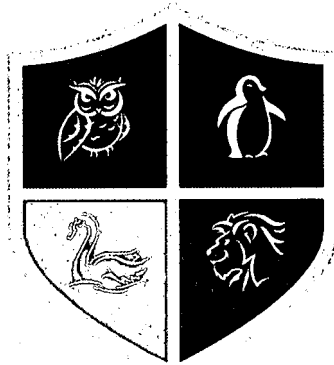


Trustees' Report and
Financial Statements For The Year Ended 31 August 2023
for
The Hayfield School



Kingswood Allotts Limited, Statutory Auditor
Chartered Accountants
Sidings Court
Lakeside
Doncaster
South Yorkshire
DN4 5NU

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The Hayfield School

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For The Year Ended 31 August 2023

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The Hayfield School

Reference and Administrative Details
For The Year Ended 31 August 2023

MEMBERS:	B Fletcher (Chair) S Cashmore S Cross E Fox (appointed 21.3.2023) A Scott (resigned 8.12.2022)
TRUSTEES	M Huby (Chair of Trustees) U Ahmed (resigned 24.5.2023) K Coulter (Vice Chair, November 2022) S Featherstone D Dickerson L Fox Headteacher M J Kallaur (Vice Chair, resigned 25.10.2022) D W Barlow (resigned 6.10.2023) J P Shepherd L Clark A J Sapsted M A T Bolton (resigned 5.9.2022) K Thorlby-Coy (appointed 27.3.2023) A Gleadhall (appointed 6.12.2022)
COMPANY SECRETARY	H J Rose
SENIOR MANAGEMENT TEAM:	L Fox (Headteacher) R Huddart (Deputy Headteacher) S Wilson (Deputy Headteacher) H Rockliff (Assistant Headteacher) M Linley (Assistant Headteacher) B Robertson (Assistant Headteacher)
REGISTERED OFFICE	Hurst Lane Auckley Doncaster South Yorkshire DN9 3HG
REGISTERED COMPANY NUMBER	07547393 (England and Wales)
AUDITORS	Kingswood Allotts Limited, Statutory Auditor Chartered Accountants Sidings Court Lakeside Doncaster South Yorkshire DN4 5NU
SOLICITORS	Stone King LLP 16 St John's Road London EC1M 4BS
BANKERS	Lloyds Bank PLC 106 High Street Scunthorpe DN15 6HG

The Hayfield School
Trustees' Report
For The Year Ended 31 August 2023

The trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2023. The annual report serves the purposes of both a trustees' report, and a directors' report and strategic report under company law.

The Hayfield School (the "academy trust") aims to provide a high quality and inclusive education for students aged 11 to 16 so that all students can make the very best progress and attainment. This is underpinned by a culture of strong work ethic, kindness and decency. The School has a sustained excellent academic profile and has a strong reputation for developing the character and culture of students so that they are fully prepared for their transition into further education and adulthood. The school is normally over-subscribed year on year. The school serves a catchment area in and around Auckley, Doncaster. The current NOR is 1068 (census Summer 2023).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Hayfield School is a company limited by guarantee and an exempt charity. The Charitable Company's memorandum and articles of association are the primary governing documents of the School trust.

The trustees of The Hayfield School are also the directors of the Charitable Company for the purposes of company law. The charitable company is known as The Hayfield School. Details of the trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on page 1.

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' Indemnities

The School 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 School 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.

Method of recruitment and appointment or election of trustees

In accordance with the articles of association the trustees are appointed as follows:

- a. The members may appoint by ordinary resolution up to 11 trustees
- b. The total number of Trustees including the principal if they so choose to act as a Trustee under Article 57 who are employees of the Academy Trust shall not exceed one third of the total number of Trustees
- c. The Trustees may appoint Co-opted Trustees under Article 58.

Parent Trustees (A minimum of two parent trustees)

- d. Subject to Article 56A, the Parent Trustees shall be elected by parents and individuals exercising parental responsibility of registered pupils within the Academy. A Parent Trustee must be a parent, or an individual exercising parental responsibility of a registered pupil at the Academy at the time of selection.
- e. The Board of Trustees shall make all necessary arrangements for, and determine all other matters relating to, an election of Parent Trustees, including any question of whether the person is a parent, or an individual exercising parental responsibility. Any election of Parent Trustees which is contested shall be held by secret ballot.
- f. The arrangements made for the election of a Parent Trustee shall provide for every person who is entitled to vote in the election to have an opportunity to do so by post or, if he prefers, by having his ballot paper returned to the Academy Trust by a registered pupil at the Academy
- g. Where a vacancy for a Parent Trustee if required to be filled by election, the Board of Trustees shall take such steps as are reasonably practical to secure that every person who is known to them to be a parent, or an individual exercising parental responsibility, of a registered pupil is informed of the vacancy and that it is required to be filled by election, informed that he is entitled to stand as a candidate, and vote at the election, and given the opportunity to do so.
- h. The number of parent trustees required shall be made by Parent Trustees appointed by the Board of Trustees if the number of parents standing for election is less than the number of vacancies.

The number of trustees shall be not less than three but shall not be subject to any maximum. The term of office for any trustee shall be four years. This time limit does not apply to the Headteacher and any post held which is ex officio.

The School trust actively advertises and organises elections for trustee vacancies. This is then followed by a rigorous selection process and references.

The Hayfield School
Trustees' Report
For The Year Ended 31 August 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Policies and procedures adopted for the Induction and training of trustees

On appointment, all trustees are provided with handbooks detailing school legislation.

All trustees are provided with a code of conduct which centres on:

- Strategic functions and core role
- Acceptance of role and responsibilities
- Demonstration of commitment to the role
- Ability to build and maintain relationships
- Respect and confidentiality
- Declaration of conflicts of interests

In addition to the above all newly appointed trustees are supplied with a Scheme of Delegation Handbook which outlines the following:

- The Members Board
- The Board of Trustees
- The layers of Governance
- Terms of reference for each committee

Trustees attend the full board and are then requested to sit on a sub-committee which is pertinent to their expertise and skill set. In-house training is provided on a bespoke scheduled or requested basis. Additionally, the school has invested in the use of an online resource called 'The Key' and is also a member of the National Governance Association (NGA) which offers a wide range of learning resources and materials for the benefit of serving trustees and members. In line with the NGA the school has invested in Learning Link which enables trustees to engage in flexible e-learning. This further invests in the trustees and governance professional to develop their skills and knowledge. These learning platforms equip the trustees with the knowledge to enable them to be accountable trustees, effective trustees and ethical trustees. All members of the trust have been given access to these services.

Organisational structure

The trustees are responsible for setting general policy, approving and adopting an annual plan and budget and overseeing the financial performance of the school ensuring that the public money that the school is entrusted with is used for the purposes intended whilst achieving best value. Additionally, the trustees monitor expenditure within school by the use of budgets to aid strategic thinking when making major decisions about the direction of the school, capital expenditure and senior staff appointments. The trustees hold the Headteacher to account with regards to educational performance and curriculum planning in line with integrated financial planning to ensure that these systems work systematically for the benefit of all in terms of clarity of vision, ethos and strategic direction.

The Hayfield School Senior Leadership Team consists of the Headteacher, two Deputy Headteachers (one with responsibility for the Quality of Education and the one with the responsibility of Operation, Standards and Expectations. In addition this Deputy also acts as the Chief Financial Officer for the school) and three Assistant Headteachers. Senior support to the school leadership team includes: HR Manager, Business and Finance Manager, Operations Manager, Administration Manager, Quality of Education Manager and IT Manager. An Associate Senior Leadership Team is in place comprising 5 highly effective middle leaders. This team echoes the school ethos of continual forward planning and commitment to developing staff in a school where staff mobility is very low. This includes the Designated Safeguarding Lead (DSL) and Special Educational Needs Co-ordinator (SENDCO).

Middle leadership is split amongst subject, pastoral care, character and culture and special educational needs. Each academic area has a subject leader and larger core departments such as English, Science, Mathematics, PE will have at least one TLR postholder. The inclusion/pastoral area comprises: SENDCO, Safeguarding, Attendance and Welfare, Social, Emotional and Wellbeing counsellor plus five heads of year. These are all supported by administrative and student support staff. The team is led and well managed by an experienced Assistant Headteacher.

The Senior Leadership Team meets daily. Each member of the Senior Leadership Team has strategic and operational responsibilities and line manages middle leaders as well as those on the shadow leadership team. Each member of the Senior Leadership Team acts as a conduit and links with one or more trustee committees.

The Chair of Trustees reports to the Board of Members that assesses the strategic and operational direction of the school. The Board of Members meets every term. This Board acts as a vital link between school management and trustees. The day-to-day leadership and management are delegated to the Headteacher, who is also the Accounting Officer.

The Hayfield School
Trustees' Report
For The Year Ended 31 August 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Arrangements for setting pay and remuneration of key management personnel

The Hayfield School adopts the rules as set out in the School Teachers Pay and Conditions Document (STPCD). The Headteacher, Deputy Headteachers and the Senior Leadership Team are paid within the leadership pay range which is between £64,224 and £104,665 per year.

An individual school range has been set by trustees for the Senior Leadership Team. If a senior leader reaches the top of these School ranges, then no further pay progression will be activated irrespective of their performance review. All point increases are dependent on the ability of the individual to demonstrate that they have achieved their set goal and objectives within the Academic year to meet the success criteria of their performance management in accordance with the 2022 Regulation in England. The relevant body determines how pay progression will be determined subject to the following:

1. The decision whether or not to award pay progression must be related to the individual's performance, as assessed through the school or authority's appraisal arrangements in accordance with the 2022 Regulations in England;
2. a recommendation on pay must be made in writing as part of the individual's appraisal report, and in making its decision the relevant body must have regard to this recommendation;
3. where the individual is not subject to the 2022 Regulations, in order to reach a decision whether or not to award pay progression the relevant body must seek to agree objectives with the individual relating to school leadership and management and pupil progress and in the absence of such agreement, must set such objectives, and must appraise the performance of the individual taking account of those objectives;
4. pay decisions must be clearly attributable to the performance of the individual;
5. sustained high quality of performance having regard to the results of the most recent appraisal carried out in accordance with the 2022 Regulations or the objectives agreed or set under paragraph 11.2(c) (as the case may be) should give the individual an expectation of progression up the pay range;
6. where in accordance with the provisions of an earlier document the relevant body has determined a pay range the maximum of which exceeds the highest salary payable under this Document it must continue to pay any salary determined by reference to that pay range until such time as it reassesses the pay range for its leadership posts under the provisions of this document.

The Headteacher annual pay range is set in line with the STPCD allocating the advised unit per pupil dependent on the key stage. This information is taken from the latest school census and reviewed on an annual basis, all information is passed to the appropriate trustees.

The relevant body must determine pay ranges for the Headteacher and Deputy Headteachers and assistant headteachers in accordance with paragraphs 9.1 to 9.4 of the STPCD. When determining an appropriate pay range, the relevant body must take into account all of the permanent responsibilities of the role, any challenges that are specific to the role, and all other relevant considerations. In the case of a new appointment, the relevant body may wish to consider whether the requirements of the post and the extent to which the preferred candidate meets those requirements are such that it would be appropriate to set the starting salary above the minimum of the relevant headteacher group. The relevant body must ensure that there is appropriate scope within the range to allow for performance-related progress over time. Pay ranges for headteachers should not normally exceed the maximum of the headteacher group. However, the headteacher's pay range may exceed the maximum where the relevant body determines that circumstances specific to the role or candidate warrant a higher than normal payment. The relevant body must ensure that the maximum of the headteacher's pay range and any additional payments made under paragraph 10 of the STPCD does not exceed the maximum of the headteacher group by more than 25% other than in exceptional circumstances; in such circumstances, the Board of Trustees must seek external independent advice before providing such agreement and support its decision with a business case. The maximum of the deputy or assistant headteacher's pay range must not exceed the maximum of the headteacher group for the school.

Trade union facility time

The Hayfield School supports trade union representatives to carry out facility time duties as per employment law during their normal working hours. The number of Trade Union officials is 2.6. During the academic year September 2022 to August 2023 the estimated time spent on facility time is estimated to be in the banding 1% to 50% of total time. The total cost of facility time is estimated to be £1871, which equates to 0.03396% of a total pay bill of £5,508,513.

The Hayfield School
Trustees' Report
For The Year Ended 31 August 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Related parties and other connected charities and organisations

The school trust has an excellent transition programme. The headteacher maintains a close working relationship with partner school headteachers, and is in regular communication. The school trust offers in-house training and CPD programmes and SLT support to other schools both locally and in the wider region. The school trust has established a close working relationship with: New Collaborative Learning Trust, Hall Cross Academy, Ridgewood School, Kettlethorpe School and all feeder Primary Schools. The school also works with Exchange Teaching School Hub and currently has three colleagues enrolled on NPQs. The school is a PiXL school (Partners in Excellence). This is a 'not for profit' partnership which brings thousands of school leaders and educational experts together to share best practice to raise standards to ultimately enable our students to access a brighter future as they leave the school. Many PiXL strategies have been at the core of the success of the school over the last five years. In 2021, the school joined Voice21, the leading national oracy education charity. The strategies implemented throughout the school by our oracy lead and oracy champions are extremely successful and are an integral part of the school framework. We recognise that there is not a one-size-fits-all approach to implementing oracy education in schools; we therefore have a strategy that is tailored specifically to the needs of the school. This equips teachers and leaders across our school with the tools, practical approaches and expertise to provide our students with a high quality oracy education.

The school also has a partnership agreement with Teach First, a social enterprise registered as a charity which aims to address educational disadvantage in England and Wales. As a result, the school currently has two Teach First professionals who have successfully completed their two year training and are now fully employed by the school.

None of the above mentioned are charities connected to the school by the following specified criteria within the Academies Accounts Direction Section 3.114:

- the charity is administered by or on behalf of the academy trust; and
- the charity is established for the general purposes of, or any special purpose of or in connection with, the academy trust

OBJECTIVES AND ACTIVITIES

Objectives and Aims

The objectives of the school trust, as set out in its Articles of Association, are specifically restricted to:

1. Advancing for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a School offering a broad and balanced curriculum.
2. Promoting for the benefit of the community of Doncaster and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interest of social welfare and with the object of improving the condition of life for the community.

The school is student centred and dedicated to the children and young people of the local community it serves. Through its ethos, environment and curriculum, the school enables each individual to fulfil their potential, encourages everyone to make a positive contribution to society and prepares them for the next stages of education and adult life.

The learning environment supports social inclusion and provides a safe and secure place where everyone matters.

Mission statement

The school is committed to the pursuit of the highest standards and expectations in all aspects of school life, with high aspirations for students and staff. The Hayfield School motto of 'Kindness, Decency and Strong Work Ethic' is woven into all areas of school life and displayed throughout the building.

Public Benefit

In setting objectives and planning activities the trustees have given careful consideration to the Charity Commission's general guidance on public benefit when reviewing aims and objectives and in planning future activities.

The Trustees believe that the school trust's admissions policy and its achievement and performance in the period provide clear evidence that the school trust is meeting its obligations as a charity to deliver public benefit. As an academy the school can clearly demonstrate its aims and objectives. Children residing in the catchment area have priority admission to the school trust, followed by children attending feeder schools, and thereafter, children residing in closest proximity to the school trust outside the catchment area.

The Hayfield School
Trustees' Report
For The Year Ended 31 August 2023

The two key principles of public benefit are fulfilled by the school.

Under principle 1 these benefits ensure that:

- it is clear what the benefits are
- the benefits are related to the academy aims and objectives
- the benefits are balanced against any detriment

Under principle 2 these benefits ensure that:

- the beneficiaries must be appropriate to the aims

The school trust provides a small lettings programme managed in house. This programme provides a small income for the school. For the benefit of the wider community this will continue into the current academic year.

The Hayfield School will always seek to maximise the use of the facilities on-site, within the financial constraints, for the general benefit of the community. It aims to create a positive partnership between all stakeholders.

STRATEGIC REPORT

Achievement and performance

Academic Achievement and Performance

The school remains committed to ensuring that all students maximise their progress and as such, continues to perform above the national average in all key measures. Most subjects are now assessed using the 9 to 1 grading system, with grade 4 a standard pass and 5 a strong pass. The school continues to focus on closing the progress and achievement gap for disadvantaged students.

The school undertakes rigorous and transparent analysis of all data in order to identify where the focus on improvement should be. There is a strong culture of positive support to ensure that all staff feel that they have the adequate and appropriate CPD opportunities. A considerable amount of staff development has focused on the use of data to improve teaching and learning and therefore outcomes for students.

Key Performance Indicators

	Don LEA 2023	National 2023	Hayfield Results 2023	Female	Male	Disadv	Non Dis	Service	SEN	High ability	Mid ability	Low ability
Cohort	3248	587681	205	94	111	26	179	3	19	52	110	39
Progress 8	0.01	-0.03	0.46	0.63	0.32	-0.16	0.54	0.24	0.25	0.39	0.54	0.34
Avg Total Attainment 8	44.4	46.2	52.22	53.77	50.91	40.33	53.95	54.33	32.78	68.85	51.93	31.3
% Achieving 5+ in EM	41.0%	45.0%	64.4%	70.2%	59.5%	38.5%	68.2%	66.7%	21.1%	96.2%	68.2%	12.8%
% Achieving 4+ EM	62.0%	65.0%	77.6%	80.9%	74.8%	57.7%	80.4%	100.0%	31.6%	100.0%	86.4%	25.6%
Ebacc APS	3.67	4.05	4.13	4.17	4.09	2.97	4.30	3.56	2.22	5.94	3.99	2.13
Ebacc Entry	24.0%	39.0%	14.1%	20.2%	9.0%	7.7%	15.1%	0.0%	0.0%	30.8%	11.8%	0.0%

We have had another very good year in terms of results for the cohort as a whole. Performance compares very favourably versus local schools and also national. This is particularly impressive given the male heavy cohort, given males do significantly less well than females nationally in GCSEs and puts us at a disadvantage in terms of starting point:

- The progress 8 figure is officially deemed 'above average' and means students achieved an average 0.49 grades higher in all of their subjects than students of the same ability level across Great Britain. This is almost half a grade more progress per subject.
- The progress score of 0.46 would place us 694th out of almost 7000 schools i.e. the top 8.5% of schools nationally.
- The % of students achieving grade 5+ in both English and mathematics places us 567th nationally, which is within the top 8.2% of schools.
- The progress of our female students is exceptionally strong, with each girl on average gaining GCSE grades 2/3 of a grade higher than they should have for their level of ability.
- Our attainment 8 score of 52.22 means that our students achieved an average grade of 5.2 in each of the 10 qualifying subject slots, versus 4.6 nationally and 4.4 locally.
- Our % at grade 4+ including English and maths is over 15% higher than the local average and over 12% higher than national.
- Our % at grade 5+ including English and maths is over 23% higher than the local average and almost 20% higher than national.
- Although it is always something we are working hard to improve, the disadvantaged progress score of -0.16 is considerably higher than the national average for disadvantaged students, which is -0.55.

The Hayfield School

Trustees' Report For The Year Ended 31 August 2023

Behaviour and Attitudes

The school is proud of its high expectations but these need to be maintained and can only be maintained by constant tight leadership and management, continuous CPD and reinforcement of the robust behaviour management system. This continues to be monitored and evaluated. The use of new software (Microsoft PowerBI) is allowing a greater depth of analysis of school performance in this area but it should be noted that the context of the school continues to change. This means that further investment in the area will be required in subsequent academic years. Trips, visits and the comprehensive extra-curricular programme are the key drivers to keep students positive and mentally healthy. Mental health also features strongly in the whole school character and culture curriculum.

The work carried out to develop cultural capital through the assembly programme will be a key indicator of the strength of positive behaviour and attitudes.

Leadership and Management

The table below identifies whole school leadership and management priorities for 2023/24. There is a robust School Development Plan that sits behind these priorities. The Headteacher is held accountable for the implementation of the plan by the Trustees and Members.

• <i>Kindness</i> • <i>Decency</i> • <i>Strong Work Ethic</i> •		
Strategic Development Plan 2023-24		
Priority 1 Leadership and Management Ensure effective and appropriate alternative provision both on and off site for children and young people at risk of permanent exclusion or those for whom mainstream education is not currently meeting needs.	Priority 2 Behaviour and Attitudes Deepen our shared understanding of the SEMH needs of children and young people in our care and how we can best address these needs at every level.	Priority 3 Behaviour and Attitudes Close the attendance gap between our Disadvantaged cohort and their non-disadvantaged peers.
Priority 4 Quality of Education Secure excellent levels of attainment and rates of progress for all students, particularly those with SEND or who come from disadvantaged backgrounds.	Priority 5 Personal Development Prepare students for life in modern Britain, developing their knowledge and understanding of statutory content in addition to our shared values including mutual respect and tolerance of those with different faiths and beliefs.	Priority 6 Quality of Education Promote a love of reading in order to improve academic outcomes and further enhance 'cultural capital'.
ASPIRATIONS AND LIFE BEYOND SCHOOL	OVERACHIEVING	HEALTHY MIND AND HEALTHY BODY
		SHARED BRITISH VALUES
		CULTURAL CAPITAL

Going Concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academic trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt a going concern basis in preparing the financial statements.

FRS102, The financial reporting standard defines the period over which the going concern assumption must be considered as at least, but not limited to: "twelve months from the date when the financial statements are authorised for issue". Simplistically, the term, 'going concern' is a view as to whether or not the school will have sufficient funds to pay its obligations, such as payroll and trade creditors as they fall due.

The Academy has adopted a five-year budgeting process in line with DfE recommendation to identify any possible areas of weakness/threat to the school. This of course is dependent on timely information released by the ESFA to reflect the accuracy of the forecasts. Without this information long term planning is based on known influencing factors.

Appropriate assessments of the financial position of the school are presented to trustees within the 6 scheduled meetings per year. If there are any areas of significant concern additional meetings are held. All management accounts are clearly presented. The more informed that trustees are then the better equipped they are in making long term decisions for the strategic direction of the school within the bounds of affordability. To ensure that the school remains a going concern, trustees have focus on short term issues and ask the right questions of the right people at the right time.

The Hayfield School
Trustees' Report
For The Year Ended 31 August 2023

The Academy has fully embedded the use of Integrated curriculum and financial planning (ICFP) within the financial forecast and budgets are not set in isolation to curriculum planning. Financial dashboards are produced on a termly basis and communicated to trustees along with key performance metrics. These are all reviewed taking the context of the school into consideration and fully encompass the rule of thumb and equation of life calculations.

Full cash flow forecasts in line with budgets are reported to the trustees. This shows the forecast liquidity of the school throughout the forecast year. Trustees recognise that a strong balance sheet does not reflect the liquidity of the school and are aware that insufficient 'liquid' assets will ultimately affect the going concern of the school. Trustees are aware that a going concern issue commonly manifests itself to a charitable company as a cash flow problem.

Within the academic year 2022/23 the school had a voluntary school resource management adviser (SRMA) deployed by the DfE within the Spring 2023 term. The aims of this deployment were to provide a supported ICFP review where the schools would value working with an experienced peer and could share best practice. The ultimate objective being to develop evidence-based recommendations which the school could take forward. Findings reflected that 'it was clear that the school had a strong understanding of financial health. In addition to this strong systems and policies maintain control of purchases, tendering and contracts management'. The SRMA did recognise that contact time ratios are lower than national benchmarks, this is however correlated to the strong outcomes of the school and the low staff turnover rates. Recommendation by the SRMA is to consider staffing numbers as natural wastage opportunities arise.

Financial review

General financial review

The largest proportion of school trust income is obtained from the DfE in the form of recurrent grants, the use of which is restricted to particular purposes.

The grants received from the DfE and associated expenditure from September 2022 to August 2023 are shown as restricted funds in the statement of financial activities. Final figures were as anticipated and in the main agree to the submission of the budget forecast return (BFR) to the Education and Skills Funding Agency (ESFA August 2023).

The school has continued to monitor the actual expenditure against budget expectations throughout the financial year. Any deviations have been reported in detail to the board of trustees within each finance committee meeting and any causes for concern have been noted. Budgets have remained tight and changes instigated by the DfE/HM Revenue and Customs (HMRC) have been actioned throughout the financial year.

Full cash flow forecasts are performed in conjunction with this monitoring as an integral system to ensure the financial liquidity of the school. Liquidity of the school as reflected within the balance sheet remains stable with an increase to the cash flow in comparison to the same period last year. Overall balance sheet liquidity excluding restricted fixed assets reflects a positive increase to the schools outturn of £23,000 in year.

The school has continued its rolling programme of investment over the summer period to enhance the quality and facilities of the building within the constraints of the budget.

Capital investment and whole school investment has been limited this year due to the availability of funds. The year end accounts show new assets bought in the year reflect an expenditure of £18,000. This has been funded from rolling reserves. The school maintains its excellent reputation for value for money in year and we have continually utilised the DfE platforms for high end purchases.

The restricted fixed asset fund balance has been reduced by annual depreciation charges over the expected useful life of the assets concerned.

The surplus of income over expenditure for the twelve months (excluding restricted fixed asset funds and Local Government Pension Scheme (LGPS) adjustments) was £23,000.

Reserves Policy

The Trustees Finance, Audit and Risk Committee, in conjunction with the Board of Trustees, aims to carry forward sufficient funds to meet the school trust's long term objectives and to provide working capital, whilst ensuring that it does not affect its current operational activities, however this could be challenging given the continuing changes to the current economic climate. Whilst income invested into the educational landscapes has increased at per pupil funding level, inflation to expenditure overwrites the benefit of any income increases and we are funding the shortfalls in budgets through brought forward reserves. Budgets for the academic year 2023-24 have been set and a continuing positive cumulative outturn is forecast despite the impending teacher and support staff pay recommendations that are awaiting approval, and the energy crisis. The school will continue to act with caution pending information from the DfE with regards to the 2024/25 budget. Illustrative funding guidance has now been used with expected pupil numbers for this projected year.

The Hayfield School
Trustees' Report
For The Year Ended 31 August 2023

The trustees have determined that the appropriate level of free reserves should be equivalent to one month's expenditure, approximately £500,000.

The trustees continually review the reserve levels of the school throughout the academic year and the impact of forecast outturns on future budgets. These reviews encompass the nature of income and expenditure streams, the need to match income with commitments and the nature of the reserves. The educational obligations that the school has on a day-to-day basis are funded through the restricted reserves.

The school conducts regular cash flow forecast exercises to ensure that there is enough working capital to cover delays between spending and receipts of grants. Due to the unparalleled pressures within education budgets and the additional costs imposed on our expenditure beyond the school's control budgeted expenditure is reviewed against actual spend and the necessary efficiencies/adjustments are made.

Costs imposed on our expenditure beyond the school's control budgeted expenditure are constantly reviewed against actual spend and the necessary efficiencies/ adjustments are made.

There are no designated funds against the schools financial reserves for the period ending 31 August 2023.

Under accounting standards FRS102 it is necessary to account for any surplus or deficit within the Local Government Pension Scheme that is limited to support staff employees of the school. This charge is specific to a designated account within the statement of financial activities. As of 31 August 2023 this is a £1,016,000 pension surplus and does not represent a cash flow liquidity risk. Future employer contributions have been reduced, as determined by the actuary of the scheme.

The fixed asset fund of £13,816,000 represents the net book value of assets as at 31 August 2023 and unspent capital funds. This fund can only be realised from the sale of the assets as recorded within the asset register.

Any unbudgeted emergency would be supported by unrestricted funds. The bank balance as at 31 August 2023 was £677,836. The free reserves (unrestricted general funds) as at 31 August 2023 were £160,000. The unspent GAG funds at 31 August 2023 were £292,000.

Investment Policies

The school trust would ensure that if any surplus funds did exist that these would be deposited to maximise interest. In previous years the school has successfully invested in Treasury funds for short periods of time. Constraints on budgets and government changes over the last few years have resulted in unprecedented pressures within the school budget therefore there has been no scope of investing any surplus income to maximise interest with the Academies funds.

Principal Risks and Uncertainties

Risk Management

The Trustees have assessed the major risks to which the school trust is exposed, in particular those relating to teaching, provision of facilities, financial and other operational areas of the school. Systems or procedures have been established to manage those risks.

The school produces an annual Governance Statement. Internal control systems and exposure to risks are considered in relation to all activities and legislation discussed during weekly leadership meetings. Risk management is embedded into the day-to-day processes of the school trust. Principal risk areas for the school trust are the protection of students, employees and assets. Systems and procedures to minimise these are constantly being reviewed and updated.

The school trust has appointed a Responsible Officer who has reviewed and reported on the school trust's financial activities within each academic term for the period September 2022 to August 2023.

Risk Management - Estates

As an organisation, the school has a range of responsibilities under current legislation and statutory guidance. The school's responsibilities include such matters as safeguarding, health and safety and estates management. Ensuring strong governance in these areas is a key priority for the Board of Trustees. The Senior Leadership Team and Trustees think strategically about the school estate to support educational goals.

Within any academic year the Operations Manager works in conjunction with the Deputy Headteacher and Site Manager (who has health and safety responsibility) to determine an annual maintenance plan. This is completed using best value which is often sourced utilising the DfE platforms in terms of equipment. Professional individuals are contracted on price, quality and experience. All are done considering the budget impacts. Project costs determine the level of appropriate authorisation within the school.

The Hayfield School
Trustees' Report
For The Year Ended 31 August 2023

Financial and Risk Management Objectives and Policies

The school trust is currently oversubscribed in relation to the overall admission policy of the school. The school remains a popular choice within the borough with a substantive waiting list. Student number risk to our school is low in comparison to other schools. In the event that student numbers reduce then the school will ensure that funding risk is mitigated within expenditure. Financial budgets are carefully monitored and efficiencies are made to accommodate any uncertainties or risk.

The school is very aware that it must maintain its full capacity within the competitive local area. Year 7 recruitment for the academic year 2023/24 has 220 NOR with a waiting list of 65 students at the last count. The school took the decision in 2016 to increase its Pupil Admission Number (PAN) from 180 to 210 students in Year 7 over a five year rolling programme. A further rise in student numbers of 10 students over PAN has been introduced (with consent from the LA) to help meet local demand in Year 7 and to mitigate losses to other local schools. This will ensure that the school maintains its overall PAN (1050).

Budgets are monitored very tightly and actions are taken to minimise risk and to ensure that students are given the best value for money during their learning experience at the school.

Reference is also made to the South Yorkshire Pension Authority (SYPA) defined benefit pension scheme which is fluid and changes each year following the actuary reports.

FUNDRAISING

Under the provision of the Charities (Protection and Social Investment) Act 2016 the school follows the following areas in its approach to fundraising activities. As a school from time to time it may ask the public for money to help people in need within society. In return for charitable donation the school will act in a considerate and responsible way ensuring clear transparency with the collection and payment of all charitable monies.

The school's approach to fundraising:

Fundraising in schools offers the child a positive opportunity for involvement in helping others by raising funds. It is important that trust is at the heart of all fundraising with school children.

The school house system promotes a strong team spirit and a healthy sense of competition. All students belong to one of four houses: Endeavour, Liberty, Courage, Wisdom. Every term sees a whole school fundraising event that links to The Big Picture, Character and Culture. The school wants its young people and staff to have fond memories of their time at the school, knowing that they had the best possible preparation to thrive in adult life and take their place in society.

Through the house system and a recent democratic vote to further embed the understanding of British Values to our students the outcome for 2022/23 was that any fundraising would be donated to the following organisations:

- Oddballs Foundation
- Children in Need
- Comic Relief
- Macmillan

Oversight/working with commercial participators and professional fundraisers: The

The School does not enter into any agreements with any commercial participator or professional fundraisers. All fundraising activities are organised by the school with all appropriate risk assessments completed.

Conforming to recognised Standards: The school trust will conform to its legal duties when overseeing the school's fundraising activities. The school will adhere to 6 principles to help them achieve this:

1. Planning effectively by ensuring that the school agrees, sets and then monitors the school's overall approach to fundraising. The trustees will take into account risks, values and ethos of the school and relationships with the wider public.
2. Supervision of fundraisers by ensuring that systems are in place to oversee charitable activities.
3. Ensuring strong management of assets and resources to meet legal trustee duties.
4. Compliance of laws and regulations as some of these can be detailed and complex. This covers compliance in areas such as data protection, licensing and working with commercial partners. The school will always refer to the Charities (Protection and Social Investment) Act 2016 for reference and compliance.
5. Identifying and following any recognised standards that apply to the school's fundraising activities.
6. Being open and accountable by complying with statutory accounting and reporting requirements on fundraising and operation appropriate systems that demonstrate that any charitable activity is well run and effective. All fundraising events are communicated in an open and transparent way to the School's charity donors and supporters

The Hayfield School
Trustees' Report
For The Year Ended 31 August 2023

Monitoring of fundraising

The school trustees, through regular updates and communication, are aware of the Charity's overall financial position. The school can demonstrate how fundraising supports its long term strategy and vision an effective system is in place to ensure:

- The school's sources of income are easily identifiable.
- A realistic whole school target is set in terms of fundraising.
- Any investment of the charity's money is balanced with expected income, ensuring it is an appropriate investment.
- Individual business plans and budgets are, where appropriate, drawn up for any new or significant fundraising activities.
- The progress and financial performance of charitable activities including costs and any risk are monitored.

Fundraising complaints

The school has an effective and robust procedure for dealing with complaints. The complaints procedure is accessible, open and transparent and ensures that any concerns raised by the public, supporters, donors or others are addressed in a timely and direct fashion.

The school seeks to protect the public inclusive of vulnerable people from unreasonable intrusive or persistent fundraising approaches, and undue pressure to donate to fundraising/charitable events.

FUTURE PLANS

Every year the school is focused on 'raising the bar' to ensure that standards improve year-on-year. The school trust is committed to its students and to improving the long term prospects of its community.

There is much crossover between this section and the information provided in the Strategic Report.

Buildings

The school continues on a rolling programme of upgrades to the fabric of the school to enhance the learning environment for students. The school has previously been successful in securing Condition Improvement Fund (CIF) bids that have enabled the school to update many worn out/unfit for purpose buildings and learning spaces. No CIF bids have been submitted within the academic year 2022/23.

Within the year 2022/23 we have seen significant expenditure through the premises and maintenance budgets. This has enabled the school to:

- Library Investment - enhancement of its use as part of the whole school reading intervention. Investment has taken place in terms of resources which are both of the physical form or e-platforms. Enhanced aesthetics, furniture and flooring upgrades
- Upgrade to exam venues to accommodate the whole school. Inclusive of acoustic sound partitions and new carpet which is portable.
- Change of use of a KS4 social space to accommodate the dance curriculum.
- Enhancement of facilities and equipment to support the animal care curriculum provision.
- Change of use to PE stores to accommodate exams and exams administration.
- Substantive health and safety remedial works and repairs.
- Enhancement of the school environment. Decals and decorating.
- Refurbishment of an all inclusive student room, including furniture, resources and air conditioning.
- Introduction of a wellbeing area to support vulnerable pupils. Inclusive of furniture and resources.
- Change of use of two rooms to accommodate the demands and needs of the curriculum in terms of special educational needs provision. These changes have been inclusive of installation of windows and the alterations to the fabric of the building.
- Upgrades to classroom projectors.
- Upgrade to the performing arts curriculum area.
- Demolition of external concrete outbuildings and asbestos removal.

The school will continue to enhance and maintain the building from any surplus reserves and earmarked budget.

The Hayfield School
Trustees' Report
For The Year Ended 31 August 2023

AUDITORS


In so far 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.

Kingswood Allotts Limited, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006, unless the charitable company receives notice under section 488(1) of the Companies Act 2006.

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on20/11/2023..... and signed on the board's behalf by:

..........
M Huby - Trustee

The Hayfield School
Governance Statement
For The Year Ended 31 August 2023

Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that The Hayfield School 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 DfE'S Governance Handbook and the Competency Framework for Governance.

The trustees have delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform to the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Hayfield School and the Secretary of State for Education. The Headteacher is also responsible for reporting to the trustees any material weaknesses or breakdowns in internal control.

A review of Governance will be performed by the School within the Spring Term. This review will include self-evaluation.

Governance

The information on governance included here supplements that described in the Report of the Trustees and in the Statement of Trustees Responsibilities. The trustees of the school meet regularly to challenge, discuss and effectively manage the strategies and financial objectives. Two Committees within the Academy exist.

These are:

- Full Board of Trustees
- Finance and Audit and Risk management

In addition to this the following responsibilities are discussed in detail as part of the agenda within the Full Board of Trustees meetings:

- Quality of Education
- Behaviour, Attitudes and Personal Development
- Leadership and Management

There are 6 calendered meetings per committee per academic year, therefore the trustees will meet formally 12 times throughout the academic year. Financial strategies, budgets and accounting forecasts are agenda items on all of the committees therefore providing essential information 12 times per academic year. In addition quality of education, behaviour, attitudes and personal development as well as the general leadership and management of the school are discussed at full board meetings. This gives a continuous overview. Each trustee then has a link to the main priorities of the school to further extend their knowledge, skills and offer advice with regards to the quality of education, SEND/disadvantaged, safeguarding, Health and Safety, personal development, wellbeing, careers, e-safety and financial scrutiny.

The Board of Trustees has formally met 5 times during the year. Full agendas and management reports are produced and shared in advance of the meeting to enable detailed questioning by trustees. Attendance during the year at meetings was as follows:

The Hayfield School
Governance Statement
For The Year Ended 31 August 2023

Board of Trustees

Trustee	Comment	Meetings attended	Out of a possible
U Ahmed	Resigned May 2023	2	3
W Barlow		1	5
M Bolton	Resigned September 2022	0	0
L Clark		5	5
K Coulter		4	5
D Dickerson		5	5
S Featherstone		4	5
A Gleadall	Appointed December 2022	2	4
M Huby		5	5
M Kallaur	Resigned October 2022	0	0
A Sapsted		5	5
J Shepherd		5	5
K Thorlby-Coy	Appointed March 2023	2	2
L Fox		4	5

During the academic year 3 trustees resigned: M Bolton, M Kallaur and U Ahmed.

In May 2023 the school was inspected by Ofsted. As the school was previously judged as 'Good' the inspection was ungraded and carried out under section 8 of the Education Act 2005. Trustees met with the inspector who commented that they were well informed about the performance of the school. It was noted that leaders provide trustees with accurate and detailed information, which allows them to provide effective support and challenge.

Trustees are highly effective and heavily involved in setting the strategic direction of the school. They have a good understanding of the school's performance data and are kept well informed about strengths and weaknesses in teaching. This is enhanced by their links with each of the school priorities and through challenging discussions with heads of departments at trustee meetings. Trustees have high aspirations and are ambitious for the school. Over the last four years, they have secured significant improvements in the learning environment embedding the expectation of both staff and students within the school. Trustees monitor closely the use of funding and ensure funding is used well and has a positive impact on raising standards.

Conflicts of interests are managed well within the school. Each trustee must always:

- Declare any continuing conflicts of interest they have on the register of business interests. This is completed by all trustees and senior staff members within the academic school year.
- Where there is an item on the agenda in which a trustee has a conflict of interest, they should declare this at the start of the meeting and withdraw for that part.

The trustees of the academy have strong strategic leadership and are able to set the direction of the school in line with the SLT taking into consideration the culture, value and ethos of the academy. All trustees hold the school to account by analysing the educational improvements of the school through rigorous data checks. Financial frameworks and the sustainability of the school over a five-year period are reviewed termly by the board and subsequently the Chair of Trustees.

The Chair of Trustees, Vice Chair of Trustees, Deputy Headteacher and Finance Manager discuss and assess the financial landscape of the school on a monthly basis unless a Finance, Audit and Risk Committee meeting is scheduled. The Finance, Audit and Risk is a subcommittee of the main Board of Trustees. Its purpose is as follows:

The Hayfield School
Governance Statement
For The Year Ended 31 August 2023

Finance, Audit and Risk Committee

In consultation with the Headteacher and the school's finance team, approve and monitor the annual budget and establish a three year detailed financial plan with a further 2 years showing a snapshot of the school's financial viability, ensuring that the school operates in accordance with the appropriate Financial Regulations and takes into consideration any changes to the educational landscape as imposed by the DfE. To consider, and make decisions, on expenditure following recommendations from other committees ensuring best value and reporting to the Full Board of Trustees.

Building and Site

To advise the Board of Trustees on priorities, including Health and Safety for the maintenance and development of the schools premises and to receive and consider the proposed annual capital spending programme. To consider as required any issues related consultations in respect of asset ownership e.g. asset management, asbestos surveys etc.

To keep under review key documents related to Buildings and Site i.e. Accessibility Plan, an Annual Fire Risk Assessment and an Emergency Plan and to ensure as far as is practical that Health and Safety issues and policies are appropriately addressed and prioritised.

The committee meets 6 times within the academic year to discuss the requirements of the school building in terms of affordability within budget forecasts that are: current, planned and projected. These meetings are part of the Finance, Audit and Risk Committee.

Attendance during the year at meetings was as follows:

Finance, Audit and Risk Committee

Trustee		Meetings attended	Out of a possible
K Coulter	Appointed December 2022	3	5
D Dickerson		6	7
S Featherstone		5	7
M Huby		7	7
M Kallaur	Resigned October 2022	0	0
L Fox		4	7

In addition to this all financial strategies and forecasts are discussed within the main Board of Trustees that formally meet 6 times a year.

These have all been attended by the Chair of Trustees, Vice-Chair of Trustees, Accounting officer and both Deputy Headteachers.

Review of Value for Money

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

A culture of efficiency and effectiveness is promoted within the school and each individual inclusive of trustees understands their role in securing value for money.

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 available. Benchmarking supplied by DfE in conjunction with benchmarking produced on a local level by the schools appointed auditors is scrutinised by senior leaders of the schools and members of the schools governing body. The Accounting Officer for the school trust has delivered improved value for money during the year by:

Rationale and Purpose

It is self-evident that a school must seek to obtain maximum value for all money expended, thereby leaving more money to be spent directly on enhancing the quality of the educational provision of the students.

The overriding consideration must be to maintain, or enhance, working conditions for staff and students thereby allowing them the opportunity to work at maximum efficiency. At the same time attention must be paid to optimising the cost value equation for all other goods and services provided.

The Hayfield School
Governance Statement
For The Year Ended 31 August 2023

Broad Guidelines

The school applies the best practices and highest standards of financial management to optimise Value for Money and to maximise efficiency. Principles include implementing a strategic financial plan which includes elements of budgeting, budget monitoring, planning, accounting, auditing, financial reporting, cash management, credit control, debt management, procurement, supply and fixed asset management.

Best practice includes:

1. Submitting a proposed budget to the Trustees for approval.
2. Discussing, negotiating and agreeing the final budget.
3. Using the agreed budget to actively monitor and control performance to achieve Value for Money.
4. Identifying and informing the Trustees of the causes of significant variance and implementing prompt corrective action.
5. Proposing revisions to the budget if necessary, in response to significant or unforeseen developments.
6. Benchmark costs expended by the school in comparisons to national data and present these in a dashboard format to the schools governing body.
7. Providing ongoing budgetary information to relevant people.
8. Maintaining a strategic financial plan which will indicate the trends and requirements of the school development plan and will forecast future budget plans.
9. Identifying additional finance required to fund the school's proposed activities.
10. Seeking and making use of specialist financial expertise. Inclusive of professional platforms e.g. CPC and VMFI.
11. Maximising income through lettings and other activities.
12. Presenting timely and fully cost proposals, recommendations or bids.
13. Formulating finance agreements with suitable providers for agreed amounts, at agreed times with appropriate agreed costs and repayment schedules.
14. Monitoring the effectiveness and implementation of agreements.

The school will always challenge the status quo by questioning assumptions, what current systems achieve and whether these systems can be improved upon. The school continues to use the ESFA standard chart of accounts. This ensures that the school maintains the required standard for financial data that underpins the requirements made by the DfE for school reporting.

Staffing resources are regularly reviewed by the Headteacher in terms of curriculum requirements. These are then measured against available revenue that the school has to expend using a 'rule of thumb calculator' and integrated curriculum and financial planning (ICFP). This provides a detailed analysis of staffing costs prevalent against what the school can afford and clearly details efficiencies or alternatively highlights any fundamental issues that need to be addressed. Difficult decisions have been made by the Headteacher within the current academic year to address the curriculum and staffing needs whilst still delivering a broad and balanced curriculum provision for our students.

The finance systems of the school, and, in particular, the points listed above are seen as the strategic support to facilitate the implementation of the annual school development plan. The Hayfield School ensures that maximum funding is spent in-year with minimal carry forward into the next financial year, taking into account future consideration and prevailing funding circumstances.

The school has managed its funds well within the year making efficiencies on contracts and managing curriculum changes whilst considering the impact on the financial accounts to maintain a viable financial position for future years. This is reflected in the positive in year and cumulative outturn balances.

Budgets have not been set in isolation from the curriculum model and the academy has fully embedded the use of ICFP.

2022/23 Premises Review

Curriculum areas have continually been improved in terms of aesthetics to further enhance the student learning environment.

All buildings and maintenance work unless otherwise stated has been funded through the allocated building maintenance budget plus the use of devolved formula capital monies. This ensures that the school's estate is well maintained and complies with statutory regulations.

Constant monitoring of premises and capital budgets and an extremely experienced site team contribute to the efficient and effective running of in-house management systems and procedures ensuring maximum value for money.

The Hayfield School
Governance Statement
For The Year Ended 31 August 2023

Substantial investment in our thriving Character and Culture programme has continued resulting in students being able to access a wealth of resources to further embed their life skills to help develop them as an individual and provide the tools they need to help them succeed in life beyond school. This year we have seen our Year 10 cohort access work experience for a week. This is invaluable and has helped our pupils to:

- Find out more about themselves.
- Explore what they are inspired by.
- Gain essential experience in careers that they wish to pursue.
- Help students discover their strengths, values, motivations and interests.
- Improve communication by meeting new people and building a network of contacts.

Finally, there has been continued investment in the professional development of our staff. This includes whole staff training and individual training based on curriculum areas and Leadership strategies. This further embeds the school leaders long term vision for the school.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of charitable company policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Hayfield School for the period 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 charitable company is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the charitable company's significant risks that has been in place for the period 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 school 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 review by the Finance, Audit and Risk Committee reports which reviews actual financial performance against the forecast expectations. This committee also reviews any major purchase plans, capital works and expenditure programmes;
- Setting targets to measure financial and other performance
- Clearly defined purchasing (asset purchase of capital investment) guidelines;
- Identification and management of risks.

The Board of Trustees has decided:

- Not to appoint an internal auditor. However, the trustees have appointed D Dickerson, a trustee, as Responsible Officer ('RO'). The RO's role includes giving advice on financial matters and performing a range of checks on the school trust's financial systems. On a termly basis, the RO reports to the trustees on the operation of the systems of control and on the discharge of the trustees' financial responsibilities. The school trust can confirm that the RO function has been fully delivered in line with the ESFA's requirements. No material control issues arose as a result of the RO's work.

The Hayfield School
Governance Statement
For The Year Ended 31 August 2023

The Risk and Control Framework

Examples of the work carried out by the Responsible Officer include:

- Testing of recruitment processes
- Testing of business continuity forecast/projections
- Testing of payroll systems
- Testing of purchase systems
- Testing of control accounts and bank reconciliations
- Identification of asset maintained on the school's fixed asset register
- Effectiveness of cash flow forecasting
- Budget notifications from the ESFA against the School's Accountancy software
- SEN identification in term of expected funding
- Student premium trends/reviews
- School led tutoring
- Energy framework and risks

Review of Effectiveness

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

- The work of the Responsible Officer;
- The work of the external auditor;
- The financial management and governance self-assessment process;
- The work of the executive managers within the school trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance, Audit and Risk Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 20/11/2023 and signed on its behalf by:



.....
M Huby - Trustee



.....
Ms L Fox - Accounting Officer

The Hayfield School

Statement on Regularity, Propriety and Compliance
For The Year Ended 31 August 2023

As accounting officer of The Hayfield School I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the academy trust and 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 academy trust board of trustees are able to identify any material irregular or improper use of all funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academy Trust Handbook 2022.

I confirm that no instances of 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.



.....
Ms L Fox - Accounting Officer

Date: 20/11/23

The Hayfield School

Statement of Trustees' Responsibilities For The Year Ended 31 August 2023

The trustees (who act as governors of The Hayfield School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Academies Accounts Direction issued 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 to 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 the ESFA/DfE have been applied for the purposes intended.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

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

Approved by order of the members of the board of trustees on 20/11/2023 and signed on its behalf by:



M Huby - Trustee

Report of the Independent Auditors to the Members of The Hayfield School

Opinion

We have audited the financial statements of The Hayfield School (the 'academy trust') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, 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) and the Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2022 to 2023.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

Opinions 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where 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.

Report of the Independent Auditors to the Members of
The Hayfield School

Responsibilities of trustees

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

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

Our 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- Enquiry of management around actual and potential litigation claims and fraud;
- Enquiry of management and review of correspondence to identify any instances of non-compliance with laws and regulations
- Reviewing trustee meeting minutes
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, testing income to supporting records, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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 Report of the Independent Auditors.

Use of our report

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



Mark Garrison BCom FCA DChA (Senior Statutory Auditor)
for and on behalf of Kingswood Allotts Limited, Statutory Auditor
Chartered Accountants
Sidings Court
Lakeside
Doncaster
South Yorkshire
DN4 5NU

Date: 21 November 2023.

**Independent Reporting Accountant's Assurance Report on Regularity to
The Hayfield School and the Education and Skills Funding Agency**

In accordance with the terms of our engagement letter dated 13 July 2022 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 The Hayfield School during the period 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 The Hayfield School and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Hayfield School and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Hayfield School and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Hayfield School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Hayfield School's funding agreement with the Secretary of State for Education 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 period 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.

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Enquiry of officers of the academy
- Review and testing of income and expenditure for compliance with the funding and other agreements, the Academies Financial Handbook and the academy's system of controls
- Examination of relevant documents
- Review of the activities carried out by the academy
- Review of the delegated authorities set out in the Academy Trust Handbook
- Review of governance arrangements in accordance with the Academy Trust Handbook

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 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.



Kingswood Allott Limited
Chartered Accountants
Reporting Accountant
Sidings Court
Lakeside
Doncaster
South Yorkshire
DN4 5NU

Date: 21 November 2023

The Hayfield School

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
For The Year Ended 31 August 2023

					2023	2022
	Notes	Unrestricted fund £'000	Restricted funds £'000	Fixed asset fund £'000	Total funds £'000	Total funds £'000
INCOME AND ENDOWMENTS FROM						
Donations and capital grants	3	2	-	158	160	22
Charitable activities						
Funding for the academy's educational operations	4	-	6,524	-	6,524	6,183
Other trading activities	5	65	37	-	102	86
Total		<u>67</u>	<u>6,561</u>	<u>158</u>	<u>6,786</u>	<u>6,291</u>
EXPENDITURE ON Charitable activities						
Academy's educational operations	7	64	6,608	527	7,199	6,968
Total		<u>64</u>	<u>6,608</u>	<u>527</u>	<u>7,199</u>	<u>6,968</u>
NET INCOME/(EXPENDITURE)		3	(47)	(369)	(413)	(677)
Transfers between funds	18	-	2	(2)	-	-
Other recognised gains/(losses)						
Actuarial gains on defined benefit schemes		-	770	-	770	2,594
Net movement in funds		3	725	(371)	357	1,917
RECONCILIATION OF FUNDS						
Total funds brought forward		157	583	14,187	14,927	13,010
TOTAL FUNDS CARRIED FORWARD		<u>160</u>	<u>1,308</u>	<u>13,816</u>	<u>15,284</u>	<u>14,927</u>

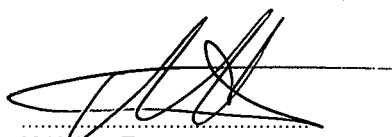
The notes form part of these financial statements

The Hayfield School (Registered number: 07547393)

Balance Sheet
31 August 2023

	Notes	2023 £'000	2022 £'000
FIXED ASSETS			
Tangible assets	12	<u>13,774</u>	<u>14,187</u>
CURRENT ASSETS			
Stocks	13	7	7
Debtors	14	137	89
Cash at bank		<u>680</u>	<u>664</u>
		824	760
CREDITORS			
Amounts falling due within one year	15	<u>(330)</u>	<u>(331)</u>
NET CURRENT ASSETS		<u>494</u>	<u>429</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		14,268	14,616
PENSION ASSET	19	<u>1,016</u>	<u>311</u>
NET ASSETS		<u><u>15,284</u></u>	<u><u>14,927</u></u>
FUNDS	18		
Restricted funds:			
Fixed Asset fund		13,816	14,187
General fund		292	272
Pension reserve		<u>1,016</u>	<u>311</u>
		<u>15,124</u>	<u>14,770</u>
Unrestricted funds:			
General fund		<u>160</u>	<u>157</u>
TOTAL FUNDS		<u><u>15,284</u></u>	<u><u>14,927</u></u>

The financial statements were approved by the Board of Trustees and authorised for issue on 20/11/2023.....
and were signed on its behalf by:


M Huby - Trustee

The Hayfield School

Cash Flow Statement
For The Year Ended 31 August 2023

	Notes	2023 £'000	2022 £'000
Cash flows from operating activities			
Cash generated from operations	1	<u>(31)</u>	<u>134</u>
Net cash (used in)/provided by operating activities		<u>(31)</u>	<u>134</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(114)	(65)
Capital grants from DfE/EFA		63	22
Other capital income		<u>98</u>	<u>-</u>
Net cash provided by/(used in) investing activities		<u>47</u>	<u>(43)</u>
Change in cash and cash equivalents in the reporting period		16	91
Cash and cash equivalents at the beginning of the reporting period		<u>664</u>	<u>573</u>
Cash and cash equivalents at the end of the reporting period		<u><u>680</u></u>	<u><u>664</u></u>

The notes form part of these financial statements

The Hayfield School

Notes to the Cash Flow Statement
For The Year Ended 31 August 2023

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £'000	2022 £'000
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(413)	(677)
Adjustments for:		
Depreciation charges	527	516
Capital grants from DfE/ESFA	(63)	(22)
Other capital income	(98)	-
Decrease in stocks	-	5
(Increase)/decrease in debtors	(48)	7
(Decrease)/increase in creditors	(1)	9
Difference between pension charge and cash contributions	<u>65</u>	<u>296</u>
Net cash (used in)/provided by operations	<u><u>(31)</u></u>	<u><u>134</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.22 £'000	Cash flow £'000	At 31.8.23 £'000
Net cash			
Cash at bank	<u>664</u>	<u>16</u>	<u>680</u>
	<u>664</u>	<u>16</u>	<u>680</u>
Total	<u><u>664</u></u>	<u><u>16</u></u>	<u><u>680</u></u>

The notes form part of these financial statements

The Hayfield School

Notes to the Financial Statements **For The Year Ended 31 August 2023**

1. STATEMENT OF ACCOUNTING POLICIES

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical 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 in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006.

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

Income

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

Grants

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period 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.

Donations

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

Other income

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

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

The Hayfield School

Notes to the Financial Statements - continued For The Year Ended 31 August 2023

2. ACCOUNTING POLICIES - continued

Donated fixed assets

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

Expenditure

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

All resources expended are inclusive of irrecoverable VAT.

Charitable activities

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

Tangible fixed assets

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. 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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy.

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

Freehold buildings	over 50, 43 or 15 years
Furniture and equipment	over 10 years
Computer equipment	over 3 years
Motor vehicles	over 10 years

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

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

Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

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

The Hayfield School

Notes to the Financial Statements - continued For The Year Ended 31 August 2023

2. ACCOUNTING POLICIES - continued

Financial instruments

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Stocks

Unsold uniforms and computer consumables are valued at the lower of cost or net realisable value.

Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes

Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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.

Pension costs and other post-retirement benefits

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

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

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income/(expenditure) 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.

Under FRS102 a pension scheme surplus should only be recognised to the extent that the surplus can be recovered through reduced future contributions or through refunds from the plan. However, in the opinion of the trustees, a pension scheme surplus should always be recognised in order to provide consistency and give a true and fair view.

The Hayfield School

Notes to the Financial Statements - continued **For The Year Ended 31 August 2023**

2. ACCOUNTING POLICIES - continued

Provisions

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

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Liabilities

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

Leased assets

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

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability/asset 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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 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

There is a large actuarial gain this year due to the effects of the significant change in the discount rate outweighing the effects of lower asset returns and increased inflation assumptions.

The detailed assumptions for this and the prior year are disclosed in note 19. Despite the current high inflationary environment, the CPI assumption has only increased from 3.20% to 3.00%.

The Accounting Standard prescribes quite narrowly how the inflation assumption should be derived from market value at the year-end date. Therefore, the current period of high inflation is somewhat allowed for insofar as it is captured in long-term market expectations as at 31 August 2023, but is lower than the current annual rate of inflation.

Hence although inflation estimates are over the long term, if the current period of high inflation continues for a longer period than forecast in the 31 August 2023 assumptions, this will result in a future actuarial deficit.

The Hayfield School

Notes to the Financial Statements - continued
For The Year Ended 31 August 2023

3. DONATIONS AND CAPITAL GRANTS

	Unrestricted funds £'000	Restricted funds £'000	2023 Total funds £'000	2022 Total funds £'000
Donations	2	95	97	-
Grants	-	63	63	22
	<u>2</u>	<u>158</u>	<u>160</u>	<u>22</u>

Grants received, included in the above, are as follows:

	2023 £'000	2022 £'000
Capital grants	<u>63</u>	<u>22</u>

4. FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted funds £'000	Restricted funds £'000	2023 Total funds £'000	2022 Total funds £'000
DfE/ESFA grants				
General Annual Grant(GAG)	-	5,866	5,866	5,724
Pupil Premium	-	158	158	146
Other DfE/ESFA Grants	-	341	341	142
	<u>-</u>	<u>6,365</u>	<u>6,365</u>	<u>6,012</u>
Other Government grants				
Local authority grants	-	153	153	169
Other grants	-	6	6	-
	<u>-</u>	<u>159</u>	<u>159</u>	<u>169</u>
Exceptional government funding				
Coronavirus exceptional support	-	-	-	2
	<u>-</u>	<u>6,524</u>	<u>6,524</u>	<u>6,183</u>

5. OTHER TRADING ACTIVITIES

	Unrestricted funds £'000	Restricted funds £'000	2023 Total funds £'000	2022 Total funds £'000
Hire of facilities	13	-	13	18
Other services	41	4	45	9
Sundry income	11	33	44	59
	<u>65</u>	<u>37</u>	<u>102</u>	<u>86</u>

The Hayfield School

Notes to the Financial Statements - continued
For The Year Ended 31 August 2023

6. EXPENDITURE

	Non-pay expenditure			2023	2022
	Staff costs £'000	Premises £'000	Other costs £'000	Total £'000	Total £'000
Charitable activities					
Academy's educational operations					
Direct costs	4,752	284	694	5,730	5,344
Allocated support costs	<u>943</u>	<u>406</u>	<u>120</u>	<u>1,469</u>	<u>1,624</u>
	<u>5,695</u>	<u>690</u>	<u>814</u>	<u>7,199</u>	<u>6,968</u>

Net income/(expenditure) is stated after charging/(crediting):

	2023 £'000	2022 £'000
Auditors' remuneration	13	12
Depreciation - owned assets	527	516
Operating leases - Others	<u>5</u>	<u>6</u>

7. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £'000	Restricted funds £'000	2023 Total funds £'000	2022 Total funds £'000
Direct costs	44	5,686	5,730	5,344
Support costs	<u>20</u>	<u>1,449</u>	<u>1,469</u>	<u>1,624</u>
	<u>64</u>	<u>7,135</u>	<u>7,199</u>	<u>6,968</u>

	2023 Total £'000	2022 Total £'000
Analysis of support costs		
Support staff costs	943	1,156
Premises costs	406	390
Other support costs	98	59
Governance costs	<u>22</u>	<u>19</u>
Total support costs	<u>1,469</u>	<u>1,624</u>

8. STAFF COSTS

	2023 £'000	2022 £'000
Wages and salaries	4,216	3,932
Social security costs	438	407
Operating costs of defined benefit pension schemes	940	1,118
Apprenticeship levy	<u>6</u>	<u>5</u>
	5,600	5,462
Supply teacher costs	75	31
Staff restructuring costs	<u>20</u>	<u>31</u>
	<u>5,695</u>	<u>5,524</u>

The Hayfield School

Notes to the Financial Statements - continued
For The Year Ended 31 August 2023

8. STAFF COSTS - continued

Staff restructuring costs comprise:

	2023 £'000	2022 £'000
Severance payments	18	31
Other	<u>2</u>	<u>-</u>
	<u>20</u>	<u>31</u>

Included in severance payments are non-statutory/non-contractual severance payments totalling £17,946 (2022: £31,000). Individually, the payments were £13,906 and £4,040.

The average number of persons (including senior management team) employed by the academy trust during the year was as follows:

	2023	2022
Teachers and educational support	69	67
Administration and support	49	57
Management	<u>6</u>	<u>6</u>
	<u>124</u>	<u>130</u>

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

	2023	2022
£60,001 - £70,000	3	3
£70,001 - £80,000	-	2
£80,001 - £90,000	2	-
£100,001 - £110,000	<u>1</u>	<u>1</u>
	<u>6</u>	<u>6</u>

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £645,675 (2022: £606,137).

9. RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff members under their contracts of employment, and not in respect of their role as trustees. The value of trustees' remuneration and other benefits was as follows:

Ms L Fox (head teacher and trustee)

Remuneration £110,000 - £115,000 (2022: £105,000 - £110,000)

Employer's pension contributions £25,000 - £30,000 (2022: £25,000 - £30,000)

The Hayfield School

Notes to the Financial Statements - continued
For The Year Ended 31 August 2023

10. TRUSTEES' AND OFFICERS' INSURANCE

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

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £'000	Restricted funds £'000	Fixed asset fund £'000	Total funds £'000
INCOME AND ENDOWMENTS FROM				
Donations and capital grants	-	-	22	22
Charitable activities				
Funding for the academy's educational operations	-	6,183	-	6,183
Other trading activities	<u>54</u>	<u>32</u>	<u>-</u>	<u>86</u>
Total	<u>54</u>	<u>6,215</u>	<u>22</u>	<u>6,291</u>
EXPENDITURE ON				
Charitable activities				
Academy's educational operations	<u>47</u>	<u>6,404</u>	<u>517</u>	<u>6,968</u>
Total	<u>47</u>	<u>6,404</u>	<u>517</u>	<u>6,968</u>
NET INCOME/(EXPENDITURE)	7	(189)	(495)	(677)
Transfers between funds	-	(44)	44	-
Other recognised gains/(losses)				
Actuarial gains on defined benefit schemes	<u>-</u>	<u>2,594</u>	<u>-</u>	<u>2,594</u>
Net movement in funds	7	2,361	(451)	1,917
RECONCILIATION OF FUNDS				
Total funds brought forward	<u>150</u>	<u>(1,778)</u>	<u>14,638</u>	<u>13,010</u>
TOTAL FUNDS CARRIED FORWARD	<u>157</u>	<u>583</u>	<u>14,187</u>	<u>14,927</u>

The Hayfield School

Notes to the Financial Statements - continued
For The Year Ended 31 August 2023

12. TANGIBLE FIXED ASSETS

	Freehold land and buildings £'000	Furniture and equipment £'000	Motor vehicles £'000	Computer equipment £'000	Totals £'000
COST					
At 1 September 2022	16,259	2,348	12	262	18,881
Additions	-	96	-	18	114
At 31 August 2023	<u>16,259</u>	<u>2,444</u>	<u>12</u>	<u>280</u>	<u>18,995</u>
DEPRECIATION					
At 1 September 2022	2,809	1,661	11	213	4,694
Charge for year	<u>284</u>	<u>221</u>	<u>1</u>	<u>21</u>	<u>527</u>
At 31 August 2023	<u>3,093</u>	<u>1,882</u>	<u>12</u>	<u>234</u>	<u>5,221</u>
NET BOOK VALUE					
At 31 August 2023	<u>13,166</u>	<u>562</u>	<u>-</u>	<u>46</u>	<u>13,774</u>
At 31 August 2022	<u>13,450</u>	<u>687</u>	<u>1</u>	<u>49</u>	<u>14,187</u>

Included in cost or valuation of land and buildings is freehold land of £3,415,000 (2021: £3,415,000) which is not depreciated.

13. STOCKS

	2023 £'000	2022 £'000
ICT equipment	<u>7</u>	<u>7</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £'000	2022 £'000
Prepayments and accrued income	<u>137</u>	<u>89</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £'000	2022 £'000
Taxation and social security	110	111
Other creditors	103	98
Accruals and deferred income	<u>117</u>	<u>122</u>
	<u>330</u>	<u>331</u>
Deferred income		
Deferred Income at 1 September 2022	11	28
Resources deferred in the year	20	11
Amounts released from previous years	<u>(11)</u>	<u>(28)</u>
Deferred Income at 31 August 2023	<u>20</u>	<u>11</u>

The above consists of holiday deposits and other funds received during the period which relate to later periods.

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Notes to the Financial Statements - continued
For The Year Ended 31 August 2023

16. 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.

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

			2023	
	Unrestricted	Restricted	Fixed	Total
	fund	funds	asset	funds
	£'000	£'000	£'000	£'000
Fixed assets	-	-	13,774	13,774
Current assets	160	622	42	824
Current liabilities	-	(330)	-	(330)
Pension asset	-	1,016	-	1,016
	<u>160</u>	<u>1,308</u>	<u>13,816</u>	<u>15,284</u>

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

			2022	
	Unrestricted	Restricted	Fixed	Total
	fund	funds	asset	funds
	£'000	£'000	£'000	£'000
Fixed assets	-	-	14,187	14,187
Current assets	157	603	-	760
Current liabilities	-	(331)	-	(331)
Pension asset	-	311	-	311
	<u>157</u>	<u>583</u>	<u>14,187</u>	<u>14,927</u>

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Notes to the Financial Statements - continued For The Year Ended 31 August 2023

18. MOVEMENT IN FUNDS

	Balance 01.09.22 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance 31.08.23 £000
Restricted general funds					
General annual grant (GAG)	272	5,865	(5,847)	2	292
Pupil Premium	-	158	(158)	-	-
Other ESFA	-	341	(341)	-	-
Other grants	-	159	(159)	-	-
Other revenue	-	38	(38)	-	-
Pension reserve	311	-	(65)	770	1,016
	<u>583</u>	<u>6,561</u>	<u>(6,608)</u>	<u>772</u>	<u>1,308</u>
Restricted fixed asset funds					
Assets inherited on conversion	11,886	-	(228)	-	11,658
Donated assets	-	95	-	-	95
DfE/ESFA grants	2,176	63	(266)	-	1,973
Other Capital	1	-	-	-	1
Capital Expenditure from GAG	124	-	(33)	(2)	89
	<u>14,187</u>	<u>158</u>	<u>(527)</u>	<u>(2)</u>	<u>13,816</u>
Total restricted funds	<u>14,770</u>	<u>6,719</u>	<u>(7,135)</u>	<u>770</u>	<u>15,124</u>
Unrestricted funds	<u>157</u>	<u>67</u>	<u>(64)</u>	<u>-</u>	<u>160</u>
Total funds	<u>14,927</u>	<u>6,786</u>	<u>(7,199)</u>	<u>770</u>	<u>15,284</u>

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

The restricted fixed assets funds represent the net book values of donated fixed assets and assets purchased from ESFA and other government grants, which have to be held for the continuing use of the academy, along with unspent grants for capital purposes.

The balance on restricted general funds represents the balance of unspent grants and other revenue to be spent in future periods, including unspent General Annual Grant.

The balance on unrestricted funds represents the unspent surplus from the local authority on conversion and unspent surpluses from other unrestricted activities.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2023.

Comparative information in respect of the preceding period as follows:

	Balance 01.09.21 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance 31.08.22 £000
Restricted general funds					
General annual grant (GAG)	209	5,724	(5,617)	(44)	272
Pupil Premium	-	146	(146)	-	-
Other ESFA	-	121	(121)	-	-
Other grants	-	192	(192)	-	-
Other revenue	-	32	(32)	-	-
Pension reserve	(1,987)	-	(296)	2,594	311
	<u>(1,778)</u>	<u>6,215</u>	<u>(6,404)</u>	<u>2,550</u>	<u>583</u>
Restricted fixed asset funds					
Assets inherited on conversion	12,114	-	(228)	-	11,886
DfE/ESFA grants	2,422	22	(268)	-	2,176
Other Capital	1	-	-	-	1
Capital Expenditure from GAG	101	-	(21)	44	124

The Hayfield School

Notes to the Financial Statements - continued For The Year Ended 31 August 2023

18. MOVEMENT IN FUNDS - continued

	<u>14,638</u>	<u>22</u>	<u>(517)</u>	<u>44</u>	<u>14,187</u>
Total restricted funds	<u>12,860</u>	<u>6,237</u>	<u>(6,921)</u>	<u>2,594</u>	<u>14,770</u>
Unrestricted funds	<u>150</u>	<u>54</u>	<u>(47)</u>	<u>-</u>	<u>157</u>
Total funds	<u>13,010</u>	<u>6,291</u>	<u>(6,968)</u>	<u>2,594</u>	<u>14,927</u>

19. PENSION AND SIMILAR OBLIGATIONS

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff, and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by South Yorkshire Pension Authority. 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 to the period ended 31 March 2019.

Contributions amounting to £102,785 were payable to the schemes at 31 August 2023 (2022 - £98,127) 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 teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

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

Valuation of the teachers' pension scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £886,726 (2022 - £839,710).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

The Hayfield School

Notes to the Financial Statements - continued **For The Year Ended 31 August 2023**

19. PENSION AND SIMILAR OBLIGATIONS - continued

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 £200,000 (2022: £188,000), of which employer's contributions totalled £142,000 (2022: £134,000) and employees' contributions totalled £58,000 (2022: £54,000). The agreed contribution rates for future years are 17 per cent for employers and 5.5 - 12.5 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.

The amounts recognised in the Balance Sheet are as follows:

	Defined benefit pension plans	
	2023	2022
	£'000	£'000
Present value of funded obligations	(5,449)	(6,018)
Fair value of plan assets	<u>6,465</u>	<u>6,329</u>
	1,016	311
Present value of unfunded obligations	<u>-</u>	<u>-</u>
Surplus	<u>1,016</u>	<u>311</u>
Net asset	<u>1,016</u>	<u>311</u>

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

	Defined benefit pension plans	
	2023	2022
	£'000	£'000
Current service cost	219	394
Net interest from net defined benefit asset/liability	(12)	36
Past service cost	<u>-</u>	<u>-</u>
	<u>207</u>	<u>430</u>
Actual return on plan assets	<u>86</u>	<u>(108)</u>

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2023	2022
	£'000	£'000
Opening at 1 september	6,018	8,413
Current service cost	219	394
Employee contributions	58	54
Interest cost	258	145
Actuarial (gain) / loss	(954)	(2,811)
Benefits paid	<u>(150)</u>	<u>(177)</u>
	<u>5,449</u>	<u>6,018</u>

The Hayfield School

Notes to the Financial Statements - continued
For The Year Ended 31 August 2023

19. PENSION AND SIMILAR OBLIGATIONS - continued

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2023	2022
	£'000	£'000
Opening at 1 september	6,329	6,426
Employer contributions	142	134
Employee contributions	58	54
Return on assets	270	109
Actuarial gain / (loss)	(184)	(217)
Benefits paid	(150)	(177)
	<u>6,465</u>	<u>6,329</u>

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	2023	2022
	£'000	£'000
Actuarial gains/(losses)	<u>770</u>	<u>2,594</u>
	<u>770</u>	<u>2,594</u>

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	Defined benefit pension plans	
	2023	2022
Equities	69%	70%
Property	9%	9%
Government Bonds	21%	20%
Cash	<u>1%</u>	<u>1%</u>
	<u>100%</u>	<u>100%</u>

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2023	2022
Discount rate for scheme liabilities	5.20%	4.25%
Rate of increase in salaries	3.60%	4.20%
Rate of increase for pensions	3.00%	3.20%
Rate of inflation (CPI)	3.60%	3.20%

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

Retiring today		
Males	20.6	22.6
Females	23.6	25.4
Retiring in 20 years		
Males	21.4	24.1
Females	25.0	27.3

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Notes to the Financial Statements - continued
For The Year Ended 31 August 2023

19. PENSION AND SIMILAR OBLIGATIONS - continued

Sensitivity Analysis

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in assumptions at 31 August 2023:	Approximate % increase to Defined Benefit Obligation	Approximate monetary amount (£000)
0.1% decrease in Real Discount Rate	2%	100
1 year increase in member life expectancy	4%	218
0.1% increase in the Salary Increase Rate	0%	10
0.1% increase in the Pension Increase Rate (CPI)	2%	92

The estimated value of employer contributions for the year ended 31 August 2024 is £141,000.

20. LONG-TERM COMMITMENTS, INCLUDING OPERATING LEASES

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2023 £'000	2022 £'000
Within one year	5	5
Between one and five years	<u>11</u>	<u>16</u>
	<u>16</u>	<u>21</u>

21. RELATED PARTY DISCLOSURES

No related party transactions took place in the period of account.