

HAILEYBURY ACADEMY TRUST
(A Company Limited by Guarantee)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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 S D Boyden Mr S A Westley Ms C Mills
Trustees	Mr R Whitaker, Chair of Trustees Dr L Pugsley, Vice Chair Mr R Matcham (resigned 20 July 2023) Mr J Giesen (resigned 31 August 2023) Mrs U Mahaka Mrs D Mathews Ms L Mckeown Mr I Hodges-Jackson Mr C Parry Mr M Rayfield (resigned 31 August 2023) Mrs C Wood (appointed 27 September 2023) Mr M Collier Mr M Kemp (appointed 6 March 2023) Ms O Firek (appointed 7 September 2023) Mr S Pearce (appointed 18 March 2023) Mr S A Westley Mr S Campbell (resigned 14 October 2022)
Company registered number	09659808
Company name	Haileybury Academy Trust
Principal and registered office	Haileybury London Road Hertford Heath Hertford Hertfordshire SG13 7NU
Chief executive officer	Mr R Newman
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 Mr N Megaw, Assistant Principal Mrs N Shivalkar, Assistant Principal & Head of Sixth Form Miss D Newman, Assistant Principal Mr E Macaulay, Assistant Principal Mrs L Durso, Director of Teaching and Learning Mr S Williams, Assistant Principal

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Independent auditors	Price Bailey LLP Chartered Accountants Causeway House 1 Dane Street Bishop's Stortford Hertfordshire CM23 3BT
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HAILEYBURY ACADEMY TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

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 2023. 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 (PAN) of 1160 and had a roll of 870 in the October 2022 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 (The Articles) 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

Trustees benefit from the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK Government funds cover losses that arise. This scheme protects Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business, and provides cover up to £10,000,000.

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. 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 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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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 (also referred to as the Governing Board) 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 (also referred to as 'the Board of Trustees', 'the Governing Board' or 'the Board') 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 Remuneration Committee, which reports to the Finance & Resources committee, and ratified by the Board of Trustees.

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TRUSTEES' REPORT (CONTINUED)
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Trade Union Facility Time

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

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

£3,195 was spent on facility time, which is equivalent to 2.6% of the total pay bill of £118,300.

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).
- 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
- Strong student attendance in Year 7-11, with attendance at least in line with national % figures.
- Good student behaviour and positive attitudes to learning and engagement in lessons.
- Effective safeguarding in place for all students.
- Good outcomes in the Sixth Form in A Level subjects and all vocational qualifications.
- 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 very strong public examination performance, with students securing ambitious and appropriate destinations, including for the most vulnerable students. Safeguarding remained effective throughout the academic year.

Specific achievements were as follows:

- Very strong public examination results with the school at the 74th percentile (highest 26% of schools) for Year 11 student progress; and the 75th percentile (highest 25%) for English and 89th percentile (highest 11%) for mathematics
- 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.
- Strong KS5 A-Level and vocational qualification outcomes with a range of ambitious and appropriate destinations achieved including entry to the University of Oxford, other competitive universities and the world of work.
- Teaching staff and Principal recognised in national teaching awards
- Development of new school building plans as part of Government's School Rebuilding Programme
- PAN at 182 with a 6-form entry for September 2024 Year 7 entry fully subscribed
- Good attendance sustained for students, above the national benchmarks, throughout the academic year.
- Excellent support for student wellbeing and mental health
- Good development of the school's anti-racism strategy
- Retained high quality teaching staff, and appointed new staff as necessary of a high calibre to replace staff leaving.

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 2023 (based on the October 2022 census) were 870.

Another key financial performance indicator is staffing costs as a percentage of total income. For 2022/23 this was 82%. 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.

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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.

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 2023 the Trust received £6,603,853 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 £6,684,610 on general running expenses. The Academy carry forward for 22/23 is £0 restricted funding (2022 - £59,868) and £363,623 unrestricted funding (2022 - £325,512).

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Academy is recognising a pension fund deficit of £83,000. 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. While there has been a significant reduction in the opening deficit of £359,000 resulting from the application of actuarial assumptions, this does not guarantee that contribution rates will reduce and ease the cash flow effect on the Trust.

Reserves Policy

The Trustees are aware of the requirement to balance current and future needs and always aim to set a balanced budget with annual income balancing annual expenditure. The Trustees monitor estimated year-end carry forward figures via the monthly reports from the Business Manager. The budget plan identifies how any carry forward will be allocated in the plan for the following academic year, including the identification of any funds earmarked for a specific project or purpose.

The Academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £363,623. This has been built up from a mixture of locally raised income and balances transferred from the predecessor school.

The Trustees have decided to hold unrestricted funds of £363,623 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 2023, the Trust's balance on restricted general funds (excluding pension reserve) is £0 and the balance on unrestricted funds is £363,623.

The cash balance of the Academy has been very healthy all year, ending the year with a balance of £734,914. 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 24 January 2023. 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.

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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. In 2022/23 the Finance & Resources Committee authorised the opening of an Instant Access interest Account with Lloyds Bank. Movement of funds between the current account and this account has increased the Trust's interest receipts.

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.
- 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.

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TRUSTEES' REPORT (CONTINUED)
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The Trustees recognise that the school estate is both a significant asset and poses notable areas of risk. They aim to mitigate and reduce these risks through a series of measures:

- Engaging with an external third party for
 - Health & Safety Management
 - Fire Risk Management
 - review of general and specialist departmental Health and Safety Risk Assessments.
- Receiving interim reports to update the Trustees on actions undertaken to address recommendations.
- Ensuring, through written reports and governor liaison visits, that Site Team, or external contractors under the direction of the site team;
 - Have a robust administrative system for tracking and scheduling all annual maintenance checks
 - undertake all mandatory and recommended mechanical and electrical checks in a timely manner and address any issues arising
 - incorporate Health & Safety and Fire Safety checks in their usual routines and checks around the site on daily and weekly basis.

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 Diabetes UK, Macmillan Cancer Support, the Earthquake in Turkey, Odd Socks Anti-bullying, Red Nose day, Christmas Jumper day 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 school has been successful in its bid to participate in the Government's Schools' Rebuilding Programme
- Further strategic plan work is ongoing.

Summary of Haileybury Turnford School Improvement Actions for 2022-23

The 3 key strategic improvement priorities are:

1. To further embed a high-quality curriculum, with inclusive teaching based on research evidence, and with reading and support for the most vulnerable students at its heart.
2. To provide targeted academic support, including for students with SEND and the most disadvantaged.
3. To implement and embed strategies to fully support our students' personal development, including being an anti-racist school.

Funds Held as Custodian Trustee on Behalf of Others

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

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TRUSTEES' REPORT (CONTINUED)
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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 the Board of Trustees on 12 December 2023 and signed on its behalf by:

Mr R Whitaker
Chair of Trustees

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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, 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. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 5 times during the year during the year including a strategy meeting. The Board met fewer than six times during the year and is satisfied that through the use of sub-committees it maintains effective oversight of funds. Details of such sub-committees are noted below.

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

Trustee	Meetings attended	Out of a possible
Mr R Whitaker, Chair of Trustees	5	5
Dr L Pugsley, Vice Chair	5	5
Mr R Matcham	3	4
Mr J Giesen	2	4
Mrs U Mahaka	5	5
Mrs D Mathews	3	5
Ms L Mckeown	4	5
Mr I Hodges-Jackson	5	5
Mr C Parry	5	5
Mr M Rayfield	4	5
Mrs C Wood	0	0
Mr M Collier	4	5
Mr M Kemp	3	3
Ms O Firek	0	0
Mr S Pearce	1	3
Mr S A Westley	5	5
Mr S Campbell	0	1

Review of year

Governors

i) The Governing Board has a broad range of skills represented, though the board continues to seek to promote trustees from diverse backgrounds as the composition of the Board inevitably changes over time. The trust continues to seek able enthusiastic members of the board to enrich the board with depth and breadth of complementary expertise and experience.

ii) Governors include senior professional experience in law, social work, community housing, insurance, investment banking, engineering and property development, accountancy as well as education. The governors include a minimum of 2 parent governors.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

iii) A number of current governors' terms expired in 2023. The chair is Rob Whitaker, a Partner at a well-established law firm, and former pupil of Turnford School. The deputy chair is Dr Laura Pugsley, deputy head teacher at Haileybury and chair of the education committee (see also below). The retirements have been replaced with able contributors to the trust that have experience that will be valuable for establishing and helping deliver on the School's future strategic objectives.

iv) Governors have a clear sense of their responsibilities, roles and obligations and which is rehearsed to the board by the chair.

Governance Professional

The Trust continues to be fortunate to have a professional, experienced and highly accomplished Governance Professional, who provides expert and timely support and advice for the Chair, the Principal and Governing Board of the Trust.

The Role of the Sponsor

The relationship between the Sponsor and the Academy is set out in an MoU, signed by both parties, as well as in the Articles of Association of the Trust and the Senior Leadership Teams of both schools meet.

Conflicts of interest

To ensure that there are no conflicts of interest the Trust maintains a Register of Interests with all members of the Board of Trustees required to complete this and update annually or in the event of any notifiable change of circumstances giving rise to conflict of interest.

Governance reviews and training and ongoing development

Following recommendations of an external review of governance a strategy day was undertaken by the board and strategy considerations remain an ongoing agenda item at board meetings.

The Board has a dedicated training lead, Colin Parry with whole board training to equip the Trustees with necessary training and understanding, which has included understanding financial reports and student assessments. Training sessions are well attended demonstrating the commitment of the Trustees. Trustees are also undertaking cyber security training as part of ongoing training and awareness.

Many have been, or are now, on boards elsewhere, or hold senior executive positions and understand the work of the governing board as setting strategy and offering support and challenge to the school's executive as this strategy is developed and implemented.

Committees

The Board has sub committees: Finance & Resources, Education and Remuneration (the latter of which meets annually). The Finance and Resources Committee also acts as the Audit Committee. The Governors Disciplinary Committee who will convene when required.

The Finance and Resources Committee was chaired by Martin Rayfield for the academic year 2022-23, a member of Council at Haileybury and a senior insurance executive. The Education Committee is chaired by Laura Pugsley, Deputy Head at Haileybury and deputy chair of the Trust. Both are members of the Remuneration Committee. With effect from the start of the academic year 2023-24 Martin Rayfield will be step down as chair of the Finance & Resource Committee as he takes on the role of Chair of Haileybury Council. Colin Parry will become chair of the Finance & Resource Committee with senior executive management and financial experience.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Finance and Resources Committee is a sub-committee of the main Board of Trustees.

During the year the following issues were dealt with by the Committee:

- Annual budgetary setting approval and oversight
- Oversight of capital projects and estates
- Leading on staff structure and costs
- Review of risk register
- Updating finance regulations, policies and procedures
- Review and interrogation of monthly management accounts
- Commissioning and review of internal audits by Scrutton Bland (see also below) and recommending reflections and follow ups.

During the year the following changes to the Committee took place:

Mr R Matcham retired as a governor in June 2023.

As noted above Mr M Rayfield retired as a governor and Chair of the Finance and Resources Committee at the end of 2022/23 and Mr C Parry will be Chair of the Finance & Resources Committee from 2023/24.

The Finance and Resources Committee is a sub-committee of the main Board of Trustees.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr I Hodges-Jackson	6	6
Mr R Matcham	4	6
Ms L Mckeown	4	6
Mr C Parry	4	6
Mr M Rayfield	6	6
Mr R Whitaker	3	6

Review of value for money

As Accounting Officer, the Principal has responsibility for ensuring that the Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes, as well as estates safety and management, 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 for the Trust has delivered improved value for money during the year by;

- Reviewing of Building and Maintenance expenditure as a result of inclusion in the governments School's Rebuilding Programme (SRP) and learning that all 1960s buildings will be replaced in the next 2-3 years.
- Tracking energy process throughout the year to ensure that the 2023/24 supply contract was fixed at the most favourable rates.
- In summer 2023, Year 11 exam results were very strong indicating good value for money in the context of the trust's core responsibilities. Progress 8 was +0.3 indicating "Above Average" performance in the top 28% of schools nationally.

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GOVERNANCE STATEMENT (CONTINUED)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of 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 Haileybury Academy Trust for the year 1 September 2022 to 31 August 2023 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 ongoing process for identifying, evaluating and managing the Trust's significant risks that has been in place for the year 1 September 2022 to 31 August 2023 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 Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

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

The Board of Trustees has decided to buy-in an internal audit service from Scrutton Bland. After a tendering process the Trust engaged with Scrutton Bland for a three-year period.

This option has been chosen because the Trust sought to ensure that the internal scrutiny in place was robust and professional offering a breadth of service and having experience in providing internal scrutiny in the educational sector.

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

- Budgetary Controls and Forecasting
- Cyber Security
- Risk and Governance

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. The Internal Auditor has prepared a 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 Auditor has delivered their schedule of work as planned and there were no material control issues arising as a result of the Internal Auditor's work and areas for improvement have been considered and plans put in place to address these.

HAILEYBURY ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

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

- the work of the internal auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditor;
- correspondence from ESFA.

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 ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 12 December 2023 and signed on their behalf by:

Mr R Whitaker
Chair of Trustees

Mr R Newman
Accounting Officer

HAILEYBURY ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF 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 and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

I confirm that I and the Board of Trustees are able to identify any material irregular or improper use of all funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academy Trust Handbook 2022.

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.

Mr R Newman
Accounting Officer
Date: 12 December 2023

HAILEYBURY ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2023

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 2022 to 2023;
- 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:

Mr R Whitaker
Chair of Trustees
Date: 12 December 2023

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 2023 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 2022 to 2023 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 2023 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 2022 to 2023 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

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

In preparing the financial statements, the Trustees are responsible for assessing the 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 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.

Tom Meeks FCCA (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

18 December 2023

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 4 August 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, 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 2022 to 31 August 2023 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 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 Academy Trust Handbook, extant from 1 September 2022, 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 2022 to 2023. 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 2022 to 31 August 2023 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 Trust'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 2022 to 31 August 2023 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

Date: 18 December 2023

HAILEYBURY ACADEMY TRUST
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:						
Donations and capital grants	3	206,775	55,765	55,767	318,307	310,356
Other trading activities	4	39,387	-	-	39,387	36,311
Investments	6	1,532	-	-	1,532	123
Charitable activities	5	181,582	6,118,812	-	6,300,394	5,888,051
Total income		429,276	6,174,577	55,767	6,659,620	6,234,841
Expenditure on:						
Charitable activities	7	391,165	6,293,445	625,328	7,309,938	7,175,029
Total expenditure		391,165	6,293,445	625,328	7,309,938	7,175,029
Net movement in funds before other recognised gains		38,111	(118,868)	(569,561)	(650,318)	(940,188)
Other recognised gains:						
Actuarial gains on defined benefit pension schemes	23	-	335,000	-	335,000	2,321,000
Net movement in funds		38,111	216,132	(569,561)	(315,318)	1,380,812
Reconciliation of funds:						
Total funds brought forward		325,512	(299,132)	18,836,128	18,862,508	17,481,696
Net movement in funds		38,111	216,132	(569,561)	(315,318)	1,380,812
Total funds carried forward		363,623	(83,000)	18,266,567	18,547,190	18,862,508

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

The notes on pages 27 to 49 form part of these financial statements.

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

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	18,249,083	18,829,549
Current assets			
Debtors	14	126,823	202,589
Cash at bank and in hand	21	734,914	799,277
		<u>861,737</u>	<u>1,001,866</u>
Creditors: amounts falling due within one year		<u>(480,630)</u>	<u>(609,907)</u>
Net current assets		381,107	391,959
Total assets less current liabilities		<u>18,630,190</u>	<u>19,221,508</u>
Net assets excluding pension liability		18,630,190	19,221,508
Defined benefit pension scheme liability	23	(83,000)	(359,000)
Total net assets		<u><u>18,547,190</u></u>	<u><u>18,862,508</u></u>
Funds of the Trust			
Restricted funds:			
Fixed asset funds	16	18,266,567	18,836,128
Restricted income funds	16	-	59,868
		<u>18,266,567</u>	<u>18,895,996</u>
Restricted funds excluding pension asset		18,266,567	18,895,996
Pension reserve	16	(83,000)	(359,000)
Total restricted funds		<u>18,183,567</u>	<u>18,536,996</u>
Unrestricted income funds	16	363,623	325,512
Total funds		<u><u>18,547,190</u></u>	<u><u>18,862,508</u></u>

The financial statements on pages 24 to 49 were approved by the Trustees, and authorised for issue on 12 December 2023 and are signed on their behalf, by:

Mr R Whitaker
Chair of Trustees

The notes on pages 27 to 49 form part of these financial statements.

HAILEYBURY ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities		(121,662)	32,515
Cash flows from investing activities		57,299	75,767
Change in cash and cash equivalents in the year		(64,363)	108,282
Cash and cash equivalents at the beginning of the year		799,277	690,995
Cash and cash equivalents at the end of the year		<u>734,914</u>	<u>799,277</u>

The notes on pages 27 to 49 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 2023

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 Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Company status

The Trust 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 Trust's registered office is Haileybury London Road, 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 Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

The Trust 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 Trust 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 Trust 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 2023

1. Accounting policies (continued)

1.4 Income

All incoming resources are recognised when the Trust 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 Trust which amounts to a donation is recognised in the Statement of Financial Activities in the year in which it is receivable (where there are no performance-related conditions) where receipt is probable and it can be measured reliably.

Donations 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 2023

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:

Depreciation is provided on the following bases:

Long term leasehold land	- 125 years
Long-term leasehold property	- 30 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 Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

HAILEYBURY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.10 Financial instruments

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

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

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note . 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 Trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes.

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

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

HAILEYBURY ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.13 Agency arrangements

The Trust acts as an agent in distributing 16-19 Bursary Funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities incorporating Income and Expenditure Account, as the Trust 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 Trust at the discretion of the Trustees.

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 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 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

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3. Income from donations and capital grants

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	206,775	55,765	-	262,540	222,033
Government grants	-	-	55,767	55,767	88,323
Total 2023	<u>206,775</u>	<u>55,765</u>	<u>55,767</u>	<u>318,307</u>	<u>310,356</u>
Total 2022	<u>202,235</u>	<u>19,798</u>	<u>88,323</u>	<u>310,356</u>	

In 2022, income from donations was £222,033 of which £202,235 was unrestricted and £19,798 restricted.

In 2022, income from capital grants was £88,323 of which all related to restricted fixed assets.

4. Income from other trading activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Hire of facilities	20,729	-	20,729	24,505
Other income generated	18,658	-	18,658	11,806
Total 2023	<u>39,387</u>	<u>-</u>	<u>39,387</u>	<u>36,311</u>
Total 2022	<u>33,607</u>	<u>2,704</u>	<u>36,311</u>	

In 2022, hire of facilities income was £24,505 of which all was unrestricted.

In 2022, other income was £11,806 of which £9,102 was unrestricted and £2,704 was restricted.

HAILEYBURY ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

5. Funding for the Trust's charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Provision of Education				
DfE/ESFA grants				
General Annual Grant (GAG)	-	5,307,474	5,307,474	5,155,064
Other DfE/ESFA grants				
Other DfE/ESFA grants	-	146,980	146,980	162,020
Pupil premium	-	235,901	235,901	211,659
Teachers pay grant	-	-	-	11,680
Teachers pension grant	-	31,380	31,380	33,003
Supplementary grant	-	143,439	143,439	59,868
Main school additional grant	-	73,639	73,639	-
	-	5,938,813	5,938,813	5,633,294
Other Government grants				
Local Authority grants	-	179,999	179,999	46,881
	-	179,999	179,999	46,881
Other funding				
Catering income	181,582	-	181,582	162,366
	181,582	-	181,582	162,366
COVID-19 additional funding (DfE/ESFA)				
Other ESFA COVID-19 grants	-	-	-	45,510
	-	-	-	45,510
	181,582	6,118,812	6,300,394	5,888,051
Total 2023	181,582	6,118,812	6,300,394	5,888,051
Total 2022	162,366	5,725,685	5,888,051	

In 2022, income from DfE/ESFA grants totalled £5,633,294 of which all was restricted.

In 2022, income from other Government grants was £46,881 of which all was restricted.

In 2022, income from catering was £162,366 of which all was unrestricted.

In 2022, income from COVID-19 additional funding was £45,510 of which all was restricted.

HAILEYBURY ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Bank interest	1,532	1,532	123
	<u>1,532</u>	<u>1,532</u>	<u>123</u>
Total 2022	123	123	
	<u>123</u>	<u>123</u>	

In 2022, all investment income was in relation to unrestricted funds.

7. Expenditure

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £	Total 2022 £
Provision of Education:					
Direct costs	4,704,098	80	415,149	5,119,327	4,994,275
Allocated support costs	775,255	394,721	1,020,635	2,190,611	2,180,754
Total 2023	<u>5,479,353</u>	<u>394,801</u>	<u>1,435,784</u>	<u>7,309,938</u>	<u>7,175,029</u>
Total 2022	5,177,327	1,092,628	905,074	7,175,029	
	<u>5,177,327</u>	<u>1,092,628</u>	<u>905,074</u>	<u>7,175,029</u>	

In 2023, of the total expenditure, £391,165 (2022 - £373,662) was from unrestricted funds, £6,293,445 (2022 - £6,153,199) was from restricted funds and £625,328 (2022 - £648,168) was from restricted fixed asset funds.

In 2022, direct expenditure consisted of £4,568,796 staff costs and £425,479 other costs.

In 2022, allocated support costs consisted of £608,531 staff costs, £1,092,628 premises costs and £479,595 other costs.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

8. Charitable activities

	2023 £	2022 £
Direct costs	5,119,327	4,994,275
Support costs	2,190,611	2,180,754
	<u>7,309,938</u>	<u>7,175,029</u>
	2023 £	2022 £
Support staff costs	775,255	608,531
Depreciation	580,466	579,103
Technology costs	54,261	32,021
Premises costs	393,013	513,525
Other support costs	362,257	423,136
Governance costs	24,846	15,417
Legal costs	513	9,021
	<u>2,190,611</u>	<u>2,180,754</u>

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023 £	2022 £
Operating lease rentals	30,975	30,975
Depreciation of tangible fixed assets	580,466	579,103
Fees paid to auditors for:		
- audit	11,500	10,000
- other services	7,550	6,805
	<u>7,550</u>	<u>6,805</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	4,075,280	3,712,142
Social security costs	412,151	334,754
Pension costs	890,133	1,130,041
	<u>5,377,564</u>	<u>5,176,937</u>
Agency staff costs	101,789	38,179
	<u>5,479,353</u>	<u>5,215,116</u>

b. Staff numbers

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

	2023 No.	2022 No.
Teachers	55	56
Admin & Support	63	63
Management	9	7
	<u>127</u>	<u>126</u>

c. Higher paid staff

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

	2023 No.	2022 No.
In the band £60,001 - £70,000	5	3
In the band £70,001 - £80,000	2	2
In the band £90,001 - £100,000	1	1
	<u>8</u>	<u>6</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

Staff (continued)

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 £911,855 (2022 - £733,301).

Included in the above are employer pension contributions of £134,466 (2022 - £114,558) and employer national insurance contributions of £76,559 (2022 - £68,562).

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 August 2023, no Trustee expenses have been incurred (2022 - £NIL).

12. Trustees' and Officers' insurance

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

13. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Plant and machinery £	Computer equipment £	Total £
Cost or valuation					
At 1 September 2022	20,425,608	220,731	60,500	352,808	21,059,647
At 31 August 2023	20,425,608	220,731	60,500	352,808	21,059,647
Depreciation					
At 1 September 2022	1,737,605	127,867	60,500	304,126	2,230,098
Charge for the year	532,074	25,563	-	22,829	580,466
At 31 August 2023	2,269,679	153,430	60,500	326,955	2,810,564
Net book value					
At 31 August 2023	18,155,929	67,301	-	25,853	18,249,083
At 31 August 2022	18,688,003	92,864	-	48,682	18,829,549

14. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	1,489	4,739
VAT recoverable	32,319	55,721
Prepayments and accrued income	93,015	142,129
	126,823	202,589

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NOTES TO THE FINANCIAL STATEMENTS
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15. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	42,646	156,281
Other taxation and social security	102,656	98,204
Other creditors	94,732	89,476
Accruals and deferred income	240,596	265,946
	<u>480,630</u>	<u>609,907</u>
	<u><u>480,630</u></u>	<u><u>609,907</u></u>
	2023 £	2022 £
Deferred income brought forward	174,958	105,777
Resources deferred during the year	100,357	174,958
Amounts released from previous periods	(174,958)	(105,777)
	<u>100,357</u>	<u>174,958</u>
	<u><u>100,357</u></u>	<u><u>174,958</u></u>

Deferred income comprises of trip income, rates grant received in advance and catering income.

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Statement of funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds					
Unrestricted funds	325,512	429,276	(391,165)	-	363,623
Restricted general funds					
GAG	-	5,307,474	(5,307,474)	-	-
Other DfE/ESFA grants	59,868	680,258	(740,126)	-	-
Restricted Donations	-	55,765	(55,765)	-	-
Other Government grants	-	131,080	(131,080)	-	-
Pension reserve	(359,000)	-	(59,000)	335,000	(83,000)
	(299,132)	6,174,577	(6,293,445)	335,000	(83,000)
Restricted fixed asset funds					
Fixed Asset	18,829,549	-	(580,464)	-	18,249,085
DFC	6,579	55,767	(44,864)	-	17,482
	18,836,128	55,767	(625,328)	-	18,266,567
Total Restricted funds	18,536,996	6,230,344	(6,918,773)	335,000	18,183,567
Total funds	18,862,508	6,659,620	(7,309,938)	335,000	18,547,190

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NOTES TO THE FINANCIAL STATEMENTS
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Statement of funds (continued)

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

Unrestricted funds

This represents income received that does not have restrictions.

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 2023.

Other DfE/ESFA

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

Restricted donations

This represents contributions made by parents towards the running costs of trips for the pupils of the School and the associated costs.

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 capital funding.

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
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Statement of funds (continued)

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
Unrestricted funds	300,843	398,331	(373,662)	-	-	325,512
Restricted general funds						
GAG	-	5,155,064	(5,155,064)	-	-	-
Other DfE/ESFA grants	48,880	523,740	(512,752)	-	-	59,868
Restricted Donations	-	22,502	(22,502)	-	-	-
Other Government grants	-	46,881	(46,881)	-	-	-
Pension reserve	(2,264,000)	-	(416,000)	-	2,321,000	(359,000)
	(2,215,120)	5,748,187	(6,153,199)	-	2,321,000	(299,132)
Restricted fixed asset funds						
Fixed Asset	19,395,973	-	(579,103)	12,679	-	18,829,549
DFC	-	19,258	-	(12,679)	-	6,579
CIF	-	69,065	(69,065)	-	-	-
	19,395,973	88,323	(648,168)	-	-	18,836,128
Total Restricted funds	17,180,853	5,836,510	(6,801,367)	-	2,321,000	18,536,996
Total funds	17,481,696	6,234,841	(7,175,029)	-	2,321,000	18,862,508

HAILEYBURY ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	18,249,083	18,249,083
Current assets	376,475	461,565	23,697	861,737
Creditors due within one year	(12,852)	(461,565)	(6,213)	(480,630)
Provisions for liabilities and charges	-	(83,000)	-	(83,000)
Total	363,623	(83,000)	18,266,567	18,547,190

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	18,829,549	18,829,549
Current assets	333,001	582,175	86,690	1,001,866
Creditors due within one year	(7,489)	(522,307)	(80,111)	(609,907)
Provisions for liabilities and charges	-	(359,000)	-	(359,000)
Total	325,512	(299,132)	18,836,128	18,862,508

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Reconciliation of net expenditure to net cash flow from operating activities

	2023 £	2022 £
Net expenditure for the year (as per Statement of Financial Activities)	(650,318)	(940,188)
Adjustments for:		
Depreciation	580,466	579,103
Capital grants from DfE and other capital income	(55,767)	(88,323)
Interest receivable	(1,532)	(123)
Decrease in debtors	75,766	9,633
(Decrease)/increase in creditors	(129,277)	56,413
LGPS adjustment	59,000	416,000
Net cash (used in)/provided by operating activities	(121,662)	32,515

19. Cash flows from investing activities

	2023 £	2022 £
Interest receivable	1,532	123
Purchase of tangible fixed assets	-	(12,679)
Capital grants from DfE Group	55,767	88,323
Net cash provided by investing activities	57,299	75,767

20. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand and at bank	734,914	799,277

21. Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	799,277	(64,363)	734,914

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NOTES TO THE FINANCIAL STATEMENTS
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22. Capital commitments

	2023 £	2022 £
Contracted for but not provided in these financial statements		
Repairs, maintenance or enhancements to investment property	-	19,828

23. Pension commitments

The 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 2022.

Contributions amounting to £94,732 were payable to the schemes at 31 August 2023 (2022 - £88,653) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The 31 March 2016 TPS actuarial valuation results were implemented from 1 September 2019. The key elements of the valuation and subsequent consultation were:

- 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 latest actuarial TPS valuation results, as at 31 March 2020, were released in October 2023. The revised employer contribution rate, arising from this valuation, is due to be implemented from 1 April 2024.

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

The employer's pension costs paid to TPS in the year amounted to £577,342 (2022 - £521,963).

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 2023 was £348,000 (2022 - £299,000), of which employer's contributions totalled £270,000 (2022 - £234,000) and employees' contributions totalled £78,000 (2022 - £65,000). The agreed contribution rates for future years are 25.4 per cent for employers and 6.5 per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on [GOV.UK](https://www.gov.uk).

Principal actuarial assumptions

	2023 %	2022 %
Rate of increase in salaries	3.50	3.45
Rate of increase for pensions in payment/inflation	3.00	3.05
Discount rate for scheme liabilities	5.20	4.25

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

	2023 Years	2022 Years
Retiring today		
Males	20.1	21.9
Females	23.8	24.4
Retiring in 20 years		
Males	21.7	22.9
Females	25.3	26.0

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

As at the 31st August 2023 the Academy has a pension liability of £83,000 (2022 - £359,000). The sensitivity analysis detailed below would increase/(decrease) the closing defined benefit obligation in the following way:

Sensitivity analysis

	2023 £000	2022 £000
Discount rate +0.1%	(68)	(64)
Discount rate -0.1%	68	64
Mortality assumption - 1 year increase	135	128
Mortality assumption - 1 year decrease	(135)	(128)
CPI rate +0.1%	68	64
CPI rate -0.1%	(68)	(64)
	<u> </u>	<u> </u>

Share of scheme assets

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

	At 31 August 2023 £	At 31 August 2022 £
Equities	1,681,000	1,415,000
Other bonds	791,000	651,000
Property	462,000	425,000
Cash and other liquid assets	363,000	340,000
Total market value of assets	<u>3,297,000</u>	<u>2,831,000</u>

The actual return on scheme assets was £(87,000) (2022 - £(184,000)).

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

	2023 £	2022 £
Current service cost	(313,000)	(610,000)
Interest income	127,000	48,000
Interest cost	(143,000)	(88,000)
Total amount recognised in the Statement of Financial Activities	<u>(329,000)</u>	<u>(650,000)</u>

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Pension commitments (continued)

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

	2023 £	2022 £
At 1 September	3,190,000	5,020,000
Current service cost	313,000	610,000
Interest cost	143,000	88,000
Employee contributions	78,000	65,000
Actuarial gains	(304,000)	(2,553,000)
Benefits paid	(40,000)	(40,000)
At 31 August	<u>3,380,000</u>	<u>3,190,000</u>

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

	2023 £	2022 £
At 1 September	2,831,000	2,756,000
Interest income	127,000	48,000
Actuarial gains/(losses)	31,000	(232,000)
Employer contributions	270,000	234,000
Employee contributions	78,000	65,000
Benefits paid	(40,000)	(40,000)
At 31 August	<u>3,297,000</u>	<u>2,831,000</u>

24. Operating lease commitments

At 31 August 2023 the Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	23,999	27,775
Later than 1 year and not later than 5 years	-	17,599
	<u>23,999</u>	<u>45,374</u>

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25. Members' liability

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

26. Related party transactions

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

A total of £200,001 (2022 - £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.

27. Agency arrangements

The Academy distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2023 the Trust received £4,722 (2022 - £7,055) and disbursed £5,254 (2022 - £7,056) from the fund. An amount of £5,824 (2022 - £6,356) is included in other creditors relating to undistributed funds that is repayable to ESFA.