
HAMMERSMITH ACADEMY TRUST
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report incorporating tthe Strategic Report	3 - 14
Governance statement	15 - 19
Statement on regularity, propriety and compliance	20
Statement of trustees' responsibilities	21
Independent auditors' report on the financial statements	22 - 25
Independent reporting accountant's report on regularity	26 - 27
Statement of financial activities incorporating income and expenditure account	28 - 30
Balance sheet	31 - 32
Statement of cash flows	33
Notes to the financial statements	34 - 64

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	The Mercers' Company The Worshipful Company of Information Technologists
Trustees	R Hooper, (Chair from 24/06/22) N Aston N Birtles S Block R Cassell A Ellams E Harrison T Hartley, (Chair to 23/06/22) K Langton A Patel S Patel K Sandford M Winslow J Slaughter (appointed 18 March 2022) L Dubash (appointed 18 March 2022) T Bell (appointed 23 June 2022) P Lane (resigned 24 June 2022) S Culhane C Van Oijen (resigned 10 September 2021)
Company registered number	6397195
Company name	Hammersmith Academy Trust
Principal and registered office	Hammersmith Academy 25 Cathnor Road London W12 9JD
Company secretary	P Sircar (appointed 01/12/2021)
Senior management team	G Kynaston, Headteacher J Lisseman, Associate Headteacher Finance consultant D Olaleye, Finance & Resources Director (Sep - Nov 2021) P Sircar, Finance & Resources Director (appointed 01/12/21)

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

Independent auditors	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
Bankers	Natwest plc 1 Princes' Street London EC3P 3AR
Solicitors	Stone King 13 Queen Square Bath BA1 2HJ
Investment Managers	James Hambro 45 Pall Mall St James London SW1Y 5JG

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees of Hammersmith Academy Trust ('the Trust') present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2022. The annual report serves the purposes of both a Trustees' report and a directors' report and strategic report under company law.

The Trust operates a secondary school ('the Academy') for pupils aged 11 to 18, serving an admissions priority area in West London. The Academy has four forms of entry and includes a sixth form. It is oversubscribed, with a roll of 958 as recorded in the October 2022 school census.

Structure, governance and management

a. Constitution and principal activities

Hammersmith Academy Trust is a company limited by guarantee which was incorporated on 11 October 2007. The Trust is also an exempt charity.

The charitable company's Memorandum and Articles of Association are the primary governing documents of the Trust

The Trustees of Hammersmith Academy Trust are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Hammersmith Academy Trust.

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

b. Members' liability

Each member of the Trust 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.

c. Method of recruitment and appointment or election of Trustees

The trustees are the directors of the Trust for the purposes of the Companies Act 2006 and trustees for the purposes of charity legislation. Trustees retire by rotation and are eligible for re-election. Trustees are appointed according to the body's specifications of the required skill sets. These include wisdom and a demonstrated commitment to the Academy approach. Trustees are selected by reference to their eligibility, personal competence and specialist skills.

d. Policies adopted for the induction and training of Trustees

On appointment, trustees attend an induction program. During the year there are further training sessions and recommendations made about suitable courses for trustees to attend.

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

e. Organisational structure

The trustees are governors (collectively the 'Governing Body') of the Academy and are responsible for the overall management of the Academy. The detailed day-to-day running of the Academy has been delegated to the Headteacher who also acts as the accounting officer.

f. Arrangements for setting pay and remuneration of key management personnel

The Trust operates a pay committee, comprised of three governors who are appointed on an annual basis. This committee meets in the Autumn term and reviews the pay recommendations made by the Headteacher for all staff.

The Governing Body has appointed a School Improvement Partner, in which capacity he undertakes the performance management of the Headteacher. He makes recommendations to the governors, who use this information to determine the pay and remuneration of the Headteacher.

g. Related parties and other connected charities and organisations

The Mercers' Company and the Worshipful Company of Information Technologists are sponsors of Hammersmith Academy Trust, and each organisation provides four members to serve as governors and trustees.

Hammersmith Academy is a member of the Mercers' Association of Schools and Colleges. Furthermore, through the Information Technologists' group of schools, the Academy has an ongoing relationship with Lilian Baylis Technology School.

h. Trade union facility time

There were no relevant union officials employed by the Academy during the reporting period and thus no element of the pay bill was spent on union facility time.

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

Objectives and activities

a. Objects and aims

The Trust's objects 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 the Academy and offering a broad curriculum with a strong emphasis on, but in no way limited to, creative and digital media and information technology.

b. Vision

The Academy's vision is to develop highly qualified, aspirational young adults who make outstanding progress and as active citizens take a lead within the community and are committed to giving 100% in everything they do.

The Academy inspires pride and confidence in students to achieve their full potential. Everyone in the Academy is responsible for modelling a positive and professional attitude at all times. The aim is to create a stimulating and enriching learning environment where high expectations and challenge prepare students for a global society. This success is developed by a growth mind-set through the skills of resilience, resourcefulness, reflectiveness and reciprocity.

Hammersmith Academy learners are supported to demonstrate:

- pride and commitment;
- professionalism and leadership;
- community participation;
- honesty and reliability;
- respect and integrity; and
- confidence and independence.

c. Public benefit

The Academy is independently governed but state-funded and free for students. The admissions policy is totally inclusive, and designed to ensure that the Academy is a local school for students from the full range of academic abilities.

This is achieved by requiring prospective students to sit a fair-banding test, on the basis of which they are placed in one of five bands. Then, within each band, students who live within the priority area are given places in order of their straight-line distance from the Academy, before any remaining places are offered to students outside the priority area, again using straight-line distance to rank applicants. The academy also offers its premises, through a community letting provider to churches, drama clubs, sports activities and study clubs. A number of community activity providers and young people benefit from these lettings.

In setting the Academy's objectives and planning its activities, the trustees have carefully considered the Charity Commission's general guidance on public benefit, and they confirm that they have complied with the duty contained in the Charities Act 2011 to have due regard to the guidance issued by the Charity Commission on public benefit.

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

Objectives and activities (continued)

d. Objectives, strategies and activities

The Academy's core objectives for the year were:

- Expert practitioners effectively challenge students at all levels and drive their own development to continually improve classroom practice.
- To ensure that all students are robustly assessed and the outcomes of assessment have a response in which all student needs are met in order to maximise progress.
- To provide a broad and balanced curriculum which matches the learners needs, aspirations and potential and fulfils our curriculum intent.
- To further develop our curriculum on-line in order to ensure a seamless transition to home-learning in the event of academy closure.
- To strategically develop teachers and parents' effective engagement with and delivery of the pastoral systems to improve students' motivation and learning.
- To reinforce the 4Rs (central to HAs teaching and learning principles) to support metacognition in students
- To provide clear leadership, governance and quality management to ensure all learners succeed.
- To develop and strengthen our existing collaborative partnerships in order to develop students social and moral character.

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

STRATEGIC REPORT

Achievements and performance

In August 2022, the Academy's sixth cohort of students received their GCSE grades, with 76% of all outcomes being at level 9-4 (2021: 88.1%) and 99% of our pupils attaining level 9-1 in at least 5 subjects (2021: 100%).

The Academy's A level results were better than expected, based on results over the previous seven years, with 48% A*-B grades and 77% A*-C grades. The Academy's A-level results produced a value-added score of +0.04, which puts the Academy in the top half of all schools in the country for progress. These are good results compared to the previous full examinations round of 2018/19.

Overall the majority of the Academy's students have shown good progress over the academic year with scores above the national average despite being a fair-banded cohort. There were some amazing results in English, matched by maths for 9-4 and continued improvements in strong passes in Maths and Science, as illustrated in the measures set out below. While there have been improvements across the board nationally, due to the impact of grades being awarded without actual exams, in most cases, the gap has widened positively with the Academy's performance well above national outcomes.

EBACC with grade 5 English and Maths: HA 24.5% v 19.3 % national
EBACC with grade 4 English and Maths: HA 45.2 % v 27.71% national

English and Maths at grade 5: HA 58% v 49.9 % national
English and Maths at grade 4: HA 80% v 71.51% national

Attainment 8: HA 53.9 v 51.12 national
Attainment 8 is the total score in EM Double Sci. one from H/G/CSci/Langs and 3 others

Progress 8: -0.08 v 0.01 national
Progress 8 is the score per GCSE (in EM Double Sci. one from H/G/CSci/Langs and 3 others) that is expected from KS2 SATS.

English Language 9-5: HA 85.3% v 61.52% national
English Language 9-4: HA 92.2% v 80.22% national

Maths at 9-5: HA 60.1% v 58.12% national
Maths at 9-4: HA 82.0% v 77.22% national

This year, due to the late resumption of the full GCSE exams, the government has not published all of the usual national statistics. Where there is no government-validated statistic available, we have been able to benchmark our outcomes against national data obtained from the SISRA Data Collaboration. This is a collaboration between all schools using the data-tracking tool SISRA, who opt to have their anonymised data used to calculate indicative national outcomes ahead of publication of the government's definitive national data. Where both SISRA and government statistics have been compared, there are less than 2 percentage points difference.

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

STRATEGIC REPORT (continued)

Achievements and performance (continued)

a. Key performance indicators

The Academy had 948 students on the roll as of the census in October 2022 (958 in October 2021). Teacher-to-pupil ratio averaged 14.18 versus a budgeted ratio of 14.27. The percentage of income that was spent on staffing was 73%, compared to a budgeted figure of 78%.

The most recent inspection of the school by Ofsted took place in January 2022. Ofsted reaffirmed Hammersmith Academy as a good school with outstanding behaviour and safety of pupils, personal development and the quality of leadership. The inspectors affirmed the view that the Academy has is 'a culture of aspirational for all' that is providing a fantastic quality of education, 'regardless of pupils' individual starting points' and focusing on developing the whole child, both academically and socially, into fine leaders for the future. Ofsted commented on the warm, friendly and purposeful atmosphere around the Academy where students represented themselves well and showed a great maturity. 'Pupils are proud of their school. They appreciate the support of their teachers and the opportunities leaders provide for pupils to enrich their learning.' They described the dedication and passion of both students and staff in the learning process and how both value the support they receive. Further, the positive views parents hold of the Academy were reflected in Ofsted's report, where parents commented that the academy staff are so welcoming and supportive making their child happy learners in school.

Inspectors said that 'leaders and staff are determined that all their pupils will succeed.' and that the 'teachers have high levels of subject expertise. They are skilled in helping pupils to learn, remember and apply key knowledge.' They also commented that staff describe the school as an exciting, driven and energising place to work and are committed to pupils' academic, emotional and creative development. Further, they said that 'pupils learn to behave kindly and respectfully towards one another. Poor behaviour is rare. If bullying occurs, leaders respond quickly and effectively. Leaders and staff ensure that pupils are kept safe at school. 'Staff know pupils well and encourage them to take advantage of the opportunities on offer, including a wide range of clubs and extra-curricular activities' and as such staff have created a culture of mutual respect, tolerance and pride.

The characteristics have continued to be borne out by the responses from parental and student surveys regarding the performance of the academy to meet their children's needs and overall satisfaction levels are extremely high for the quality of education delivered.

Our belief in the holistic development of students is essential for their academic and personal development and preparation for life in a modern, global society. The unifying ethos of high aspirations and collective pride means that pupils are keen to learn, work hard and value the opportunities they are given.

Ofsted pointed out that the 'leaders are supported and challenged by dedicated and knowledgeable governors, who share their vision of high standards in a supportive school. Staff said that they appreciate the support of senior leaders, and the way leaders consider staff workload in the decisions they make.

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

STRATEGIC REPORT (continued)

Achievements and performance (continued)

b. Going concern

Having reviewed the Academy's budgets for 2022/23 and 2023/24, the governing body has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. The governors are satisfied that the 2022/23 budget includes a sufficient contingency for unknowns. Furthermore, the Academy is carrying a healthy level of reserves which should ensure that it remains a going concern in the event of a short-term operational loss. For this reason, it continues to adopt the going concern basis in preparing financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies note to the financial statements. Academy's longer-term planning has provisioned the impact of energy costs, staff pay increases and inflation. It has plans in place to manage any significant variation.

c. Response to COVID19

The academy reopened fully with still some significant Covid measures in place on 1st September 2021. A large variation in the academy timetable was still required to ensure the integrity of year groups however there was no longer a need to stagger the day to allow safe ingress and egress from the academy site. This meant variations in staff working with flexibility was no longer required and allowed greater on-site interactions and collaboration. This did not abate the requirements for staff to isolate due to Covid contacts although the time was shortened. This required a greater use of cover teachers with 3 full-time in autumn, 2 in spring and 1 in the summer of 2022.

Our teaching staff had adapted to delivering the curriculum to students remotely, making use of existing online learning materials honed during the last academic year and continued throughout the autumn term to deliver a diet of 'live access' to lessons using Microsoft Teams. This was mostly stopped to encourage a full return for all students.

The Academy has benefitted from having most of the curriculum published for students and parents to access through our SharePoint virtual learning environment and the ability to have increased contact using the TEAMS platform has resulted in increased content and assessment being placed online. This has benefitted and assured more effective assessment of learning and consequently improved planning for learning episodes.

We have continued to support our disadvantaged students in a number of ways. We have continued to take advantage of the national free school meal voucher scheme and further funded vouchers locally in the extended periods not covered by the scheme. We have continued to support our most disadvantaged students by providing them with Chromebooks to ensure they could access online learning. No child is left without access options. We continue to provide food through the food distribution charity, Felix Project, but host a food bank once a week, which has proved vital to many of our students and their families.

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

STRATEGIC REPORT (continued)

Achievements and performance (continued)

Financial review

Total income for the year was £8,278k (2021 £8,021) and expenditure amounted to £9,232K (2021 £8,630K). After including the unrealised losses from listed investments and the FRS102 adjustments for the Local Government Pension scheme, there was a surplus for the year of £2,161K (2021 £1,015K deficit). However, this includes a depreciation charge of £1,182K and £3,318K actuarial gains on the defined benefit scheme.

The balance sheet liability in the Local Government Pension Scheme has decreased to £484k from £3,346k in 2021. As a defined benefit pension scheme, exposure to the following key risks are inherent within the scheme:

- investment risk: volatility in asset classes such as equities
- interest rate risk: the impact on discount factors for future liability cashflows
- inflation risk: all benefits of the scheme are linked to inflation
- longevity risk: in the event that the members live longer an assumed deficit will emerge in the fund.

The primary reason for the decrease in the liability is due to the actuarial assumptions used in the valuation.

a. Reserves policy

The trustees carry out an annual review of the Academy's reserves. Total reserves were £16,836K (2021: £14,675K) of which endowment fund was £1,398K (2021: £1,329k), restricted funds were £14,553K (2021: £12,309K), comprising the fixed asset fund of £14,277K (2021: £14,745K), the restricted income fund of £760K (2021: £911K) and the pension liability of £484K (2021: £3,346K) and unrestricted funds totalling £885K (2021: £1,037K).

The trustees' aim is to generate surplus reserves from unrestricted funding streams, to enable future capital works that may not be covered by ESFA monies.

However, as most income is received from the ESFA and the Local Authority, with restrictions on the amount that can be carried forward, it is difficult to build up reserves in line with other non-educational charities. It should also be noted that funds provided by the ESFA and the Local Authority are intended for use in the period in which they are received.

After 10 years of operations, the Academy has built up free reserves of £885K, primarily due to income from and gains realised on its endowment investments. The Academy has also accumulated a restricted general reserve surplus of £760K during this time.

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

STRATEGIC REPORT (continued)

b. Investment policy

The trustees have appointed James Hambro to manage the Academy's endowment investment portfolio. The return objective is an annual income of 3-6% with some capital growth. However, last year owing to volatility in the market and uncertainty in the economic landscape the investments reported a negative variation of 6%. The academy continues to monitor the situation closely through its endowment committee to make timely risk mitigation decision. The risk chosen is a medium level of risk, sufficient to meet the return objectives, subject to achieving a prudent level of diversification across asset classes and geography wherever possible.

During the year ended 31 August 2022, the investment portfolio provided £30k (2021: £24k) of income and £203k (2021: £287k) in unrealised losses (previous year was a gain). While the value of the Academy's investments dipped by approximately 6% during this turbulent time, the Trustees are hopeful about a sustained recovery over the medium to longer term.

c. Principal risks and uncertainties

The trustees have assessed the major risks to which the Academy is exposed and have ensured that systems are in place to manage these risks. The trustees also acknowledge that they have overall responsibility for ensuring that the Academy has an effective and appropriate system of control, financial and otherwise. The Trust's system of internal financial control is based on a framework of regular management information and administrative procedures. Currently there are 14 risks that the trustees are monitoring on the Risk Register.

The key risks for the academy have been identified as:

- decreasing/ tightening budgets - making it impossible to deliver the existing curriculum model without changes; and
- the risk of energy prices spiralling to unmanageable limits and impacts on academy's ability to provide the required teaching resources
- the government decision around teaching and support staff pay increase makes it difficult to balance the budget
- the impact of inflation on quality of supplies
- high staff turnover and difficulty in recruiting high calibre candidates - resulting in the loss of valuable knowledge and continuity, as well as the potential for poor quality teaching.

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

To address these risks the Academy has in place a series of controls, including a three-year budgeting cycle and contingency built into budgets to manage fluctuations in student numbers and staffing changes. Staff retention plans continue to be overseen by a Staff Wellbeing committee looking at initiatives such as a buddying system and additional staff benefits to retain the best staff. The confirmation of a staff member as a Wellbeing Coordinator has added to the importance of staff as a resource. The Academy's accreditation for Investors in People (IIP) standard is being renewed. This reflects the Academy's commitment to staff health and wellbeing. Further, the Headteacher and the Finance Director regularly review the reduction in finances as the academy moves toward a closer alignment to the national funding formula solution over the next few years and the implications for staffing structures and thus longer-term viability of some courses. These are shared at finance governor link visits and at Finance, Audit & Estates Committee meetings.

d. Fundraising

The Academy does not employ any third parties to undertake fundraising on its behalf. The Academy institutes a series of fundraising activities through the academic year for a number of purposes. First, to develop students' 'active citizenship' through choosing key charities to support in order to develop a charitable giving culture. Fewer fundraising activities were undertaken this year due to the pandemic, although Children in Need, Show Racism the Red Card and Race for Life were supported once again. Second, for the Academy to support community projects and benefit in monies to these good causes. Overall, the academy donated £6,162 to good causes for the year 2021-22.

We follow appropriate standards when receiving donations, with all such collections being overseen by the finance team, appropriately accounted for, banked and promptly paid over to the recognised charities. All donations are voluntary and no undue pressure or intrusion is put upon donors.

The Academy has a complaints policy which would apply to any complaints raised in relation to our fundraising activities. No such complaints were received in this period 2021-22.

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

e. Future plans

The trustees will continue to work towards meeting the aims of the Academy. The key objectives are to raise educational standards and deliver the Academy's Development Plan in a cost-effective manner.

A new senior leadership team has focussed on the development of teams and staff as the ADP priority for learning. This is the route to greater success and the vision and alignment has been identified as a key strength of the SLT. This growth of leadership capacity across the academy using NPQ qualifications and courses as well as external consultants is beginning to be rewarded in higher staff appreciation and alignment to the overall academy goals.

Educationally, the ambition is to continue to increase the number of students achieving Russell Group university places at the same time as improving the value-added scores and progress of all learners. Further, to support students to access appropriate career pathways including paid apprenticeships as an alternative. To help us achieve these goals, the Academy has two full-time members of staff supporting students with careers, as well as a non-teaching pastoral support team of five. The Academy also aims to increase student numbers into the sixth form. A number of actions have been put into place to achieve this including target advertisements, and offering a more varied A-Level curriculum. The Academy also continues to recruit the best teaching staff in order to deliver an outstanding level of education.

While the Academy is in a strong financial position at present, due to rigorous financial controls, in light of ongoing funding pressures, the trustees are looking at ways to secure the Academy's long-term financial sustainability. This may include reviewing the academy status and seeking to create our own multi-academy trust or join an effective MAT.

The gymnasium infill project was completed this year which relieved the pressure on the daily usage of the academy's educational spaces. Further, the addition of two classroom spaces (one designated for expanded SEN provision), along with break out and other spaces has supported a better functioning of the academy space. SEN now have a more functional and effective space and increased 6th form provision means the 6th form centre can better support students' independent study and pastoral support. Also, two shared workspaces for staff to collaborate has improved staff well-being and met one of the Staff Wellbeing committee goals to reduce stress and aid retention.

The Growth & Sustainability committee was established two years ago to secure options to assure the academy's future. It will again meet in 2022-23 to not only ensure VfM but look at continuing to secure the vision of progress and attainment for our community. The governors with the senior leadership team are determined to continue to make the school fiduciary secure and continue to deliver high standards of education for the next 10 years.

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

Disclosure of information to auditors

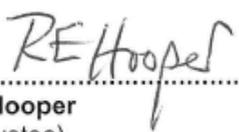
Insofar as the Trustees are aware:

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

Auditors

The auditors, Crowe U.K. LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on **16 December 2022** and signed on its behalf by:


.....
R Hooper
(Trustee)

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Hammersmith 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.

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

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

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of trustees' responsibilities. The Board of Trustees has formally met 4 times during the year. The ESFA's recommended guidance is for the Trust Board to meet 6 times annually. Effective oversight is maintained between meetings through fortnightly catch-ups between the Chair and the Headteacher, regular link visits by various governors responsible for overseeing different management areas, and meetings of the various sub-committees of the full governing body.

The Full Governing Board (FGB) have four standard extended meetings a year which provides good governance coverage. The meetings are extensive commitments in the daytime which include reviews with students and staff before the formal meetings. The FGB meetings consist of an extended strategic development meeting every September and 3 subsequent FGB meetings in December, March and June as part of the sub-committee and FGB cycle. Additional sub-committees are introduced as required which currently include Staff Well-being and Retention, and Growth and Development committees that complement the main sub-committees of Curriculum and Finance, Audit & Estates committees which meet in between the FGB. Further, all full governing board members are expected to conduct up to 3 assigned reviews into key link areas for accountability and report these to the FGB. Scrutiny and accountability are central to this structure and are highly effective. Additional FGB meetings are called by the chair according to need.

HAMMERSMITH ACADEMY TRUST**(A company limited by guarantee)**

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

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

Trustee	Meetings attended	Out of a possible
R Hooper, (Chair from 24/06/22)	4	4
N Aston	4	4
N Birtles	4	4
S Block	3	4
R Cassell	4	3
A Ellams	3	4
E Harrison	4	4
T Hartley, (Chair to 23/06/22)	4	4
K Langton	2	4
A Patel	3	4
S Patel	4	4
K Sandford	4	4
M Winslow	3	4
J Slaughter	2	2
L Dubash	2	2
T Bell	1	1
P Lane	2	4
S Culhane	2	2
C Van Oijen	0	0

The Finance, Audit and Estates Committee is a sub-committee of the main governing body. Its purpose is to assist the decision making of the governing body, by enabling more detailed consideration to be given to the best means of fulfilling the governing body's responsibility to ensure sound management of the Academy's finance and estates, including proper planning, monitoring and probity. Attendance at meetings in the year was as follows:

Attendance during the year at meetings was as follows:

Governor	Meetings attended	Out of a possible
S Patel (Chair)	3	3
R Cassell	1	3
N Birtles	3	3
E Harrison	3	3
P Lane	1	3
K Sandford	3	3
M Winslow	1	3
J Slaughter	2	3

Governance reviews

A full skills audit concluded that there was a significant breadth of knowledge and a sufficiently proficient skill set across the majority of the categories. Resignations and appointments that have occurred since have not significantly changed the breadth and balance of skills within the governing body.

Governors have an ongoing brief to identify and satisfy any specific areas for improvement in the normal course of their role.

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

As a result of last year's self-evaluation, considering the impact and effectiveness of the board of trustees, the governors were satisfied that the overall level of governance exhibited by the board was strong, enabling governors to execute their responsibilities effectively, and with no aspects presenting any cause for concern. Governors agreed that regular audits will take place to continue to ensure that this position does not change. It was concluded in the November Finance, Audit and Estates committee that a new skills evaluation would be completed before the end of the year.

Review of value for money

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

The accounting officer considers how the Academy's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the Academy has delivered improved value for money during the year by:

Efficient use of resources

- The Academy's spend on staff costs as a percentage of operating income has been 72.6% this year, excluding service costs relating to the LGPS pension fund liability. Value for money in relation to staff costs has been achieved by ensuring that an appropriate balance is maintained between less and more experienced teachers employed at the Academy. The resulting staffing structure is reviewed regularly by the governing board to ensure that it is fit for purpose and can adapt and respond to support the successful objectives agreed in the Academy's development plan (ADP).
- Since October 2018, the Academy has employed Schools Space, an independent management company to oversee lettings of the Academy's facilities outside the school day. Since the lifting of the Covid restrictions, there has been a noticeable improvement in the letting income stream. Income generated in this way has been reinvested in maintaining the Academy's premises, thus reducing pressure on GAG funding for building maintenance and ensuring those resources are available instead for added-value, educational activities.

Sound financial management

- At the beginning of the year, department heads are allocated a budget based on pupil numbers and the specific equipment needs of their department, and they are held to account for any overspending against this budget. In turn the governing body reviews and challenges the overall budget, and receives termly budget monitoring reports, which explain variances from the budget and provide a reforecast.
- Through a combination of effective budgetary challenge and careful redeployment of resources where savings were identified, this financial year, the Academy was able to deliver a £465k operating surplus (before capital and investment), as against a budgeted operating profit of £61k.

Effective procurement

The Academy continued to support its suppliers in line with the Cabinet Office's procurement policy note PPN 02/20.

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

- Department budget holders are required to seek out the most competitive deals using various procurement tools such as internet shopping, advice from colleagues in other schools and economies of scale where possible e.g. shared subscriptions. They must ensure that suppliers compete on grounds of cost, quality, suitability, product and aftersales support, and they understand that the best value may not necessarily mean the lowest price.
- The Academy collaborates with a number of other public sector companies to achieve the best value, notably by way of bulk purchasing economies, such as utilities, through organisations such as the ESPO and Educational consortiums.
- For higher-value procurements, full competitive tendering has been applied in accordance with ESFA and broader public-sector procurement rules.

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 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 Hammersmith Academy Trust for the year ended 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

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

The risk and control framework

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

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

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Board of Trustees has decided to employ School Business Services as internal auditor.

The governing body has considered the need for a specific internal audit function and used School Business Services for two internal scrutiny visits. The Responsible Officer's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. Areas reviewed by the Responsible Officer last year were:

- Governance: Website, pecuniary interests, whistleblowing policy, data protection, governors induction, self-evaluation, AIP, Gifts and hospitality and the risk register.
- Purchases
- Related party transactions
- Payroll
- Banking procedures
- Funding and income review

Two internal scrutiny visits were completed during the year. The first visit covered governance aspects and was undertaken in February 2022 while the second visit focused on accounting aspects and it was scheduled in August 2022. The internal scrutiny visit was conducted remotely and highlighted some process refinement recommendations around risk mitigation process, payroll and purchasing. The recommendations have or are in the process of being implemented and our systems are constantly under review for effectiveness and adherence to best practice. The governors are satisfied that controls have continued to operate effectively. The governors have gained assurance from the work of the external auditor as well as their own link visits, particularly those of the Chair of the Finance, Audit and Estates Committee, which involved reviewing finance protocols and management reporting processes, as well as checking specific, high-risk expense items.

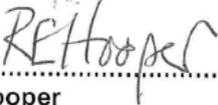
Review of effectiveness

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:

- the financial management and governance self-assessment process;
- the work of the Responsible Officer;
- the work of the external auditors;

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

Approved by order of the members of the Board of Trustees on **16 December 2022** and signed on their behalf by:


.....
R Hooper
Chair of the Board of Trustees


.....
G Kynaston
Accounting Officer

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Hammersmith Academy Trust I have considered my responsibility to notify the Academy Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with the ESFA terms and conditions of all funding received by the Academy, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2021.

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

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



G Kynaston
Accounting Officer

Date: **16 December 2022**

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2022**

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

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

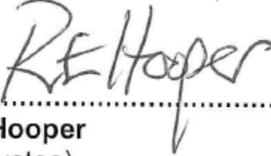
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on **16 December 2022** and signed on its behalf by:


.....
R Hooper
(Trustee)

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HAMMERSMITH ACADEMY TRUST**

Opinion

We have audited the financial statements of Hammersmith Academy Trust (the '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 related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 Trustees with respect to going concern are described in the relevant sections of this report.

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HAMMERSMITH ACADEMY TRUST (CONTINUED)**

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

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

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HAMMERSMITH ACADEMY TRUST (CONTINUED)**

Responsibilities of trustees

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102), Companies Act 2006, Academies Accounts Direction, the Academy Trust Handbook and Tax legislation. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The key laws and regulations we considered in this context were General Data Protection Regulation, health and safety legislation, Ofsted and employee legislation.

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HAMMERSMITH ACADEMY TRUST (CONTINUED)**

Auditing standards limit the required audit procedures to identify non compliance with these laws and regulations to enquire of the Trustees and other management and inspection of regulatory and legal correspondence, if any. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing and completeness of income recognition and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Board about their own identification and assessment of the risks of irregularities, sample testing on income and the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the ESFA, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing noncompliance and cannot be expected to detect non compliance with all laws and regulations.

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

Use of our report

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



Andrew Thomas (Senior statutory auditor)

for and on behalf of
Crowe U.K. LLP
55 Ludgate Hill
London
EC4M 7JW

Date: **19 December 2022**

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
HAMMERSMITH ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 2 September 2019 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 Hammersmith Academy Trust during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Hammersmith Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Hammersmith 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 Hammersmith Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Hammersmith Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Hammersmith Academy Trust's funding agreement with the Secretary of State for Education dated 9th June 2009 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 year 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes a review of the design and implementation of the Academy's internal controls and review processes on regularity, supported by detailed tests on samples of costs incurred by the academy and specific transactions identified from our review.

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
HAMMERSMITH ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 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.

Crowe U.K. LLP

Reporting Accountant
Crowe U.K. LLP
London

Date: **19 December 2022**

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

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

		Unrestricted funds 2022	Restricted funds 2022	Restricted fixed asset funds 2022	Endowm ent funds 2022	Total funds 2022	<i>Total funds 2021</i>
	Note	£	£	£	£	£	£
Income and endowments from:							
Donations and capital grants	3	17,993	-	207,763	-	225,756	185,957
Charitable activities:							
Funding for the Academy's educational operations	4	-	7,915,890	-	-	7,915,890	7,654,153
Other trading activities	5	106,243	-	-	-	106,243	156,470
Investments	6	30,443	-	-	-	30,443	23,590
Total income and endowments		154,679	7,915,890	207,763	-	8,278,332	8,020,170
Expenditure on:							
Raising funds	7	112,168	9,310	-	14,725	136,202	127,582
Charitable activities: Academies Educational Operations	7	-	7,913,211	1,182,818	-	9,096,029	8,503,168
Total expenditure		112,168	7,922,520	1,182,818	14,725	9,232,231	8,630,750

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

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

		Unrestrict ed funds 2022	Restricted funds 2022	Restricted fixed asset funds 2022	Endowme nt funds 2022	Total funds 2022	Total funds 2021
		£	£	£	£	£	£
Net income/ (expenditure) before net (losses)/gains on investments		42,511	(6,630)	(975,055)	(14,725)	(953,899)	(610,580)
Net (losses)/gains on investments	15	(8,041)	(92,708)	-	(101,932)	(202,680)	287,053
Net income/ (expenditure)		<u>34,470</u>	<u>(99,338)</u>	<u>(975,055)</u>	<u>(116,656)</u>	<u>(1,156,579)</u>	<u>(323,527)</u>
Transfers between funds	19	(185,978)	(507,215)	507,215	185,978	-	-
Net movement in funds before other recognised gains/(losses)		<u>(151,508)</u>	<u>(606,553)</u>	<u>(467,840)</u>	<u>69,322</u>	<u>(1,156,579)</u>	<u>(323,527)</u>
Other recognised gains/(losses)							
Other gains/(losses)	25	-	3,318,00	-	-	3,318,000	(692,000)
Net movement in funds		<u><u>(151,508)</u></u>	<u><u>2,711,44</u></u>	<u><u>(467,840)</u></u>	<u><u>69,322</u></u>	<u><u>2,161,421</u></u>	<u><u>(1,015,527)</u></u>

HAMMERSMITH ACADEMY TRUST**(A company limited by guarantee)**

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

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Endowment funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Reconciliation of funds:						
Total funds brought forward	1,036,400	(2,435,296)	14,744,750	1,328,850	14,674,704	<i>15,690,231</i>
Net movement in funds	(151,508)	2,711,447	(467,840)	69,322	2,161,421	<i>(1,015,527)</i>
Total funds carried forward	<u>884,892</u>	<u>276,151</u>	<u>14,276,910</u>	<u>1,398,172</u>	<u>16,836,125</u>	<i><u>14,674,704</u></i>

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

The notes on pages 34 to 64 form part of these financial statements.

HAMMERSMITH ACADEMY TRUST**(A company limited by guarantee)
REGISTERED NUMBER: 6397195**

**BALANCE SHEET
AS AT 31 AUGUST 2022**

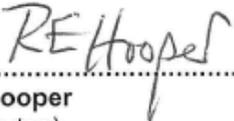
	Note	2022 £	2021 £
Fixed assets			
Tangible assets	14	14,236,910	14,744,802
Investments	15	2,722,292	2,568,563
		<hr/>	<hr/>
		16,959,202	17,313,365
Current assets			
Debtors	16	186,393	233,368
Cash at bank and in hand		721,991	1,188,923
		<hr/>	<hr/>
		908,384	1,422,291
Creditors: amounts falling due within one year	17	(547,461)	(714,952)
		<hr/>	<hr/>
Net current assets		360,923	707,339
Total assets less current liabilities		<hr/> 17,320,125	<hr/> 18,020,704
Defined benefit pension scheme liability	18	(484,000)	(3,346,000)
		<hr/>	<hr/>
Net assets excluding pension asset		16,836,125	14,674,704
		<hr/>	<hr/>
Total net assets		16,836,125	14,674,704

HAMMERSMITH ACADEMY TRUST**(A company limited by guarantee)
REGISTERED NUMBER: 6397195**

**BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2022**

	Note	2022 £	2021 £
Funds of the Academy			
Endowment funds	19	1,398,172	1,328,850
Restricted funds:			
Fixed asset funds	19	14,276,910	14,744,750
Restricted income funds	19	276,152	(2,435,296)
Total restricted funds	19	14,553,061	12,309,454
Unrestricted income funds	19	884,892	1,036,400
Total funds		<u>16,836,125</u>	<u>14,674,704</u>

The financial statements were approved by the Trustees, and authorised for issue on **16 December 2022** and are signed on their behalf, by:


.....
R Hooper
(Trustee)

The notes on pages 34 to 64 form part of these financial statements.

HAMMERSMITH ACADEMY TRUST**(A company limited by guarantee)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	21	390,272	916,473
Cash flows from investing activities	22	(857,204)	(220,000)
Change in cash and cash equivalents in the year		(466,932)	696,473
Cash and cash equivalents at the beginning of the year		1,188,923	492,450
Cash and cash equivalents at the end of the year	23, 24	<u>721,991</u>	<u>1,188,923</u>

The notes on pages 34 to 64 form part of these financial statements

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (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 Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from the Education and Skills Funding Agency (ESFA). Payments received from the ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in note 25.

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

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

1. Accounting policies (continued)

1.4 Income

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

• **Grants**

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

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

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

• **Sponsorship income**

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

• **Donations**

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

• **Other income**

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

• **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 'Stocks' and 'Income from Other Trading Activities'. Upon sale, the value of the stock is charged against 'Income from Other Trading Activities' and the proceeds are recognised as 'Income from Other Trading Activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from Other Trading Activities'. Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

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

1. Accounting policies (continued)

1.5 Expenditure

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

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.6 Tangible fixed assets

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

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

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

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

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

1. Accounting policies (continued)

1.6 Tangible fixed assets (continued)

Depreciation is provided on the following basis:

Long-term leasehold property	- 4%
Furniture and equipment	- 20%
Computer equipment	- 33%

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

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

1.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

Investments held as fixed assets are shown at cost less provision for impairment.

1.8 Debtors

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

1.9 Cash at bank and in hand

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

1.10 Liabilities

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

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

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

1. Accounting policies (continued)

1.11 Provisions

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

1.12 Leased assets

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

1.13 Taxation

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

1.14 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 17 and 18. Taxation and social security are not included in the financial instrument's disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

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

1. Accounting policies (continued)

1.15 Pensions

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

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

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

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

1.16 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

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

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

The expendable endowment fund represents a principal sum of £1,000,000 which may not be expended without the express prior written permission of the Secretary of State. The academy trust is permitted to treat as income all forms of capital gain on this, in line with the Endowment Fund terms of reference.

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

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

1. Accounting policies (continued)

1.17 Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The asset values are reported using estimated asset allocations prepared by the scheme Actuary. The asset value is calculated at each triennial valuation. Thereafter it is rolled forward to accounting dates using investment returns, contributions received and benefits paid out. During each annual reporting period between triennial valuations, asset returns are estimated using 11 months of market experience and one month of extrapolation being assumed.

2. General Annual Grant (GAG)

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

The academy trust has not exceeded these limits during the year ended 31 August 2022.

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

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

3. Income from donations and capital grants

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Donations	17,993	-	17,993	97,215
Capital Grants	-	161,213	161,213	20,476
Donated – Fixed Asset	-	46,550	46,550	68,570
	<u>17,993</u>	<u>207,763</u>	<u>225,756</u>	<u>186,261</u>

4. Funding for the Academy Trust's Educational Operations

	Unrestricte d funds 2022 £	Restrict ed funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
DfE / ESFA grants				
General Annual Grant (GAG)		6,904,525	6,904,525	6,521,152
Other DfE/ESFA grants	-	705,886	705,886	836,153
	<u>-</u>	<u>7,610,411</u>	<u>7,610,411</u>	<u>7,357,305</u>
Other Government grants				
Local authority grants		269,592	269,592	292,405
Other income from educational operations	-	35,887	35,887	4,543
	<u>-</u>	<u>7,915,890</u>	<u>7,915,890</u>	<u>7,654,254</u>

HAMMERSMITH ACADEMY TRUST**(A company limited by guarantee)**

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

5. Other Trading activities

	Unrestrict ed funds 2022 £	Restrict ed funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Hire of facilities	60,178	-	60,178	12,285
Catering income	-	-	-	136,601
Trip income	14,834	-	14,834	2,973
Sundry income	31,231	-	31,231	4,610
	<u>106,242</u>	<u>-</u>	<u>106,242</u>	<u>156,468</u>

6. Investment income

	Unrestrict ed funds 2022 £	Restrict ed funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Endowment income receivable	30,443	-	30,443	23,590
	<u>30,443</u>	<u>-</u>	<u>30,443</u>	<u>23,590</u>

HAMMERSMITH ACADEMY TRUST**(A company limited by guarantee)**

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

7. Expenditure

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £
Academy's educational operations				
Direct costs	4,940,107	1,008,094	717,086	6,665,287
Allocated support costs	1,315,748	622,041	492,953	2,430,742
Expenditure on raising funds	-	-	136,202	136,202
	<u>6,255,855</u>	<u>1,630,135</u>	<u>1,346,241</u>	<u>9,232,231</u>

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £
Academy's educational operations				
Direct costs	4,726,084	965,923	542,953	6,234,960
Allocated support costs	1,061,130	589,453	617,625	2,268,208
Expenditure on raising funds	-	-	127,582	127,582
	<u>5,787,214</u>	<u>1,555,376</u>	<u>1,288,160</u>	<u>8,630,750</u>

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

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

8. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2022 £	Total 2022 £
Direct costs and support costs	<u>9,096,029</u>	<u>9,096,029</u>

	<i>Restricted funds 2021 £</i>	<i>Total 2021 £</i>
Direct costs and support costs	<u>8,503,168</u>	<u>8,503,168</u>

9. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Academy's educational operations	<u>6,665,287</u>	<u>2,430,742</u>	<u>9,096,029</u>

	<i>Activities undertaken directly 2021 £</i>	<i>Support costs 2021 £</i>	<i>Total funds 2021 £</i>
Academy's educational operations	<u>6,234,960</u>	<u>2,268,208</u>	<u>8,503,168</u>

HAMMERSMITH ACADEMY TRUST**(A company limited by guarantee)**

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

9. Analysis of expenditure by activities (continued)**Analysis of support costs**

	Educational operations 2022 £	Total funds 2022 £
Staff costs	1,315,748	1,315,748
Premises	609,695	609,695
Other	445,299	445,299
Governance costs	60,000	60,000
	<u>2,430,742</u>	<u>2,430,742</u>

	<i>Activities 2021 £</i>	<i>Total funds 2021 £</i>
Staff costs	1,061,130	1,061,130
Premises	589,454	589,454
Other	557,624	557,624
Governance costs	60,000	60,000
	<u>2,268,208</u>	<u>2,268,208</u>

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2022 £	2021 £
Operating lease rentals	32,000	31,000
Depreciation of tangible fixed assets	1,182,819	1,131,000
Fees paid to auditors for:		
- audit	13,500	15,000
- other services	<u>4,450</u>	<u>1,000</u>

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

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

11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2022	2021
	£	£
Wages and salaries excluding supply staff costs	4,276,161	4,352,747
Social security costs	442,342	390,320
Pension costs	1,276,319	1,044,147
	5,994,822	5,787,214
	<hr/>	<hr/>
Supply staff costs	261,031	157,000
	6,255,854	5,944,214
	<hr/> <hr/>	<hr/> <hr/>

b. Special staff severance payments

The academy had 1 severance payment in the year, which amounted to £7,200 and this was fully settled during the year and it was within £0 - £25,000 banding.

c. Staff numbers

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

	2022	2021
	No.	No.
Teachers	66	67
Administration and support	45	47
Management	3	3
	<hr/>	<hr/>
	114	117
	<hr/> <hr/>	<hr/> <hr/>

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

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

11. Staff (continued)

d. Higher paid staff

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

	2022	2021
	No.	No.
In the band £60,001 - £70,000	8	4
In the band £70,001 - £80,000	-	1
In the band £90,001 - £100,000	1	1
In the band £120,001 - £130,000	1	1
	<u>1</u>	<u>1</u>

e. Key management personnel

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £848,486 (2021 - £623,661).

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 August 2022, no Trustee expenses have been incurred (2021 - £NIL).

13. Trustees' and Officers' insurance

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

HAMMERSMITH ACADEMY TRUST**(A company limited by guarantee)**

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

14. Tangible fixed assets

	Long-term leasehold property £	Assets under construction £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation					
At 1 September 2021	23,931,613	-	99,277	630,292	24,661,182
Additions	439,695	99,960	31,592	103,680	674,927
At 31 August 2022	<u>24,371,308</u>	<u>99,960</u>	<u>130,869</u>	<u>733,972</u>	<u>25,336,109</u>
Depreciation					
At 1 September 2021	9,523,205	-	49,370	343,805	9,916,380
Charge for the year	989,908	-	19,010	173,901	1,182,819
At 31 August 2022	<u>10,513,113</u>	<u>-</u>	<u>68,380</u>	<u>517,706</u>	<u>11,099,199</u>
Net book value					
At 31 August 2022	<u>13,858,195</u>	<u>99,960</u>	<u>62,489</u>	<u>216,266</u>	<u>14,236,910</u>
At 31 August 2021	<u>14,408,408</u>	<u>-</u>	<u>49,907</u>	<u>286,487</u>	<u>14,744,802</u>

HAMMERSMITH ACADEMY TRUST**(A company limited by guarantee)**

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

15. Investments

	Investments
	£
Cost or valuation	
At 1 September 2021	2,568,564
Additions	350,000
Gains/ (losses)	(202,680)
Investment income retained/ reinvested	30,443
Management Fees	(24,034)
Withdrawals	-
	<hr/>
At 31 August 2022	<u>2,722,292</u>
Net book value	
At 31 August 2022	2,722,292
<i>At 31 August 2021</i>	<hr/> <u>2,568,564</u>

16. Debtors

	2022	2021
	£	£
Due within one year		
Trade debtors	8,979	9,491
Other debtors	56,107	86,639
Prepayments and accrued income	121,307	84,554
Grants receivable	-	52,684
	<hr/>	<hr/>
	<u>186,393</u>	<u>233,368</u>

HAMMERSMITH ACADEMY TRUST**(A company limited by guarantee)**

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

17. Creditors: Amounts falling due within one year

	2022	2021
	£	£
	88,478	157,257
Trade creditors		
Other taxation and social security	113,179	112,247
Other creditors	123,451	118,323
Accruals and deferred income	222,353	327,125
	<u>547,461</u>	<u>714,952</u>
	2022	2021
	£	£
Deferred income at 1 September 2021	110,986	55,000
Amounts released from previous periods	(110,986)	(55,000)
Resources deferred during the year	52,656	110,986
	<u>52,656</u>	<u>110,986</u>

18. Defined benefit pension scheme liability

	2022	2021
	£	£
Other creditors	<u>484,000</u>	<u>3,346,000</u>

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

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

19. Statement of funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted general funds					
General Annual Grant (GAG)	910,577	6,904,525	(6,455,027)	(599,923)	760,152
Pupil Premium	-	316,835	(316,835)	-	-
Other grants	(128)	694,530	(694,402)	-	-
Pension reserve	(3,346,000)	-	(456,000)	3,318,000	(484,000)
	<u>(2,435,551)</u>	<u>7,915,890</u>	<u>(7,922,264)</u>	<u>2,718,077</u>	<u>276,152</u>
Restricted fixed asset funds					
DfE/ESFA capital grants	13,480,750	67,763	(1,182,818)	507,215	12,872,910
Private sector capital sponsorship	1,186,000	140,000	-	-	1,326,000
Other	78,000	-	-	-	78,000
	<u>14,744,750</u>	<u>207,763</u>	<u>(1,182,818)</u>	<u>507,215</u>	<u>14,276,910</u>
Total restricted funds	<u>12,309,199</u>	<u>8,123,653</u>	<u>(9,105,082)</u>	<u>3,225,292</u>	<u>14,553,062</u>
Endowment funds	<u>1,328,850</u>	<u>-</u>	<u>(14,725)</u>	<u>84,046</u>	<u>1,398,172</u>

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

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

Total unrestricted funds	<u>1,036,400</u>	<u>154,678</u>	<u>(112,168)</u>	<u>(194,019)</u>	<u>884,892</u>
Total funds	<u>14,674,449</u>	<u>8,278,331</u>	<u>(9,231,975)</u>	<u>3,115,320</u>	<u>16,836,125</u>

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

£507k was transferred from the restricted general fund (GAG) to the restricted fixed asset fund to cover the cost of Building additions, IT and FFE purchases in excess of the value of devolved formula capital received in the year. All other movements within the gains / transfers column are associated with the investment balances.

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

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

19. Statement of funds (continued)

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	137,282	6,521,152	(5,527,409)	(219,645)	911,381
Pupil Premium	-	310,235	(310,235)	-	-
Other grants	345,872	911,837	(1,257,837)	-	(128)
Pension reserve	(2,378,000)	-	(276,000)	(692,000)	(3,346,000)
	<u>(1,894,846)</u>	<u>7,743,224</u>	<u>(7,371,481)</u>	<u>(911,645)</u>	<u>(2,434,474)</u>
Restricted fixed asset funds					
DfE/ESFA capital grants	14,303,000	89,046	(1,130,686)	219,645	13,481,004
Private sector capital sponsorship	1,186,000	-	-	-	1,186,000
Other	78,000	-	-	-	78,000
	<u>15,567,000</u>	<u>89,046</u>	<u>(1,130,686)</u>	<u>219,645</u>	<u>14,745,004</u>
Total restricted funds	<u>13,672,154</u>	<u>7,832,270</u>	<u>(8,502,167)</u>	<u>(692,000)</u>	<u>12,310,257</u>

HAMMERSMITH ACADEMY TRUST**(A company limited by guarantee)**

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

19. Statement of funds (continued)

Endowment funds	<u>1,182,342</u>	<u>-</u>	<u>-</u>	<u>147,000</u>	<u>1,329,342</u>
Total unrestricted funds	<u>837,000</u>	<u>188,303</u>	<u>(127,583)</u>	<u>139,896</u>	<u>1,037,617</u>
Total funds	<u>15,691,496</u>	<u>8,020,573</u>	<u>(8,629,750)</u>	<u>(404,947)</u>	<u>14,677,372</u>

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

£220k was transferred from the restricted general fund (GAG) to the restricted fixed asset fund to cover the cost of Building additions, IT and FFE purchases in excess of the value of devolved formula capital received in the year.

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

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

20. Analysis of net assets between funds

Fund balances at 31 August 2022 are represented by:

	Unrestricted funds 2022 £	Restricted General funds 2022 £	Restricted fixed asset funds 2022 £	Endowment funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	14,236,910	-	14,236,910
Investments	191,951	1,132,170	-	1,398,172	2,722,292
Current assets	692,942	175,442	40,000	-	908,384
Current liabilities	-	(547,461)	-	-	(547,461)
Non-current liabilities	-	(484,000)	-	-	(484,000)
Total	<u>884,892</u>	<u>276,151</u>	<u>14,276,910</u>	<u>1,398,172</u>	<u>16,836,125</u>

Fund balances at 31 August 2021 are represented by:

	<i>Unrestricted funds 2021 £</i>	<i>Restricted Genera funds 2021 £</i>	<i>Restricted fixed asset funds 2021 £</i>	<i>Endowment funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	-	-	14,745,702	-	14,745,702
Investments	366,333	873,232	-	1,328,998	2,568,563
Current assets	707,101	713,267	-	-	1,420,868
Current liabilities	(36,000)	(677,227)	-	-	(713,227)
Non-current liabilities	-	(3,346,000)	-	-	(3,346,000)
Total	<u>1,037,433</u>	<u>(2,434,921)</u>	<u>14,745,702</u>	<u>1,328,998</u>	<u>14,675,907</u>

HAMMERSMITH ACADEMY TRUST**(A company limited by guarantee)**

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

21. Reconciliation of net expenditure to net cash flow from operating activities

	2022 £	2021 £
Net expenditure for the year (as per Statement of financial activities)	(1,156,579)	(323,527)
Adjustments for:		
Depreciation	1,182,819	1,131,000
Increase in stocks	(99,960)	-
Decrease in debtors	46,974	83,000
(Decrease)/increase in creditors	(167,491)	129,000
Capital grants from DfE and other capital income	(67,763)	(89,000)
Investment income	(30,443)	(24,000)
Management fee on investments	23,345	21,000
Defined benefit pension scheme cost less contributions payable	396,000	239,000
Defined benefit pension scheme finance cost	60,000	37,000
Unrealised (gains)/losses on investments	203,370	(287,000)
Net cash provided by operating activities	<u>390,272</u>	<u>916,473</u>

22. Cash flows from investing activities

	2022 £	2021 £
Dividends, interest and rents from investments	30,443	24,000
Purchase of tangible fixed assets	(574,967)	(309,000)
Purchase of investments	(357,098)	(3,000)
Capital funding from ESFA	67,763	89,000
Management fees	(23,345)	(21,000)
Net cash used in investing activities	<u>(857,204)</u>	<u>(220,000)</u>

23. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand and at bank	721,991	1,188,923
Total cash and cash equivalents	<u>721,991</u>	<u>1,188,923</u>

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

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

24. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	1,188,923	(466,932)	721,991
	<u>1,188,923</u>	<u>(466,932)</u>	<u>721,991</u>

25. Pension commitments

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

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

Contributions amounting to £100,928 were payable to the schemes at 31 August 2022 (2021 - £94,443) and are included within creditors.

Teachers' Pension Scheme

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

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

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

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

25. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £645,760 (2021 - £575,210).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds.

The total contribution made for the year ended 31 August 2022 was £299,000 (2021 - £294,000), of which employer's contributions totalled £234,000 (2021 - £230,000) and employees' contributions totalled £65,000 (2021 - £64,000). The agreed contribution rates for future years are 23.9% per cent for employers and a specified rate between 5.5% and 9.9% for employees, dependant on actual pensionable salary.

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.

HAMMERSMITH ACADEMY TRUST**(A company limited by guarantee)**

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

25. Pension commitments (continued)**Principal actuarial assumptions**

	2022	2021
	%	%
Rate of increase in salaries	4.05%	3.85%
Rate of increase for pensions in payment/inflation	3.05%	2.85%
Discount rate for scheme liabilities	4.25%	1.70%
Inflation assumption (CPI)	3.05%	2.85%
Commutation of pensions to lump sums	<u>50.00%</u>	<u>50.00%</u>

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

	2022	2021
	Years	Years
<i>Retiring today</i>		
Males	21.4	21.6
Females	24.1	24.3
<i>Retiring in 20 years</i>		
Males	22.9	22.9
Females	<u>26.1</u>	<u>25.7</u>

HAMMERSMITH ACADEMY TRUST**(A company limited by guarantee)**

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

25. Pension commitments (continued)**Sensitivity analysis**

Present Value of obligation

	2022	<i>2021</i>
	£000	<i>£000</i>
0.1% decrease in Real Discount Rate	91	<i>200</i>
1 year increase in member life expectancy	96	<i>190</i>
0.1% increase in the Salary Increase Rate	3	<i>2</i>
0.1% increase in the Salary Increase Rate	90	<i>195</i>

Share of scheme assets

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

	At 31	<i>At 31</i>
	August	<i>August</i>
	2022	<i>2021</i>
	£000	<i>£000</i>
Equities	1,248	<i>785</i>
Property	346	<i>163</i>
Debt instruments	326	<i>729</i>
Total market value of assets	1,920	<i>1,677</i>

The actual return on scheme assets was £89,000 loss (2021 - £191,000).

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

	2022	<i>2021</i>
	£000	<i>£000</i>
Current service cost (net of employee contributions)	630	<i>467</i>
Net Interest cost	60	<i>37</i>
Total amount recognised in the Statement of Financial Activities	690	<i>504</i>

HAMMERSMITH ACADEMY TRUST**(A company limited by guarantee)**

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

25. Pension commitments (continued)

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

	2022	<i>2021</i>
	£000	<i>£000</i>
At 1 September	5,023	<i>3,650</i>
Interest cost	91	<i>60</i>
Employee contributions	65	<i>63</i>
Losses on curtailments	2	<i>(77)</i>
Actuarial (gain) / loss	(3,407)	<i>860</i>
Current service cost	630	<i>467</i>
At 31 August	<u>2,404</u>	<i><u>5,023</u></i>

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

	2022	<i>2021</i>
	£000	<i>£000</i>
At 1 September	1,677	<i>1,272</i>
Interest income	31	<i>23</i>
Employee contributions	65	<i>63</i>
Return on plan assets (excluding net interest on the net defined pension liability)	(89)	<i>168</i>
Employer contributions	234	<i>228</i>
Benefits paid	2	<i>(77)</i>
At 31 August	<u>1,920</u>	<i><u>1,677</u></i>

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

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

26. Operating lease commitments

At 31 August 2022 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022	2021
	£	£
Not later than 1 year	33,364	<i>33,000</i>
Later than 1 year and not later than 5 years	77,666	<i>99,000</i>
Later than 5 years	1,000	<i>33,000</i>
	<u>112,030</u>	<i><u>165,000</u></i>

27. Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2022 the academy trust received £26,243 (2021: £26,411) and disbursed £34,520 (2021: £29,100) from the fund. An amount of £0 is included in other debtors, being overdistributed funds reclaimable from the ESFA.

28. Related party transactions

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

Hammersmith Academy is sponsored by the Mercers' Company and the Worshipful Company of Information Technologists (WCIT). During the period ended 31 August 2022, the Mercers Company gave the academy trust £140k as seed money to proceed with the pre-planning application work relating to the expansion projects. No trustee has been paid remuneration or has received other benefits from an employment with the academy trust. This includes the principal who has chosen not to act as a trustee on an ex officio basis, and nor does any other employee of the school act as a staff governor. This has been the case since the academy trust was established.

During the period ended 31 August 2022, no travel or subsistence expenses were reimbursed or paid directly to any trustee (2021: £nil).

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

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

**PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT) as at 31 AUGUST 2021**

	Note	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Endowment funds £	Total funds 2021 £
Income and endowments from:						
Donations and capital grants	3	8,000	89,215	88,742	-	185,957
Charitable activities:						
Funding for the Academy's educational operations	4	-	7,654,153	-	-	7,654,153
Other trading activities	5	156,470	-	-	-	156,470
Investments	6	23,590	-	-	-	23,590
Total income and endowments		<u>188,060</u>	<u>7,743,368</u>	<u>88,742</u>	<u>-</u>	<u>8,020,170</u>
Expenditure on:						
Raising funds	7	127,582	-	-	-	127,582
Charitable activities	7	-	7,371,978	1,130,686	-	8,503,168
Total expenditure		<u>127,582</u>	<u>7,371,978</u>	<u>1,130,686</u>	<u>-</u>	<u>8,630,750</u>

HAMMERSMITH ACADEMY TRUST

(A company limited by guarantee)

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

Net (losses)/gains on investments	139,897	-	-	147,156	287,053
Net income/(expenditure)	<u>200,375</u>	<u>371,390</u>	<u>(1,041,944)</u>	<u>147,156</u>	<u>(323,527)</u>
Transfers between funds	-	(220,000)	220,000	-	-
Net movement in funds before other recognised gains/(losses)	<u>(200,375)</u>	<u>151,390</u>	<u>(821,944)</u>	<u>147,156</u>	<u>(323,025)</u>
Other recognised gains/(losses):					
Other gains/(losses)	-	(692,000)	-	-	(692,000)
Net movement in funds	<u>200,372</u>	<u>(540,609)</u>	<u>(821,944)</u>	<u>147,156</u>	<u>(1,015,027)</u>
Reconciliation of funds:					
Total funds brought forward	836,028	(1,895,187)	15,566,694	1,181,696	15,689,231
Net movement in funds	200,372	(540,109)	(821,944)	147,156	(1,015,527)
Total funds carried forward	<u>1,036,400</u>	<u>(2,435,296)</u>	<u>14,744,750</u>	<u>1,328,850</u>	<u>14,674,704</u>