

Company Registration Number: 07548734 (England & Wales)

HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021



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**HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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**HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

REFERENCE AND ADMINISTRATIVE DETAILS

Members	J Hacon A Howarth N Williams
Trustees	E Bamber ^{1,2,3} J Hacon (resigned 17 December 2020) M Hanbury, Head Teacher ^{1,2,3} H Hill ^{1,2,3} A Howarth, Chair of Trustees ^{1,2,3} S Giles, Vice Chair of Trustees ^{1,2,3} I Spencer (appointed 3 February 2020) ^{1,2,3} H Warren ^{1,3} N Williams (resigned 17 December 2020) ¹ Teaching, Learning and Standards Committee ² Finance and Buildings (Including Audit) Committee ³ Data Committee
Company registered number	07548734
Company name	Hayes School
Principal and Registered office	Hayes Road Paignton Devon TQ4 5PJ
Company secretary	A Grant
Accounting Officer	M Hanbury
Senior management team	M Hanbury, Head Teacher E Bamber, Deputy Head Teacher D Torpey, Assistant Head Teacher H Stapleton, Assistant Head Teacher A Grant, School Business Manager
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors 2nd Floor Stratus House Emperor Way Exeter Business Park Exeter EX1 3QS
Bankers	HSBC 7 Palace Avenue Paignton TQ3 3ED

**HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

Solicitors	Browne Jacobson LLP Mowbray House Castle Meadow Road Nottingham NG2 1BJ
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**HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021**

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the 2020/21 ended 31 August 2021. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates a primary academy for pupils aged 3 to 11 in the Paignton area. It has a pupil capacity of 450 and had a roll of 433 in the school census on January 2021.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust (*was incorporated on 02 March 2011 and opened as an Academy on 01 April 2011*) 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 Academy Trust.

The Trustees act as Trustees for the charitable activities of Hayes School and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Hayes School.

Trustees' Liability

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

Trustees' Indemnities

Trustees benefit from Indemnity Insurance purchased at the Academy Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy Trust. This indemnity is unlimited.

Principal Activities

The principal activity is to advance for the public benefit by establishing, maintaining, carrying on, managing and developing a primary school offering a broad and balanced curriculum. The principal activity of the Academy is to provide free education for pupils of different abilities between the ages of 3 and 11.

TRUSTEES

Method of recruitment and appointment or election of Trustees

On 01 April 2011 the Trustees appointed all those Trustees that served the predecessor school to be Trustees of the newly formed Academy. These Trustees were appointed for a term of office that would end when their original term at the predecessor school would have ended, thus ensuring a staggered re-election or replacement process.

The Academy's Board of Trustees comprises the Headteacher, a minimum of 2 Parent Trustees, up to 2 Staff Trustees (providing that the total number of Trustees, including the Headteacher, who are employees of the Academy Trust, does not exceed one third of the total number of Trustees) and up to 6 other Trustees.

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

The Academy Trust shall have the following Trustees as set out in its Articles of Association and funding agreement:

- up to 6 Governors, appointed by parents;
- up to 2 staff governors;
- A minimum of 2 Parent Governors who are elected;
- the Headteacher who is treated for all purposes as being an ex officio Governor;
- any further governor is appointed under the terms of the articles of association (Articles 62, 63 & 68).

Trustees are appointed for a four-year period, except that this time limit does not apply to the Headteacher. Subject to remaining eligible to be a Trustee, any Trustee can be re-appointed or re-elected.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development.

Policies and Procedures adopted for the Induction and Training for Trustees

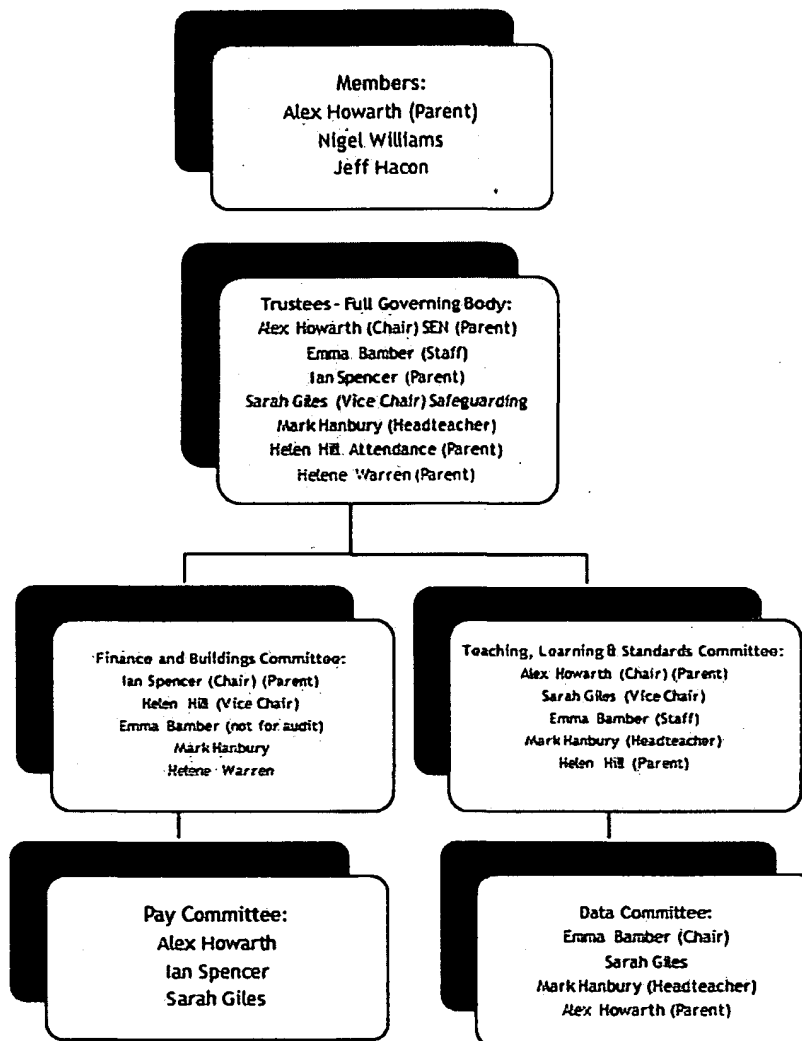
The clerk retains recruitment, induction and Training packs for Trustees and maintains the skills register for the Board. This is updated at least annually and on induction for any new Trustees.

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academy and a chance to meet staff and pupils (except for extraordinary circumstances where physical attendance at school is minimised such as during the Covid 19 pandemic). All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual.

The school arranges training for Governors through Torbay Local Authority and Babcock Education Services. The clerk sends out details of available training at least monthly to all Trustees, then arranges training and keeps a record of training attended.

Organisational Structure

Hayes Governing Body Organogram



COMPANY SECRETARY: ALLISON GRANT 08/01/18-

The Head Teacher is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

The Trustees consider the Board of Trustees and the senior leadership team comprise the key management personnel of the Academy in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year.

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

Senior Management pay and remuneration is decided by the Pay Committee which meets yearly, any increase in pay is based on performance of the individual and the contribution they make towards the academy.

Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

Risk management

The Trustees have assessed the risks to the school due to the Covid 19 pandemic. They have overseen, reviewed and approved safeguarding risk assessments in October 2020, November 2020, January 2021, March 2021, April 2021, May 2021 and July 2021. The school staff members and recognised trade unions have also been consulted on risk assessments.

The Trustees instructed Griffin Accountancy Services to carry out Responsible Officer checks for 2020/21 and the audits were carried out in December 2020, March 2021 and June 2021.

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas, and its finances.

The Trustees have implemented a system to assess risks that the Academy faces, especially in the operational areas (e.g. in relation to teaching, health & safety and trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of Academy grounds) and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The Strategic Risk Register is a standing item at every Full Governing Body meeting.

Trade Union Facility time

There were no relevant union officials for the year/period ended 31 August 2021.

Connected Organisations, Including Related Party Relationships

There are no related parties which either control or significantly influence the decisions and operations of Hayes School.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the Academy is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing a school, offering a broad range of curriculum for pupils of different abilities.

The aims of the Academy during the year/period ended 31 August 2021 are summarised below:

- to continue to raise the standard of educational attainment and achievement of all pupils.
- to provide a broad and balanced curriculum, including extracurricular activities.
- to develop pupils as more effective learners.
- to develop the Academy site so that it enables students to achieve their full potential.
- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care.
- to improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review.
- to provide value for money for the funds expended.
- to develop greater coherence, clarity and effectiveness in school systems.

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

- to comply with all appropriate statutory and curriculum requirements.
- to develop the Academy's capacity to manage change, and
- to conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

At Hayes School we aim to get the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values. Our Academy is a community in which children, staff and parents should be part of a happy and caring environment.

Objectives, Strategies and Activities

Key activities and targets were identified in the School Improvement Plan and were influenced by the significant challenges and opportunities arising from national changes in education policy and funding. The activities included the following:

Quality of Education

INTENT:

- Further strengthen our curriculum to ensure breadth and ambition, with vocabulary at its heart.
- Ensure that our curriculum (*blended*) builds knowledge and skills that are coherently planned and sequenced *and teachers fill gaps due to lockdown*.

IMPLEMENTATION:

- Develop our use of feedback to accelerate progress through the use of the Empowering Learners through Feedback 'ELF' framework.
- Ensure that learning is challenging for all pupils.
- Further strengthen our reading provision, with a specific focus on:
 - Accelerated progress in phonics through RWI and decodable books
 - Phonics Intervention for all pupils who require it
 - Continued focus on the teaching of reading skills, specifically developing vocabulary

IMPACT:

- The culture of Hayes remains ambitious for all, with 'no excuses', equalizing opportunities post lockdown.

Behaviour and Attitudes

Initial and ongoing focus due to significant changes to school life post lockdown.

- To secure attitudes to education that are positive and reflect a growth mindset.
- Encourage pupils to make a positive and tangible contribution to school life and the wider community (where possible with current restrictions), including supporting the wellbeing of one another.
- Establish a school-wide culture where children embrace challenge.

Personal Development

Initial and ongoing focus due to significant changes to school life post lockdown.

- Ensure that pupils reflect upon SMSC regularly.
- Provide opportunities to keep pupils physically and mentally healthy.
- To appreciate, respect, value and nurture differences in our school, community and world.

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

Leadership and Management

- To build on and improve each teacher's practice and subject knowledge.
- To further develop the impact of middle leaders.
- Implement realistic and constructive ways to manage workload and wellbeing, whilst maintaining high standards for pupils.
- Ensure Teaching Assistants are equipped with the skills to provide high quality education.

Early Years Education

INTENT:

- Further sharpen the focus on vocabulary and phonics across EYFS.
- Strengthen the systematic approach to early reading and synthetic phonics.
- Ensure we have academic ambition for all pupils.

IMPLEMENTATION:

- Pupils in Reception to practice reading from decodable books.
- Read stories to children with the purpose of developing their vocabulary.

IMPACT:

- Pupils use phonics to read accurately with increasing speed and fluency.

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

The Academy aims to advance for the public benefit, education in St Michael's and the surrounding area. In particular, but without prejudice to the generality of the foregoing by estimating, maintaining, managing and development schools, offering a broad curriculum with a strong emphasis on, but in no way limited to the specialism of performing arts.

STRATEGIC REPORT

Achievements and Performance

The Academy is in its tenth year of operation and has maintained the forecast number of students. The total number of students in the January school census was 433 including Nursery.

Key Stage 2 SATS Tests remained unchanged for 2020/21 as these tests were cancelled nationally due to the Coronavirus pandemic:

- KS2 achieving expected in combined Reading, Writing & Maths was 81% compared to a 64.8% national average. The three year trend was an improvement of 41.3%.
- KS2 achieving expected in Reading was 87.9%, compared to a national average of 73.1%. The three year trend was an improvement of 37.9%.
- KS2 achieving the higher standard in Maths was 41.4%, compare to a national average of 26.6%. This was a three year improvement of 36.2%.
- KS2 achieving expected standard in Maths was 93.1%, compared to the national average of 78.6%. This was a three-year improvement of 34.5%.
- KS2 Overall Progress Score for maths was 4.11 compared to the national score of 0.03. This was a three year score of 7.75.

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

The Academy has managed to maintain class sizes, generally at PAN, with each year group having its 2 classes. All classes have a teaching assistant, which is a valuable addition to the classroom.

Volunteers have been helping in the Academy this year. Their commitment to the children and Academy is inspirational. They have helped with reading, writing, maths, drama and trips out of school.

To ensure that standards are continually assessed, the Academy operates a programme of lesson observations, which are undertaken by the Phase Leads and the Senior Leadership Team.

The Academy was inspected by OFSTED in October 2019 and was judged to be good in all areas.

"Leaders have made sure that the school has improved significantly since the previous inspection. In particular, they have ensured that stronger teaching has led to rapidly rising standards in reading, writing and mathematics across the school. Leaders have effectively addressed the areas for improvement noted in that inspection". Ofsted 2019

What does the school need to do to improve?

■ Leaders have provided good-quality training for staff that has led to significantly improving outcomes in reading, writing and mathematics since the previous inspection. They now need to focus on improving further the subject knowledge of teachers in order to secure pupils' progress in other subjects.

■ Leaders have constructed a curriculum that identifies the knowledge and skills that pupils need to learn in all foundation subjects. They need to now consider how to enable pupils to build successfully upon their prior learning in subjects and clearly identify the skills and knowledge that pupils should remember over time.

The points outlined above are school improvement priorities for 2020/21 and beyond. These are linked to appraisal targets for teachers across the school. These targets are regularly reviewed and feedback to governors throughout the year. The school improvement partner reviews the school's performance towards these priorities and reports back to the Headteacher and Governors.

Key Performance Indicators

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers for 2021 were 433, which is slightly lower than the previous year. It is anticipated that the school population will increase in future years.

Another key financial performance indicator is staffing costs as a percentage of total income. For 2020/21 this was 89%, compared to 82% in 2019/20. For 2021/22 we are predicting this will remain similar.

	2018/2019	2019/2020	2020/21
Pupil to teacher ratio	29.3:1	25.7:1	27.1:1
Teaching Assistants to Teacher Ratio	1.86:1	1.19:1	1.28:1
Total income per pupil	£4,828	£4,996	£5,288
Total GAG per pupil	£3,703	£3,663	£3,776
GAG income % of total income	76.7%	73.3%	71.4%
Staff costs per pupil	£4,054	£4,608	£4,602
Staff costs as a % of GAG income	109.5%	125%	125%
Staff costs as a % of total income	89.8%	92%	89%
Total learning resources costs per pupil		£263	£444
Property repair costs per pupil		£27	£10.12
Net assets at the year end	£4,455,391	£4,164,367	£3,754,807

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

The pupil to teacher ratio is in line with the previous year. There have been no significant changes in teaching staff.

Attendance figures have decreased this year but, as we were dealing with the national coronavirus pandemic, so this is to be expected.

Teaching Assistant to Teacher Level was also lower than the previous year due to a slight reduction in the number of Teaching Assistants across the school, through natural staff changes.

Going Concern

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

Financial Review

Most of the Academy's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2021 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

During the year ended 31 August 2021, total expenditure of £2,174,870 (excluding actuarial pension adjustments and depreciation) was covered by recurrent grant funding from the DfE, together with other incoming resources of £2,289,682.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion, the valuation at 31/08/21 was £2,064,000.

The level of unrestricted free reserves held by the Academy at 31 August 2021 was £228,245. Designated funds were £40,100. GAG and other restricted funds carried forward were £176,327.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Head Teacher, managers, budget holders and other staff, as well as delegated authority for spending.

Trustees have adopted a Responsible Officer/internal audit policy and appointed Griffin Accounting Services to undertake a programme of internal checks on the financial controls. The Trustees have received 3 reports from the Responsible Officer/internal audit, which contained no matters of significance.

There is a development plan in place for repair, improvement and development to the school over the next 5 years. These include:

Project	Estimated Cost
Development of 2 year old provision	£37,000
Ladies Toilet Refurbishment	£3,100

This will be reviewed annually to ensure that the needs of the school are being met and to see if additional work/projects need to be allowed for.

Reserves Policy

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review. The Trustees have reviewed the Academy's future plans and have set designated reserves of £40,100 as:

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

Project	Estimated Cost
Development of 2 year old provision	£37,000
Ladies Toilet Refurbishment	£3,100

Investment Policy

Due to the nature of funding, the Academy may at times hold cash balances surplus to its short term requirements. The Trustees have authorised the opening of additional short term bank investment accounts to take advantage of higher interest rates. No other form of investment is authorised.

Principal Risks and Uncertainties

The principal risks and uncertainties facing the Academy are as follows:

Financial:

The Academy has considerable reliance on continued Government funding through the ESFA. In the last year, 97% of the Academy's incoming resources was ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks. The Covid 19 pandemic has meant Governors have been heavily involved in developing and approving the procedures for the school to follow to ensure staff, pupils, parents and the local community are as safe as possible. If these procedures are not followed correctly this could lead to a higher incidence of cases and potentially more absence for both staff and pupils. Reputational damage could cause numbers to decrease in future.

Fraud and mismanagement of funds - The Academy has appointed a Responsible Officer/internal audit to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area. Other financial risks include increased staffing costs and the risk of the after school club, breakfast club and catering service not breaking even.

Outcomes for Pupils:

Covid 19 pandemic management – the Governors and school staff are ensuring the strict requirements of the reopening risk assessment are adhered to, to ensure staff and pupils are kept as safe as possible. This will enable us to reduce staff and pupil absence and ensure children receive the best education and support possible which will in turn enhance their future outcomes.

Safeguarding and Child Protection:

The Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health and safety and discipline. Overall performance and outcomes for disadvantaged pupils are closely monitored at least termly.

Estates and Facilities

The risks due to the Covid 19 pandemic are being mitigated through stricter health and safety procedures and enhanced cleaning procedures. The risks are mitigated through the provision of sufficient and correct personal protective equipment and cleaning equipment. There are a number of risks regarding failure of ICT systems, building management systems and kitchen facilities. These are mitigated through maintenance agreements, regular checks and contingency plans.

Governance:

The Covid 19 pandemic has meant we have been unable to hold physical meetings. All meetings have been held by zoom. There is a risk that Governors may not be able to attend meetings, could feel they are not able to carry out their duties or feel they are not being properly supported. This has not been the case and

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

meetings have worked well online using Zoom and Governors have reported they are happy with both how the pandemic is being managed by the school and how governors are being involved in decision-making. There is a risk of losing experienced Governors and ensuring current Governors have the right skills and experience. This is mitigated through regularly updating a skills matrix and provision of training and support for all Governors.

Human Resources:

Reputational – The Covid 19 pandemic has led to the school introducing strict risk assessments to ensure the staff and pupils are as safe as possible. If either staff or pupil groups do not adhere to the agreed measures, there could be unnecessary cases in school which could lead to staff or pupil absence. Significant staffing absence could result in an inability to keep the school fully open.

Reputational - the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees, ensure that student success and achievement are closely monitored and reviewed.

Staffing - the success of the Academy is reliant on the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Legal:

There are risks in adoption of Employment Law and health and Safety risks. These are mitigated through purchase of professional services and regular audits to ensure compliance.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis. This is now provided to each Full Governing Body meeting.

Due to the Covid 19 pandemic, a more thorough, detailed risk assessment was developed and approved by Governors. Staff and unions were also consulted on this. This detailed all of the measures put in place to minimise the risks to staff, pupils, parents and local community.

FUNDRAISING

The Academy does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

PLANS FOR FUTURE PERIODS

The Academy will continue to strive to provide outstanding education and to improve the levels of performance of its pupils at all levels. The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

We plan to maintain small class sizes with a teaching assistant in each class which will reflect in academic outcomes being improved.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy and its Trustees do not act as the Custodian Trustees of any other Charity.

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

AUDITORS

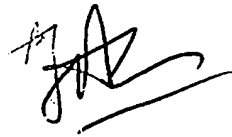
In so far as the Trustees are aware:

- 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.

The auditors, Bishop Fleming, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Approved by order of the Board of Trustees on..... and signed on its behalf by:

Mr A Howarth
Chair of Trustees
Date:


14/12/21

**HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

SCOPE OF RESPONSIBILITY

As Trustees we acknowledge we have overall responsibility for ensuring that Hayes 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.

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

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met three times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Governors' Attendance at Meetings

FGB = Full Governing Body

TLS = Teaching, Learning & Standards Committee

FB = Finance and Buildings Committee

DC = Data Committee

PC = Pay Committee

Trustee / Director Name	Position	FGB Possible	FGB attended	TLS Possible	TLS attended	FB possible	FB attended	DC Possible	DC attended	Pay Possible	PC attended	TOTAL ATTENDED
Mark Hanbury	Headteacher	3	3	3	3	3	3	1	1	0	0	11
Alex Howarth	SEN / Parent	3	3	3	3	3	2	1	1	1	1	10
Sarah Giles	Safeguarding	3	3	3	3	3	2	1	1	1	1	10
Helene Warren	Governor	3	2	3	0	3	2	1	0	0	0	4
Helen Hill	Attendance / Parent	3	2	3	2	3	2	1	1	0	0	7
Emma Bamber	Staff	3	3	3	3	3	3	1	1	0	0	10
Ian Spencer	Parent	3	3	3	3	3	3	1	1	1	1	10

The membership of the Governing Body has not changed during the year. All meetings have been held remotely, via Zoom. The Board and its committees have covered all planned agenda items and remote working has not significantly impacted on their work. The lack of national data available due to there being no national tests has meant more reliance on qualitative data and teacher assessments during the year.

Governance Review

The Governors review and update their skills matrix at every full governing body meeting. The external review of governance planned this year has been postponed to 2021/22 due to the pandemic.

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**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

The Members meet at least once a year at their annual general meeting. They subscribe to and can amend the articles of association, may appoint new members and trustees, may issue direction to trustees via special resolution, appoint auditors, receive accounts and have the power to change the name of or wind up the academy trust.

The Board of Trustees/Governing Body normally meets once each term. The Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There are two standing committees which both have a sub-committee, as follows;

- Finance and Buildings Committee - this meets at least three times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting. The committee receives reports from the Responsible Officer/internal audit and drafts the annual budget including setting staffing levels. It also incorporates the role of an audit committee. This Committee fulfils audit responsibilities and ensures the School meets its legal auditing requirements. This committee receives and responds to reports from internal and external auditors.
- The annual Pay Committee is a sub-committee of the Finance and Buildings Committee. This meets once a year to review pay awards and consists of volunteer members of the Governing Body.
- Teaching, Learning and Standards Committee - this meets once a term to monitor, evaluate and review Academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral issues.
- The Data Committee is a sub-committee of the Teaching, Learning and Standards Committee which meets termly to assist the decision making of the governing body, by enabling more detailed consideration of academy data collection, planning, monitoring and review.

The following decisions are reserved to the Board of Trustees; to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the Headteacher and Clerk to the Trustees, to approve the Annual Development Plan and budget.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy, capital expenditure and staff appointments.

The Academy has a leadership structure, which consists of the Trustees, The Senior Leadership Team and Team Leaders. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

REVIEW OF VALUE FOR MONEY

Year ended 31 August 2021

As accounting officer, the Headteacher is responsible and accountable for ensuring that the academy trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

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

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Improving Educational Results

- We have a broad and balanced curriculum designed to ensure that all pupils are enthused, challenged and make good or better progress throughout school.
- We provide outstanding music provision to all children, where all pupils have inclusive music lessons, and at KS 2 perform regularly as part of a thirty strong ensemble.
- We have good tracking systems to record all aspects of student progress through school to ensure that support is targeted to achieve Value for Money.
- We monitor the needs of all pupils, and ensure the support they receive is bespoke to overcoming challenges.
- The effectiveness of our strategies can be seen in the teacher assessments and qualitative assessments of children this year, as well as feedback from our most recent School Improvement Partner visit, our SIP Impact review of 2020/21 and our Pupil Premium Impact strategy 2020/21.

Financial performance

- The School Business Manager has been influential in driving down costs through thoroughly tracking and monitoring contracts and costs. This has led to a number of contracts being renegotiated, scaled down, cancelled or replaced during 2020/21.
- All SLAs are reviewed annually to ensure that they are delivering good value for money and are fit for purpose for the needs of the school.
- Financial management, governance and oversight is strong, with the use of several professional bodies to advise and provide support and monitor.
- Careful budgeting ensures Value for Money is achieved in all aspects of the school.
- Spending proposals are budgeted and presented to senior leaders/Governors who then challenge appropriately.
- We regularly review staffing to ensure that staff is deployed efficiently and appropriately, with targeted support where necessary.
- We continue to generate income from catering, extended day provision and our solar PV array.
- The school has a development plan in place to ensure that reserves are spent appropriately and sensibly, identifying where improvement is needed or where existing needs can be met.

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 ongoing process designed to identify and prioritise the risks the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Hayes School for the period from 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Trustees receive the strategic risk register at every Full Governing Body meeting.

The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that have been in place for the period from 1 September 2020

**HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The Trustees examine the financial health formally every term, reviewing performance against budgets and overall expenditure by means of regular update reports at all full Trustees' and Finance and Buildings Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Academy had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

THE RISK AND CONTROL FRAMEWORK

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

- Monthly monitoring reports to Governing Body
- Regular review of financial policy and procedures
- Governors approving plans in response to audit findings

The Board of Trustees has considered the need for a specific internal audit function and has decided:

- To appoint Griffin Accounting Services as internal auditor

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems.

Griffin Accountancy Services carried out Responsible Officer checks for 2020/21 in December 2020, March 2021 and June 2021 to fulfil internal scrutiny obligations. All visits were conducted remotely due to the restrictions caused by Coronavirus.

Over the course of the year these visits covered the following key areas:

- Purchases and cash payments
- Payroll
- Income and cash receipts
- Fixed assets
- Financial budgeting and monitoring
- Regularity
- Governance
- Risk management
- Use of accounting software
- Covid-19 impact

There were no fundamental findings that needed the attention of management. One important, but not fundamental, finding was to remove a Governor from Companies House and five minor errors were raised with Governors and remedial actions approved.

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 audits carried out, the school staff's experience of these audits, and their findings. The Accounting Officer has been advised of the implications of the result of reviews of the system of internal control by the Finance and Buildings Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

**HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

This was approved by order of the Trustees of the Board of Trustees on *14/12/2021* and signed on its behalf by:



**A Howarth
Trustee**



**M Hanbury
Accounting Officer**

**HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Hayes School I have considered my responsibility to notify the Academy Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the Academy Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook 2020.

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



**M Hanbury
Accounting Officer**

Date: 14/12/2021

**HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

The Trustees (who do not receive remuneration for their role as Trustees) (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

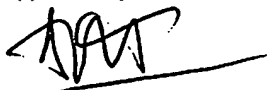
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees (who do not receive remuneration for their role as Trustees) are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees (who do not receive remuneration for their role as Trustees) are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

The Trustees (who do not receive remuneration for their role as Trustees) are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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



A Howarth
Chair of Trustees
Date: 14/12/21

**HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF HAYES SCHOOL

Opinion

We have audited the financial statements of Hayes School (the 'academy') for the year ended 31 August 2021 which comprise the Statement of financial activities (incorporating income and expenditure account), the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the ESFA.

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 in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

We have nothing to report in this regard.

**HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF HAYES
SCHOOL (CONTINUED)**

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

**HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF HAYES SCHOOL (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

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

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the Academy sector, control environment and the Academy's performance;
- results of our enquiries of management and the Trustee board, including the committees charged with governance over the Academy's finance and control, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Academy's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations.
- how the Academy ensured it met its obligations arising from it being financed by the ESFA and other funders, and as such material compliance with these obligations is required to ensure the Academy will continue to receive its public funding and be authorised to operate, including around ensuring there is no material unauthorised use of funds and expenditure;
- how the Academy ensured it met its obligations to its principal regulator, the Secretary of State for Education; and
- the matters discussed among the audit engagement team and involving relevant internal Academy specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue, management override of controls using manual journal entries, procurement and payroll. We identified the greatest potential for fraud as incorrect recognition of revenue and management override using manual journal entries.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the Academy operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Academies Accounts Direction, Academies Financial Handbook, UK Companies Act, tax legislation, the Charities SORP 2019 and FRS102.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Academy's ability to operate or to avoid a material penalty. These included safeguarding regulations, data protection regulations, occupational health and safety regulations, education and inspections legislation, building legislation and employment legislation.

Our procedures to respond to risks identified included the following:

**HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF HAYES SCHOOL (CONTINUED)

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of Trustees and management and those charged with governance concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of its regulators;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing internal control reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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

Use of our report

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

Bishop Fleming LLP

Mark Munro FCA (Senior statutory auditor)
for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
2nd Floor Stratus House
Emperor Way
Exeter Business Park
Exeter
EX1 3QS

Date: 16/12/21

**HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO HAYES
SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 9 November 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Hayes School during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Hayes School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Hayes School and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Hayes School and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Hayes School's funding agreement with the Secretary of State for Education dated 31 March 2011 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

**HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Bishop Fleming LLP

**Mark Munro FCA (Reporting Accountant)
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
2nd Floor Stratus House
Emperor Way
Exeter Business Park
Exeter
EX1 3QS**

Date: *16/12/21*

**HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:						
Donations and capital grants	3	-	3,084	32,804	35,888	49,654
Other trading activities	6	24,530	-	-	24,530	27,695
Charitable activities	4	112,460	2,116,804	-	2,229,264	2,105,963
Total income		136,990	2,119,888	32,804	2,289,682	2,183,312
Expenditure on:						
Raising funds		-	12,051	-	12,051	7,618
Charitable activities	7	133,640	2,231,526	148,025	2,513,191	2,425,718
Total expenditure		133,640	2,243,577	148,025	2,525,242	2,433,336
Net income / (expenditure)		3,350	(123,689)	(115,221)	(235,560)	(250,024)
Transfers between funds	16	-	(21,790)	21,790	-	-
Net movement in funds before other recognised gains/(losses)		3,350	(145,479)	(93,431)	(235,560)	(250,024)
Other recognised (losses):						
Actuarial losses on defined benefit pension schemes	22	-	(174,000)	-	(174,000)	(41,000)
Net movement in funds		3,350	(319,479)	(93,431)	(409,560)	(291,024)
Reconciliation of funds:						
Total funds brought forward		326,753	(1,568,194)	5,405,808	4,164,367	4,455,391
Net movement in funds		3,350	(319,479)	(93,431)	(409,560)	(291,024)
Total funds carried forward		330,103	(1,887,673)	5,312,377	3,754,807	4,164,367

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

The notes on pages 30 to 57 form part of these financial statements.

HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:07548734

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	13	5,342,702	5,431,113
		<u>5,342,702</u>	<u>5,431,113</u>
Current assets			
Debtors	14	55,320	45,274
Cash at bank and in hand		551,778	487,625
		<u>607,098</u>	<u>532,899</u>
Creditors: amounts falling due within one year	15	(130,993)	(110,645)
Net current assets		<u>476,105</u>	<u>422,254</u>
Total assets less current liabilities		<u>5,818,807</u>	<u>5,853,367</u>
Net assets excluding pension liability		<u>5,818,807</u>	<u>5,853,367</u>
Defined benefit pension scheme liability	22	(2,064,000)	(1,689,000)
Total net assets		<u><u>3,754,807</u></u>	<u><u>4,164,367</u></u>
Funds of the Academy			
Restricted funds:			
Fixed asset funds	16	5,312,377	5,405,808
Restricted income funds	16	176,327	120,806
		<u>5,488,704</u>	<u>5,526,614</u>
Restricted funds excluding pension asset	16	5,488,704	5,526,614
Pension reserve	16	(2,064,000)	(1,689,000)
Total restricted funds	16	<u>3,424,704</u>	<u>3,837,614</u>
Unrestricted income funds	16	330,103	326,753
Total funds		<u><u>3,754,807</u></u>	<u><u>4,164,367</u></u>

The financial statements on pages 27 to 57 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

A Howarth
Chair of Trustees

Date: 14/12/2021

The notes on pages 30 to 57 form part of these financial statements.

**HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	18	114,774	10,621
Cash flows from investing activities	19	(50,620)	(851)
Change in cash and cash equivalents in the year		64,154	9,770
Cash and cash equivalents at the beginning of the year		487,625	477,855
Cash and cash equivalents at the end of the year	20, 21	<u>551,779</u>	<u>487,625</u>

The notes on pages 30 to 57 form part of these financial statements

**HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

1. Accounting policies

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Hayes School meets the definition of a public benefit entity under FRS 102.

1.2 GOING CONCERN

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

**HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

1. Accounting policies (continued)

1.3 INCOME

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

• **Grants**

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

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

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

• **Sponsorship income**

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

• **Donations**

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

• **Other income**

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

1.4 EXPENDITURE

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

• **Expenditure on raising funds**

This includes all expenditure incurred by the Academy to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

**HAYES SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. Accounting policies (continued)

1.4 EXPENDITURE (CONTINUED)

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 TANGIBLE FIXED ASSETS

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Depreciation is provided on the following bases:

Freehold property	- 50 Years
Plant and machinery	- 25% SL
Computer equipment	- 33% SL
Motor vehicles	- 20% SL

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

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

1.6 DEBTORS

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

1.7 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.

**HAYES SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. Accounting policies (continued)

1.8 LIABILITIES

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

1.9 FINANCIAL INSTRUMENTS

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

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

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

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

1.10 TAXATION

The Academy 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 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.

**HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

1. Accounting policies (continued)

1.11 PENSIONS

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

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

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

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

1.12 FUND ACCOUNTING

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

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

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

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

Transfers are made between restricted funds and restricted fixed assets funds where restricted funds are used to purchase fixed assets.

1.13 OPERATING LEASES

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

**HAYES SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leased as operating or finance lease requires the Academy Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

3. Income from donations and capital grants

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	-	3,084	22,464	25,548	40,870
Capital Grants	-	-	10,340	10,340	8,784
TOTAL 2021	-	3,084	32,804	35,888	49,654
TOTAL 2020	38,347	2,523	8,784	49,654	

**HAYES SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
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4. Income from charitable activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Education	112,460	2,116,804	2,229,264	2,105,963
TOTAL 2020	122,791	1,983,172	2,105,963	

Following clarification in the Academy Accounts Direction, nursery activities which were previously separately identified as their own charitable activity have now been included with the Educational activities reported throughout the accounts.

**HAYES SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

5. Funding for the Academy's Educational Operations

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
DFE/ESFA GRANTS				
OTHER DFE/ESFA GRANTS				
General Annual Grant	-	1,634,860	1,634,860	1,600,608
Other DfE/EFSA grants	-	25,233	25,233	21,788
UIFSM	-	41,006	41,006	46,816
Pupil Premium	-	201,728	201,728	184,316
Teacher's Pay and Pension	-	78,787	78,787	79,581
	-	1,981,614	1,981,614	1,933,109
OTHER GOVERNMENT GRANTS				
High Needs	-	54,699	54,699	38,678
Local Authority Pupil Premium	-	12,057	12,057	8,756
Other Grants	-	3,843	3,843	2,629
Nursery Income Funded	99,402	-	99,402	94,940
	99,402	70,599	170,001	145,003
COVID-19 ADDITIONAL FUNDING (DFE/ESFA)				
Catch-up Premium	-	33,151	33,151	-
	-	33,151	33,151	-
Other				
Local Authority COVID Income	-	31,440	31,440	-
Income from Catering	7,951	-	7,951	9,337
Other Income	-	-	-	7,129
Nursery Income unfunded/ fee paying	5,107	-	5,107	11,385
	13,058	31,440	44,498	27,851
	112,460	2,116,804	2,229,264	2,105,963
TOTAL 2020	122,791	1,983,172	2,105,963	

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

**HAYES SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

5. Funding for the Academy's Educational Operations (continued)

The Academy Trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under 'COVID Additional Funding'.

The funding received for coronavirus exceptional support covers additional cleaning costs. These costs are included in notes 7 and 9 below as appropriate.

6. Other trading activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Fees received	20,162	20,162	26,570
Other	4,368	4,368	1,125
TOTAL 2021	24,530	24,530	27,695

7. Expenditure

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	Total 2020 £
Expenditure on raising funds:					
Direct costs	12,051	-	-	12,051	7,618
Academy's educational operations:					
Direct costs	1,659,686	1,347	183,868	1,844,901	1,768,153
Support costs	384,356	211,172	72,762	668,290	652,565
TOTAL 2021	2,056,093	212,519	256,630	2,525,242	2,428,336
TOTAL 2020	2,013,573	184,418	230,345	2,428,336	

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

8. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Education	1,844,901	668,290	2,513,191	2,420,718
TOTAL 2020	1,768,153	652,565	2,420,718	

Analysis of support costs

	Total funds 2021 £	Total funds 2020 £
Staff costs	384,356	383,093
Depreciation	26,589	37,647
Educational supplies	15,707	13,692
Staff development	1,319	2,285
Recruitment and support	4,170	3,336
Maintenance of premises and equipment	16,430	10,617
Cleaning	20,219	11,739
Rent and rates	13,275	9,810
Energy costs	19,581	17,546
Insurance	8,544	9,980
Security and transport	13,233	9,036
Catering	64,819	30,263
Technology costs	13,269	23,184
Office overheads	37,956	23,627
Legal and professional	18,685	56,990
Bank interest and charges	1,625	1,376
(Profit) / Loss on disposal of fixed assets	-	533
Governance Costs	8,513	7,811
TOTAL 2021	668,290	652,565

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

9. Net expenditure

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Operating lease rentals	2,542	2,849
Depreciation of tangible fixed assets	149,372	147,075
Loss on disposal of fixed assets	-	2,083
Fees paid to auditors for:		
- audit	6,750	5,255
- other services	2,230	1,560
	<u>6,982</u>	<u>6,815</u>

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	1,453,181	1,441,558
Social security costs	109,432	114,393
Pension costs	492,531	450,190
	<u>2,055,144</u>	<u>2,006,141</u>
Agency staff costs	949	7,432
	<u>2,056,093</u>	<u>2,013,573</u>

b. Staff numbers

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

	2021 No.	2020 No.
Teachers	16	18
Educational support	35	36
Administration and support	3	3
Management	5	5
	<u>59</u>	<u>62</u>

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

10. Staff (continued)

b. Staff numbers (continued)

The average headcount expressed as full-time equivalents was:

	2021 No.	2020 No.
Teachers	16	17
Educational support	29	29
Administration and support	2	3
Management	5	5
	<u>52</u>	<u>54</u>

c. Higher paid staff

The number of employees whose employee benefits (excluding employer pension costs and employer's national insurance contributions) exceeded £60,000 was:

	2021 No.	2020 No.
In the band £70,001 - £80,000	<u>1</u>	<u>1</u>

d. Key management personnel

The key management personnel of the Academy comprise the Trustees (who do not receive remuneration for their role as 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 was £376,731 (2020: £358,536).

As staff Trustees are not remunerated in respect of their role as Trustee, where staff Trustees do not form part of the Key Management Personnel other than in their role as Trustee, their remuneration as set out in note 11 has not been included in the total benefits received by Key Management Personnel above.

11. Trustees' remuneration and expenses

The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff under their contracts of employment, and not in respect of their services as Trustees. Other Trustees did not receive any payments, from the Academy in respect of their roles as Trustees. The value of Trustees remuneration and other benefits was as follows: M Hanbury: Remuneration £75,000-£80,000 (2020: £75,000-£80,000), Employer's pension contributions £15,000- £20,000 (2020: £15,000- £20,000), E Bamber: Remuneration £55,000- £60,000 (2020: £55,000 - £60,000) Employer's pension contributions £10,000- £15,000 (2020:£10,000- £15,000).

During the year ended 31 August 2021, expenses totalling £0 were reimbursed or paid directly to Trustee (2020 - £31 to 1 Trustee). The reimbursed expenses relate to travel.

**HAYES SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

12. Trustees' and Officers' Insurance

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

13. Tangible fixed assets

	Freehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
COST OR VALUATION					
At 1 September 2020	6,636,946	191,051	89,473	4,000	6,921,470
Additions	-	28,982	31,979	-	60,961
At 31 August 2021	6,636,946	220,033	121,452	4,000	6,982,431
DEPRECIATION					
At 1 September 2020	1,226,041	177,309	83,007	4,000	1,490,357
Charge for the year	132,739	8,127	8,506	-	149,372
At 31 August 2021	1,358,780	185,436	91,513	4,000	1,639,729
NET BOOK VALUE					
At 31 August 2021	5,278,166	34,597	29,939	-	5,342,702
At 31 August 2020	5,410,905	13,742	6,466	-	5,431,113

14. Debtors

	2021 £	2020 £
DUE WITHIN ONE YEAR		
Prepayments and accrued income	47,260	41,015
VAT recoverable	8,060	4,259
	55,320	45,274

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

15. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	29,908	13,337
Other taxation and social security	28,119	29,905
Other creditors	33,454	33,268
Accruals and deferred income	39,512	34,135
	<u>130,993</u>	<u>110,645</u>
	2021 £	2020 £
Deferred income at 1 September 2020	23,723	35,233
Resources deferred during the year	22,248	23,723
Amounts released from previous periods	(23,723)	(35,233)
Deferred income at 31 August 2021	<u>22,248</u>	<u>23,723</u>

At the balance sheet date the Academy was holding funds received in advance for Universal Infant Free School Meals and Rates Relief for the 2021/22 financial year.

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

16. Statement of funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers In/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
UNRESTRICTED FUNDS						
Designated Funds						
School Improvement	46,400	-	-	(6,300)	-	40,100
General Funds						
Free reserves	144,197	37,588	(32,891)	41,167	-	190,061
Nursery	38,184	99,402	(99,402)	-	-	38,184
Purchase of fixed assets	59,625	-	(1,347)	3,480	-	61,758
Voluntary Unrestricted	38,347	-	-	(38,347)	-	-
	280,353	136,990	(133,640)	6,300	-	290,003
TOTAL UNRESTRICTED FUNDS	326,753	136,990	(133,640)	-	-	330,103
Restricted general funds						
General Annual Grant (GAG)	120,806	1,634,860	(1,583,998)	(20,000)	-	151,670
High needs	-	54,699	(54,699)	-	-	-
Pupil premium	-	201,728	(201,728)	-	-	-
UFSM	-	41,006	(41,006)	-	-	-
Other restricted income	-	3,843	(3,843)	-	-	-
Donations	-	3,084	(3,084)	-	-	-
PE grant	-	19,550	(12,120)	-	-	7,430
Rates	-	5,683	(5,683)	-	-	-
Pay and Pension	-	78,787	(78,787)	-	-	-
Individual PP Income	-	12,057	(9,648)	-	-	2,409
Catch Up Premium	-	31,440	(14,832)	(1,790)	-	14,818
Covid FSM Income	-	33,151	(33,151)	-	-	-
Pension reserve	(1,689,000)	-	(201,000)	-	(174,000)	(2,064,000)
	(1,568,194)	2,119,888	(2,243,577)	(21,790)	(174,000)	(1,887,673)

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

16. Statement of funds (continued)

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers In/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Restricted fixed asset funds						
Fixed assets transferred on conversion	5,084,776	-	(125,294)	-	-	4,959,482
Fixed assets purchased from GAG and other restricted funds	183,184	-	(4,544)	1,790	-	180,430
DfE/ ESFA Capital grants	105,609	10,340	(12,174)	22,886	-	126,661
Donated Fixed Assets	-	22,464	(6,013)	-	-	16,451
Unspent Capital	32,239	-	-	(22,886)	-	9,353
Ringfenced IT Spend from GAG	-	-	-	20,000	-	20,000
	<u>5,405,808</u>	<u>32,804</u>	<u>(148,025)</u>	<u>21,790</u>	<u>-</u>	<u>5,312,377</u>
TOTAL RESTRICTED FUNDS	<u>3,837,614</u>	<u>2,152,692</u>	<u>(2,391,602)</u>	<u>-</u>	<u>(174,000)</u>	<u>3,424,704</u>
TOTAL FUNDS	<u>4,164,367</u>	<u>2,289,682</u>	<u>(2,525,242)</u>	<u>-</u>	<u>(174,000)</u>	<u>3,754,807</u>

**HAYES SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

16. Statement of funds (continued)

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

DESIGNATED FUNDS

As stated in the Trustees' Report, the Academy has designated £46,400 towards potential works and school improvements that need attention over the next 5 years.

UNRESTRICTED FUNDS

The Purchase of Fixed Assets fund represents the net book value of fixed assets purchased using unrestricted funds.

Voluntary unrestricted funds have been raised from previous Governing Body events. The funds are to be used towards meeting the academy's Charitable aims and objectives and as such the carried forward balance has been shown under general unrestricted free reserves.

RESTRICTED FUNDS

General Annual Grant - Income from the ESFA which is to be used for the normal running costs of the Academy, including education and support costs.

High Needs - Funding received by the Local Authority to fund further support for students with additional needs.

Pupil Premium - Pupil premium represents funding received from the ESFA for children that qualify for free school meals to enable the Academy to address the current underlying inequalities between those children and their wealthier peers.

Nursery funding - This is funding towards nursery costs.

UFSM - This funding was received in order to ensure children that meet the criteria have access to free school meals.

PE Grant - This represents funding received from the ESFA and must be used to fund improvements to the provision of PE and sport, for the benefit of primary-aged pupils, so that they develop healthy lifestyles.

Pay and Pension Grant - This funding is provided to support the increasing costs of teachers' pay awards and employer contributions to the teachers' pension scheme.

Other restricted funds - This relates to smaller restricted income streams.

Pension reserve - This represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy.

RESTRICTED FIXED ASSET FUNDS

Fixed assets transferred on conversion - This represent the buildings and equipment donated to the School from the Local Authority on conversion to an Academy.

Fixed assets purchased from GAG and unrestricted funds - This fund includes transfers from the GAG restricted fund for capital related expenditure.

DfE/ESFA Capital Grants - These funds are received for direct expenditure on fixed asset projects. The fixed asset fund balance at the year end represents the NBV of assets and any unspent grant amount.

Unspent capital - This represents the unspent DFC income carried forward to future periods which has been split out of DfE/ESFA Capital Grants.

**HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

16. Statement of funds (continued)

Ringfenced IT spend from GAG - This represents unspent GAG funds that have been ringfenced for capital projects over the next year.

OTHER INFORMATION

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2021.

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

16. Statement of funds (continued)

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers In/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
UNRESTRICTED FUNDS						
Designated Funds						
School Improvement	37,500	-	-	8,900	-	46,400
General Funds						
Free reserves	152,485	44,181	(43,549)	(8,900)	-	144,197
Nursery	20,738	108,325	(88,879)	-	-	38,184
Purchase of fixed assets	60,971	-	(1,346)	-	-	59,625
Voluntary Unrestricted	-	38,347	-	-	-	38,347
	234,194	188,833	(133,774)	(8,900)	-	280,353
TOTAL UNRESTRICTED FUNDS	271,694	188,833	(133,774)	-	-	326,753
Restricted General Funds						
General Annual Grant (GAG)	105,289	1,600,608	(1,580,746)	(4,345)	-	120,806
High needs	-	38,678	(38,678)	-	-	-
Pupil premium	-	193,072	(193,072)	-	-	-
UIFSM	-	46,816	(46,816)	-	-	-
Other restricted Income	-	2,629	(2,629)	-	-	-
Donations	-	2,523	(2,523)	-	-	-
PE grant	-	19,420	(19,420)	-	-	-
Rates	-	2,368	(2,368)	-	-	-
Pay and Pension	-	79,581	(79,581)	-	-	-
Pension reserve	(1,460,000)	-	(188,000)	-	(41,000)	(1,689,000)
	(1,354,711)	1,985,695	(2,153,833)	(4,345)	(41,000)	(1,568,194)

**HAYES SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

16. Statement of funds (continued)

**Restricted fixed
asset funds**

**Fixed assets
transferred on
conversion**

5,210,067	-	(125,291)	-	-	5,084,776
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**Fixed assets
purchased from
GAG and other
restricted funds**

190,256	-	(11,417)	4,345	-	183,184
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**DfE/ ESFA Capital
grants**

107,258	7,372	(9,021)	-	-	105,609
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Unspent Capital

30,827	1,412	-	-	-	32,239
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5,538,408	8,784	(145,729)	4,345	-	5,405,808
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**TOTAL
RESTRICTED
FUNDS**

4,183,697	1,994,479	(2,299,562)	-	(41,000)	3,837,614
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TOTAL FUNDS

4,455,391	2,183,312	(2,433,336)	-	(41,000)	4,164,367
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**HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	61,758	-	5,280,944	5,342,702
Current assets	268,345	307,320	31,433	607,098
Creditors due within one year	-	(130,993)	-	(130,993)
Pension liability	-	(2,064,000)	-	(2,064,000)
TOTAL	330,103	(1,887,673)	5,312,377	3,754,807

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	64,916	-	5,366,197	5,431,113
Current assets	261,837	231,451	39,611	532,899
Creditors due within one year	-	(110,645)	-	(110,645)
Pension liability	-	(1,689,000)	-	(1,689,000)
TOTAL	326,753	(1,568,194)	5,405,808	4,164,367

**HAYES SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

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

	2021 £	2020 £
Net expenditure for the year (as per Statement of financial activities)	(235,560)	(250,024)
ADJUSTMENTS FOR:		
Depreciation	149,372	147,075
Capital grants from DfE and other capital income	(10,340)	(8,784)
Defined benefit pension scheme cost less contributions payable	174,000	160,000
Defined benefit pension scheme finance cost	27,000	28,000
(Increase) in debtors	(10,046)	(342)
Increase/(decrease) in creditors	20,348	(65,304)
NET CASH PROVIDED BY OPERATING ACTIVITIES	114,774	10,621

19. Cash flows from Investing activities

	2021 £	2020 £
Purchase of tangible fixed assets	(60,960)	(11,718)
Loss on disposal of tangible fixed assets	-	2,083
Capital grants from DfE Group	10,340	8,784
NET CASH USED IN INVESTING ACTIVITIES	(50,620)	(851)

20. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand and at bank	551,779	487,625
TOTAL CASH AND CASH EQUIVALENTS	551,779	487,625

**HAYES SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

21. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	487,625	64,153	551,778
	<u>487,625</u>	<u>64,153</u>	<u>551,778</u>

22. Pension commitments

The Academy'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 Devon County Council. Both are multi-employer defined benefit schemes.

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

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

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

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

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

22. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £200,029 (2020 - £189,263).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £152,000 (2020 - £137,000), of which employer's contributions totalled £119,000 (2020 - £105,000) and employees' contributions totalled £ 33,000 (2020 - £32,000). The agreed contribution rates for future years are 17.6 per cent for employers and 5.5 - 12.5 per cent for employees.

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

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

**HAYES SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

22. Pension commitments (continued)

Principal actuarial assumptions

	2021	2020
	%	%
Rate of increase in salaries	3.9	3.25
Rate of increase for pensions in payment/inflation	2.9	2.25
Discount rate for scheme liabilities	1.65	1.60
Inflation assumption (CPI)	2.9	2.25

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

	2021	2020
	Years	Years
Retiring today		
Males	22.7	22.9
Females	24	24.1
Retiring in 20 years		
Males	24	24.3
Females	25.4	25.5

Sensitivity analysis

	2021	2020
	£000	£000
Discount rate +0.1%	(98)	(78)
Discount rate -0.1%	100	80
Mortality assumption - 1 year increase	144	106
Mortality assumption - 1 year decrease	(139)	(102)
CPI rate +0.1%	94	75
CPI rate -0.1%	(92)	(73)

**HAYES SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

22. Pension commitments (continued)

Share of scheme assets

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

	2021 £	2020 £
Equities	1,037,000	766,000
Glits	213,000	45,000
Corporate bonds	31,000	60,000
Property and infrastructure	212,000	154,000
Cash	10,000	15,000
Alternative assets	-	82,000
Target return portfolio	154,000	162,000
TOTAL MARKET VALUE OF ASSETS	1,657,000	1,284,000

The actual return on scheme assets was £269,000 (2020 - £6,000).

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

	2021 £	2020 £
Current service cost	(293,000)	(265,000)
Interest income	20,000	22,000
Interest cost	(47,000)	(50,000)
TOTAL AMOUNT RECOGNISED IN THE STATEMENT OF FINANCIAL ACTIVITIES	(320,000)	(293,000)

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

	2021 £	2020 £
At 1 September	2,973,000	2,574,000
Current service cost	293,000	265,000
Interest cost	47,000	50,000
Employee contributions	33,000	32,000
Actuarial losses/(gains)	422,000	(49,000)
Benefits paid	(47,000)	101,000
AT 31 AUGUST	3,721,000	2,973,000

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

22. Pension commitments (continued)

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

	2021 £	2020 £
At 1 September	1,284,000	1,114,000
Interest income	21,000	23,000
Actuarial gains/(losses)	248,000	(90,000)
Employer contributions	119,000	105,000
Employee contributions	33,000	32,000
Benefits paid	(47,000)	101,000
Administration expenses	(1,000)	(1,000)
AT 31 AUGUST	1,657,000	1,284,000

23. Operating lease commitments

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

	2021 £	2020 £
Not later than 1 year	2,542	2,849
Later than 1 year and not later than 5 years	2,018	4,298
	4,560	7,147

24. Members' liability

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

25. General Information

Hayes School is a company limited by guarantee, incorporated in England and Wales. The registered office is Hayes Road, Paignton, Devon, TQ4 5PJ.

**HAYES SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

26. Related party transactions

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

No related party transactions took place in the period of account other than certain Trustees' remuneration and expenses already disclosed in note 11.