

**THE HAILEYBURY ACADEMY TRUST**

**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2020**

**THE HAILEYBURY ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

<b>Members</b>	Haileybury & Imperial Service College Mr M Gatenby Mr S D Boyden Mr M C Bishop Mr S A Westley
<b>Trustees</b>	Dr L Pugsley Mr M Collier Mr S Campbell Mr I Richardson Mr R Matcham, Chair of Trustees Mr J Giesen Mr T Little (appointed 12 October 2019) Mr D Kilgallon Mrs E Pope Mrs U Mahaka (appointed 27 September 2019) Mr S Westley Mr R Whitaker Mr N Taylor (resigned 8 December 2019)
<b>Company registered number</b>	09659808
<b>Company name</b>	Haileybury Academy Trust
<b>Principal and registered office</b>	Haileybury Academy Trust Hertford Heath Hertford Hertfordshire SG13 7NU
<b>Accounting Officer</b>	Mr R Newman
<b>Senior Leadership Team</b>	Mr R Newman, Principal and Accounting Officer Ms K Just, Vice Principal Mrs M Goodes, Vice Principal Miss J Howard, Business Manager Mr B Walsh, Assistant Principal and Director of Sixth Form Mr N Megaw, Assistant Principal Mrs N Shivalkar, Assistant Principal Miss D Newman, Assistant Principal
<b>Independent Auditors</b>	Price Bailey LLP Chartered Accountants Causeway House 1 Dane Street Bishop's Stortford Hertfordshire CM23 3BT

**THE HAILEYBURY ACADEMY TRUST**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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The Trustees present their Annual Report together with the financial statements and Auditor's Report of Haileybury Academy Trust (the Charitable Company, the Trust or the Academy) for the year ended 31 August 2020. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' Report under company law.

The Trust operates an Academy School for pupils aged 11-19 serving a catchment area in Cheshunt. It has a pupil capacity of 1160 and had a roll of 873 in the 2019 school census.

**Structure, Governance and Management**

The Academy is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are its primary governing documents. The Trustees of the Charitable Company are also the Directors for the purposes of company law. The terms Trustee, Director and Governor are interchangeable. The Charitable Company is known as Haileybury Academy Trust (the School).

Details of the Trustees who served during the year are included in the Reference and Administrative Details section.

**Members' Liability**

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

**Trustees' and Officers' Indemnities**

In accordance with normal commercial practice, the Academy has purchased insurance to protect Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business.

**Method of Recruitment and Appointment or Election of Trustees**

The arrangements are as set out in the Articles and Funding Agreement.

Trustees are appointed for a fixed term. Parent Trustees are elected to office or appointed if there are insufficient candidates offering themselves for election. The Articles of Association make provision for a minimum of 3 Trustees but shall not be subject to a maximum.

As per the articles of association, article 57, the Principal is not considered a Trustee.

**Policies and Procedures Adopted for the Induction and Training of Trustees**

The Charitable Company is committed to providing adequate opportunities for Trustees to undertake and receive suitable training so as to enable them to perform their role effectively. To this end the Trust provides an internal programme of continued professional development led by School staff and links with a number of local training providers.

All new Trustees are entitled to an induction to the role, according to their need, which may include, introductory sessions, mentoring and formal courses. This process will involve a meeting with the Chairman of Trustees and Principal or Vice Principal. All Trustees are provided with a handbook plus copies of policies and procedures documents that are appropriate to the role they undertake as Trustees, with particular emphasis on the committee work that they will undertake.

All Trustees receive safeguarding training and hold a full Disclosure & Barring Service (DBS) Check. The Trust subscribes to Hertfordshire County Council's Governors Training Services whereby Governors can access a range of training covering their role as a Governor on a general and a specific level.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

### **Organisational Structure**

The governance of the Academy is defined in the Memorandum and Articles of Association together with the Funding Agreement with the Department for Education.

The Board of Trustees, which meets on at least 3 occasions per year and each individual committee which meets at least 3 times per year, is responsible for the strategic direction of the Academy. The Board reviews progress towards educational objectives and results; approves major expenditure requests; sets the budget for the following year; sets the organisational staffing structure; agrees the performance objectives of the Principal with the School Improvement Partner, and reviews them.

The Principal is the designated Accounting Officer and has overall responsibility for the day to day financial management of the Charitable Company. The Principal has delegated responsibility for low values of expenditure to specific budget holders who are responsible for managing their own departments within their allocated budgets. A system of financial controls is in place to manage this process.

The Principal manages the Academy on a daily basis supported by a Senior Leadership Team (SLT). The SLT meets frequently to discuss emerging matters and to help develop strategies for future development which are put to the Principal and the Board of Trustees as required for approval. Each member of the SLT has specific responsibilities to assist the Principal to manage certain aspects of the Academy.

The Governing Body has overall responsibility for the operation of the Academy. There are a number of policies in place that codify the operation of the Academy and the delegation of responsibility from the Board of Trustees to the Finance & Resources Committee, the Education Committee, the Principal, the Business Manager and finally to other members of staff. The policies include the Schedule of Financial Delegation which outlines responsibility for key reports and actions and includes limits on expenditure authorisation, staff payments and staff structure alterations, the Procurement and Tendering Policy which covers purchasing across the Trust from day-to-day items to large contracts extending over 3-5 years and the Financial Procedures Manual which covers how the Academy's accounts are to be managed in some detail.

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

Key management personnel include Trustees and those staff to whom the Trustees have delegated significant authority and responsibility in the day-to-day running of the Trust.

Pay and remuneration of key management personnel is decided by a variety of contributory factors, such as the school group size, Individual School Range (ISR), the pay scales for each role and the level of experience of each staff member, the ability to recruit and retain in post, all of which are in accordance with the Trust's Pay policy.

At the Academy the key personnel are deemed to be the Principal and the SLT members. The Principal's salary is set by the Governors in accordance with standard practice; the salary is established in a band of seven points within the school group size, as defined in the School Teachers' Pay and Conditions. The salary of the Vice Principals and Assistant Principals are set in accordance with the school group size and in relation to that of the Principal.

The Academy uses the pay scales as set down by The School Teachers' Pay & Conditions document annually for all teaching staff. Support staff pay scales are also linked to nationally agreed pay awards; the Hay or Green Book pay scales.

All amendments to key management's pay and remuneration is approved by the Pay Committee, which reports to the Finance & Resources committee, and ratified by the Board of Trustees.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**Trade Union Facility Time**

The number of employees who were relevant union officials during the period was one. The full time equivalent number was also one.

The amount of time spent on facility time was between 1% and 50%.

£1,582 was spent on facility time, which is equivalent to 3% of the total pay bill of £62,654.

The amount of time spent on paid trade union activities, as a percentage of paid facility hours, was 2.52%

**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 is inevitable that from time to time transactions will take place with organisations in which a Trustee may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procedures. Any transaction where the Trustee may have a pecuniary interest is only undertaken in accordance with the 'at cost' principle described in the Academies Financial Handbook.

The Trust cooperated with Haileybury and Imperial Service College, the Academy's sponsor, during the academic year in pursuit of its charitable activities.

Support is provided in a number of ways, including from other organisations too:

- Opportunities for Academy teaching staff to visit the Sponsor to develop their teaching and learning practice.
- Teaching staff from the Sponsor spend time at the Academy working with specific groups of students.
- Opportunities are given to groups of Academy students to spend time at the Sponsor focusing of specific areas of the curriculum.
- Staff from the Sponsor grounds and maintenance teams spend time working at the Academy supporting their counterparts.
- Hoddesdon and Broxbourne Settings Family Support Team (HABS).
- YC Herts (Information, advice and guidance for students).
- The Broxbourne School Modern Foreign Languages Hub.
- Marriotts School, Stevenage.
- The Saffron Alliance.
- Balliol College, University of Oxford.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**Objectives and Activities**

**Objects and Aims**

The principal object and aim of the Charitable Company is the operation of the School to provide free education and care for pupils of different abilities between the ages of 11 and 19.

**Objectives, Strategies and Activities**

During the year the School has worked towards these aims by:

- Ensuring ambition, clarity, good communication and consistency at all levels of leadership.
- Continuing to improve the quality of teaching and professional development across the School.
- Raising expectations of our students to rapidly accelerate their progress across the curriculum.
- Developing and embedding the learning culture at Haileybury Turnford with additional support from our sponsor, Haileybury and Imperial Service College.
- Developing remote learning provision to respond to the challenges of COVID-19.

The School's success in fulfilling its aims can be measured by:

- Year 11 outcomes - specifically outcomes in English and Mathematics at 4+ 5+ and 7+ in GCSE examinations. These were centre-assessed grades in 2020 due to the cancellation of examinations.
- Sustained improvement in Year 7-11 student attendance to 94.5% in 2019/20 and a reduction in persistent absence to 13.9% (both in line with national % figures). [These figures are up to March 2020 when schools closed].
- Improvements in student attitudes, behaviour and engagement in lessons.
- Good progress and outcomes in the Sixth Form in the majority of A Level subjects and all vocational qualifications. There were centre-assessed grades in 2020 due to the cancellation of examinations.
- Successful recruitment into key leadership and teaching posts, including at senior level.
- Embedding partnerships with our sponsor, including the introduction of the Year 7 masterclass programme.
- Embedding partnerships with Marriotts School, Stevenage to provide school-to-school support and improve the quality of education.

**Public Benefit**

The Trustees believe that by working towards the objects and aims of the School as detailed above, they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

**Strategic Report**

**Achievements and Performance**

The Trust continued its mission to ensure that students achieved their potential in public examinations; encouraged a wide range of co-curricular activities; developed and retained suitable staff and guided students in suitable progression when they left the School. Public examinations were cancelled in 2020, so outcomes were centre-assessed grades.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

Specific achievements were as follows:

- Good matriculation rate to university and Apprenticeships, post Year 13.
- Improved GCSE overall progress and outcomes in subject areas, including in English and Maths.
- Introduction of new trips and visits for students, including overseas trips, for example, Barcelona, Madrid, Barcelona and New York.
- When compared to their national counterparts, strong GCSE progress for Year 11 female students and those with English as an Additional Language (EAL).
- Retained high quality teaching staff, and appointed new staff as necessary of a high calibre to replace staff leaving.
- Strong KS5 A Level and Applied General qualification progress and outcomes.
- Strong remote learning provision during lockdown when all schools closed and positive feedback from families about the quality of provision.

### **Key Performance Indicators**

The Trustees receive regular information at each committee meeting to enable them to monitor the performance of the Trust compared to aims, strategies and financial budgets.

As funding is based on pupil numbers this is a key performance indicator. Pupil numbers for 2019 (based on the October 2019 census) were 873.

Another key financial performance indicator is staffing costs as a percentage of total income. For 2019/20 this was 72.4%. In the course of the year there was some staff restructuring and the costs are reflected in these figures. The Board of Trustees is confident that staffing levels are closely monitored to agreed full time equivalent and staffing structures all approved by the Board.

The Finance and Resources Committee also monitor premises costs to General Annual Grant (GAG) income, capitation spend for curriculum departments to GAG income, total income less grants and cash flow on a regular basis to ensure that the budget is set and managed appropriately. All of the above KPI's were within the parameters set by the Board.

### **Going Concern**

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

In making this statement the Board of Trustees have taken into due consideration the effects upon the Trust of the COVID-19 pandemic, the partial closure of the School during the period and the changes in practices introduced from the 2020 Autumn term.

Further consideration on the Trust's ability to continue as a going concern as a result of the COVID-19 pandemic can be found in Note 1.3.

### **Financial Review**

The principal source of funding for the Trust is the GAG and other grants that it receives from the Education and Skills Funding agency (ESFA). For the year ended 31 August 2020 the Trust received £5,768,030 of GAG and other income (excluding capital funding). A high percentage of this income is spent on wages and salaries and support costs to deliver the Academy's primary objective of the provision of education. During the year the Trust spent £5,676,618 on general running expenses and spent £604,741 support capital new build and improvement projects on the School site. The Academy carry forward for 19/20 is £14,000 restricted funding and £294,467 unrestricted funding.

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Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Academy is recognising a significant pension fund deficit of £1,492,000. This does not mean that an immediate liability for this amount crystallises and such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years.

### **Reserves Policy**

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. The Trustees monitor estimated year-end carry forward figures via the monthly reports from the Business Manager. The budget plan identifies how any carry forward 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 Academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £294,467. This has been built up from a mixture of locally raised income and balances transferred from the predecessor school.

The Trustees have made a decision to hold other unrestricted funds of £294,467 to cover future increases in costs and expenditure that may arise from uninsurable losses. The Trust holds a balance for in year contingencies.

At 31 August 2020, the Trust's balance on restricted general funds (excluding pension reserve) is £14,000 and the balance on unrestricted funds is £294,467.

The cash balance of the Academy has been very healthy all year, ending the year with a balance of £403,029. The Trustees monitor cash flow through the Finance and Resources Committee.

### **Investment Policy**

A Reserves and Investment Policy was approved by the Board of Trustees on 26 November 2018. The aim of the policy is to ensure funds that the Academy does not immediately need to cover anticipated expenditure are invested to maximise the Academy's 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.

Surplus funds can be invested for up to six months in interest-bearing accounts with high street banks or Building Societies. Investments for longer than 6 months or in riskier vehicles require the approval in advance of the Finance & Resources Committee.

The Academy has no funds invested at the moment; the short term cash flow forecast for the next 6 months indicates that the level of surplus funds will be low. It should also be acknowledged that with current interest rates set the return on short-term investments is extremely low.

### **Principal Risks and Uncertainties**

The Trustees maintain a risk register identifying the major risks to which the Academy is exposed, and identifying actions and procedures to mitigate those risks. A formal review of the risk register process is undertaken on an annual basis and the internal control systems and the exposure to said risks are monitored on behalf of the Trustees at each Education and Finance & Resources committee meeting. The principal risks facing the Trust are outlined below; those facing the School at an operational level are addressed by its systems and by internal financial and other controls.

The Trustees report that the Trust's financial and internal controls conform to guidelines issued by the ESFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

The Trustees assess the other principal risks and uncertainties facing the Trust as follows:

- The Academy has considerable reliance on continued Government funding through the ESFA 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.
- Reputational – the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees, ensure that student progress and outcomes are closely monitored and reviewed.
- Safeguarding and child protection – the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.
- Staffing – the success of the Academy is reliant on the quality of its staff and the Trustees monitor and review policies and procedures and recruitment to ensure continued development and training of staff as well as ensuring there is clear succession planning.
- Financial instruments – the Academy only deals with bank balances, cash and trade creditors, with limited trade (and other) debtors. The risk in this area is considered to be low.
- Defined benefit pension liability – as the Government has agreed to meet the defined benefit pension liability of any school ceasing to exist the main risk to the Academy is an annual cash flow funding of part of the deficit. Trustees take these payments into account when setting the annual budget plan.
- The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness.

### **Fundraising**

The Academy only held small fundraising events during the year including raising funds The Brain Trust, Macmillan Cancer Research, BBC Children In Need, Save the Children, Jeans for Genes, Odd Socks (Anti-bullying), Just Like Us (Diversity week) and Show Racism The Red Card.

During lockdown the Academy ran a fund raising campaign specifically to buy IT hardware and internet access for deprived students. This raised £5,150 which will be used to support students working from home in the event of a further partial or full lockdown occurring.

The Academy does not work with professional fundraisers or companies who carry out fundraising on its behalf. During the year no complaints or issues have arisen as a result of the fundraising events.

### **Plans for Future Periods**

Haileybury Turnford is a vibrant school, developing every aspect of the students' education.

- The School will make sure that each student has the opportunity to reach their potential, and can leave with the qualifications, skills and qualities they need for a successful life.
- The School will draw on Haileybury's 150 years of outstanding achievement, and combine that with Turnford's strong sense of community, to create an exceptional School.
- The School believes that excellent teaching, academic success, the best pastoral care and enriching co-curricular opportunities are hallmarks of an excellent School, and will mean the students thrive, flourish and succeed.
- Age and condition of the school buildings. The Academy is exposed to high operational costs and the risk of unexpected, unplanned maintenance costs. The Educational and Funds Agency (ESFA) has allocated funds to replace two blocks with a new block. Construction has commenced in Autumn 2020 to replace these blocks.
- Further strategic site development work taking place to determine future site improvements over the next 3-10 years.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**Summary of Haileybury Turnford School Improvement Actions for 2020-21**

The 3 key strategic improvement priorities are:

1. To deliver high-quality teaching for all, with effective assessment for students and professional development for staff.
2. To provide targeted academic support to ensure learning recovery for our students, including those with SEND and the most disadvantaged.
3. To plan and implement strategies to support our students' personal development and wellbeing needs as they return to School.

**Funds Held as Custodian Trustee on Behalf of Others**

The Academy does not hold funds on behalf of another charity or body. Where funds are received for a specific purpose e.g. Combined Cadet Force they are managed in a manner that ensures that there is a clear audit trail showing how the funds have been utilised.

**Auditor**

Insofar as the Trustees are aware:

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

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 13 January 2021 and signed on its behalf by:

**R Matcham**  
Chair of Trustees

**THE HAILEYBURY ACADEMY TRUST**  
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**GOVERNANCE STATEMENT**

**Scope of responsibility**

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Principal, Robin Newman, 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 The Haileybury Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met six 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
Dr L Pugsley	3	6
Mr M Collier	5	6
Mr S Campbell	4	6
Mr I Richardson	4	6
Mr R Matcham, Chair of Trustees	6	6
Mr J Giesen	5	6
Mr T Little	3	5
Mr D Kilgallon	3	6
Mrs E Pope	4	6
Mrs U Mahaka	4	6
Mr S Westley	5	6
Mr R Whitaker	5	6
Mr N Taylor	0	0

**Review of year**

Haileybury Academy Trust has a very good range of governance expertise – Trustees have a wide range of skills, both from education and non-education sectors. Recently appointed Trustees, for example have finance, business, social care and safeguarding, multi-academy trust and higher education backgrounds and expertise. Governance includes a number of colleagues who work for the sponsor, Haileybury.

**Governance reviews**

The last governance review took place in 2016-17 which focused on Trustee support and challenge, strategic intent and risk. An internal governance review will take place this academic year. Governance was described as “highly effective” by Ofsted in May 2018. Strategic governance development will flow from this review process.

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**GOVERNANCE STATEMENT (CONTINUED)**

**Governance (continued)**

**Committees**

The Finance and General Purposes Committee is a sub-committee of the Board of Trustees. Its purpose is to address financial matters. There is no separate audit committee. The F&RC Committee will interrogate the accounts, meet the Auditors, request any changes that they consider to be reasonable and justifiable and then recommend to the Board of Trustees that the accounts are approved.

Its further purposes are:

- To oversee the annual budget setting.
- To propose the annual budget to the Board of Trustees and regularly report to them on all financial matters.
- Regularly monitor income and expenditure against budget. Including reporting of any significant budget amendments.
- To review and monitor all policies under the scope of the Finance Committee, as delegated from the Board of Trustees.
- To monitor compliance with the Finance Policy, Best Value Statement and Academies Financial Handbook and ensure that robust academy financial control systems, appropriate delegated authority levels and documented financial policies are in place (collectively the Finance Policies).
- To ensure the Annual Report and Accounts are produced in accordance with the Academies Financial Handbook.
- To approve; opening and operation of Academy bank accounts; authorised signatories; transfers between accounts; operation of credit cards; payment system controls including BACS.
- To review the annual report and accounts and recommend for approval to the Members and Board of Trustees
- To approve improvement plans and actions relating to the finance and premises area.
- To ensure a strategic financial view of income, staffing, other expenditure and capital projects. To have a strategic view regarding forward planning of School finances through longer term financial plans and projections, including capital funding both for maintenance of existing facilities and for School improvement projects.
- To ensure that the School Asset Management Plan is regularly updated and to monitor the progress of all facilities works, including CIF projects.
- To review and approve all bought in service provision.
- Have oversight of the maintenance, security, usage and development of the School's buildings.
- Within the context of the School Improvement Plan, seek sources of funding for premises development.
- Review the School's Health and Safety Policy and its operation.
- Oversee the use made of the School premises both in and out of School hours working with School Plus, the Schools out of hours letting's manager.
- Monitor staff turnover & patterns of absence.
- Review and approve, annually, the School's staffing structure.
- Review the staff salaries annually.
- Monitor & review staffing aspects of the School Improvement Plan.
- Ensure that all staff have fair access to continuous professional development opportunities.

The Finance & Resources Committee also acts as the Audit Committee for the Academy. The requirements for the Audit Committee are specified in the Academies Financial Handbook.

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**GOVERNANCE STATEMENT (CONTINUED)**

**Governance (continued)**

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr A Bradley, Chair of Finance	5	5
Mr R Matcham	5	5
Mrs E Pope	3	5
Mr M Schofield	5	5
Mr R Whitaker	4	5
Mr T Little	4	5

**Review of value for money**

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

The Accounting Officer considers how the Academy's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer has delivered improved value for money during the year by exerting tight control on expenditure and analysing reports on a regular basis. Covid-19 lockdown put the School in a unique position for nearly half of the school year which allowed us to recognise savings in certain areas whilst incurring additional costs in others. The net effect was that the School saved money, primarily in areas such as energy costs, agency staff cover costs, departmental resources and reprographics expenditure. These were offset by costs incurred as a result of Covid-19, primarily cleaning and cleaning materials.

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

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Haileybury Academy Trust for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the Annual Report and financial statements.

**Capacity to handle risk**

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the Annual Report and financial statements. This process is regularly reviewed by the Board of Trustees.

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**GOVERNANCE STATEMENT (CONTINUED)**

**Capacity to handle risk (continued)**

**The risk and control framework**

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- Regular reviews by the Finance 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;
- Delegation of authority and segregation of duties; and
- Identification and management of risks.

The Board of Trustees has considered the need for a specific Internal Audit function and has decided to use a number of different organisations to fulfil the internal audit brief, each for their specific area of expertise. Judicium – Health & Safety, Hertfordshire County Council – Safeguarding, Y Dunne Consultancy Services – Financial Controls.

The Internal Auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. In particular, the checks carried out in the current period included:

- Single Central Record Audit – Hertfordshire County Council
- Student Attendance - Local Authority Attendance Team
- Fire Risk Assessment – Judicium
- Health & Safety – Judicium
- Purchase ordering procedures – Y Dunne Consulting Services

The Internal Audit reports are submitted to the Board of Trustees through the Finance and Resources Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and annually prepares an annual summary report to the Committee outlining the areas reviewed, key findings, recommendations and conclusions to help the Committee consider actions and assess year on year progress.

The Internal Audit reports have been delivered and reviewed. There were no material control issues arising as a result of internal audit.

**THE HAILEYBURY ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT (CONTINUED)**

**Review of effectiveness**

As Accounting Officer, the Principal 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 various Internal Auditors;
- The work of the external Auditor;
- The financial management and governance self-assessment process or the school resource management self-assessment tool;
- The work of the executive managers within the Academy 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 and General Purposes Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

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

**R Matcham**  
Chair of Trustees  
Date: 13 December 2019

**R Newman**  
Accounting Officer

**THE HAILEYBURY ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

As Accounting Officer of The Haileybury Academy Trust I have considered my responsibility to notify the Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the Academy Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook 2019.

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

**R Newman**  
Accounting Officer  
Date: 13 January 2021

**THE HAILEYBURY ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

The Trustees (who are 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 2019 to 2020;
- 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 on 13 January 2021 and signed on its behalf by:

**R Matcham**  
Chair of Trustees

**THE HAILEYBURY ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

**Opinion**

We have audited the financial statements of The Haileybury Academy Trust (the 'Academy') for the year ended 31 August 2020 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 2019 to 2020 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 2020 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 2019 to 2020 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**

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

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

**THE HAILEYBURY ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

**Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Other information includes the Trustees' Report including the Strategic Report, the Governance Statement and the Accounting Officer's Statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

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

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

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

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

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

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

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

**THE HAILEYBURY ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

**Responsibilities of Trustees**

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

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

**Auditors' responsibilities for the audit of the financial statements**

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

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

**Use of our Report**

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

**Gary Miller FCA (Senior Statutory Auditor)**

for and on behalf of  
**Price Bailey LLP**  
Chartered Accountants  
Statutory Auditors  
Causeway House  
1 Dane Street  
Bishop's Stortford  
Hertfordshire  
CM23 3BT

14 January 2021

**THE HAILEYBURY ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

In accordance with the terms of our engagement letter dated 11 October 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Haileybury Academy Trust during the year 1 September 2019 to 31 August 2020 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 The Haileybury Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Haileybury Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Haileybury Academy Trust and ESFA, for our work, for this Report, or for the conclusion we have formed.

**Respective responsibilities of The Haileybury Academy Trust's Accounting Officer and the Reporting Accountant**

The Accounting Officer is responsible, under the requirements of The Haileybury Academy Trust's funding agreement with the Secretary of State for Education dated 27 August 2015 and the Academies Financial Handbook, extant from 1 September 2019, 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 2019 to 2020. 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 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

**THE HAILEYBURY ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

The work undertaken to draw our conclusion includes:

- An assessment of the risk of material irregularity, impropriety and non-compliance;
- Consideration and corroboration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance and how the Academy complies with the framework of authorities;
- Evaluation of the general control environment of the Academy, extending the procedures required for financial statements to include regularity, propriety and compliance;
- Discussions with and representations from the Accounting Officer and other key management personnel;
- An extension of substantive testing from our audit of the financial statements to cover matters pertaining to regularity, in order to support the regularity conclusion, including governance, internal controls, procurement and the application of income.

**Conclusion**

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant  
**Price Bailey LLP**

Date: 14 January 2021

**THE HAILEYBURY ACADEMY TRUST**  
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>Income from:</b>						
Donations and capital grants	3	203,728	80,926	849,357	1,134,011	284,961
Charitable activities	4	140,128	5,266,981	-	5,407,109	5,300,016
Other trading activities	5	75,909	-	-	75,909	79,370
Investments	6	358	-	-	358	465
<b>Total income</b>		<b>420,123</b>	<b>5,347,907</b>	<b>849,357</b>	<b>6,617,387</b>	<b>5,664,812</b>
<b>Expenditure on:</b>						
Charitable activities		294,626	5,557,656	429,077	6,281,359	6,117,032
<b>Total expenditure</b>		<b>294,626</b>	<b>5,557,656</b>	<b>429,077</b>	<b>6,281,359</b>	<b>6,117,032</b>
<b>Net income/ (expenditure)</b>		<b>125,497</b>	<b>(209,749)</b>	<b>420,280</b>	<b>336,028</b>	<b>(452,220)</b>
Transfers between funds	16	-	(1,251)	1,251	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>125,497</b>	<b>(211,000)</b>	<b>421,531</b>	<b>336,028</b>	<b>(452,220)</b>
<b>Other recognised gains/(losses):</b>						
Actuarial gains/(losses) on defined benefit pension schemes	23	-	131,000	-	131,000	(457,000)
<b>Net movement in funds</b>		<b>125,497</b>	<b>(80,000)</b>	<b>421,531</b>	<b>467,028</b>	<b>(909,220)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		168,970	(1,398,000)	14,265,933	13,036,903	13,946,123
Net movement in funds		125,497	(80,000)	421,531	467,028	(909,220)
<b>Total funds carried forward</b>		<b>294,467</b>	<b>(1,478,000)</b>	<b>14,687,464</b>	<b>13,503,931</b>	<b>13,036,903</b>

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

The notes on pages 25 to 47 form part of these financial statements.

**THE HAILEYBURY ACADEMY TRUST**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 09659808**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	13	14,033,347	14,245,579
<b>Current assets</b>			
Debtors	14	1,141,752	219,343
Cash at bank and in hand		403,029	430,440
		1,544,781	649,783
Creditors: amounts falling due within one year	15	(582,197)	(460,459)
<b>Net current assets</b>		962,584	189,324
<b>Net assets excluding pension liability</b>		14,995,931	14,434,903
Defined benefit pension scheme liability	23	(1,492,000)	(1,398,000)
<b>Total net assets</b>		13,503,931	13,036,903
 <b>Funds of the Academy Trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	16	14,687,464	14,265,933
Restricted income funds	16	14,000	-
		14,701,464	14,265,933
Restricted funds excluding pension liability	16	14,701,464	14,265,933
Pension reserve	16	(1,492,000)	(1,398,000)
<b>Total restricted funds</b>	16	13,209,464	12,867,933
<b>Unrestricted income funds</b>	16	294,467	168,970
<b>Total funds</b>		13,503,931	13,036,903

The financial statements on pages 22 to 47 were approved by the Trustees, and authorised for issue on 13 January 2021 and are signed on their behalf, by:

**Mr R Matcham**  
Chair of Trustees

The notes on pages 25 to 47 form part of these financial statements.

**THE HAILEYBURY ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	2020 £	2019 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	18	168,722	18,748
<b>Cash flows from investing activities</b>	19	(196,133)	(128,765)
<b>Change in cash and cash equivalents in the year</b>		(27,411)	(110,017)
Cash and cash equivalents at the beginning of the year		430,440	540,457
<b>Cash and cash equivalents at the end of the year</b>	20, 21	<u>403,029</u>	<u>430,440</u>

The notes on pages 25 to 47 form part of these financial statements

**THE HAILEYBURY ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**1. Accounting policies**

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

**1.1 Basis of preparation of financial statements**

The financial statements of the Academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

**1.2 Company status**

The Academy is a Company limited by guarantee. The Members of the Company are named on page 1. In the event of the Academy being wound up, the liability in respect of the guarantee is limited to £10 per Member.

The Academy's registered office is Haileybury Academy Trust, Hertford Heath, Hertford, Hertfordshire, SG13 7NU

**1.3 Going concern**

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

Following the year end the Academy has been affected to a limited extent by restrictions imposed by the UK Government in response to the COVID-19 pandemic.

The Academy derives the majority of its income from local and national government grant funding which is secured for a number of years, under the terms of the Academy Funding Agreement with the Secretary of State for Education. This will ensure that the Academy can continue operating for a period of at least 12 months following the date of this Report. The financial statements do not contain any adjustments that would be required if the Academy were not able to continue as a going concern.

**THE HAILEYBURY ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**1. Accounting policies (continued)**

**1.4 Income**

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

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

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

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

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

Donations 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.

**1.5 Expenditure**

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

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

**THE HAILEYBURY ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**1. Accounting policies (continued)**

**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:

Long term leasehold land	- 125 years
Long term leasehold property	- 30 years
Long term leasehold improvements	- 35 years
Furniture and equipment	- 10 years
Plant and machinery	- 5 years
Computer equipment	- 5 years

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

**1.7 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.

**1.8 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.

**1.9 Liabilities**

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

**THE HAILEYBURY ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**1. Accounting policies (continued)**

**1.10 Financial instruments**

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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 15. 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.

**1.11 Operating leases**

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

**1.12 Pensions**

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

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

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

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

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**1. Accounting policies (continued)**

**1.13 Agency arrangements**

The Academy 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 incorporating Income and Expenditure Account, as the Academy does not have control over the charitable application of the funds.

Where the funds have not been fully applied in the accounting period then an amount will be included in the Balance Sheet as an other creditor.

**1.14 Fund accounting**

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

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

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

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

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

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. 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.

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**3. Income from donations and capital grants**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations	203,728	57,126	-	260,854	193,794
Grants	-	23,800	-	23,800	23,800
Capital grants	-	-	849,357	849,357	67,367
<b>Total 2020</b>	<u>203,728</u>	<u>80,926</u>	<u>849,357</u>	<u>1,134,011</u>	<u>284,961</u>
Total 2019	<u>76,449</u>	<u>101,663</u>	<u>106,849</u>	<u>284,961</u>	

In 2019, income from donations was £193,794 of which £76,449 was unrestricted and £117,345, restricted.

In 2019, income from grants was £23,800 of which all was restricted.

In 2019, income from capital grants was £67,367 of which all was restricted fixed assets.

**4. Funding for the Academy Trust's provision of education**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>DfE/ESFA grants</b>				
General Annual Grant (GAG)	-	4,739,794	4,739,794	4,785,794
Other DfE / ESFA grants	-	527,187	527,187	312,190
	<u>-</u>	<u>5,266,981</u>	<u>5,266,981</u>	<u>5,097,984</u>
<b>Other Government grants</b>				
Local Authority grant	-	-	-	5,590
	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,590</u>
<b>Other funding</b>				
Catering income	140,128	-	140,128	196,442
<b>Total 2020</b>	<u>140,128</u>	<u>5,266,981</u>	<u>5,407,109</u>	<u>5,300,016</u>
Total 2019	<u>196,442</u>	<u>5,103,574</u>	<u>5,300,016</u>	

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**4. Funding for the Academy Trust's provision of education (continued)**

In 2019, income from DFE/ESFA grants was £5,097,984 of which all was restricted.

In 2019, income from Local Authority grants was £5,590 of which all was restricted.

In 2019, income from catering was £196,442 of which all was unrestricted.

**5. Income from other trading activities**

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Hire of facilities	18,722	18,722	25,060
Other income generated	57,187	57,187	54,310
<b>Total 2020</b>	<u>75,909</u>	<u>75,909</u>	<u>79,370</u>
Total 2019	<u>79,370</u>	<u>79,370</u>	

In 2019, hire of facilities income was £25,060 of which all was unrestricted.

In 2019, other income was £54,310 of which all was unrestricted.

**6. Investment income**

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Bank interest	358	358	465
Total 2019	<u>465</u>	<u>465</u>	

In 2019, all investment income was in relation to unrestricted funds.

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**7. Expenditure**

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £	Total 2019 £
Provision of Education:					
Direct costs	4,301,088	-	536,672	4,837,760	4,527,667
Support costs	492,281	636,440	314,878	1,443,599	1,589,365
<b>Total 2020</b>	<u>4,793,369</u>	<u>636,440</u>	<u>851,550</u>	<u>6,281,359</u>	<u>6,117,032</u>
Total 2019	<u>4,471,559</u>	<u>518,532</u>	<u>1,126,941</u>	<u>6,117,032</u>	

In 2020, of the total expenditure, £273,422 (2019 - £315,888) was from unrestricted funds, £22,379 (2019 - £NIL) was from designated funds, £5,380,817 (2019 - £5,364,819) was from restricted funds and £604,741 (2019 - £436,325) was from restricted fixed asset funds.

In 2019, direct expenditure consisted of £3,973,799 staff costs and £553,868 other costs.

In 2019, allocated support costs consisted of £497,760 staff costs, £518,532 premises costs and £573,073 other costs.

**8. Charitable activities**

	2020 £	2019 £
Direct costs	4,837,760	4,527,667
Support costs	1,443,599	1,589,365
	<u>6,281,359</u>	<u>6,117,032</u>
	2020 £	2019 £
Support staff costs	492,281	497,760
Depreciation	408,723	396,843
Technology costs	39,678	36,547
Premises costs	227,717	346,556
Other support costs	260,505	296,537
Governance costs	12,772	10,383
Legal costs	1,923	4,739
	<u>1,443,599</u>	<u>1,589,365</u>

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**9. Net income/(expenditure)**

Net income/(expenditure) for the year includes:

	2020	2019
	£	£
Operating lease rentals	28,727	22,489
Depreciation of tangible fixed assets	408,723	396,843
Fees paid to Auditors for:		
- Audit	7,375	7,160
- Other services	4,700	4,565
	425,425	435,457

**10. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

	2020	2019
	£	£
Wages and salaries	3,502,053	3,414,181
Social security costs	340,936	328,475
Pension costs	909,331	657,438
	4,752,320	4,400,094
Agency staff costs	41,049	71,465
	4,793,369	4,471,559

**b. Staff numbers**

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

	2020	2019
	No.	No.
Teachers	57	60
Admin & Support	49	51
Management	8	7
	114	118

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**10. Staff (continued)**

**c. Higher paid staff**

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

	2020 No.	2019 No.
In the band £60,001 - £70,000	3	4
In the band £90,001 - £100,000	1	1
	<u>          </u>	<u>          </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 personnel for their services to the Academy Trust was £682,708 (2019 - £641,712).

Included in the above are employer pension contributions of £107,014 (2019 - £79,036) and employer national insurance contributions of £61,466 (2019 - £60,153).

**11. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 August 2020, no Trustee expenses have been incurred (2019 - £NIL).

**12. Trustees' and Officers' insurance**

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

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**13. Tangible fixed assets**

	Long-term leasehold property £	Furniture and equipment £	Plant and machinery £	Computer equipment £	Total £
<b>Cost or valuation</b>					
At 1 September 2019	14,749,307	313,654	60,500	275,661	15,399,122
Additions	175,664	-	-	20,827	196,491
At 31 August 2020	<u>14,924,971</u>	<u>313,654</u>	<u>60,500</u>	<u>296,488</u>	<u>15,595,613</u>
<b>Depreciation</b>					
At 1 September 2019	696,577	211,021	48,400	197,545	1,153,543
Charge for the year	342,861	15,592	12,100	38,170	408,723
At 31 August 2020	<u>1,039,438</u>	<u>226,613</u>	<u>60,500</u>	<u>235,715</u>	<u>1,562,266</u>
<b>Net book value</b>					
At 31 August 2020	<u>13,885,533</u>	<u>87,041</u>	<u>-</u>	<u>60,773</u>	<u>14,033,347</u>
At 31 August 2019	<u>14,052,730</u>	<u>102,633</u>	<u>12,100</u>	<u>78,116</u>	<u>14,245,579</u>

**14. Debtors**

	2020 £	2019 £
Trade debtors	71,936	4,167
VAT recoverable	160,721	50,079
Prepayments and accrued income	909,095	165,097
	<u>1,141,752</u>	<u>219,343</u>

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**15. Creditors: Amounts falling due within one year**

	2020 £	2019 £
Trade creditors	165,004	34,721
Other taxation and social security	87,895	89,903
Other creditors	84,473	72,423
Accruals and deferred income	244,825	263,412
	582,197	460,459
	582,197	460,459
	2020 £	2019 £
Deferred income at 1 September 2019	89,913	49,313
Resources deferred during the year	73,918	89,913
Amounts released from previous periods	(89,913)	(49,313)
	73,918	89,913
	73,918	89,913

Deferred income as at 31 August 2020 comprises of trip income, School Games Organiser funding, rates grant for 2019/20 received in advance and catering income.

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**16. Statement of funds**

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
<b>Designated funds</b>						
Future refurbishment works	22,379	-	(22,379)	-	-	-
<b>General funds</b>						
Unrestricted funds	146,591	420,123	(272,247)	-	-	294,467
<b>Total Unrestricted funds</b>	<b>168,970</b>	<b>420,123</b>	<b>(294,626)</b>	<b>-</b>	<b>-</b>	<b>294,467</b>
<b>Restricted general funds</b>						
GAG	-	4,739,794	(4,738,543)	(1,251)	-	-
Other DfE/ESFA	-	527,187	(513,187)	-	-	14,000
Restricted donations	-	57,126	(57,126)	-	-	-
Other Government grants	-	23,800	(23,800)	-	-	-
Pension reserve	(1,398,000)	-	(225,000)	-	131,000	(1,492,000)
	<b>(1,398,000)</b>	<b>5,347,907</b>	<b>(5,557,656)</b>	<b>(1,251)</b>	<b>131,000</b>	<b>(1,478,000)</b>
<b>Restricted fixed asset funds</b>						
Fixed asset	14,245,579	-	(408,723)	196,491	-	14,033,347
CIF	20,354	829,781	(20,354)	(175,664)	-	654,117
DFC	-	19,576	-	(19,576)	-	-
	<b>14,265,933</b>	<b>849,357</b>	<b>(429,077)</b>	<b>1,251</b>	<b>-</b>	<b>14,687,464</b>
<b>Total Restricted funds</b>	<b>12,867,933</b>	<b>6,197,264</b>	<b>(5,986,733)</b>	<b>-</b>	<b>131,000</b>	<b>13,209,464</b>
<b>Total funds</b>	<b>13,036,903</b>	<b>6,617,387</b>	<b>(6,281,359)</b>	<b>-</b>	<b>131,000</b>	<b>13,503,931</b>

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**16. Statement of funds (continued)**

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

**Unrestricted General funds**

The unrestricted fund has been created to recognise the incoming and outgoing resources in respect of activities undertaken by the Academy which fall outside the scope of its core activities.

**Designated funds**

The designated fund has been created to recognise to future refurbishment works planned for the Academy.

**General Annual Grant (GAG)**

This represents funding from the ESFA to be used for the normal running costs of the Trust, including education and support costs.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2020.

**Other DfE and ESFA**

This represents non-GAG funding received from the DfE/ESFA which is restricted in nature, including Pupil Premium and Year 7 Catch-up.

**Restricted trip donations**

This represents contributions made by parents towards the running costs of trips for the pupils of the School and the associated costs. Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2020.

**Other Government grants**

This represents funding received from other Government bodies, local and national, which are restricted.

**Pension reserve**

This reserve represents the Academy's share of the deficit on the Local Government Pension Scheme (LGPS).

**Restricted fixed asset fund**

Restricted fixed assets fund represents the value of fixed assets held in line with the charitable objectives of the Academy. The transfers between funds represents additions purchased through GAG funding.

**Condition Improvement Fund (CIF)**

This represents a grant received toward a specific building or maintenance project. Any funds left unspent must be returned to the DfE.

**Devolved Formula Capital (DFC) funding**

This represents a grant toward the repair and maintenance of the Academy's buildings and assets.

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**16. Statement of funds (continued)**

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>Designated funds</b>						
Future refurbishment works	-	-	-	22,379	-	22,379
<b>General funds</b>						
Unrestricted funds	193,995	352,726	(315,888)	(84,242)	-	146,591
<b>Total Unrestricted funds</b>	<b>193,995</b>	<b>352,726</b>	<b>(315,888)</b>	<b>(61,863)</b>	<b>-</b>	<b>168,970</b>
<b>Restricted general funds</b>						
GAG	32,582	4,785,794	(4,818,376)	-	-	-
Other DfE/ESFA	-	312,190	(312,190)	-	-	-
Other Government grants	-	29,390	(29,390)	-	-	-
Restricted trips	-	77,863	(77,863)	-	-	-
Pension reserve	(814,000)	-	(127,000)	-	(457,000)	(1,398,000)
	<b>(781,418)</b>	<b>5,205,237</b>	<b>(5,364,819)</b>	<b>-</b>	<b>(457,000)</b>	<b>(1,398,000)</b>

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**16. Statement of funds (continued)**

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>Restricted fixed asset funds</b>						
Fixed asset	14,513,192	-	(396,843)	129,230	-	14,245,579
CIF	20,354	-	-	-	-	20,354
DFC	-	67,367	-	(67,367)	-	-
Other capital	-	39,482	(39,482)	-	-	-
	<u>14,533,546</u>	<u>106,849</u>	<u>(436,325)</u>	<u>61,863</u>	<u>-</u>	<u>14,265,933</u>
<b>Total Restricted funds</b>	<u>13,752,128</u>	<u>5,312,086</u>	<u>(5,801,144)</u>	<u>61,863</u>	<u>(457,000)</u>	<u>12,867,933</u>
<b>Total funds</b>	<u><u>13,946,123</u></u>	<u><u>5,664,812</u></u>	<u><u>(6,117,032)</u></u>	<u><u>-</u></u>	<u><u>(457,000)</u></u>	<u><u>13,036,903</u></u>

**17. Analysis of net assets between funds**

**Analysis of net assets between funds - current period**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	14,033,347	14,033,347
Current assets	294,467	596,197	654,117	1,544,781
Creditors due within one year	-	(582,197)	-	(582,197)
Provisions for liabilities and charges	-	(1,492,000)	-	(1,492,000)
<b>Total</b>	<u><u>294,467</u></u>	<u><u>(1,478,000)</u></u>	<u><u>14,687,464</u></u>	<u><u>13,503,931</u></u>

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**17. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior period**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	14,245,579	14,245,579
Current assets	168,970	460,459	20,354	649,783
Creditors due within one year	-	(460,459)	-	(460,459)
Provisions for liabilities and charges	-	(1,398,000)	-	(1,398,000)
<b>Total</b>	<u>168,970</u>	<u>(1,398,000)</u>	<u>14,265,933</u>	<u>13,036,903</u>

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

	2020 £	2019 £
Net income/(expenditure) for the period (as per Statement of Financial Activities)	336,028	(452,220)
<b>Adjustments for:</b>		
Depreciation	408,723	396,843
Interest received	(358)	(465)
Increase in debtors	(922,409)	(100,271)
Increase in creditors	121,738	47,861
LGPS adjustment	225,000	127,000
<b>Net cash provided by operating activities</b>	<u>168,722</u>	<u>18,748</u>

**19. Cash flows from investing activities**

	2020 £	2019 £
Interest	358	465
Purchase of tangible fixed assets	(196,491)	(129,230)
<b>Net cash used in investing activities</b>	<u>(196,133)</u>	<u>(128,765)</u>

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**20. Analysis of cash and cash equivalents**

	2020 £	2019 £
Cash in hand	403,029	430,440
	403,029	430,440

**21. Analysis of changes in net debt**

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	430,440	(27,411)	403,029
	430,440	(27,411)	403,029

**22. Capital commitments**

	2020 £	2019 £
<b>Contracted for but not provided in these financial statements</b>		
Acquisition of tangible fixed assets	654,117	-
	654,117	-

**23. 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 Hertfordshire 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 £78,492 were payable to the schemes at 31 August 2020 (2019 - £67,364) 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.

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**23. Pension commitments (continued)**

**Valuation of the Teachers' Pension Scheme**

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

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy);
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million; and
- 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.

The employer's pension costs paid to TPS in the year amounted to £509,076 (2019 - £350,342).

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 2020 was £254,000 (2019 - £267,000), of which employer's contributions totalled £200,000 (2019 - £213,000) and employees' contributions totalled £ 54,000 (2019 - £54,000). The agreed contribution rates for future years are 25.4 per cent for employers and 5.5-12.5 per cent for employees.

As described in note the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

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.

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**23. Pension commitments (continued)**

**Principal actuarial assumptions**

	2020	2019
	%	%
Rate of increase in salaries	2.60	2.40
Rate of increase for pensions in payment/inflation	2.20	2.30
Discount rate for scheme liabilities	1.70	1.80
Inflation assumption (CPI)	2.20	2.30
Inflation assumption (RPI)	3.30	3.30

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

	2020	2019
	Years	Years
Retiring today		
Males	21.9	21.5
Females	24.1	23.7
Retiring in 20 years		
Males	22.8	22.3
Females	25.5	25.0

As at the 31st August 2019 the Academy has a pension liability of £1,492,000 (2019 - £1,398,000). The sensitivity analysis detailed below would increase/(decrease) the closing defined benefit obligation in the following way:

**Sensitivity analysis**

	2020	2019
	£000	£000
Discount rate +0.1%	(89,000)	(88,000)
Discount rate -0.1%	89,000	88,000
Mortality assumption - 1 year increase	149,000	136,000
Mortality assumption - 1 year decrease	(149,000)	(136,000)
CPI rate +0.1%	82,000	75,000
CPI rate -0.1%	(82,000)	(75,000)

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**23. Pension commitments (continued)**

**Share of scheme assets**

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

	2020 £	2019 £
Equities	1,179,000	976,000
Other bonds	778,000	778,000
Property	200,000	160,000
Cash and other liquid assets	67,000	80,000
<b>Total market value of assets</b>	<u><u>2,224,000</u></u>	<u><u>1,994,000</u></u>

The actual return on scheme assets was £11,000 (2019 - £148,000).

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

	2020 £	2019 £
Current service cost	(398,000)	(313,000)
Past service cost	-	(3,000)
Interest income	38,000	48,000
Interest cost	(65,000)	(72,000)
<b>Total amount recognised in the Statement of Financial Activities</b>	<u><u>(425,000)</u></u>	<u><u>(340,000)</u></u>

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

	2020 £	2019 £
<b>At 1 September</b>	3,392,000	2,415,000
Current service cost	398,000	313,000
Interest cost	65,000	72,000
Employee contributions	54,000	54,000
Actuarial (gains)/losses	(158,000)	557,000
Benefits paid	(35,000)	(22,000)
Past service costs	-	3,000
<b>At 31 August</b>	<u><u>3,716,000</u></u>	<u><u>3,392,000</u></u>

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**23. Pension commitments (continued)**

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

	2020 £	2019 £
<b>At 1 September</b>	1,994,000	1,601,000
Interest income	38,000	48,000
Actuarial losses	(27,000)	100,000
Employer contributions	200,000	213,000
Employee contributions	54,000	54,000
Benefits paid	(35,000)	(22,000)
<b>At 31 August</b>	2,224,000	1,994,000

**24. Operating lease commitments**

At 31 August 2020 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	25,015	22,070
Later than 1 year and not later than 5 years	25,818	50,703
	50,833	72,773

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**25. 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.

**26. 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 Academies Financial 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.

The Academy receives services from the Haileybury and Imperial College, the Academy's sponsor, for the transportation of students. The total paid for this service was £NIL (2019 - £705) and there was no balance outstanding at the year end.

A total of £200,000 (2019 - £50,000) was donated from the Haileybury and Imperial College, the Academy's sponsor. There were no restrictions placed upon this money.

The spouse of Mr R Newman, the Accounting Officer, is employed by the Trust on a contract approved by the Trustees whose remuneration is in line with the standard pay scales for the role undertaken and their employment contract is subject to normal terms and conditions.

Other than those noted above, no other related party transactions took place in the period.

**27. Agency arrangements**

The Academy distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2020 the Trust received £16,148 (2019 - £13,236) and disbursed £15,226 (2019 - £21,275) from the fund. An amount of £5,981 (2019 - £5,059) is included in other creditors relating to undistributed funds that is repayable to ESFA.