

HAILEYBURY ACADEMY TRUST

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

HAILEYBURY ACADEMY TRUST
(A Company Limited by Guarantee)

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HAILEYBURY ACADEMY TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

| | |
|--|--|
| Members | Haileybury & Imperial Service College Mr M Gatenby Mr S D Boyden Mr M C Bishop (resigned 31 December 2020) Mr S A Westley Ms C Mills (appointed 30 November 2020) |
| Trustees | Dr L Pugsley Mr M Collier Mr S Campbell Mr I Richardson (resigned 10 June 2021) Mr R Matcham, Chair of Trustees Mr J Giesen Mr T Little Mr D Kilgallon Mrs E Pope (resigned 31 December 2020) Mrs U Mahaka Mr R Whitaker Mrs D Mathews (appointed 9 February 2021) Mrs L Mckeown (appointed 12 June 2021) Mr I Hodges-Jackson (appointed 12 June 2021) Mr C Parry (appointed 25 June 2021) |
| Company registered number | 09659808 |
| Company name | Haileybury Academy Trust |
| Principal and registered office | Haileybury Academy Trust Hertford Heath Hertford Hertfordshire SG13 7NU |
| Accounting Officer | Mr R Newman |

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

**Senior Leadership
Team**

Mr R Newman, Principal and Accounting Officer
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
Mr E Macaulay, Assistant Principal

Independent Auditors

Price Bailey LLP
Chartered Accountants
Statutory Auditors
Causeway House
1 Dane Street
Bishop's Stortford
Hertfordshire
CM23 3BT

HAILEYBURY ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

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 2021. 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 858 in the 2020 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 2021

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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FOR THE YEAR ENDED 31 AUGUST 2021

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%.

£1,935 was spent on facility time, which is equivalent to 3% of the total pay bill of £64,418.

The amount of time spent on paid trade union activities, as a percentage of paid facility hours, was 3%

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, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required.

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:

- Opportunities for Academy teaching staff to visit the Sponsor to develop their teaching and learning practice.
- Opportunities are given to groups of Academy students to spend time at the Sponsor focusing on specific areas of the curriculum, for example, in science.
- 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).
- YCH Services for Young People (SfYP) (Information, advice and guidance for students).
- The Broxbourne School Modern Foreign Languages Hub.
- Matrix Herts Maths Hub
- Marriotts School, Stevenage.
- Balliol College, University of Oxford.

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:

- Delivering high-quality teaching for all, with effective assessments for students and professional development for staff.
- Providing targeted academic support to ensure learning recovery for students, including those with Special Educational Needs & Disabilities and the most disadvantaged.
- Implementing strategies to support students' personal development and wellbeing needs as they returned to School following the COVID-19 lockdown in the previous academic year.

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

- Year 11 outcomes - these were teacher-assessed grades in 2021 due to the cancellation of examinations.
- Good student attendance in Year 7-11, despite the challenges of the pandemic, with attendance in line with national % figures.
- Good student engagement with remote learning during School closure periods.
- Positive student attitudes, behaviour and engagement in lessons, prior to the January-March 2021 lockdown and following this period.
- Effective safeguarding in place for students, including during the lockdown period between January-March 2021.
- Good outcomes in the Sixth Form in A Level subjects and all vocational qualifications. There were teacher-assessed grades in 2021 due to the cancellation of examinations.
- Securing of ambitious and appropriate destinations beyond Year 11 and Year 13 for students.
- Successful recruitment into key leadership and teaching posts, and good retention of staff.
- Continued partnership work with a wide range of external organisations to support school improvement, the quality of education and personal development for our students.

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 attended regularly, and achieved their potential through a robust teacher-assessed grades process, in which students were highly successful, with students securing ambitious and appropriate destinations, including for the most vulnerable students. Safeguarding remained effective throughout the academic year, with the additional challenges and pressures for families, created by the COVID-19 pandemic.

Specific achievements were as follows:

- Good attendance sustained for students, above the national benchmarks, throughout the academic year.
- Strong learning recovery took place in summer term 2021 following the period of lockdown.
- Excellent support for student wellbeing and mental health, with increasing issues placed on the School as a result of the pandemic.
- Ambitious and appropriate destinations secured for Year 11 students, with the majority moving into the Academy's sixth form, or moving to college for their post-16 studies.
- Increased proportion of students successfully applying to, and taking up, places at university in autumn 2021.
- rate to university and Apprenticeships, post Year 13.
- Improved GCSE outcomes in 2021 through the teacher-assessed grade process, compared to 2020.
- Retained high quality teaching staff, and appointed new staff as necessary of a high calibre to replace staff leaving.
- Strong KS5 A Level and vocational qualification outcomes.
- Strong remote learning provision during lockdown when all schools closed and positive feedback from families about the quality of provision.

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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 2020 (based on the October 2019 census) were 858.

Another key financial performance indicator is staffing costs as a percentage of total income. For 2020/21 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 2021 the Trust received £5,926,171 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 £6,057,836 on general running expenses and spent £7,222,004 on a capital new build and improvement projects on the School site. The Academy carry forward for 20/21 is £48,880 restricted funding and £300,843 unrestricted funding.

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Academy is recognising a significant pension fund deficit of £2,264,000. 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.

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The Academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £300,843. 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 £300,843 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 2021, the Trust's balance on restricted general funds (excluding pension reserve) is £48,880 and the balance on unrestricted funds is £300,843.

The cash balance of the Academy has been very healthy all year, ending the year with a balance of £690,995. 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 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.

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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

- 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 for Sport Relief, Macmillan Cancer Support, Save the Children, Just Like Us (Diversity week) and Show Racism the Red Card.

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 academy 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.
- Age and condition of the school buildings. The academy is exposed to high operational costs and the risk of unexpected, unplanned maintenance costs. Planning permission and funding is currently being sought for a Sports Centre to replace the existing Gym.
- Further strategic site development work is continuing, with support from Barker Associates to determine future site improvements over the next 3-10 years.

Summary of Haileybury Turnford School Improvement Actions for 2021-22

The 3 key strategic improvement priorities are:

1. To deliver high-quality teaching for all, with a strong focus on reading strategies for students and professional development for staff.
2. To provide targeted academic support to ensure learning recovery for our students, including those with Special Educational Needs & Disabilities and the most disadvantaged.
3. To implement and embed strategies to support our students' personal development and wellbeing needs.

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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

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 17 December 2021 and signed on its behalf by:

R Matcham
Chair of Trustees

HAILEYBURY ACADEMY TRUST
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GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that 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 Haileybury Academy Trust and the Secretary of State for Education. He is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met five 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 | 5 | 5 |
| Mr M Collier | 3 | 5 |
| Mr S Campbell | 3 | 5 |
| Mr I Richardson | 4 | 4 |
| Mr R Matcham, Chair of Trustees | 5 | 5 |
| Mr J Giesen | 5 | 5 |
| Mr T Little | 5 | 5 |
| Mr D Kilgallon | 3 | 5 |
| Mrs E Pope | 2 | 2 |
| Mrs U Mahaka | 2 | 5 |
| Mr R Whitaker | 5 | 5 |
| Mrs D Mathews | 2 | 3 |
| Mrs L Mckeown | 0 | 0 |
| Mr I Hodges-Jackson | 0 | 0 |
| Mr C Parry | 0 | 0 |

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Review of year

Covid-19 has offered challenges to the Governing Body. It continued to meet throughout the year via an online platform rather than in person.

Throughout the academic year, the Governing Body ensured strong support and challenge for school improvement through the monitoring of the school improvement plan, and the objectives identified by the Principal and senior staff. Governor visits, remotely and in-person, played an important part in supporting this role of the Governing Body.

The Governing Body has had a strategic focus on the fabric of the school estate over the year. To support and inform their decision making process they commissioned a buildings strategy report for Barker Associates which included a detailed condition survey of existing buildings, a capacity report and a direction of travel for the improvement and development of the site.

The Full Governing Body met on five occasions throughout the year. Sub committees (Education, Finance & Resources and Pay) also met during the year and reported back the FGB. All committee papers are available to all Governors via Governor Hub, an online portal specifically designed to support school governance.

There have been some changes in Trustees

| | | |
|---------------|---------------------|------------|
| Resignations: | Mrs E Pope | 31/12/2020 |
| | Mr I Richardson | 10/06/2021 |
| Appointments: | Mr I Hodges-Jackson | 12/06/2021 |
| | Ms L McKeown | 12/06/2021 |
| | Ms D Mathews | 09/02/2021 |
| | Mr C Parry | 25/06/2021 |

Governance reviews

An internal governance review took place during the year and an external review is scheduled for the Autumn term of the 2021/22 year.

A number of Governors will reach the end of their second term in post over the next year therefore a strategy to recruit new Governors who can shadow those currently in post is being implemented. This will ensure that the Governing Body continues to have a cross section of knowledge, experience and skills available and to maintain continuity across the transition period.

Committees

The Finance and Resources 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.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

- To review and monitor all policies under the scope of the Finance and Resources 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.

Attendance during the year at meetings was as follows:

| Trustee | Meetings attended | Out of a possible |
|--------------------------------|-------------------|-------------------|
| Mr A Bradley, Chair of Finance | 7 | 7 |
| Mr R Matcham | 7 | 7 |
| Mrs R Newman | 7 | 7 |
| Mrs E Pope | 1 | 3 |
| Mr R Whitaker | 6 | 7 |
| Mr T Little | 6 | 7 |
| Mr M Schofield | 6 | 7 |

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GOVERNANCE STATEMENT (CONTINUED)

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

- Central purchasing of bulk items eg student exercise books and stationery
- Using DfE framework to obtain best value when purchasing furniture for the new building
- Using an energy broker to obtain quotes across the energy industry for the supply of energy to the School

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 Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Academy for the year 1 September 2020 to 31 August 2021 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 Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that has been in place for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the Annual Report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

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

The Board of Trustees has decided to 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.

HAILEYBURY ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

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:

- Payroll
- Single Central Record
- Fire Risk
- Health & Safety
- Literacy
- JCQ Exam Centre Inspection

On a regular basis, the Internal Auditor reports 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.

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 Internal Auditor;
- the work of the external Auditors;
- the financial management and governance self-assessment process;
- 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 Resources Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

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

R Matcham
Chair of Trustees
Date: 17 December 2021

R Newman
Accounting Officer

HAILEYBURY ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of 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 2020.

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 2020.

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: 17 December 2021

HAILEYBURY ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- 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 the Board of Trustees and signed on its behalf by:

R Matcham
Chair of Trustees
Date: 17 December 2021

HAILEYBURY ACADEMY TRUST
(A Company Limited by Guarantee)

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

Opinion

We have audited the financial statements of Haileybury Academy Trust (the 'Trust') for the year ended 31 August 2021 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 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 August 2021 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 2020 to 2021 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

HAILEYBURY ACADEMY TRUST
(A Company Limited by Guarantee)

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

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the 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 Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

HAILEYBURY ACADEMY TRUST
(A Company Limited by Guarantee)

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

Auditors' responsibilities for the audit of the financial statements

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

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

We gained an understanding of the legal and regulatory framework applicable to the Trust and the sector in which it operates and considered the risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations. This included those regulations directly related to the financial statements, including financial reporting and tax legislation and academy sector regulations including GDPR, employment law, health and safety and safeguarding.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

- We reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness, and evaluating the business rationale of any large or unusual transactions to determine whether they were significant to our assessment.
- We reviewed key controls, authorisation procedures and decision making processes for any unusual or one-off transactions.
- We reviewed minutes of Trustee Board meetings and other relevant sub-committees of the Board such as the Finance and Resources Committee and agreed the financial statement disclosures to underlying supporting documentation.
- We have made enquiries of the Accounting Officer and senior management team to identify laws and regulations applicable to the Trust. We assessed details of any breaches where applicable in order to assess the impact upon the Trust.
- We reviewed the risk management processes and procedures in place including a review of the Risk Register and Board Assurance Reporting and the Internal Scrutiny Reports.
- We have reviewed any correspondence with the ESFA / DfE and the procedures in place for the reporting of incidents to the Trustees including reporting of any serious incidents to the Regulator if necessary.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

HAILEYBURY ACADEMY TRUST
(A Company Limited by Guarantee)

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

Use of our Report

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

20 December 2021

HAILEYBURY ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
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 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Haileybury Academy Trust during the year 1 September 2020 to 31 August 2021 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 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 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 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 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 2020, 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 2020 to 2021. 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 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

HAILEYBURY ACADEMY TRUST
(A Company Limited by Guarantee)

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

Approach

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

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

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

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

The work undertaken to draw 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 Trust complies with the framework of authorities;
- Evaluation of the general control environment of the Trust, 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 2020 to 31 August 2021 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
Chartered Accountants
Statutory Auditors

Date: 20 December 2021

HAILEYBURY ACADEMY TRUST
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021**

| | Note | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Restricted fixed asset funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|---|------|------------------------------------|----------------------------------|---|-----------------------------|-----------------------------|
| Income from: | | | | | | |
| Donations and capital grants | 3 | 205,504 | 7,716 | 6,587,336 | 6,800,556 | 1,134,011 |
| Other trading activities | 5 | 30,725 | 4,000 | - | 34,725 | 75,909 |
| Investments | 6 | 93 | - | - | 93 | 358 |
| Charitable activities | 4 | 134,438 | 5,543,695 | - | 5,678,133 | 5,407,109 |
| Total income | | 370,760 | 5,555,411 | 6,587,336 | 12,513,507 | 6,617,387 |
| Expenditure on: | | | | | | |
| Charitable activities | 7 | 304,305 | 5,753,531 | 1,938,906 | 7,996,742 | 6,281,359 |
| Total expenditure | | 304,305 | 5,753,531 | 1,938,906 | 7,996,742 | 6,281,359 |
| Net income/ (expenditure) | | 66,455 | (198,120) | 4,648,430 | 4,516,765 | 336,028 |
| Transfers between funds | 16 | (60,079) | - | 60,079 | - | - |
| Net movement in funds before other recognised gains/(losses) | | 6,376 | (198,120) | 4,708,509 | 4,516,765 | 336,028 |
| Other recognised gains/(losses): | | | | | | |
| Actuarial (losses)/gains on defined benefit pension schemes | 23 | - | (539,000) | - | (539,000) | 131,000 |
| Net movement in funds | | 6,376 | (737,120) | 4,708,509 | 3,977,765 | 467,028 |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | | 294,467 | (1,478,000) | 14,687,464 | 13,503,931 | 13,036,903 |
| Net movement in funds | | 6,376 | (737,120) | 4,708,509 | 3,977,765 | 467,028 |
| Total funds carried forward | | 300,843 | (2,215,120) | 19,395,973 | 17,481,696 | 13,503,931 |

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

The notes on pages 27 to 50 form part of these financial statements.

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

BALANCE SHEET
AS AT 31 AUGUST 2021

| | Note | 2021 £ | 2020 £ |
|--|------|-------------|-------------|
| Fixed assets | | | |
| Tangible assets | 13 | 19,395,973 | 14,033,347 |
| Current assets | | | |
| Debtors | 14 | 212,222 | 1,141,752 |
| Cash at bank and in hand | | 690,995 | 403,029 |
| | | 903,217 | 1,544,781 |
| Creditors: amounts falling due within one year | 15 | (553,494) | (582,197) |
| Net current assets | | 349,723 | 962,584 |
| Net assets excluding pension liability | | 19,745,696 | 14,995,931 |
| Defined benefit pension scheme liability | 23 | (2,264,000) | (1,492,000) |
| Total net assets | | 17,481,696 | 13,503,931 |
| Funds of the Academy Trust | | | |
| Restricted funds: | | | |
| Fixed asset funds | 16 | 19,395,973 | 14,687,464 |
| Restricted income funds | 16 | 48,880 | 14,000 |
| Restricted funds excluding pension liability | 16 | 19,444,853 | 14,701,464 |
| Pension reserve | 16 | (2,264,000) | (1,492,000) |
| Total restricted funds | 16 | 17,180,853 | 13,209,464 |
| Unrestricted income funds | 16 | 300,843 | 294,467 |
| Total funds | | 17,481,696 | 13,503,931 |

The financial statements on pages 24 to 50 were approved by the Trustees, and authorised for issue on 17 December 2021 and are signed on their behalf, by:

Mr R Matcham
Chair of Trustees

The notes on pages 27 to 50 form part of these financial statements.

HAILEYBURY ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

| | Note | 2021 £ | 2020 £ |
|---|--------|----------------|----------------|
| Cash flows from operating activities | | | |
| Net cash provided by operating activities | 18 | 7,569,894 | 168,722 |
| Cash flows from investing activities | 19 | (7,281,928) | (196,133) |
| Change in cash and cash equivalents in the year | | 287,966 | (27,411) |
| Cash and cash equivalents at the beginning of the year | | 403,029 | 430,440 |
| Cash and cash equivalents at the end of the year | 20, 21 | <u>690,995</u> | <u>403,029</u> |

The notes on pages 27 to 50 form part of these financial statements

HAILEYBURY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Haileybury Academy Trust meets the definition of a public benefit entity under FRS 102.

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.

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.

HAILEYBURY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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 Trust's educational operations, including support costs and costs relating to the governance of the Trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

HAILEYBURY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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.

HAILEYBURY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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.

HAILEYBURY ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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 2021. 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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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

3. Income from donations and capital grants

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Restricted fixed asset funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|-------------------|------------------------------------|----------------------------------|---|-----------------------------|-----------------------------|
| Donations | 205,504 | 7,716 | - | 213,220 | 260,854 |
| Grants | - | - | - | - | 23,800 |
| Capital grants | - | - | 19,511 | 19,511 | 849,357 |
| Donated assets | - | - | 6,567,825 | 6,567,825 | - |
| Total 2021 | <u>205,504</u> | <u>7,716</u> | <u>6,587,336</u> | <u>6,800,556</u> | <u>1,134,011</u> |
| Total 2020 | <u>203,728</u> | <u>80,926</u> | <u>849,357</u> | <u>1,134,011</u> | |

In 2020, income from donations was £260,854 of which £203,728 was unrestricted and £57,126, restricted.

In 2020, income from grants was £23,800 of which all was restricted.

In 2020, income from capital grants was £849,357 of which all related to restricted fixed assets.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|--------------------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| DfE/ESFA grants | | | | |
| General Annual Grant (GAG) | - | 4,802,572 | 4,802,572 | 4,739,794 |
| Other DfE/ESFA grants | | | | |
| Pupil premium | - | 213,830 | 213,830 | 214,103 |
| Teachers pay grant | - | 60,825 | 60,825 | 62,705 |
| Teachers pension grant | - | 171,879 | 171,879 | 175,346 |
| Kickstarter teaching grant | - | 58,587 | 58,587 | - |
| Summer school funding | - | 47,379 | 47,379 | - |
| Other DfE / ESFA grants | - | 169,357 | 169,357 | 75,033 |
| | - | - | 5,524,429 | 5,266,981 |
| Other Government grants | | | | |
| Local Authority grants | - | 19,266 | 19,266 | - |
| Other funding | | | | |
| Catering income | 134,438 | - | 134,438 | 140,128 |
| Total 2021 | <u>134,438</u> | <u>5,543,695</u> | <u>5,678,133</u> | <u>5,407,109</u> |
| Total 2020 | <u>140,128</u> | <u>5,266,981</u> | <u>5,407,109</u> | |

In 2020, income from DfE/ESFA grants totalled £5,719,135 of which all was restricted.

In 2020, income from catering was £134,438 of which all was unrestricted.

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the Trust's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

HAILEYBURY ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

5. Income from other trading activities

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|------------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Hire of facilities | 10,537 | - | 10,537 | 18,722 |
| Other income generated | 20,188 | 4,000 | 24,188 | 57,187 |
| Total 2021 | <u>30,725</u> | <u>4,000</u> | <u>34,725</u> | <u>75,909</u> |
| Total 2020 | <u>48,198</u> | <u>27,711</u> | <u>75,909</u> | |

In 2020, hire of facilities income was £18,722 of which all was unrestricted.

In 2020, other income was £57,187 of which all was unrestricted.

6. Investment income

| | Unrestricted funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|---------------|------------------------------------|-----------------------------|-----------------------------|
| Bank interest | 93 | 93 | 358 |

In 2020, all investment income was in relation to unrestricted funds.

7. Expenditure

| | Staff Costs 2021 £ | Premises 2021 £ | Other 2021 £ | Total 2021 £ | Total 2020 £ |
|-------------------------|--------------------------|-----------------------|--------------------|--------------------|--------------------|
| Provision of Education: | | | | | |
| Direct costs | 4,411,068 | - | 347,786 | 4,758,854 | 4,837,860 |
| Support costs | 538,093 | 2,307,216 | 392,579 | 3,237,888 | 1,443,599 |
| Total 2021 | <u>4,949,161</u> | <u>2,307,216</u> | <u>740,365</u> | <u>7,996,742</u> | <u>6,281,459</u> |
| Total 2020 | <u>4,793,369</u> | <u>636,440</u> | <u>851,650</u> | <u>6,281,459</u> | |

HAILEYBURY ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

7. Expenditure (continued)

In 2021, of the total expenditure, £326,475 (2020 - £273,422) was from unrestricted funds, £NIL (2020 - £22,379) was from designated funds, £5,731,361 (2020 - £5,380,817) was from restricted funds and £1,938,906 (2020 - £604,741) was from restricted fixed asset funds.

In 2020, direct expenditure consisted of £4,301,088 staff costs and £536,672 other costs.

In 2020, allocated support costs consisted of £492,281 staff costs, £636,440 premises costs and £314,878 other costs.

8. Charitable activities

| | 2021 £ | 2020 £ |
|---------------------|-----------|-----------|
| Direct costs | 4,758,854 | 4,837,760 |
| Support costs | 3,237,888 | 1,443,599 |
| | 7,996,742 | 6,281,359 |
| | 7,996,742 | 6,281,359 |
| | 2021 £ | 2020 £ |
| Support staff costs | 538,093 | 492,281 |
| Depreciation | 430,989 | 408,723 |
| Technology costs | 1,259 | 39,678 |
| Premises costs | 1,876,227 | 227,717 |
| Other support costs | 375,386 | 260,505 |
| Governance costs | 14,834 | 12,772 |
| Legal costs | 1,100 | 1,923 |
| | 3,237,888 | 1,443,599 |
| | 3,237,888 | 1,443,599 |

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

| | 2021 £ | 2020 £ |
|---------------------------------------|-----------|-----------|
| Operating lease rentals | 25,015 | 28,727 |
| Depreciation of tangible fixed assets | 430,989 | 408,723 |
| Fees paid to Auditors for: | | |
| - Audit | 7,590 | 7,375 |
| - Other services | 4,845 | 4,700 |
| | 7,590 | 7,375 |
| | 7,590 | 7,375 |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

10. Staff

a. Staff costs

Staff costs during the year were as follows:

| | 2021 £ | 2020 £ |
|-----------------------|------------------|------------------|
| Wages and salaries | 3,628,257 | 3,502,053 |
| Social security costs | 346,892 | 340,936 |
| Pension costs | 934,946 | 909,331 |
| | <u>4,910,095</u> | <u>4,752,320</u> |
| Agency staff costs | 39,066 | 41,049 |
| | <u>4,949,161</u> | <u>4,793,369</u> |

b. Staff numbers

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

| | 2021 No. | 2020 No. |
|-----------------|-------------|-------------|
| Teachers | 60 | 57 |
| Admin & Support | 47 | 49 |
| Management | 8 | 8 |
| | <u>115</u> | <u>114</u> |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

10. Staff (continued)

c. Higher paid staff

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

| | 2021 No. | 2020 No. |
|--------------------------------|-------------------|-------------------|
| In the band £60,001 - £70,000 | 3 | 3 |
| In the band £70,001 - £80,000 | 1 | - |
| In the band £90,001 - £100,000 | 1 | 1 |
| | <u> </u> | <u> </u> |

d. Key management personnel

The key management personnel of the 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 Trust was £712,340 (2020 - £682,708).

Included in the above are employer pension contributions of £64,309 (2020 - £107,014) and employer national insurance contributions of £111,551 (2020 - £61,466).

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 August 2021, no Trustee expenses have been incurred (2020 - £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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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

13. Tangible fixed assets

| | Long-term leasehold property £ | Furniture and equipment £ | Plant and machinery £ | Computer equipment £ | Total £ |
|--------------------------|---|---------------------------------|-----------------------------|----------------------------|--------------------------|
| Cost or valuation | | | | | |
| At 1 September 2020 | 14,924,971 | 313,654 | 60,500 | 296,488 | 15,595,613 |
| Additions | 7,222,004 | 31,967 | - | 47,561 | 7,301,532 |
| Disposals | (1,721,367) | - | - | - | (1,721,367) |
| At 31 August 2021 | <u>20,425,608</u> | <u>345,621</u> | <u>60,500</u> | <u>344,049</u> | <u>21,175,778</u> |
| Depreciation | | | | | |
| At 1 September 2020 | 1,039,438 | 226,613 | 60,500 | 235,715 | 1,562,266 |
| Charge for the year | 379,546 | 13,859 | - | 37,584 | 430,989 |
| On disposals | (213,450) | - | - | - | (213,450) |
| At 31 August 2021 | <u>1,205,534</u> | <u>240,472</u> | <u>60,500</u> | <u>273,299</u> | <u>1,779,805</u> |
| Net book value | | | | | |
| At 31 August 2021 | <u><u>19,220,074</u></u> | <u><u>105,149</u></u> | <u><u>-</u></u> | <u><u>70,750</u></u> | <u><u>19,395,973</u></u> |
| At 31 August 2020 | <u><u>13,885,533</u></u> | <u><u>87,041</u></u> | <u><u>-</u></u> | <u><u>60,773</u></u> | <u><u>14,033,347</u></u> |

14. Debtors

| | 2021 £ | 2020 £ |
|--------------------------------|----------------|------------------|
| Trade debtors | 40,943 | 71,936 |
| VAT recoverable | 41,337 | 160,721 |
| Prepayments and accrued income | 129,942 | 909,095 |
| | <u>212,222</u> | <u>1,141,752</u> |

HAILEYBURY ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

15. Creditors: Amounts falling due within one year

| | 2021 £ | 2020 £ |
|--|----------------|---------------|
| Trade creditors | 72,028 | 165,004 |
| Other taxation and social security | 86,884 | 87,895 |
| Other creditors | 85,066 | 84,473 |
| Accruals and deferred income | 309,516 | 244,825 |
| | 553,494 | 582,197 |
| | 553,494 | 582,197 |
| | 2021 £ | 2020 £ |
| Deferred income brought forward | 73,918 | 89,913 |
| Resources deferred during the year | 105,777 | 73,918 |
| Amounts released from previous periods | (73,918) | (89,913) |
| Deferred income carried forward | 105,777 | 73,918 |
| | 105,777 | 73,918 |

Deferred income comprises of trip income, School Games Organiser funding, rates grant received in advance and catering income.

HAILEYBURY ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

16. Statement of funds

| | Balance at 1 September 2020 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 August 2021 £ |
|-------------------------------------|--|--------------------------|---------------------------|--------------------------|-------------------------|--------------------------------------|
| Unrestricted funds | 294,467 | 370,760 | (304,305) | (60,079) | - | 300,843 |
| Restricted general funds | | | | | | |
| GAG | - | 4,802,572 | (4,802,572) | - | - | - |
| Other DfE/ESFA | 14,000 | 721,857 | (686,977) | - | - | 48,880 |
| Restricted donations | - | 11,716 | (11,716) | - | - | - |
| Other Government grants | - | 19,266 | (19,266) | - | - | - |
| Pension reserve | (1,492,000) | - | (233,000) | - | (539,000) | (2,264,000) |
| | <u>(1,478,000)</u> | <u>5,555,411</u> | <u>(5,753,531)</u> | <u>-</u> | <u>(539,000)</u> | <u>(2,215,120)</u> |
| Restricted fixed asset funds | | | | | | |
| Fixed asset | 14,033,347 | 6,567,825 | (1,938,906) | 733,707 | - | 19,395,973 |
| CIF | 654,117 | - | - | (654,117) | - | - |
| DFC | - | 19,511 | - | (19,511) | - | - |
| | <u>14,687,464</u> | <u>6,587,336</u> | <u>(1,938,906)</u> | <u>60,079</u> | <u>-</u> | <u>19,395,973</u> |
| Total Restricted funds | <u>13,209,464</u> | <u>12,142,747</u> | <u>(7,692,437)</u> | <u>60,079</u> | <u>(539,000)</u> | <u>17,180,853</u> |
| Total funds | <u><u>13,503,931</u></u> | <u><u>12,513,507</u></u> | <u><u>(7,996,742)</u></u> | <u><u>-</u></u> | <u><u>(539,000)</u></u> | <u><u>17,481,696</u></u> |

HAILEYBURY ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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 2021.

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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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

16. Statement of funds (continued)

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

| | Balance at 1 September 2019 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 August 2020 £ |
|-------------------------------------|--|-------------|------------------|--------------------------|-------------------------|--------------------------------------|
| Designated funds | | | | | | |
| Refurbishment works | 22,379 | - | (22,379) | - | - | - |
| General funds | | | | | | |
| Unrestricted funds | 146,591 | 420,123 | (272,247) | - | - | 294,467 |
| Total Unrestricted funds | 168,970 | 420,123 | (294,626) | - | - | 294,467 |
| Restricted general funds | | | | | | |
| GAG | - | 4,739,794 | (4,738,543) | (1,251) | - | - |
| Other DfE/ESFA | - | 527,187 | (513,187) | - | - | 14,000 |
| Donations | - | 57,126 | (57,126) | - | - | - |
| OGG | - | 23,800 | (23,800) | - | - | - |
| Pension reserve | (1,398,000) | - | (225,000) | - | 131,000 | (1,492,000) |
| | (1,398,000) | 5,347,907 | (5,557,656) | (1,251) | 131,000 | (1,478,000) |
| Restricted fixed asset funds | | | | | | |
| 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) | - | - |
| | 14,265,933 | 849,357 | (429,077) | 1,251 | - | 14,687,464 |
| Total Restricted funds | 12,867,933 | 6,197,264 | (5,986,733) | - | 131,000 | 13,209,464 |
| Total funds | 13,036,903 | 6,617,387 | (6,281,359) | - | 131,000 | 13,503,931 |

HAILEYBURY ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

16. Statement of funds (continued)

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Restricted fixed asset funds 2021 £ | Total funds 2021 £ |
|--|------------------------------------|----------------------------------|---|-----------------------------|
| Tangible fixed assets | - | - | 19,395,973 | 19,395,973 |
| Current assets | 300,843 | 583,429 | 18,945 | 903,217 |
| Creditors due within one year | - | (534,549) | (18,945) | (553,494) |
| Provisions for liabilities and charges | - | (2,264,000) | - | (2,264,000) |
| Total | 300,843 | (2,215,120) | 19,395,973 | 17,481,696 |

Analysis of net assets between funds - prior year

| | 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) |
| Total | 294,467 | (1,478,000) | 14,687,464 | 13,503,931 |

HAILEYBURY ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

18. Reconciliation of net income to net cash flow from operating activities

| | 2021 £ | 2020 £ |
|--|------------------|----------------|
| Net income for the year (as per Statement of Financial Activities) | 4,516,765 | 336,028 |
| Adjustments for: | | |
| Depreciation | 430,989 | 408,723 |
| Interest received | (93) | (358) |
| Decrease/(increase) in debtors | 929,530 | (922,409) |
| (Decrease)/increase in creditors | (28,703) | 121,738 |
| LGPS adjustment | 233,000 | 225,000 |
| Disposal of fixed assets | 1,507,917 | - |
| Capital Grants | (19,511) | - |
| Net cash provided by operating activities | <u>7,569,894</u> | <u>168,722</u> |

19. Cash flows from investing activities

| | 2021 £ | 2020 £ |
|--|--------------------|------------------|
| Interest | 93 | 358 |
| Purchase of tangible fixed assets | (733,707) | (196,491) |
| Capital grants from DfE Group | 19,511 | - |
| Donation of building from ESFA | (6,567,825) | - |
| Net cash used in investing activities | <u>(7,281,928)</u> | <u>(196,133)</u> |

20. Analysis of cash and cash equivalents

| | 2021 £ | 2020 £ |
|--------------------------|----------------|----------------|
| Cash in hand and at bank | <u>690,995</u> | <u>403,029</u> |

HAILEYBURY ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

21. Analysis of changes in net debt

| | At 1 September 2020 £ | Cash flows £ | At 31 August 2021 £ |
|--------------------------|--------------------------------|-----------------|---------------------------|
| Cash at bank and in hand | 403,029 | 287,966 | 690,995 |
| | 403,029 | 287,966 | 690,995 |
| | 403,029 | 287,966 | 690,995 |

22. Capital commitments

| | 2021 £ | 2020 £ |
|--|-----------|-----------|
| Contracted for but not provided in these financial statements | | |
| 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 £83,065 were payable to the schemes at 31 August 2021 (2020 - £78,492) 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 £522,560 (2020 - £509,076).

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 Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The 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 2021 was £260,000 (2020 - £254,000), of which employer's contributions totalled £203,000 (2020 - £200,000) and employees' contributions totalled £ 57,000 (2020 - £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 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 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

| | 2021 % | 2020 % |
|--|-----------|-----------|
| Rate of increase in salaries | 3.3 | 2.60 |
| Rate of increase for pensions in payment/inflation | 2.9 | 2.20 |
| Discount rate for scheme liabilities | 1.65 | 1.70 |
| Inflation assumption (CPI) | 3.3 | 2.20 |
| Inflation assumption (RPI) | 4.3 | 3.30 |

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

| | 2021 Years | 2020 Years |
|----------------------|---------------|---------------|
| Retiring today | | |
| Males | 22.1 | 21.9 |
| Females | 24.5 | 24.1 |
| Retiring in 20 years | | |
| Males | 23.2 | 22.8 |
| Females | 26.2 | 25.5 |

As at the 31st August 2021 the Academy has a pension liability of £2,264,000 (2020 - £1,492,000). The sensitivity analysis detailed below would increase/(decrease) the closing defined benefit obligation in the following way:

Sensitivity analysis

| | 2021 £000 | 2020 £000 |
|--|--------------|--------------|
| Discount rate +0.1% | (100) | (89) |
| Discount rate -0.1% | 100 | 89 |
| Mortality assumption - 1 year increase | 201 | 149 |
| Mortality assumption - 1 year decrease | (201) | (149) |
| CPI rate +0.1% | 100 | 82 |
| CPI rate -0.1% | (100) | (82) |

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23. Pension commitments (continued)

Share of scheme assets

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

| | 2021 £ | 2020 £ |
|-------------------------------------|------------------|------------------|
| Equities | 1,461,000 | 1,179,000 |
| Other bonds | 799,000 | 778,000 |
| Property | 303,000 | 200,000 |
| Cash and other liquid assets | 193,000 | 67,000 |
| Total market value of assets | <u>2,756,000</u> | <u>2,224,000</u> |

The actual return on scheme assets was £307,000 (2020 - £11,000).

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

| | 2021 £ | 2020 £ |
|---|----------------|----------------|
| Current service cost | 409,000 | 398,000 |
| Interest income | (40,000) | (38,000) |
| Interest cost | 67,000 | 65,000 |
| Total amount recognised in the Statement of Financial Activities | <u>436,000</u> | <u>425,000</u> |

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

| | 2021 £ | 2020 £ |
|--------------------------|------------------|------------------|
| At 1 September | 3,716,000 | 3,392,000 |
| Current service cost | 409,000 | 398,000 |
| Interest cost | 67,000 | 65,000 |
| Employee contributions | 57,000 | 54,000 |
| Actuarial losses/(gains) | 806,000 | (158,000) |
| Benefits paid | (35,000) | (35,000) |
| At 31 August | <u>5,020,000</u> | <u>3,716,000</u> |

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23. Pension commitments (continued)

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

| | 2021 £ | 2020 £ |
|------------------------|-----------|-----------|
| At 1 September | 2,224,000 | 1,994,000 |
| Interest income | 40,000 | 38,000 |
| Actuarial losses | 267,000 | (27,000) |
| Employer contributions | 203,000 | 200,000 |
| Employee contributions | 57,000 | 54,000 |
| Benefits paid | (35,000) | (35,000) |
| At 31 August | 2,756,000 | 2,224,000 |

24. Operating lease commitments

At 31 August 2021 the Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | 2021 £ | 2020 £ |
|--|-----------|-----------|
| Not later than 1 year | 30,975 | 25,015 |
| Later than 1 year and not later than 5 years | 45,374 | 25,818 |
| | 76,349 | 50,833 |

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.

A total of £200,000 (2020 - £200,000) was donated from the Haileybury and Imperial College, the Academy's sponsor. There were no restrictions placed upon this money.

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

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27. Agency arrangements

The Academy distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2021 the Trust received £12,111 (2020 - £16,148) and disbursed £10,459 (2020 - £15,226) from the fund. An amount of £1,652 (2020 - £5,981) is included in other creditors relating to undistributed funds that is repayable to ESFA.