	3	4
Mrs Glynis Ross-Wood (Chair A&P Committee)	2	4
Mr Johnny Kyriacou (Chair T&L Committee)	1	4
Mr S Vohra	2	4
Miss S Farmer	4	4
Mr Keith Batten	3	4
Mrs Dominique Mann	4	4
Mr Talveer Calay	3	4
Mr Sam Saib	4	4
Mr Waris Rajput	3	4

There have been no structural changes to the Board in the year. There have been several changes to the Board Members in the year; all changes to the board are listed above.

The Finance and General Purposes Committee is a sub-committee of the main Board of Governors.

Attendance at meetings in the year was as follows:

<b>Governors</b>	<b>Meetings attended</b>	<b>Out of possible</b>
Mr Ranjit Berdesha (Headteacher)	3	3
Mr S Saib	3	3
Mr Narinder Phull (Chair of Board and Chair FGP Committee)	3	3
Mr Keith Batten	2	3
Mr S Vohra	1	1

# **HESTON COMMUNITY ACADEMY TRUST**

## **GOVERNANCE STATEMENT (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2022**

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

As Accounting Officer, the Headteacher has responsibility for ensuring the Academy Trust delivers good value in the use of public resources. The Accounting Officer understands that Value for Money refers to the educational and wider societal outcomes achieved in return for the tax payers' resources received.

The Accounting Officer considers how the Trust's use of resources has provided good value good value for money can be used using benchmarking data where available. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

#### **1. Sustaining High Quality Educational Results**

Examination results and the progress of all groups of pupils remains strong within the context of the efficient use of School resources. Heston Community School offers a broad and challenging curriculum across all the school years and this is achieved through close monitoring of the teaching group sizes and staffing costs.

Comparison with similar schools both locally and nationally shows that Heston Community School is performing well confirming the efficiency of this school.

#### **2. Financial Governance and Oversight**

The Academy benefits from an internal audit by Buzzacott LLP and an external audit by UHY Hacker Young, its auditors to ensure that its duties and obligations are being correctly fulfilled. UHY Hacker Young reviews key financial policies, systems and procedures including the use of tenders and produces monthly management accounts to the Chair of Finance and General Purposes Committee. The internal audit reports from Buzzacott LLP show that the School has succeeded in its financial aims of compliance and smooth running of the accounts. The monthly management accounts show further improvements in the running of the finances of the School resulting in a healthy operating balance along with significant reserves held in a separate savings account. The high level of communication and exchange of information between the Chair of the Financial and General Purposes committee to ensure openness and accountability in terms of finances is key to this success. Financial procedures and authorisation limits are regularly reviewed by the Governing Body.

3. Ensuring the Operation of the Academy demonstrates good value for money and an efficient use of resources.

Heston Community School uses competitive tendering processes for ensuring value for money when it comes to capital expenditure. The Academy has a strict limit for authorisations. In this financial year, the school obtained permission from the Governing Body to tender for seven capital expenditure items to take place:

- Phase Two Fire Safety Project (CIF)
- Phase 1 Electrical Safety (CIF)
- Business & Administration T Level Capital Bid
- Health Science T Level Capital Bid
- Refurbishment of the Main Office
- Refurbishment of the Sutton Staff Toilets
- Expansion of the School Canteen

All major projects were subject to the Academy's purchasing procedures with final contracts being awarded after careful consideration by the purchasing group of which one member was a Governor with oversight for Procurement.

## **HESTON COMMUNITY ACADEMY TRUST**

### **GOVERNANCE STATEMENT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2022**

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In addition, during the course of the year a number of contracts and purchases were reviewed to ensure the existing contracts provided best value for the School.

#### **4. Income Generation**

The management of Sports Hall lettings was brought in-house in March 2017. The operating model of the Sports Hall was changed from being a fully managed service to a self-service. The School has recovered from the pandemic to rebuild its letting activities.

School Lettings, have been maintained over the year primarily through very limited classroom rentals and the Main Hall. Further areas for increasing rental income have been established, including providing conference room facilities and improving the School Gym.

#### **The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Heston Community Academy Trust for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and accounts.

#### **Capacity to handle risk**

The Board of Governors has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Board of Governors.

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

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

- A dedicated Academy Business Manager with responsibility for ensuring compliance, accurate budgeting and accounting and overall financial responsibility in the role of Chief Financial Officer for the Trust in line with the requirements of the Academies Financial Handbook;
- Comprehensive budgeting and monitoring systems with an annual budget, and monthly financial reports which are reviewed by the Chair of Finance and General Purposes;
- Setting targets to measure financial and other performance;
- Clearly defined purchasing (asset or capital investment) guidelines; and
- Identification and management of risks.

## **HESTON COMMUNITY ACADEMY TRUST**

### **GOVERNANCE STATEMENT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2022**

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The Governing Body has considered the need for a specific internal audit function as per the guidelines in the Academy Trust Handbook and decided to appoint an external audit company, Buzzacott, to the role of the Responsible Officer during 2020-2021. The role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. In particular, the checks carried out in the current year included:

- A review of the Tendering Process and controls
- A review of the monthend procedures
- A review of the Cyber security provision and benchmarked against the Cyber Essentials scheme

There is a standing agenda item on the Full Governing Body for the internal audit items to be reported on receipt of the completed report.


#### **Review of effectiveness**

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

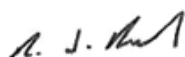
- the work of the internal auditor;
- the work of the external auditor;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Full Governing Body in addition to the Finance and General Purposes Committee an on-going plan is already in place continue to address potential weaknesses and to ensure continuous improvement of the system is in place.

Approved by order of the Board of Governors on 13 January 2023 and signed on its behalf by:

  
NARINDER PHULL

**Mr Narinder Phull**  
**Chair of Trustees**  
**(Chair of Finance & General Purposes)**



**Mr Ranjit Berdesha**  
**Headteacher & Accounting Officer**

## HESTON COMMUNITY ACADEMY TRUST

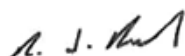
### STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2022

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As Accounting Officer of Heston Community Academy Trust, I have considered my responsibility to notify the Academy Trust Board of Governors and the Education and Schools Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

I confirm that I and the Trust's Board of Governors are able to identify any material irregular or improper use of funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academy Trust Handbook 2021.

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



Mr Ranjit Berdesha  
**Accounting Officer**

13 January 2023

# HESTON COMMUNITY ACADEMY TRUST

## STATEMENT OF GOVERNORS' RESPONSIBILITIES

### FOR THE YEAR ENDED 31 AUGUST 2022

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The Governors (who act as Trustees for Heston Community Academy Trust and are also the Directors of Heston Community Academy Trust for the purposes of Company Law) are responsible for preparing the Governors' Report and the accounts in accordance with the Annual Accounts Direction issued by the Education and Schools Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company Law requires the Governors to prepare accounts for each financial year. Under Company Law the Governors must not approve the accounts 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 accounts, the Governors 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 2021 to 2022;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the "Going Concern" basis unless it is inappropriate to presume that the Charitable Company will continue in business.

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

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

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

Approved by order of the members of the Board of Governors on 13 January 2023 and signed on its behalf by:



Mr Narinder Phull

**Chair of Trustees, Community (Chair of Finance & General Purposes)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HESTON COMMUNITY ACADEMY TRUST****FOR THE YEAR ENDED 31 AUGUST 2022**

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**Opinion**

We have audited the financial statements of Heston Community Academy Trust for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the 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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HESTON COMMUNITY ACADEMY TRUST (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2022**

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**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 Governors 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.

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

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

- the information given in the Governors' Report including the incorporated strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Governors' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' report, including the incorporated strategic report.

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

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

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



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HESTON COMMUNITY ACADEMY TRUST (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2022**

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#### **Responsibilities of Governors**

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

In preparing the financial statements, the Governors are responsible for assessing the Academy 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 Governors either intend to liquidate the charitable company, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the accounts**

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

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

Based on our understanding of the academy trust and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the Trust which were contrary to applicable laws and regulations including fraud and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated income and the academy trust's net income for the year.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HESTON COMMUNITY  
ACADEMY TRUST (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2022**

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Audit procedures performed included:

- reviewing the financial statement disclosures to underlying supporting documentation;
- enquiry of Trust staff in compliance functions to identify any instances of non-compliance with laws and regulations;
- review of correspondence with and reports to the regulators, including correspondence with the ESFA;
- enquiries of management, those charged with governance and the Academy Trust's legal advisors and the review of relevant correspondence around actual and potential litigation and claims;
- reviewing minutes of meetings with those charged with governance;
- review of internal audit reports during the year and discussion and consideration of any significant matters raised; and
- assessing the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness and evaluating whether there was evidence of bias by the Trustees that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. 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.

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

**Use of our report**

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



**Subarna Banerjee (Senior Statutory Auditor)**  
for and on behalf of UHY Hacker Young

16 January 2023  
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**Chartered Accountants  
Statutory Auditor**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON  
REGULARITY TO HESTON COMMUNITY ACADEMY TRUST AND THE EDUCATION  
AND SKILLS FUNDING AGENCY  
FOR THE YEAR ENDED 31 AUGUST 2022**

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In accordance with the terms of our engagement letter dated 3 January 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Heston Community Academy Trust during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of Heston Community Academy Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Heston Community Academy Trust's funding agreement with the Secretary of State for Education dated 1 November 2012 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**Approach**

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

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

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

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

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON  
REGULARITY TO HESTON COMMUNITY ACADEMY TRUST AND THE EDUCATION  
AND SKILLS FUNDING AGENCY (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2022**

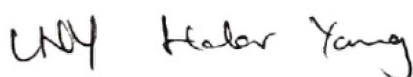
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The work undertaken to draw to our conclusion includes:

- Review and corroboration of the most recent Financial Management and Governance Evaluation
- Evaluation of the general control environment
- Confirmation that the internal delegations have been approved by the governing body, and conform to the limits set by the Department for Education
- Review of the declaration of interests to ensure completeness
- Review of minutes for evidence of declaration of interest
- A sample of payments has been reviewed to confirm that each item has been appropriately authorised in accordance with the academy trust's delegated authorities
- A sample of cash payments were reviewed for unusual transactions
- A sample of expenditure items were reviewed against specific terms of grant funding within the funding agreement
- Formal representations have obtained from the governing body and the accounting officer acknowledging their responsibilities for matters relating to regularity and propriety.

**Conclusion**

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



UHY Hacker Young  
**Reporting Accountant**

Dated: 16 January 2023

# HESTON COMMUNITY ACADEMY TRUST

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

	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2022 £'000	Total 2021 £'000
<b>Income and endowments from:</b>						
Donations and capital grants	3	7	5	1,082	1,094	315
Charitable activities:						
- Funding for educational operations	4	126	9,902	-	10,028	8,892
Other trading activities	5	63	-	-	63	25
Investments	6	11	-	-	11	17
<b>Total</b>		<u>207</u>	<u>9,907</u>	<u>1,082</u>	<u>11,196</u>	<u>9,249</u>
<b>Expenditure on:</b>						
Raising funds	7	-	3	-	3	13
Charitable activities:						
- Educational operations	8	38	9,240	658	9,936	9,124
<b>Total</b>	7	<u>38</u>	<u>9,243</u>	<u>658</u>	<u>9,939</u>	<u>9,137</u>
<b>Net income</b>		169	664	424	1,257	112
Transfers between funds	20	(236)	(980)	1,216	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial gains/(losses) on defined benefit pension schemes	18	-	4,428	-	4,428	(567)
<b>Net movement in funds</b>		(67)	4,112	1,640	5,685	(455)
<b>Reconciliation of funds</b>						
Total funds brought forward		<u>304</u>	<u>(3,021)</u>	<u>21,429</u>	<u>18,712</u>	<u>19,167</u>
Total funds carried forward		<u>237</u>	<u>1,091</u>	<u>23,069</u>	<u>24,397</u>	<u>18,712</u>

# HESTON COMMUNITY ACADEMY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2022

Comparative year information Year ended 31 August 2021	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2021 £'000
<b>Income and endowments from:</b>					
Donations and capital grants	3	8	-	307	315
Charitable activities:					
- Funding for educational operations	4	64	8,828	-	8,892
Other trading activities	5	25	-	-	25
Investments	6	17	-	-	17
<b>Total</b>		114	8,828	307	9,249
<b>Expenditure on:</b>					
Raising funds	7	-	13	-	13
Charitable activities:					
- Educational operations	8	23	8,579	522	9,124
<b>Total</b>	7	23	8,592	522	9,137
<b>Net income/(expenditure)</b>		91	236	(215)	112
Transfers between funds	20	(414)	-	414	-
<b>Other recognised gains/(losses)</b>					
Actuarial losses on defined benefit pension schemes	18	-	(567)	-	(567)
<b>Net movement in funds</b>		(323)	(331)	199	(455)
<b>Reconciliation of funds</b>					
Total funds brought forward		627	(2,690)	21,230	19,167
Total funds carried forward		304	(3,021)	21,429	18,712

# HESTON COMMUNITY ACADEMY TRUST

## BALANCE SHEET

AS AT 31 AUGUST 2022

		2022	2021
	Notes	£'000	£'000
<b>Fixed assets</b>			
Tangible assets	12	22,997	21,488
Investments	13	450	450
		<u>23,447</u>	<u>21,938</u>
<b>Current assets</b>			
Debtors	15	461	381
Cash at bank and in hand		2,729	2,522
		<u>3,190</u>	<u>2,903</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	16	(1,057)	(1,074)
		<u></u>	<u></u>
<b>Net current assets</b>		2,133	1,829
		<u></u>	<u></u>
<b>Net assets excluding pension liability</b>		25,580	23,767
		<u></u>	<u></u>
Defined benefit pension scheme liability	18	(1,183)	(5,055)
		<u></u>	<u></u>
<b>Total net assets</b>		24,397	18,712
		<u><u></u></u>	<u><u></u></u>
<b>Funds of the Academy Trust:</b>			
<b>Restricted funds</b>	20		
- Fixed asset funds		23,069	21,429
- Restricted income funds		2,274	2,034
- Pension reserve		(1,183)	(5,055)
		<u></u>	<u></u>
<b>Total restricted funds</b>		24,160	18,408
		<u></u>	<u></u>
<b>Unrestricted income funds</b>	20	237	304
		<u></u>	<u></u>
<b>Total funds</b>		24,397	18,712
		<u><u></u></u>	<u><u></u></u>

The accounts on pages 35 to 62 were approved by the Governors and authorised for issue on 13 January 2023 and are signed on their behalf by:



Mr Narinder Phull

**Chair of Trustees, Community (Chair of Finance & General Purposes)**

Company registration number 07964015

# HESTON COMMUNITY ACADEMY TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

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	Notes	2022 £'000	£'000	2021 £'000	£'000
<b>Cash flows from operating activities</b>					
Net cash provided by operating activities	21		1,283		903
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		11		17	
Capital funding received from sponsors and others		1,082		307	
Purchase of tangible fixed assets		(2,169)		(823)	
<b>Net cash used in investing activities</b>			(1,076)		(499)
<b>Net increase in cash and cash equivalents in the reporting period</b>			207		404
Cash and cash equivalents at beginning of the year			2,522		2,118
<b>Cash and cash equivalents at end of the year</b>			2,729		2,522

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# HESTON COMMUNITY ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### **1 Accounting policies**

Heston Community Academy Trust is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the Governors' report.

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

#### **1.1 Basis of preparation**

The accounts 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 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

#### **1.2 Going concern**

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

#### **1.3 Income**

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

##### Grants receivable

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

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

##### 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.

# HESTON COMMUNITY ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### 1 Accounting policies

(Continued)

##### Other income

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

##### Donated goods, facilities and services

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

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

On becoming an academy, the land and property of the predecessor school was transferred to the academy for £nil consideration. The valuation of the land and buildings as at the date of conversion was prepared by DVS Property Specialists.

#### 1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

##### Expenditure on raising funds

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

##### Charitable activities

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

##### Governance costs

These include the costs attributable to the Academy Trust's compliance with constitutional and statutory requirements, including audit, strategic management, Governors' meetings and reimbursed expenses.

# HESTON COMMUNITY ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### 1 Accounting policies

(Continued)

##### 1.5 Tangible fixed assets and depreciation

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 that require the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Land and buildings	10 to 50 years
Plant and machinery	5 years
Computer equipment	3 years
Fixtures, fittings & equipment	5 years
Motor vehicles	5 years

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

##### 1.6 Investment property

Investment properties are valued annually at fair value. Fair value is ascertained through review of a number of factors and information flows, including market knowledge, recent market movements, recent sales of similar properties, historical experience, and rent levels and cash flows of cash for the respective investment property. There is an inevitable degree of judgement involved and value can be only reliably tested ultimately in the market itself. Given the Trustees' knowledge of local market conditions, no third party valuation has been considered necessary.

##### 1.7 Liabilities

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

##### 1.8 Leasing and hire purchase commitments

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

# HESTON COMMUNITY ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### 1 Accounting policies

(Continued)

##### 1.9 Taxation

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

##### 1.10 Pensions benefits

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

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

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

##### 1.11 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education and Skills Funding Agency.

# HESTON COMMUNITY ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### 1 Accounting policies

(Continued)

##### 1.12 Financial instruments

The Academy Trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Trust's statement of financial position when the Trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### 1.13 Financial assets

###### Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

###### Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of Financial Activities.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the Statement of Financial Activities.

###### Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

# **HESTON COMMUNITY ACADEMY TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2022**

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#### **1 Accounting policies**

**(Continued)**

##### **1.14 Financial liabilities**

###### Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Trust after deducting all of its liabilities.

Basic financial liabilities, including creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

###### Derecognition of financial liabilities

Financial liabilities are derecognised when the Trust's contractual obligations expire or are discharged or cancelled.

#### **2 Critical accounting estimates and areas of judgement**

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

##### **Critical assumptions for LGPS**

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

# HESTON COMMUNITY ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 2 Critical accounting estimates and areas of judgement

(Continued)

##### Depreciation

The Trustees estimate the useful economic lives and residual values of Plant and machinery, Computer equipment, Fixtures and fittings & equipment and Motor vehicles in order to calculate the depreciation charges. Changes in these estimates could result in changes being required to the annual depreciation charges in the Statement of Financial Activities and the balance sheet.

##### Investment property valuation

Investment properties are valued annually at fair value. Fair value is ascertained through review of a number of factors and information flows, including market knowledge, recent market movements, recent sales of similar properties, historical knowledge and rent levels and flows of cash for the respective investment property. There is an inevitable degree of judgement involved and value can be only reliably tested ultimately in the market itself. Given the property market knowledge and expertise of the trustees, no third party valuation has been considered necessary.

##### Critical areas of judgement

The trustees consider that they have not made any critical judgements in the preparation of the financial statements.

#### 3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
Capital grants	-	1,082	1,082	307
Other donations	7	5	12	8
	<u>7</u>	<u>1,087</u>	<u>1,094</u>	<u>315</u>

# HESTON COMMUNITY ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 4 Funding for the Academy Trust's charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
<b>DfE/ESFA grants</b>				
General annual grant (GAG)	-	8,267	8,267	7,117
Other DfE/ESFA grants:				
- Pupil premium	-	292	292	281
- Others	-	481	481	180
	-	9,040	9,040	7,578
<b>Other government grants</b>				
Local authority grants	-	419	419	489
Special educational projects	-	385	385	732
	-	804	804	1,221
<b>Other funding</b>				
Coronavirus exceptional support	-	58	58	29
Other incoming resources	126	-	126	64
	126	58	184	93
<b>Total funding</b>	126	9,902	10,028	8,892

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

#### 5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
Hire of facilities	62	-	62	25
Other income	1	-	1	-
	63	-	63	25



# **HESTON COMMUNITY ACADEMY TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2022**

#### **6 Investment income**

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
Short term deposits	11	-	11	13
Other investment income	-	-	-	4
	<u>11</u>	<u>-</u>	<u>11</u>	<u>17</u>

#### **7 Expenditure**

	Staff costs £'000	Non-pay expenditure Premises £'000	Other £'000	Total 2022 £'000	Total 2021 £'000
Expenditure on raising funds					
- Direct costs	-	-	3	3	13
Academy's educational operations					
- Direct costs	6,100	-	429	6,529	6,017
- Allocated support costs	1,530	1,228	649	3,407	3,107
	<u>7,630</u>	<u>1,228</u>	<u>1,081</u>	<u>9,939</u>	<u>9,137</u>

<b>Net income/(expenditure) for the year includes:</b>	<b>2022 £'000</b>	<b>2021 £'000</b>
--	-----------------------	-----------------------

Fees payable to auditor for audit services	19	17
Operating lease rentals	4	27
Depreciation of tangible fixed assets	658	522
Net interest on defined benefit pension liability	84	68
	<u></u>	<u></u>

#### **8 Charitable activities**

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
<b>Direct costs</b>				
Educational operations	27	6,502	6,529	6,017
<b>Support costs</b>				
Educational operations	11	3,396	3,407	3,107
	<u>38</u>	<u>9,898</u>	<u>9,936</u>	<u>9,124</u>

# **HESTON COMMUNITY ACADEMY TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2022**

#### **8 Charitable activities**

**(Continued)**

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
<b>Analysis of support costs</b>		
Support staff costs	1,556	1,307
Depreciation	658	522
Technology costs	189	151
Premises costs	570	708
Legal costs	10	8
Other support costs	389	375
Governance costs	35	36
	<u>3,407</u>	<u>3,107</u>

#### **9 Staff**

##### **Staff costs**

Staff costs during the year were:

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Wages and salaries	5,088	4,918
Social security costs	547	507
Pension costs	1,549	1,066
Staff costs - employees	<u>7,184</u>	<u>6,491</u>
Agency staff costs	443	343
Staff development and other staff costs	45	94
Total staff expenditure	<u>7,672</u>	<u>6,928</u>

##### **Staff numbers**

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

	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>
Teachers	72	71
Administration and support	68	78
Management	8	8
	<u>148</u>	<u>157</u>

# HESTON COMMUNITY ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 9 Staff

(Continued)

##### Higher paid staff

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

	2022 Number	2021 Number
£60,001 - £70,000	3	2
£70,001 - £80,000	2	4
£80,001 - £90,000	1	1
£100,001 - £110,000	1	1
	=====	=====

##### Key management personnel

The Academy Trust is governed by the Board of Governors who are responsible for setting the general direction of the Academy, monitoring the work of the Academy and ensuring the objectives of the Academy are achieved. The key management personnel of the Academy Trust is 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 £863,499 (2021: £815,235).

#### 10 Governors' remuneration and expenses

One or more of the Governors has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Headteacher, Accounting Officer and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of Headteacher, Accounting Officer and staff members under their contracts of employment, and not in respect of their services as Governors.

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

Ranjit Berdesha (Headteacher)	Remuneration: £105,000 - £110,000 (2021: £105,000 - £110,000) Pension: £25,000 - £30,000 (2021: £20,000 - £25,000)
Saib Shameet (Staff)	Remuneration: £25,000 - £30,000 (2021: £25,000 - £30,000) Pension: £5,000 - £10,000 (2021: £5,000 - £10,000)
Sarah Farmer (Staff)	Remuneration: £50,000 - £55,000 (2021: £Nil) Pension: £10,000 - £15,000 (2021: £Nil)

During the year, travel and subsistence for the trustees totalled £Nil (2021: £Nil).

# HESTON COMMUNITY ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 11 Governors' and officers' insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2022 was not separately identifiable and has been included in the total insurance cost.

#### 12 Tangible fixed assets

	Land and buildings	Plant and machinery	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>						
At 1 September 2021	23,649	918	612	564	23	25,766
Additions	1,479	352	74	261	3	2,169
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 August 2022	25,128	1,270	686	825	26	27,935
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Depreciation</b>						
At 1 September 2021	2,930	346	526	455	23	4,280
Charge for the year	397	169	57	35	-	658
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 August 2022	3,327	515	583	490	23	4,938
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Net book value</b>						
At 31 August 2022	21,801	755	103	335	3	22,997
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 August 2021	20,720	573	87	108	-	21,488
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

The net book value of land and buildings comprises:

	2022 £'000	2021 £'000
Freeholds	9,356	8,275
Long leaseholds (over 50 years)	12,445	12,445
	<u>          </u>	<u>          </u>
	21,801	20,720
	<u>          </u>	<u>          </u>

# HESTON COMMUNITY ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 13 Investment Property

	£'000
<b>Market value</b>	
At 1 September 2021 and at 31 August 2022	450

In 2018, the Governors designated a non-educational residential building on the school site to be used for the purposes of rental income and capital appreciation. The building and attached land have been transferred from tangible fixed assets at net book value, and revalued to fair value as at 31 August 2018. The fair value gain was recognised in the Statement of Financial Activities.

The fair value of the investment property has been arrived by management through their use of an expert for the year ended 31 August 2022.

The historical cost of the property is estimated to be £173,580 on the basis of the ESFA's valuation of the Academy's land and buildings.

#### 14 Financial instruments

The trustees have considered the Academy Trust's exposure to credit, cash flow and liquidity risks as part of its annual risk assessment procedures. Risks are assessed within the Academy Trust's risk register and monitored throughout the year. The trustees do not consider the Academy Trust to be materially exposed to credit, cash flow or liquidity risk, owing to sufficient bank balances and limited debtor exposures.

#### 15 Debtors

	2022 £'000	2021 £'000
Trade debtors	17	8
VAT recoverable	361	214
Prepayments and accrued income	83	159
	<u>461</u>	<u>381</u>

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

	2022 £'000	2021 £'000
Trade creditors	906	406
Other taxation and social security	-	17
Accruals and deferred income	151	651
	<u>1,057</u>	<u>1,074</u>

# HESTON COMMUNITY ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 17 Deferred income

	2022 £'000	2021 £'000
Deferred income is included within:		
Creditors due within one year	30	260
	<u>          </u>	<u>          </u>
Deferred income at 1 September 2021	260	304
Resources deferred in the year	(230)	(44)
	<u>          </u>	<u>          </u>
<b>Deferred income at 31 August 2022</b>	<u>30</u>	<u>260</u>

#### 18 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012, and that of the LGPS related to the period ended 31 March 2016.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year (2021: £Nil).

#### Teachers' Pension Scheme

##### Introduction

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

# HESTON COMMUNITY ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 18 Pension and similar obligations

(Continued)

##### The Teachers' Pension, Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

##### Valuation of the Teachers' Pension Scheme

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.08%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%.

A copy of the latest valuation report can be found on the Teachers' Pension Scheme Website.

##### Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are per cent for employers and per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Total contributions made	2022 £'000	2021 £'000
Employer's contributions	296	256
Employees' contributions	76	67
	<hr/>	<hr/>
Total contributions	372	323
	<hr/>	<hr/>
Principal actuarial assumptions	2022 %	2021 %
Rate of increase in salaries	3.90	3.85
Rate of increase for pensions in payment/inflation	2.90	2.85
Discount rate for scheme liabilities	4.25	1.65
	<hr/>	<hr/>

# HESTON COMMUNITY ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 18 Pension and similar obligations

(Continued)

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

	2022 Years	2021 Years
Retiring today		
- Males	21.0	21
- Females	23.5	23.8
Retiring in 20 years		
- Males	22.3	22.4
- Females	24.9	25.4

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

The Academy Trust's share of the assets in the scheme	2022 Fair value £'000	2021 Fair value £'000
Equities	2,386	2,302
Bonds	382	381
Gilts	182	166
Absolute return portfolio	514	572
Property	191	148
Other assets	51	40
Total market value of assets	3,706	3,609

The actual return on scheme assets was a loss of £248,000 (2021: £515,000 gain).

Amount recognised in the statement of financial activities	2022 £'000	2021 £'000
Current service cost	768	437
Interest income	(59)	(46)
Interest cost	143	114
Total operating charge	852	505



# HESTON COMMUNITY ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 18 Pension and similar obligations

(Continued)

Changes in the present value of defined benefit obligations	2022 £'000
At 1 September 2021	8,664
Current service cost	768
Interest cost	143
Employee contributions	76
Actuarial gain	(4,735)
Benefits paid	(27)
At 31 August 2022	4,889

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

	2022 £'000
At 1 September 2021	3,609
Interest income	59
Actuarial loss	(307)
Employer contributions	296
Employee contributions	76
Benefits paid	(27)
At 31 August 2022	3,706

#### 19 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
<b>Fund balances at 31 August 2022 are represented by:</b>				
Tangible fixed assets	-	-	22,998	22,998
Fixed asset investments	-	-	450	450
Current assets	237	2,869	84	3,190
Current liabilities	-	(595)	(463)	(1,058)
Pension scheme liability	-	(1,183)	-	(1,183)
<b>Total net assets</b>	<b>237</b>	<b>1,091</b>	<b>23,069</b>	<b>24,397</b>

# HESTON COMMUNITY ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 19 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
<b>Fund balances at 31 August 2021 are represented by:</b>				
Tangible fixed assets	-	-	21,488	21,488
Fixed asset investments	-	-	450	450
Current assets	304	2,578	21	2,903
Current liabilities	-	(544)	(530)	(1,074)
Pension scheme liability	-	(5,055)	-	(5,055)
	<u>304</u>	<u>(3,021)</u>	<u>21,429</u>	<u>18,712</u>
<b>Total net assets</b>	<u>304</u>	<u>(3,021)</u>	<u>21,429</u>	<u>18,712</u>

# **HESTON COMMUNITY ACADEMY TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2022**

#### **20 Funds**

	Balance at 1 September 2021 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2022 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	1,157	8,267	(8,097)	-	1,327
Other DfE/ESFA grants	93	831	(522)	(980)	(578)
Other government grants	784	804	(66)	-	1,522
Other restricted funds	-	5	(2)	-	3
Pension reserve	(5,055)	-	(556)	4,428	(1,183)
	<u>(3,021)</u>	<u>9,907</u>	<u>(9,243)</u>	<u>3,448</u>	<u>1,091</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	20,217	-	-	-	20,217
DfE group capital grants	343	1,082	(658)	-	767
Capital expenditure from GAG	869	-	-	1,216	2,085
	<u>21,429</u>	<u>1,082</u>	<u>(658)</u>	<u>1,216</u>	<u>23,069</u>
<b>Total restricted funds</b>	<u>18,408</u>	<u>10,989</u>	<u>(9,901)</u>	<u>4,664</u>	<u>24,160</u>
<b>Unrestricted funds</b>					
General funds	<u>304</u>	<u>207</u>	<u>(38)</u>	<u>(236)</u>	<u>237</u>
<b>Total funds</b>	<u>18,712</u>	<u>11,196</u>	<u>(9,939)</u>	<u>4,428</u>	<u>24,397</u>

# HESTON COMMUNITY ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### 20 Funds

(Continued)

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

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

The General Annual Grant must be used for the normal running costs of the Academy including salary costs, overheads, premises costs and curriculum costs. Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2019.

##### **Other restricted funds**

Other restricted funds include funding received from the DfE and Local Education Authorities for specific purposes and other sundry sources of restricted income and expenditure from various sources.

##### **Pension reserve**

The LGPS deficit fund has been created to separately identify the pension deficit inherited from the Local Authority upon conversion to Academy status and through which all the Pension Scheme movements are recognised.

##### **Restricted fixed asset funds**

The inherited fixed assets fund has been set up to recognise the tangible assets gifted to the Academy upon conversion which represent the School Site including the long leasehold interest and building and all material items of plant and machinery therein. Depreciation charged on those assets are allocated to the fund.

##### **Capital expenditure from GAG**

The capital expenditure from GAG (Capital Annual Grant) fixed assets fund has been set up to recognise the tangible assets purchased by the academy following conversion that have been funded from the GAG. This fund has been created by a transfer of an amount equal to the cost of the Academy Asset Management Plan from the GAG Fund.

##### **Unrestricted funds**

The unrestricted general fund has been set up for the funds received from sources outside of normal funding. This includes inherited surplus cash on conversion to academy status and all funds generated outside of DfE and LA funding streams. The relevant unrestricted expenditure is then recorded through this Fund.

# **HESTON COMMUNITY ACADEMY TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2022**

#### **20 Funds**

**(Continued)**

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

	<b>Balance at 1 September 2020 £'000</b>	<b>Income £'000</b>	<b>Expenditure £'000</b>	<b>Gains, losses and transfers £'000</b>	<b>Balance at 31 August 2021 £'000</b>
<b>Restricted general funds</b>					
General Annual Grant (GAG)	732	7,635	(7,210)	-	1,157
Other DfE/ESFA grants	47	977	(931)	-	93
Other government grants	770	214	(200)	-	784
Other restricted funds	-	2	(2)	-	-
Pension reserve	(4,239)	-	(249)	(567)	(5,055)
	<u>(2,690)</u>	<u>8,828</u>	<u>(8,592)</u>	<u>(567)</u>	<u>(3,021)</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	20,564	-	(347)	-	20,217
DfE group capital grants	211	307	(175)	-	343
Capital expenditure from GAG	455	-	-	414	869
	<u>21,230</u>	<u>307</u>	<u>(522)</u>	<u>414</u>	<u>21,429</u>
<b>Total restricted funds</b>	<u>18,540</u>	<u>9,135</u>	<u>(9,114)</u>	<u>(153)</u>	<u>18,408</u>
<b>Unrestricted funds</b>					
General funds	<u>627</u>	<u>114</u>	<u>(23)</u>	<u>(414)</u>	<u>304</u>
<b>Total funds</b>	<u>19,167</u>	<u>9,249</u>	<u>(9,137)</u>	<u>(567)</u>	<u>18,712</u>

# HESTON COMMUNITY ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 21 Reconciliation of net income to net cash flow from operating activities

	Notes	2022 £'000	2021 £'000
Net income for the reporting period (as per the statement of financial activities)		1,257	112
Adjusted for:			
Capital grants from DfE and other capital income		(1,082)	(307)
Investment income receivable	6	(11)	(17)
Defined benefit pension costs less contributions payable	18	472	181
Defined benefit pension scheme finance cost	18	84	68
Depreciation of tangible fixed assets		658	522
(Increase)/decrease in debtors		(80)	37
(Decrease)/increase in creditors		(15)	307
<b>Net cash provided by operating activities</b>		<b>1,283</b>	<b>903</b>

#### 22 Analysis of changes in net funds

	1 September 2021 £'000	Cash flows £'000	31 August 2022 £'000
Cash	2,522	207	2,729

#### 23 Operating Leases

At 31 August 2022 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2022 £'000	2021 £'000
Amounts due within one year	1,731	21,920
Amounts due in two and five years	4,518	-
	<b>6,249</b>	<b>21,920</b>

# HESTON COMMUNITY ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 24 Capital commitments

	2022 £'000	2021 £'000
Expenditure contracted for but not provided in the accounts	2,085,116	1,112,874

Capital commitments consists of expenditure contracted for in relation to ongoing capital projects in the development of the academy premises.

#### 25 Related party transactions

Owing to the nature of the Academy Trust's operations and the composition of the Board of Governors being drawn from local public and private sector organisations, transactions may take place with organisations in which the Academy Trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account.

There is a common Governor at Heston Primary School and Heston Community Academy. Both schools share a common site and during the year there was £2,732 (2021: £Nil) in relation to the cost of shared utility bills charged to Heston Primary School, of which £Nil was outstanding at the year end (2021: £Nil).

During the year, Heston Community Academy, charged Burntwood School £135 (2021: £Nil) in costs in relation to supply costs for teacher induction attendance, of which £Nil was outstanding at the year end (2021: £Nil).

An amount of £450 (2021: £Nil) was paid to Lampton School Academy Trust in relation to teacher and leadership training programme in 2022. An amount of £556 due back to Lampton School Academy Trust remained outstanding at the year-end (2021: £556) in relation to teacher and leadership training programmes in the prior year.

An amount of £450 (2021: £Nil) was paid to Cygnets Art School Isleworth in relation to the provision of student art courses, of which £Nil was outstanding at the year end (2021: £Nil).

An amount of £26,163 (2021: £43,941) was paid to London Borough of Hounslow in relation to the provision of general administrative services to Heston Community Academy Trust. An amount of £33,408 due back to London Borough of Hounslow remained outstanding at the year-end (2021: £66,382).

In entering into these transactions, the Academy Trust has complied with the requirements of the Academy Trust Handbook 2021.

# **HESTON COMMUNITY ACADEMY TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2022**

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#### **26 Members' liability**

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

#### **27 Agency arrangements**

The Academy administers the disbursements of the new discretionary support for learners, 16 -19 Bursary Funds, on behalf of the ESFA. In the year, the Academy received £19,371 (2021: £25,439) and disbursed £19,371 (2021: £25,439).