

HOPE LEARNING COMMUNITY
(A company limited by guarantee)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022



HOPE LEARNING COMMUNITY
(A company limited by guarantee)

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HOPE LEARNING COMMUNITY
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	A Bridge R Morris M Andrews C Haynes J Brindle
Trustees	M Andrews, Chair of Trustees ¹ A Goggin ¹ G Smith, Accounting Officer ¹ B Shaw (resigned 7 January 2022) ¹ M Lucking ¹ J Kinnell ¹ S Frost D Beardwell (resigned 19 November 2021) D Shaikly (appointed 31 March 2022) R Sheldon (appointed 19 May 2022) ¹ Finance, Premises, Audit and Risk committee
Company registered number	10391530
Company name	Hope Learning Community
Principal and registered office	School Road Colchester CO7 7ET
Chief executive officer	G Smith
Senior management team	Gary Smith, CEO Ruth Whitehead, Head of School - Market Field School Julian Cochrane, Headteacher - Southview School Adam Dean, Head of School - Chatten Free School Duncan Thomas, Head of College - Market Field College Kim McWilliam, Academy Improvement Lead
Independent auditors	Griffin Chapman Chartered Accountants Registered Auditors 4&5 The Cedars, Apex 12 Old Ipswich Road Colchester Essex CO7 7QR
Bankers	Lloyds Bank PLC PO Box 1000 BX1 1LT

HOPE LEARNING COMMUNITY
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the period 1st September 2021 to 31 August 2022. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

Structure, governance and management

The trust operates three special academies in Essex with a combined pupil capacity of 580 for 2022 - 23.

a. Constitution

The Academy Trust is a charitable company limited by guarantee and an exempt charity.

The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust.

The Trustees of Hope Learning Community are also the directors of the charitable company for the purposes of company law.

The charitable company operates as Hope Learning Community.

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

b. Members' liability

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

c. Trustees' indemnities

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides unlimited cover on any one claim and details of the costs are disclosed in Note 9 to the accounts.

d. Method of recruitment and appointment or election of Trustees

The Members may appoint by ordinary resolution up to 8 Trustees. The Trustees may appoint Co-opted Trustees. A Co-opted trustee is a person who is appointed to be a trustee by being co-opted by trustees who have not themselves been so appointed. The skills required for the trust board to adequately carry out their duties is regularly reviewed, and trustees are recruited when they match the skill requirements or can otherwise add to the profile of the board.

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

Structure, governance and management (continued)

e. Policies adopted for the induction and training of Trustees

The Trust is committed to providing adequate opportunities for trustees and governors to undertake and receive suitable training to enable them to perform their role effectively. To this end the trust purchases a governance support and training service from an external provider. The trust has also used an external company, that specialise in academy financial monitoring and governance requirements, to provide expert advice and training for the trustees. The trust has updated its induction pack to provide an overview of the structure of a Multi Academy trust and the responsibilities of those in governance along with relevant policy and procedures documents. The induction programme includes a mentor system and the opportunity to tour the academy and meet the students and staff.

f. Organisational structure

The governance of the Trust is defined in the Memorandum and Articles of Association together with the Funding Agreement with the Department of Education. The structure consists of the full board of trustees and one subcommittee which is Finance, Audit, Risk and Premises. This structure is reviewed at the beginning of each year.

The full board of trustees, and its subcommittee met a minimum of six times in the year. The full board of trustees is responsible for the strategic direction of the Trust. The trustees are responsible for setting strategic policy, adopting an annual plan and budget, monitoring the Trust by the use of those budgets, and making major decisions about the direction of The Trust, capital expenditure and senior staff appointments.

Market Field School, Chatten School and Southview School each have a local governing body to monitor the performance of the school and ensure the implementation of policies as agreed by the trustees.

The trust has an executive leadership team that monitors the performance of each academy and ensures there is consistent policy and practice. The Senior Leadership Team (SLT) in each school controls individual academies at an executive level and ensures policies are implemented. The SLT is responsible for the day to day operation of their school, in organising staff, resources and pupils. They are responsible for the authorisation of spending within agreed budgets, and for the appointment of staff following vetting and safeguarding recruitment processes.

The CEO of the Trust is the Accounting Officer.

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

The board of trustees is responsible for establishing the overall guidelines for pay and has specific responsibility for setting the remuneration of the CEO and Senior Management Team. In doing so the board takes advice from a specialist HR advisory company who ensure that remuneration is in line with the nationally agreed Teachers Pay and Conditions, and the trust's own pay policy. Executive leaders pay is regularly benchmarked against similar roles in the public sector to ensure value for money.

h. Engagement with employees (including disabled persons)

Since its inception, Hope Learning Community has recognised the importance of engaging with its workforce. Employee engagement and well-being is essential in ensuring the success of the trust. The trust therefore strives to maintain open communication channels between management, teachers and support staff. The management teams regularly engage with the workforce both formally and informally, examples of this include;

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

Structure, governance and management (continued)

Engagement with employees (including disabled persons) (continued)

- Team Meetings
- Business meetings
- Emails
- Performance management reviews
- Non-pupil days where trusts where the trust's vision, values and development plan can be shared
- Training sessions
- Workshops
- Wellbeing committee
- Staff representation on the local governing body

Where there is a proposal for significant change to policy or practice all staff are formally consulted.

Hope Learning Community, as a responsible employer, ensures that pay and benefits are fair and in line with government policy. The trust also ensures the health and safety and well-being of all its employees.

The trust is committed to promoting equal opportunities in employment. All employees and job applicants receive equal treatment regardless of age, disability, gender reassignment, marital or civil partner status, pregnancy or maternity, race, colour, nationality, ethnic or national origin, religion or belief, sex or sexual orientation. No job applicant is asked to disclose their disability until a formal offer has been made.

Any employee that is disabled or becomes disabled, is encouraged to tell us about their condition so that we can support them as appropriate and make any reasonable adjustments to support them in overcoming or minimising the difficulty. We monitor the physical features of our premises to consider whether they might place anyone with a disability at a substantial disadvantage. Where we are able to we take all reasonable steps to improve access.

i. Engagement with suppliers, customers and others in a business relationship with the Academy Trust

Hope Learning Community invests in review and communication with all key suppliers, partners and community stakeholders. The trust's adopted vision and values ensure that integrity, accountability and respect is fostered in all our objectives and activities. The trust selects suppliers predominantly from known education and public sector suppliers or via recommendations from other like-minded trusts or public sector organisations. To ensure the trust maintains its integrity, robust procurement procedures have been adopted and reviews are completed by internal and external auditors.

The trust maintains strong business relationships with the local councils, the local authority, other special schools and academy trusts as well as other local and regional education providers and multi academy trusts.

The trust ensures, via the leadership team, that the individual schools provide appropriate mediums for communication with staff, parents and students, via letters, websites, face to face communication and other literature such as progress reports and parent communication evenings.

j. Trade union facility time

The Academy Trust has no Union officials and therefore there is no facility time to disclose.

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

Structure, governance and management (continued)

k. Related parties and other connected charities and organisations

Owing to the nature of the Trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, it may be that from time to time transactions will take place with organisations in which members of the board of trustees may have an interest. All transactions involving such organisations would be conducted at arm's length and in accordance with the Trust's financial regulations and normal procurement procedures. Any transaction where the trustee may have a pecuniary interest is only undertaken in accordance with the 'at cost' principle described in the Academy Trust Handbook 2021. There were no such transactions for the accounting period.

The Trust cooperated with the following organisations during the academic year in pursuit of its charitable activities:

- Essex Special Schools Education Trust (ESSET). ESSET is a private limited company by guarantee that provides educational support services to improve specialist education provision
- Essex County Council who are responsible for the coordination of special needs provision in the county
- Treetops Learning Community devising bespoke physical intervention training packages and consulting on opening our Free School

In addition, The Trust has continued in partnership with three teaching school alliances, North East Essex Teaching School Alliance, Essex Teaching Training and Essex Schools ITT Partnership. The alliances provide training advice on the delivery of special needs education and supporting with teacher and student work placements.

The Trust also works directly with Market Field Grows which is a charitable Trust set up to provide work opportunities for young adults with learning difficulties.

The Trust is also working more closely with SEAX, the other largest special school trust in Essex.

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

Objectives and activities

a. Objects and aims

The principal object and aim of the charitable company is to advance for the public benefit education in the United Kingdom, but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a trust specifically organised to make special educational provision for children with special educational needs.

b. Objectives, strategies and activities

In order to meet these objectives and aims and to provide exceptional learning opportunities for the pupils of the Trust, management have concentrated on the following key priorities:

- Preparing to bid for an additional Free School.
- Increasing capacity, including staffing, to be able to offer more pupil places
- To improve and enhance the learning environment with an investment in facilities.

c. Public benefit

The public benefits that flow from our core purpose and aims are:

- our pupils are provided with an inclusive and stimulating learning environment, developing their skills and confidence for their transition to adulthood
- pupils, parents and families benefit from support provided by both teaching staff and employed therapists that assist with additional needs. Families are also supported by the wrap around care facilities such as breakfast clubs and holiday clubs
- vocational and life skills are taught to support our pupils in securing employment upon leaving school

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

Strategic report

Achievements and Performance

The Trust continued its mission to ensure that pupils achieved their full potential, to recruit, develop and retain suitable staff, and to guide pupils in suitable progression when they leave the trust.

Specific notable achievements and events for each academy were as follows:

Market Field School

Market Field School remains significantly oversubscribed. For the 2022-23 academic year, the school has 341 students on roll at the main school site and 101 at the college site. There are 8 active tribunals for Market Field School currently.

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

Strategic report (continued)

Achievements and Performance (continued)

The school site has relocated the library to the conference room, using the former library space as a classroom. Meetings which would have happened in the conference room will now take place in the family room or in empty classroom space. The college site has had building improvements that include development to accommodate more 1:1/small group learning. In addition to this, the downstairs college ICT suite has been converted into a class base to accommodate greater numbers of students this academic year. This is especially necessary due to growing numbers of lower pathway students who attend on a 5-day basis. Investment in additional laptops/Chromebooks this past year has mitigated well the effect of losing this resource. Works to the outside area has been part completed with the remaining improvements due to take place before the October half-term. This has enabled us to expand our vocational offer to include horticulture – a specialist member of staff has been employed to deliver this as a curriculum strand.

Within the school site, there has been continued investment throughout 2021-22 in the emotional literacy of children through the wellbeing team and also Zones of Regulation lessons which have been delivered throughout the school. Supporting Literacy skills has been a high priority, with continued investment being made in Dyslexia support and training as well as Visual stress training. At college, there have also been developments in terms of the wellbeing offer. Staff members have received training in Visual Stress Testing and Sound Therapy. In addition, a member of the team has been supported to undertake a counselling degree in order to ensure continuity of offer between school and college and reduce the reliance on school-based staff to support this function.

EYFS provision is being improved with the creation of an outside free flow area for Holly class and separate playground areas for Acorn Style. This will continue into 2022-23 with further improvements to Holly class as well as a dedicated outside learning space being created for Acorn Seedling.

Staff have continued with CPD, 4 Staff graduated from university in the Summer of 2022 with 2 students moving on to teacher training. 2 members of staff are close to completing Masters qualifications, one of which features an integrated Apprenticeship in Leadership and Management.

A member of staff is halfway through a Masters qualification. 4 members of staff started university degrees in September 2021 and a further 3 will be starting in September 2022. 3 younger LSAs have completed apprenticeships in Supporting Teaching and Learning.

The Leadership team continues to grow and develop, with an Acting Assistant Head of School being appointed in April 2022 on a Maternity contract. At college, the leadership team has expanded to include a Deputy Head. The Deputy Head has adopted responsibility for developing curriculum and quality assurance practice.

Our year 11 students performed exceptionally in their exams. We were delighted with an 85% pass rate at level 4 and above in GCSE Art. 15 Students passed Functional Skills English at Level 1 or Level 2, 13 students passed Functional Skills Maths at Level 1 or Level 2 and 7 students passed Functional Skills ICT at Level 1.

One student achieved iGCSE Level 4 grades in both English and Maths which was phenomenal.

Our other MLD students achieved Entry Level qualifications in English, Maths, ICT and Science with our SLD students achieving their ASDAN Transition Challenge award.

The context of examinations needs to be considered for these learners who had a disrupted year 9 and 10 due to Covid-19. Their achievement when they had not had a stable school year since year 8 was outstanding.

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

Strategic report (continued)

Achievements and Performance (continued)

Our students at college achieved well in the following:

- 100% achievement in E3 and L1 Hospitality and Catering.
- 100% achievement in L1 Health and Social Care and L1 Employability.
- 100% achievement in ASDAN Life Skills Challenges.
- Creative iMedia 60% pass rate in exam module and 100% in other units with a number of students achieving merits.
- 100% achievement at L2 FSK English Reading, 81.8% FSK English Level 1 Reading (76% national average) and 100% in Entry 3 Reading.
- 3 students gaining iGCSE's between 1 and 4.
- 100% achievement in Entry Level ICT 2 and 3.
- 100% achievement in Entry Level Maths 1 to 3.

Less satisfactory results/actions required:

No students achieved Level 1 FSK ICT results this academic year.

Only 14% achieved a pass at Level 1 FSK Maths. The national average is 33%.

43% pass rate at EL3 English Writing and 20% pass rate at Level 1 FSK English Writing (national average is 60%)

14% FSK L1 Maths pass rate. Low against national average (33%).

Southview School

Southview School is a unique setting in Essex for students aged 3 -19 years old with Physical and Neurological Impairments. On entry student attainment is variable with many students being significantly below expectations for their chronological age, and others who are working closer to age related expectations. Often the provision students have experienced prior to attending Southview has not fully met their needs. It is not unusual for students to join us whose experience of mainstream education has not been positive. Students enter the school at all ages, but usually join the school in our Nursery. However, the school usually experiences 'spikes' at Year 7 and at the start of Key Stage 4 where students may move in from a mainstream provision. The vast majority of students attend the school continuously and a small percentage use English as a second language. Most students are from a white British background and approximately 20% are eligible for free school meals. Attendance is excellent and is consistently around the 90% mark. Attendance is monitored as part of the schools' safeguarding procedures. Challenging behaviours are managed skilfully with a multi-team approach. There have been no fixed or permanent exclusions for a number of years. Southview School remains a popular oversubscribed school and as such, demand for places is high. Capacity issues are a significant challenge, but the opening of a new College/key Stage 4 site in October 2022 will go some way to alleviate this. The new build will also include a hydrotherapy pool (opening later in the year) which we consider essential for children and students with physical impairment. The provision will also free up some much needed space in the main school allowing us to have a dedicated physio/physical wellbeing space; again, an essential provision for a school of our type.

The perennial issue of funding is anticipated to be in a more secure place. We undertook a re-banding exercise with our entire cohort at the end of the summer term, and it is anticipated that funding levels will increase to correctly reflect the level of support our students require. We anticipate decisions being made in the Spring term 2023, with the new funding structures in place for September 2023.

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

Strategic report (continued)

Achievements and Performance (continued)

We are delighted to confirm that Southview School achieved an Ofsted outstanding rating Autumn 2022 which is a fantastic success for the whole team.

The school has robust development planning and evaluation plans, these ensure the school remains a dynamic and forward thinking environment. Full details on the school plans can be accessed via the school's website.

Chatten School

Chatten Free School opened in September 2021 as a brand new school designed to meet the needs of children with severe autism, learning difficulties and significant challenging behaviour. The school opened with 25 pupils on role and an almost entirely new team of staff. The majority of the pupils had been excluded from a previous placement or were on a parttime timetable. A small minority had not yet been to school, but it was agreed by the LA that their needs were so profound that they would require an SLD+ provision.

Year 1 of Chatten Free School has been a strong success. All pupils are accessing education and have made progress against their individual targets. A large number of pupils who joined with no functional communication system are now communicating with a range of AAC devices and tools. A number of children who displayed dangerous levels of challenging behaviour at the start of the year now show a much reduced level of challenging behaviour.

Staff have risen to the challenge in spectacular fashion and have taken on and learned from both the formal and informal training and feedback provided by SLT and the expert therapeutic and teaching staff. Five of the support staff have now stepped into a senior role supporting teachers and are in the process of studying for a Masters in ABA.

The school has grown and developed throughout year one from a strong vision with theoretical educational concepts into a thriving school with outstanding staff making a significant impact on the lives of pupils and families.

As we move into year 2 of opening, we have taken on 30 new tutors (1:1's) to work with our 26 new complex pupils. Our focus this year must be to ensure the training and development of new staff is comparable to the current team to ensure quality provision. We must also focus on ensuring that we look after the wellbeing of quality staff and provide sufficient opportunity for growth so that we retain quality staff going forward.

The school has a robust school improvement plan which the Head and Deputy have put together with the support of the school improvement lead. There is a strong focus in this document in a refining of systems developed in year one to reduce unnecessary admin and maximise the effectiveness of assessment and reporting. There is also a focus on further developing the framework around which the individual pupil programs are built.

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

Strategic report (continued)

Achievements and Performance (continued)

a. Key performance indicators

The trustees receive regular information to enable them to monitor the performance of the Trust compared to aims, strategies and financial budgets.

The Finance, Audit, Risk and Premises Committee regularly monitor the key financial performance indicators. The final KPIs for the period were as follows;

Income per Pupil Place - £17,850 (2021: £15,345 excluding the transfer in of Chatten free school)

Staff Costs to Income - 91.6% (2021:89)

Government Funding to Total Income - 97.7% (2021:99%)

Current Assets vs Current Liabilities - 4.6:1 (2021:6.26:1)

All the above KPI's were within the parameters set by the board.

The trust board continually monitor academic performance, pupil behaviour and attendance.

	National	Market Field School	Market Field College	Southview School	Chatten Free School
Attendance (These are the raw figures which include pupils who have lost time due to medical needs / other significant reasons)	85.60%	88.18%	86.60%	82%	92.14%
Exclusions	7.75(rate)	0.03(rate)	0	0	0

All pupils at KS4 achieved at least one GCSE.

Market Field School Exam performance analysis August 2022

Learning to Know Pathway (11H, 11E and D)

GCSE

GCSE Art (20 entered)

GCSE 4 or above: 85%

IGCSE Maths (1 entered)

GCSE 4 or above: 100%

IGCSE English (1 entered)

GCSE 4 or above: 100%

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

Strategic report (continued)

Achievements and Performance (continued)

Functional Skills

Functional Skills Level 2 English (1 entered) – 100%

Functional Skills Level 1 English (14 entered) – 100%

Functional Skills Level 2 Maths (5 entered) – 80%

Functional Skills Level 1 Maths (13 entered) – 69%

Functional Skills Level 1 ICT (7 entered) 57%

Entry Level

Entry Level English Level 1 (7 entered) – 100%

Entry Level English Level 2 (1 entered) – 100%

Entry Level English Level 3 (3 entered) – 100%

Entry Level Maths Level 2 (5 entered) – 100%

Entry Level Maths Level 3 (7 entered) – 100%

Entry Level ICT Level 1 (13 entered) – 100%

Entry Level ICT Level 2 (5 entered) – 100%

Entry Level Science Level 2 (2 entered) – 100%

Entry Level Science Level 3 (20 entered) – 100%

ASDAN Short Course (15 entered) – 100%

ASDAN Transition Challenge (2 entered) – 100%

Learning to Be/Do Pathways (Class A, B and S)

ASDAN Transition Challenge (4 entered) – 100%

b. Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

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

Strategic report (continued)

Achievements and Performance (continued)

c. Promoting the success of the company

The trust has adopted a Mission statement along with our Vision and Values that are transparent and in line with the company's objectives. The trust's values of Respect, Excellence and Friendship are shared across the entire organisation and embedded within all activities and decisions made by Trustees, Officers and employees. The Trust is committed to going the extra mile and making a difference in the special educational needs community it operates within the framework of openness and transparency and utilises data available from open sources such as the Trust's own Websites, Companies House, Ofsted and financial and attainment data from the various .gov websites.

Financial review

The trust has a healthy level of reserves with a significant cash balance. Despite, the school operating for a period with reduced pupils due to the continued impact of Covid 19, opening a new school with reduced capacity in the first year and investing heavily into the development of facilities across the trust, reserves show a further increase in 2021-22.

The key financial risk the trust is exposed to is the reliance of Essex Local Authority to adequately provide funding that supports each pupil's individual needs. The trust works closely with the local authority to ensure that adequate funding is provided and a full review of special needs funding and the need to increase this is currently being carried out.

The forward financial plans for the trust are regularly reviewed and updated and demonstrate that the trust will remain financially sustainable in the medium term.

The principal source of funding for the Trust is the General Annual Grant (GAG) and other grants that it receives from the Education Skills and Funding Agency (ESFA). For the year ended 31 August 2022 the Trust received £10,112k of GAG, other government grant and capital grant funding plus £241k of other income. A high percentage of this income is spent on wages and salaries and support costs to deliver the Trust's primary objective of the provision of special education. During the year the Trust spent £11,301K on educational activities. The trust received some new grants to support with educational recovery following the impact of Covid 19 which totalled £38k. The reserves to take forward into 2022-23 are £1,148,168 of restricted funding and £1,073,709 of unrestricted funding.

Due to the accounting rules for the Local Government Pension Scheme under FRS 102, the Trust recognises a significant pension fund deficit of £234,000 (2021: £5,801,000). This is included within the Balance Sheet at 31 August 2022 and supporting notes to the accounts. There has been a substantial reduction in the liability and this improvement in the balance sheet position is primarily a result of the significant change in the discount rate linked to high quality corporate bond yields and the future rate of inflation, which is the key financial assumption required for determining the defined benefit obligation. The actuarial gain arising on the scheme is £6,940,000 which is shown in the statement of Financial Activities. Further details are shown in note 27.

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

a. Reserves policy

The trust's reserves policy was reviewed and approved by the board of trustees on 28th September 2021. The trustees are aware of the requirement to balance current and future needs and always aim to set a balanced budget with annual income balancing annual expenditure unless a specific planned use of brought forward reserves is being made for investment in trust development. The trustees monitor estimated year-end reserves figures via the receipt of monthly management accounts. The budget plan identifies how any reserves will be allocated in the plan for the following academic year, including the identification of any funds earmarked for a specific project or purpose.

The Trust's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £2,221,877. This has been built up from a mixture of balances transferred from the predecessor school, an increase in high needs funding received from the LA, an increase in the pupil numbers on roll and donations made to the school. Of this balance £450,000 has been designated to support the Southview re-building project application. The trustees ensure that all reserves are deployed effectively and for maximum impact and have plans to utilise surplus funds to grow and expand the trust while holding a reasonable level of funds as a contingency for unexpected events.

The Trust has a healthy cash balance and forecast shows that the trust will have no cash flow issues in the medium term.

b. Investment policy

An Investment Policy was approved by the Board on 7th May 2020. The aim of the policy is to ensure funds that the Trust does not immediately need to cover anticipated expenditure are invested to maximise its income but with minimal risk. The aim is to research where funds may be deposited applying prudence in ensuring there is minimum risk. The trustees do not consider the investment of surplus funds as a primary activity, rather as good stewardship and as and when circumstances allow. As interest rates have been low the trustees have not felt the need to invest surplus funds into higher rate facilities, however with interest rates currently increasing this will be monitored.

c. Principal risks and uncertainties

The Trust works with a central risk register identifying the major risks, to which the trust is exposed, and identifying actions and procedures to mitigate those risks. This register is approved and monitored by the Trust Board. The principal risks facing the Trust are outlined below;

- The Trust has considerable reliance on continued Government funding through the ESFA and Essex County Council, and there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms;
- Rising costs, particularly with regards to salary cost increases, will put a significant strain on the trust's financial resources if no additional funding is forthcoming from the government. The trust has a healthy level of reserves to support the immediate increases and will continue to regularly update its medium term financial projections to ensure the trust remains financial sustainable.
- The trust has increased its IT provision for both staff and pupils. As such the trust now needs to ensure there is consistent policy and practice regarding the usage of this to reduce the risk of physical damage, malicious attacks, technical faults and human error. Plans are in place to appoint a central trust IT manager;
- The continuing success of the Trust is dependent on continuing to maintain the high quality education provision it currently delivers. To mitigate this risk trustees, ensure that pupil progress and outcomes are closely monitored and reviewed;
- The Trust is reliant on the quality of its staff. The trustees monitor and review policies, procedures and recruitment to ensure continued development and training of staff, as well as ensuring there is clear succession planning;

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FOR THE YEAR ENDED 31 AUGUST 2022

- All organisations run the risk of fraud and mismanagement of funds. The Trust has appointed an independent professional to carry out auditing work on financial systems and records as required by the Academy Trust Handbook. All finance staff receive training to keep up to date with financial practice requirements and develop their skills in this area;
- The premises at Southview school are ageing and may require some investment to maintain it to required standards. Regular routine repairs and maintenance are carried out to prolong the life the assets and this will continue.

Fundraising

On occasions, the trust organises fundraising events. This is always done in conjunction with staff of the trust who ensure fundraising conforms to recognised standards. The trust does not use professional fundraisers or involve commercial participators. In accordance with data protection regulations, permission is sought before marketing directly to individuals and on the rare occasion that marketing is undertaken this is neither intrusive nor persistent. There have been no complaints about fundraising this year. There was no significant impact on fundraising as a result of the Covid-19 virus.

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

Streamlined energy and carbon reporting

The Academy Trust's greenhouse gas emissions and energy consumption are as follows:

	2022
Energy consumption used to calculate emissions (kWh)	981,639
Scope 1 emissions (in tonnes of CO2 equivalent):	
Gas consumption	94
Owned transport	5
Total scope 1	99
Scope 2 emissions (in tonnes of CO2 equivalent):	
Purchased electricity	111
Total gross emissions (in tonnes of CO2 equivalent):	210
Intensity ratio:	
Tonnes of CO2 equivalent per pupil	0.38

The academy trust has not obtained the comparative data where there were only two schools within the academy trust, but will collate and report these figures for all future years.

The Academy Trust has followed and used the following quantification and reporting methodologies:

- the 2019 HM Government Environmental Reporting Guidelines;
- the GHG Reporting Protocol - Corporate Standard; and
- the 2020 UK Government's Conversion Factors for Company Reporting.

The chosen intensity ratio is total gross emissions in tonnes of CO2 equivalent per pupil, the recommended ratio for the sector.

Quantification and Reporting Methodology:-

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol - Corporate Standard and have used the 2022 UK Government's Conversion Factors for Company Reporting.

Intensity measurement:-

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency:-

We have all our heating and lighting set on timers and thermostats and is managed and monitored by the site manager, all our energy is maintained on regular basis either quarterly or annually by external contractors servicing, reporting, repairing, replacing where and when necessary improving through regular maintenance. We have recently installed 4 x electrical charge points for the use of electric vehicles at Market Field. We have

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

Streamlined energy and carbon reporting (continued)

purchased 2 x Vauxhall Vivaro Minibuses for the Chatten site both are full electric.

Plans for future periods

The Trust's plans for future periods includes the following

- Supporting Chatten Free School in developing to capacity
- Providing employment opportunities for pupils by creating work opportunities in liaison with Market Field Grows and with sponsorship from local businesses (for example a Coffee Shop with the help of Paddy & Scotts and Wickes).
- Submitting a proposal for a new free school
- The opening of a new respite house

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.

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

.....
M Andrews
Trustee

HOPE LEARNING COMMUNITY
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GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Hope Learning Community 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 CEO, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Hope Learning Community and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of trustees' responsibilities. The Board of Trustees has formally met 8 times during the year.

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

Trustee	Meetings attended	Out of a possible
M Andrews, Chair of Trustees	7	8
A Goggin	6	8
G Smith, Accounting Officer	8	8
B Shaw	1	3
M Lucking	6	8
J Kinnell	6	8
S Frost	5	8
D Beardwell	0	0
D Shaikly	1	3
R Sheldon	1	2

Review

Over the year the board successfully recruited 2 trustees to fill the skills gaps identified in risk and finance. Trustees undertook a self-evaluation of skills in May 2022 and identified that experience in education remains an area to strengthen. Trustees are keen to diversify although recruiting remains a challenge. The board will undertake another self evaluation in Spring 2023.

The findings of the external review of governance, commissioned by trustees, were presented in autumn 2021. There were no areas of serious concern. Examples of recommendations were made as follows:

- better recording of induction and training
- update the Strategic Vision document to reference the goals of the trust for the next three to five years
- Headteacher written reports to the Local Governing Body and Trust Board to include reference to the monitoring and evaluation cycle and measures outlined in the Strategic Vision.
- CEO report to trustees to include more specific data and objectives

The action plan will be reviewed in autumn 2022 to monitor implementation and impact of the recommendations.

HOPE LEARNING COMMUNITY
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The board has a Conflicts of Interest policy which sets out the processes to be followed should a conflict of interest arise. A register of all business interests is maintained and published on the trust's and academies' website. There is also an opportunity to declare any interests in any agenda items at the start of every board or committee meeting.

Finance Audit, Risk and Premises Committee

The Finance, Audit, Risk and Premises Committee is a sub-committee of the main board of trustees. Its purpose is to address financial matters, monitor the efficiency of the trust and monitor the trust's internal control framework and compliance with regulations. The committee's significant issues that it had to deal with during the year were assessing the ongoing financial impact of the issues relating to Covid-19, monitoring the financial resources relating to the opening of Chatten School and ensuring the trust maintains a high level of reserves to support it with future increase salary and energy costs.

During the year Jon Kinnell joined the committee. Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Alan Goggin (Committee Chair)	7	7
Michael Andrews	7	7
Michael Lucking	6	7
Jon Kinnell (joined the committee July 2022)	1	1

Review of value for money

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

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

The accounting officer for the academy trust has delivered improved value for money during the year. Specific examples include:

- Transitioning to electric minibuses from diesel
- Investment in trust premises and asset management to ensure the buildings remain fit for purpose and to avoid urgent, expensive repairs.
- Investment in some additional training of the trust's finance staff, reducing the costs of external accountancy support
- Sharing of staff across the academies within the trust

The board of trustees have been robust in their challenge of spending and budget allocation to ensure that the school was able to set a balanced budget for 2021-22. The trust's level of reserves has continued to grow.

GOVERNANCE STATEMENT (CONTINUED)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Hope Learning Community for the year 1 September 2021 to 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 Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 2021 to 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 Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

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

The Board of Trustees has decided to buy in internal audit services from 3 different companies which were Price Bailey SBM Services Ltd and RRA Services Ltd for 2021-22.

These companies were appointed due to their level of expertise in the areas that the board had selected for scrutiny and their understanding of the charities and the education sector. Their role includes performing a range of checks on the academy's financial, IT, governance and other systems and providing expert advice on how systems can be improved to reduce fraud, error or irregularity or to improve efficiency. The internal audit work carried out in the period included:

- Post 16 Bursary Funding audit to confirm that funds were being deployed in accordance with the funding terms and conditions
- Financial Operations audit at Chatten School covering the following:
 - Income
 - Cash and Bank
 - Purchasing
 - Payroll
 - Register of Business Interests
 - Inventory and asset management

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

- Supplier management/Bacs processing
- Cyber security

On completion of the internal audit work, the internal auditor's report to the Board of Trustees through the finance, audit, risk and premises committee committee on the operation of the systems of control and on the discharge of the Board of Trustees financial responsibilities and annually prepares a short annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The internal auditors completed their schedule of work as planned and action plans were drawn up to address any matters raised as areas for improvement. These are monitored by the trust board.

Review of effectiveness

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

- the work of the internal auditor's;
- the completion of the school resource management self-assessment tool;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditors;
- the completion of the school resource management self-assessment tool
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the finance, audit, risk and premises committee committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees and signed on their behalf by:

.....
M Andrews
Chair of Trustees
Date:

.....
G Smith
Accounting Officer

HOPE LEARNING COMMUNITY
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the Board of Trustees and ESFA. If any instances are identified after the date of this statement, these will be notified to the Board of Trustees and ESFA:

The trust was the victim of a one-off payment fraud at one school, during the year, to the value of £6,291.95, this has been reported to the ESFA, procedures and payment controls have now been updated and training provided to staff to reduce the risk of future incidents.

G Smith
Accounting Officer
Date:

HOPE LEARNING COMMUNITY
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2022

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

Company law requires the Trustees to prepare financial statements for each financial . 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;
- 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 and signed on its behalf by:

.....
M Andrews

Trustee

Date:

HOPE LEARNING COMMUNITY
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF HOPE
LEARNING COMMUNITY**

Opinion

We have audited the financial statements of Hope Learning Community (the 'academy trust') for the year ended 31 August 2022 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the 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 Academy 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 Academy 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 Academy Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

HOPE LEARNING COMMUNITY
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INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF HOPE LEARNING COMMUNITY (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 Trust 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.

Responsibilities of trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy Trust or to cease

HOPE LEARNING COMMUNITY
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INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF HOPE LEARNING COMMUNITY (CONTINUED)

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:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the academy trust and for those that are most significant, we enquired into how management ensures compliance is maintained.

We identified that the principle risks of non compliance with laws and regulations related to the DfE/ESFA regulatory industry that the Academy operates in. This effects the ability to continue trading as an Academy Trust. Other relevant laws and regulations of note include health and safety.

Enquiry and review of the entity's transactions was undertaken to highlight any instances of penalties, fines or legal activity which could suggest non-compliance with laws and regulations. There was no contradictory evidence found.

We also considered those laws and regulations that have a direct impact on the preparation of the financial statements including the Companies Act 2006, Accounts Direction and Charities SORP.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principle risks were related to the override of delegated authorities and the misappropriation of grant funding.

In response we incorporated testing of procurement and expenditure and any other entries at risk of falling outside of delegated authorities.

Scrutiny of unusual transactions and analytical procedures were used to help identify risk factors in monies received and expended during the year.

It also stated as a reminder, that the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the Trust.

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.

HOPE LEARNING COMMUNITY
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF HOPE
LEARNING COMMUNITY (CONTINUED)**

Use of our report

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

Daniel Aldworth FCCA FMAAT (Senior statutory auditor)

for and on behalf of

for and on behalf of Griffin Chapman

Chartered Accountants and
Registered Auditors

4&5 The Cedars, Apex 12

Old Ipswich Road

Colchester

Essex

CO7 7QR

Date:

HOPE LEARNING COMMUNITY
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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO HOPE
LEARNING COMMUNITY AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 25/01/2021 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 Hope Learning Community 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 Hope Learning Community and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Hope Learning Community 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 Hope Learning Community and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Hope Learning Community's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Hope Learning Community's funding agreement with the Secretary of State for Education dated 29 November 2016 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 Trust's income and expenditure.

The work undertaken comprised:

- a) Obtaining a sufficient understanding of the framework of authorities which apply to the academy.
- b) Understanding the system of internal control to secure compliance with the framework of authorities.
- c) Considering the basis upon which the Accounting Officer is able to make statements on regularity, propriety and compliance in the Financial Statements.
- d) Assessing the risk of material irregularity, impropriety and non-compliance.
- e) Designing and carrying out tests and drawing of conclusions from this work to provide assurance over regularity, propriety and compliance.

HOPE LEARNING COMMUNITY
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO HOPE
LEARNING COMMUNITY AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

Conclusion

In the course of our work, except for the matters listed below 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.

One school within the trust was the victim of a payment fraud during the year to the value of £6,291.95 this was correctly reported to the ESFA, no other incidents of fraud were identified during the course of our testing, payment controls have been updated and training provided to staff to reduce the risk of future incidents.

Mr Daniel Aldworth (Reporting Accountant)
for and on behalf of Griffin Chapman
Chartered Accountants and
Registered Auditors
4&5 The Cedars, Apex 12
Old Ipswich Road
Colchester
Essex
CO7 7QR

Date:

HOPE LEARNING COMMUNITY
(A company limited by guarantee)

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

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:						
Donations and capital grants	3	45,103	-	211,228	256,331	8,781,344
Other trading activities		195,896	-	-	195,896	81,707
Investments	6	242	-	-	242	183
Charitable activities		-	9,900,665	-	9,900,665	7,969,593
Total income		241,241	9,900,665	211,228	10,353,134	16,832,827
Expenditure on:						
Charitable activities	8	130,437	10,631,494	538,852	11,300,783	8,542,882
Total expenditure		130,437	10,631,494	538,852	11,300,783	8,542,882
Net income/(expenditure)		110,804	(730,829)	(327,624)	(947,649)	8,289,945
Transfers between funds	20	-	(272,393)	272,393	-	-
Net movement in funds before other recognised gains/(losses)		110,804	(1,003,222)	(55,231)	(947,649)	8,289,945
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	27	-	6,940,000	-	6,940,000	(678,000)
Net movement in funds		110,804	5,936,778	(55,231)	5,992,351	7,611,945
Reconciliation of funds:						
Total funds brought forward		962,905	(5,022,610)	23,249,134	19,189,429	11,577,484
Net movement in funds		110,804	5,936,778	(55,231)	5,992,351	7,611,945
Total funds carried forward		1,073,709	914,168	23,193,903	25,181,780	19,189,429

The Statement of financial activities includes all gains and losses recognised in the year.

HOPE LEARNING COMMUNITY
(A company limited by guarantee)

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

The notes on pages 34 to 59 form part of these financial statements.

HOPE LEARNING COMMUNITY
(A company limited by guarantee)
REGISTERED NUMBER: 10391530

BALANCE SHEET
AS AT 31 AUGUST 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	15	23,104,553	23,249,134
		<u>23,104,553</u>	<u>23,249,134</u>
Current assets			
Stocks	16	-	840
Debtors	17	649,519	334,845
Cash at bank and in hand		2,301,406	1,736,937
		<u>2,950,925</u>	<u>2,072,622</u>
Creditors: amounts falling due within one year	18	(639,698)	(331,327)
Net current assets		2,311,227	1,741,295
Total assets less current liabilities		25,415,780	24,990,429
Net assets excluding pension liability		25,415,780	24,990,429
Defined benefit pension scheme liability	27	(234,000)	(5,801,000)
Total net assets		25,181,780	19,189,429

HOPE LEARNING COMMUNITY
(A company limited by guarantee)
REGISTERED NUMBER: 10391530

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2022

	Note	2022 £	2021 £
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	20	23,193,903	23,249,134
Restricted income funds	20	1,148,168	778,390
Restricted funds excluding pension asset	20	24,342,071	24,027,524
Pension reserve	20	(234,000)	(5,801,000)
Total restricted funds	20	24,108,071	18,226,524
Unrestricted income funds			
Designated funds	20	450,000	-
General funds	20	623,709	962,905
Total unrestricted income funds	20	1,073,709	962,905
Total funds		25,181,780	19,189,429

The financial statements on pages 29 to 59 were approved by the Trustees, and authorised for issue on and are signed on their behalf, by:

.....
M Andrews
Trustee

The notes on pages 34 to 59 form part of these financial statements.

HOPE LEARNING COMMUNITY
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £	<i>2021</i> £
Cash flows from operating activities			
Net cash provided by operating activities	22	747,270	591,757
Cash flows from investing activities	23	(182,801)	(249,455)
Change in cash and cash equivalents in the year		564,469	342,302
Cash and cash equivalents at the beginning of the year		1,736,937	1,394,635
Cash and cash equivalents at the end of the year	24, 25	<u>2,301,406</u>	<u>1,736,937</u>

The notes on pages 34 to 59 form part of these financial statements

HOPE LEARNING COMMUNITY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the 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.

Hope Learning Community meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

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

- **Legacies**

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Academy Trust has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Academy Trust, can be reliably measured.

- **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.

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

1. Accounting policies (continued)

1.3 Income (continued)

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.

The Academy Trust is benefiting from the ESFA's Free School Building Programme. The funding for the programme is not recognised as a capital grant until there is unconditional entitlement from costs being incurred, and the development occurring on a site where the Academy Trust controls through lease the site where a development is occurring. The expenditure is capitalised in assets under construction until the project is complete.

- **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 Trust has provided the goods or services.

- **Transfer on conversion**

Where assets and liabilities are received by the Academy Trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

- **Donated fixed assets (excluding transfers on conversion or into the Academy Trust)**

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 Capital Grants' and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy Trust's accounting policies.

1.4 Expenditure

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

HOPE LEARNING COMMUNITY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.4 Expenditure (continued)

• **Charitable activities**

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

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy Trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.6 Tangible fixed assets

Assets costing £2,500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding 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 straight-line basis over its expected useful life, as follows:

Depreciation is provided on the following bases:

Long-term leasehold property	- 50 years straight line
Furniture and equipment	- 5 years straight line
Computer equipment	- 3 years straight line
Motor vehicles	- 5 years straight line

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

HOPE LEARNING COMMUNITY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

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 Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.11 Financial instruments

The Academy Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy Trust and their measurement 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 17. 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 note 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.12 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

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

1. Accounting policies (continued)

1.13 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. 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 Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.14 Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from the 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 trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 31.

HOPE LEARNING COMMUNITY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.15 Fund accounting

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

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.

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, 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.

HOPE LEARNING COMMUNITY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

3. Income from donations and capital grants

	Unrestricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	45,103	-	45,103	27,798
Capital donations and grants	-	211,228	211,228	8,753,546
	<u>45,103</u>	<u>211,228</u>	<u>256,331</u>	<u>8,781,344</u>
<i>Total 2021</i>	<u>27,798</u>	<u>8,753,546</u>	<u>8,781,344</u>	

4. Funding for the Academy's activities

	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Educational operations			
DfE/ESFA grants			
Other DfE/ESFA grants			
General Annual Grant (GAG)	4,820,000	4,820,000	4,470,000
Other DFE/ESFA Grants	179,992	179,992	240,382
Pupil premium	190,012	190,012	182,557
SEN and other Local Authority Grants	4,672,662	4,672,662	2,730,831
Free school start-up grant	-	-	190,000
Covid 19 other exceptional funding	37,999	37,999	1,463
Covid 19 catch-up premium	-	-	107,280
Covid 19 mass testing	-	-	47,080
	<u>9,900,665</u>	<u>9,900,665</u>	<u>7,969,593</u>
	<u>9,900,665</u>	<u>9,900,665</u>	<u>7,969,593</u>
	<u>9,900,665</u>	<u>9,900,665</u>	<u>7,969,593</u>

The academy trust received 2022 : £37,999 (2021 : £155,823) DfE/ESFA Covid 19 additional funding which has been spent during the year.

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

5. Income from other trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Hire of facilities	3,683	3,683	-
Catering income	38,483	38,483	16,329
Services provided	112,209	112,209	54,605
School Sales	40,333	40,333	9,125
School uniform sales	1,188	1,188	1,648
	<u>195,896</u>	<u>195,896</u>	<u>81,707</u>

6. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Interest receivable	242	242	183
	<u>242</u>	<u>242</u>	<u>183</u>

7. Expenditure

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £	<i>Total 2021 £</i>
Educational operations:					
Direct costs	6,574,371	538,852	321,123	7,434,346	5,916,552
Allocated support costs	2,909,774	292,030	664,633	3,866,437	2,626,330
	<u>9,484,145</u>	<u>830,882</u>	<u>985,756</u>	<u>11,300,783</u>	<u>8,542,882</u>
<i>Total 2021</i>	<u>7,272,912</u>	<u>603,232</u>	<u>666,738</u>	<u>8,542,882</u>	

HOPE LEARNING COMMUNITY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

8. Analysis of expenditure on charitable activities

Summary by fund

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	<i>Total 2021 £</i>
Educational Operations	130,437	11,170,346	11,300,783	8,542,882
<i>Total 2021</i>	5,529	8,537,353	8,542,882	

9. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Educational operations	7,434,346	3,866,437	11,300,783	8,542,882
<i>Total 2021</i>	5,916,552	2,626,330	8,542,882	

Analysis of direct costs

	Educational operations 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Staff costs	6,574,371	6,574,371	5,359,258
Depreciation	538,852	538,852	340,261
Educational supplies	176,640	176,640	105,263
Examination fees	13,608	13,608	14,747
Educational consultancy	130,875	130,875	97,023
	7,434,346	7,434,346	5,916,552

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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 £	<i>Total funds 2021 £</i>
Pension finance costs	91,000	91,000	68,000
Staff costs	2,909,774	2,909,774	1,913,654
Technology	41,543	41,543	16,003
Staff development	60,401	60,401	25,353
Recruitment and support	15,797	15,797	6,228
Maintenance of premises	88,689	88,689	73,777
Cleaning	59,228	59,228	31,142
Rent and rates	16,971	16,971	65,494
Energy costs	109,635	109,635	68,381
Insurance	17,507	17,507	13,009
Security and transport	58,324	58,324	32,400
Catering	79,089	79,089	64,815
Bank charges	833	833	440
Legal and professional fees	163,868	163,868	130,227
Other support costs	153,778	153,778	117,407
	<u>3,866,437</u>	<u>3,866,437</u>	<u>2,626,330</u>

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2022 £	<i>2021 £</i>
Operating lease rentals	57,113	68,899
Depreciation of tangible fixed assets	538,852	340,261
Fees paid to auditors for:		
- audit	6,300	6,300
- accounts preparation and other services	4,850	4,700
	<u>546,915</u>	<u>420,160</u>

HOPE LEARNING COMMUNITY
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**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	6,311,275	5,110,132
Social security costs	489,346	377,758
Pension costs	2,683,524	1,785,022
	<u>9,484,145</u>	<u>7,272,912</u>

b. Staff numbers

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

	2022 No.	2021 No.
Leadership	10	6
Teachers	57	56
Administration and support	265	225
	<u>332</u>	<u>287</u>

c. Higher paid staff

The number of employees whose employee benefits (excluding employer pension costs) exceeded £2,50060,000 was:

	2022 No.	2021 No.
In the band £60,001 - £70,000	2	-
In the band £70,001 - £80,000	2	2
In the band £110,000 - £120,000	1	1
	<u>5</u>	<u>3</u>

d. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management

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

11. Staff (continued)

d. Key management personnel (continued)

personnel for their services to the Academy Trust was £555,519 (2021 £525,193).

12. Central services

No central services were provided by the Academy Trust to its academies during the year and no central charges arose.

13. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2022	2021
		£	£
Mr G Smith CEO	Remuneration	115,000 -	<i>110,000 -</i>
		120,000	<i>115,000</i>
	Pension contributions paid	25,000 -	<i>25,000 -</i>
		30,000	<i>30,000</i>

During the year, retirement benefits were accruing to no Trustees (2021 - 1) in respect of defined benefit pension schemes.

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

14. 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 officers indemnity element from the overall cost of the RPA scheme membership.

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

15. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2021	23,935,366	230,505	288,028	120,214	24,574,113
Additions	-	126,649	148,254	119,368	394,271
At 31 August 2022	<u>23,935,366</u>	<u>357,154</u>	<u>436,282</u>	<u>239,582</u>	<u>24,968,384</u>
Depreciation					
At 1 September 2021	1,011,915	106,391	122,537	84,136	1,324,979
Charge for the year	363,661	49,097	92,258	33,836	538,852
At 31 August 2022	<u>1,375,576</u>	<u>155,488</u>	<u>214,795</u>	<u>117,972</u>	<u>1,863,831</u>
Net book value					
At 31 August 2022	<u><u>22,559,790</u></u>	<u><u>201,666</u></u>	<u><u>221,487</u></u>	<u><u>121,610</u></u>	<u><u>23,104,553</u></u>
At 31 August 2021	<u><u>22,923,451</u></u>	<u><u>124,114</u></u>	<u><u>165,491</u></u>	<u><u>36,078</u></u>	<u><u>23,249,134</u></u>

16. Stocks

	2022 £	2021 £
Raw materials and consumables	-	840
	<u><u>-</u></u>	<u><u>840</u></u>

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

17. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	110,081	63,509
Prepayments and accrued income	117,348	78,687
Tax recoverable	422,090	192,649
	649,519	334,845
	649,519	334,845

18. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	106,358	62,508
Other taxation and social security	174,216	90,566
Other creditors	47,468	24,544
Accruals and deferred income	311,656	153,709
	639,698	331,327
	639,698	331,327

	2022 £	2021 £
Deferred income at 1 September 2021	12,003	20,681
Resources deferred during the year	7,081	12,003
Amounts released from previous periods	(12,003)	(20,681)
	7,081	12,003
	7,081	12,003

Grants income funding received in advance £7,081 (2021 : £12,003), income deferred for trips not held during the year £0 (2020 : £14,173).

19. Financial instruments

	2022 £	2021 £
Financial assets		
Financial assets measured at fair value through income and expenditure	2,301,406	1,736,937
	2,301,406	1,736,937
	2,301,406	1,736,937

HOPE LEARNING COMMUNITY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

20. Statement of funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
Designated funds						
Building replacement fund Southview	-	-	-	450,000	-	450,000
General funds						
General Funds - all funds	962,905	241,241	(130,437)	(450,000)	-	623,709
Total Unrestricted funds	962,905	241,241	(130,437)	-	-	1,073,709
Restricted general funds						
General Annual Grant	769,013	4,820,000	(3,352,452)	(1,088,393)	-	1,148,168
Other DfE/EFSA Grants	9,377	217,991	(227,368)	-	-	-
Pupil Premium	-	190,012	(190,012)	-	-	-
Local Authority Grants	-	4,532,065	(4,532,065)	-	-	-
Autism Hub	-	75,000	(75,000)	-	-	-
ESSET	-	65,597	(65,597)	-	-	-
Pension reserve	(5,801,000)	-	(2,189,000)	816,000	6,940,000	(234,000)
	(5,022,610)	9,900,665	(10,631,494)	(272,393)	6,940,000	914,168
Restricted fixed asset funds						
Inherited assets	12,939,578	-	(227,212)	-	-	12,712,366
Assets purchased from GAG	512,555	-	(175,477)	272,393	-	609,471

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

20. Statement of funds (continued)

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
ESFA capital grants	1,097,001	110,228	(21,163)	-	-	1,186,066
Chatten Free School land and buildings	8,700,000	-	(115,000)	-	-	8,585,000
LA funds for furnishing new Southview building and pool	-	101,000	-	(11,653)	-	89,347
Southview new building furnishings	-	-	-	11,653	-	11,653
	<u>23,249,134</u>	<u>211,228</u>	<u>(538,852)</u>	<u>272,393</u>	<u>-</u>	<u>23,193,903</u>
Total Restricted funds	<u>18,226,524</u>	<u>10,111,893</u>	<u>(11,170,346)</u>	<u>-</u>	<u>6,940,000</u>	<u>24,108,071</u>
Total funds	<u><u>19,189,429</u></u>	<u><u>10,353,134</u></u>	<u><u>(11,300,783)</u></u>	<u><u>-</u></u>	<u><u>6,940,000</u></u>	<u><u>25,181,780</u></u>

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

Restricted general funds - these relate to the academy's development and operational activities.

Restricted fixed asset fund - these funds relate to fixed assets held and funds to be carried forward and used for capital projects in future years.

During the year £272,393 has been transferred from the restricted general annual grant fund to the restricted fixed asset fund (2021 : £314,639).

During the year £450,000 has been transferred from general unrestricted funds to a designated fund which is to support the planned Southview re-building project.

The pension reserve relates to the Academy's share of the deficit of the Local Government Pension Scheme.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2022.

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20. Statement of funds (continued)

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

	<i>Balance at 1 September 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2021 £</i>
Unrestricted funds						
General Funds - all funds	858,746	109,688	(5,529)	-	-	962,905
Restricted general funds						
General Annual Grant	374,296	4,470,000	(3,330,644)	(744,639)	-	769,013
Other DfE/EFSA Grants	43,409	240,382	(274,414)	-	-	9,377
Pupil Premium	5,823	182,557	(188,380)	-	-	-
Local Authority Grants	-	2,598,093	(2,598,093)	-	-	-
Autism Hub	-	75,000	(75,000)	-	-	-
ESSET	-	57,738	(57,738)	-	-	-
Covid 19 Support Funding	-	155,823	(155,823)	-	-	-
Free School Start-up grant	-	190,000	(190,000)	-	-	-
Pension reserve	(4,391,000)	-	(1,327,000)	595,000	(678,000)	(5,801,000)
	<u>(3,967,472)</u>	<u>7,969,593</u>	<u>(8,197,092)</u>	<u>(149,639)</u>	<u>(678,000)</u>	<u>(5,022,610)</u>
Restricted fixed asset funds						
Inherited assets	13,279,839	-	(340,261)	-	-	12,939,578
Assets purchased from GAG	144,370	53,546	-	314,639	-	512,555
ESFA capital grants	1,162,001	-	-	(65,000)	-	1,097,001
GAG funds allocated for capital	100,000	-	-	(100,000)	-	-

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**NOTES TO THE FINANCIAL STATEMENTS
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20. Statement of funds (continued)

	<i>Balance at 1 September 2020</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 August 2021</i>
	£	£	£	£	£	£
Chatten Free School land and buildings	-	8,700,000	-	-	-	8,700,000
	<u>14,686,210</u>	<u>8,753,546</u>	<u>(340,261)</u>	<u>149,639</u>	<u>-</u>	<u>23,249,134</u>
Total Restricted funds	<u>10,718,738</u>	<u>16,723,139</u>	<u>(8,537,353)</u>	<u>-</u>	<u>(678,000)</u>	<u>18,226,524</u>
Total funds	<u><u>11,577,484</u></u>	<u><u>16,832,827</u></u>	<u><u>(8,542,882)</u></u>	<u><u>-</u></u>	<u><u>(678,000)</u></u>	<u><u>19,189,429</u></u>

Total funds analysis by academy

Fund balances at 31 August 2022 were allocated as follows:

	2022	2021
	£	£
Market Field School	1,945,840	1,489,148
Southview School	208,638	252,147
Chatten Free School	67,399	-
Total before fixed asset funds and pension reserve	<u>2,221,877</u>	<u>1,741,295</u>
Restricted fixed asset fund	23,193,903	23,249,134
Pension reserve	(234,000)	(5,801,000)
Total	<u><u>25,181,780</u></u>	<u><u>19,189,429</u></u>

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20. Statement of funds (continued)

Total cost analysis by academy

Expenditure incurred by each academy during the year was as follows:

	Teaching and educational support staff costs	Other support staff costs	Educational supplies	Other costs excluding depreciation	Total 2022	<i>Total 2021</i>
	£	£	£	£	£	£
Market Field School	4,526,803	1,738,901	273,612	539,979	7,079,295	6,358,404
Southview School	1,239,201	603,733	104,919	150,746	2,098,599	1,844,217
Chatten Free School	819,067	556,440	25,258	183,272	1,584,037	-
Academy Trust	6,585,071	2,899,074	403,789	873,997	10,761,931	8,202,621

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022	Restricted funds 2022	Restricted fixed asset funds 2022	Total funds 2022
	£	£	£	£
Tangible fixed assets	-	-	23,104,553	23,104,553
Current assets	1,111,093	1,750,482	89,350	2,950,925
Creditors due within one year	(37,384)	(602,314)	-	(639,698)
Provisions for liabilities and charges	-	(234,000)	-	(234,000)
Total	1,073,709	914,168	23,193,903	25,181,780

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21. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Restricted fixed asset funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	-	-	23,249,134	23,249,134
Current assets	962,905	1,109,717	-	2,072,622
Creditors due within one year	-	(331,327)	-	(331,327)
Provisions for liabilities and charges	-	(5,801,000)	-	(5,801,000)
Total	<u>962,905</u>	<u>(5,022,610)</u>	<u>23,249,134</u>	<u>19,189,429</u>

22. Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2022 £	2021 £
Net (expenditure)/income for the year (as per Statement of financial activities)	<u>(947,649)</u>	<u>8,289,945</u>
Adjustments for:		
Depreciation	538,852	340,261
Capital grants from DfE and other capital income	(211,228)	(8,753,546)
Interest receivable	(242)	(183)
Defined benefit pension scheme cost less contributions payable	1,282,000	664,000
Defined benefit pension scheme finance cost	91,000	68,000
Decrease/(increase) in stocks	840	(190)
(Increase)/decrease in debtors	(314,674)	97,552
Increase/(decrease) in creditors	308,371	(114,082)
Net cash provided by operating activities	<u>747,270</u>	<u>591,757</u>

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23. Cash flows from investing activities

	2022 £	2021 £
Dividends, interest and rents from investments	242	183
Purchase of tangible fixed assets	(394,271)	(303,184)
Capital grants from DfE Group	211,228	53,546
Net cash used in investing activities	(182,801)	(249,455)

24. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand and at bank	2,301,406	1,736,937
Total cash and cash equivalents	2,301,406	1,736,937

25. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	1,736,937	564,469	2,301,406
	1,736,937	564,469	2,301,406

26. Capital commitments

	2022 £	2021 £
Contracted for but not provided in these financial statements		
Purchase of assets	-	122,540
	-	122,540

NOTES TO THE FINANCIAL STATEMENTS
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27. Pension commitments

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

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

Contributions amounting to £68,266 were payable to the schemes at 31 August 2022 (2021 - £ -) 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.

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 2023.

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**NOTES TO THE FINANCIAL STATEMENTS
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27. Pension commitments (continued)

The employer's pension costs paid to TPS in the year amounted to £587,524 (2021 - £526,022).

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 Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy Trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £1,002,000 (2021 - £736,000), of which employer's contributions totalled £816,000 (2021 - £595,000) and employees' contributions totalled £ 186,000 (2021 - £141,000). The agreed contribution rates for future years are between 24.4% and 25% for employers and 5.5% and 12% for employees.

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

Principal actuarial assumptions

	2022	<i>2021</i>
	%	%
Rate of increase in salaries	3.9	3.85
Rate of increase for pensions in payment/inflation	3.15	2.85
Discount rate for scheme liabilities	4.2	1.65
Inflation assumption (CPI)	2.9	2.85
Commutation of pensions to lump sums	50	50

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

	2022	<i>2021</i>
	Years	Years
<i>Retiring today</i>		
Males	21.0	21.6
Females	23.5	23.6
<i>Retiring in 20 years</i>		
Males	22.3	22.9
Females	24.9	25.1

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**NOTES TO THE FINANCIAL STATEMENTS
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27. Pension commitments (continued)

Sensitivity analysis

	2022	<i>2021</i>
	£000	<i>£000</i>
Discount rate +0.1%	59	<i>160</i>
Discount rate -0.1%	(62)	<i>(165)</i>
Mortality assumption - 1 year increase	54	<i>199</i>
Mortality assumption - 1 year decrease	(53)	<i>(192)</i>
CPI rate +0.1%	3	<i>10</i>
CPI rate -0.1%	(3)	<i>(10)</i>

Share of scheme assets

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

	At 31	<i>At 31 August</i>
	August 2022	<i>2021</i>
	£	<i>£</i>
Equities	3,206,000	<i>3,010,000</i>
Gilts	109,000	<i>118,000</i>
Corporate bonds	252,000	<i>219,000</i>
Property	539,000	<i>328,000</i>
Cash and other liquid assets	170,000	<i>131,000</i>
Alternative assets	853,000	<i>522,000</i>
Other managed funds	567,000	<i>374,000</i>
Total market value of assets	5,696,000	<i>4,702,000</i>

The actual return on scheme assets was £13,000 (2021 - £808,000).

The amounts recognised in the Statement of financial activities are as follows:

	2022	<i>2021</i>
	£	<i>£</i>
Current service cost	2,096,000	<i>1,259,000</i>
Interest income	(88,000)	<i>(58,000)</i>
Interest cost	179,000	<i>126,000</i>
Administrative expenses	2,000	<i>-</i>
Total amount recognised in the Statement of financial activities	2,189,000	<i>1,327,000</i>

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27. Pension commitments (continued)

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

	2022 £	2021 £
At 1 September	10,503,000	7,563,000
Current service cost	2,096,000	1,259,000
Interest cost	179,000	126,000
Employee contributions	186,000	141,000
Actuarial gains/(loss)	(7,015,000)	1,428,000
Benefits paid	(19,000)	(12,000)
Administration expenses	-	(2,000)
At 31 August	5,930,000	10,503,000

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

	2022 £	2021 £
At 1 September	4,702,000	3,172,000
Interest income	88,000	58,000
Actuarial (losses)/gains	(75,000)	750,000
Employer contributions	816,000	595,000
Employee contributions	186,000	141,000
Benefits paid	(19,000)	(12,000)
Effects of non-routine settlements	(2,000)	(2,000)
At 31 August	5,696,000	4,702,000

28. Operating lease commitments

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

	2022 £	2021 £
Not later than 1 year	3,076	1,178
Later than 1 year and not later than 5 years	2,446	1,579
	5,522	2,757

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29. Members' liability

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

30. Related party transactions

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the 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 Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

During the year S Smith the wife of the CEO Mr G Smith was employed by the trust as head of wellbeing and was remunerated in accordance with her contract of employment at band 9 points 32 and 33 of the payscale.

During the year I Coe the step-daughter of the CEO Mr G Smith was employed by the trust as a teaching assistant and sports co-ordinator she was remunerated in accordance with her contract of employment at band 6 points 12 and 13 of the payscale.

31. Agency arrangements

The trust distributes 16-19 and other bursary funds to students as an agent for the ESFA. In the accounting period ending 31st August 2022 the trust received £69,659 (2021 : £63,326) and disbursed £48,308 (2021:£50,804) from the fund. An amount of £45,845 (2021 : £24,494) and is included in other creditors relating to undistributed funds that are re-payable to the ESFA.