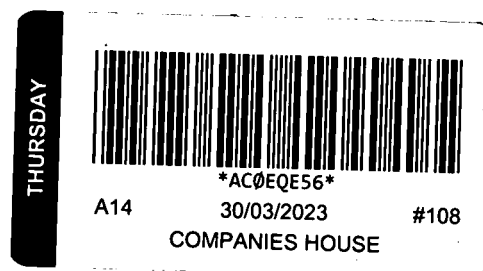


Hamstead Hall Academy Trust
(A Company Limited by Guarantee)
Annual Report and Financial Statements
Year ended 31 August 2022

Company Registration Number
08528845 (England and Wales)



Feltons
Chartered Accountants

Birmingham
B1 3JR

Hamstead Hall Academy Trust
(A Company Limited by Guarantee)

Report and Financial Statements
Year ended 31 August 2022

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Hamstead Hall Academy Trust
(A Company Limited by Guarantee)

Reference and Administrative Details

Members	Rachel Burroughs Peter French Pam Garrington Phillip Riggon David Brown (until September 2022) Rob Brown (from September 2022)
Trustees	David Brown (Chair until September 2022) Surinder Buray Rupi Chandla Sukhbir Farar (resigned 31 August 2022) Jonathan Mortimer Trystan Shaw Rob Smith (Chair from September 2022) Rubhi Ubhi
Senior Management Team	
<ul style="list-style-type: none">• Chief Executive Officer & Accounting Officer• Joint Executive Principal• Headteacher (Hamstead)• Headteacher (Grestone)• Director of Finance	Jonathan Mortimer (Joint Executive Principal until 31 August 2022) Sukhbir Farar (resigned 31 August 2022) Carla Tranter (appointed from 1 September 2022) James Bird Tom Bill
Company registration number	08528845 (England and Wales)
Company name	Hamstead Hall Academy Trust
Principal and registered office	Craythorne Avenue Handsworth Wood Birmingham West Midlands B20 1HL
Independent auditor	Feltons 8 Sovereign Court 8 Graham Street Birmingham B1 3JR
Bankers	Lloyds Bank Colmore Row Branch PO Box 1000 Birmingham BX1 1LT
Solicitors	Stone King Solicitors LLP 13 Queens Square Bath BA1 2HJ

Hamstead Hall Academy Trust (A Company Limited by Guarantee)

Trustees' report for the year ended 31 August 2022

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a trustees' report and a directors' report (incorporating a strategic report) under company law.

Hamstead Hall Academy Trust operated with one primary and one secondary academy serving the catchment areas in Handsworth Wood of Birmingham which are:

- Grestone Academy
- Hamstead Hall Academy

They have a combined pupil capacity of 1,784 and had a roll of 1,560 on the school census in October 2022.

Structure, Governance and Management

Constitution

The multi academy trust 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 multi academy trust.

The Trustees of Hamstead Hall Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Hamstead Hall Academy Trust.

Details of the trustees who served during the year and to the date these accounts are approved are included in the Reference and Administrative details on page 1.

Members' liability

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

Trustees' indemnities

In accordance with normal commercial practice the multi academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on multi academy business. The insurance provides cover up to £10,000,000 on any one claim.

Method of recruitment and appointment or election of Trustees

In accordance with the Articles of Association the Members may appoint up to nine trustees. The total number of trustees including the Executive Principals who are employees of the Company shall not exceed one third of the total number of trustees.

There shall be a minimum of two Parent Trustees unless there are Local Governing Bodies which each include at least two parent members. Parent members of a Local Governing Body shall be either elected or appointed with the terms of reference determined by the Trustees from time to time.

The Executive Principal shall be a Trustees for as long as they remain in office as such.

The Trustees may appoint up to 1 Co-opted Trustee. The Trustees may not co-opt an employee of the Company as a Co-opted Trustee if thereby the number of Trustees who are employees of the Company would exceed one third of the total number of Trustees including the Executive Principal.

**Hamstead Hall Academy Trust
(A Company Limited by Guarantee)**

Trustees' report for the year ended 31 August 2022 (continued)

Policies and Procedures Adopted for the Induction and Training of Trustees

The Board of Trustees has a service level agreement with the National Governance Association to provide training, advice and support to the board of trustees. Trustees also have the opportunity to attend training events run by other organisations and access to the services of Stone King solicitors.

Newly elected trustees attend induction training for new trustees, and in addition select specific training provided by trustee support in accordance with their needs.

The Board carries out a skills audit each year to ascertain if there are areas that the Board needs upskilling in.

The Deputy Head of School for Hamstead Hall Academy is the leader for professional development in school, and they ensure that trustees are provided with opportunities to receive training in accordance with their role, and the school's training plan.

Organisational structure

The Board of Trustees has established committees and appoints trustees to serve on each of the committees annually. The committees for the period of the report were:

- Audit, Finance and Risk Committee
- Pay & Remuneration Committee
- Local Governing Bodies

The written terms of reference of the committees include the monitoring of the preparation and management of the trust's budget and implementation of the trust's financial management policies, including risk assessment.

The Board of Trustees also appoints a responsible officer and this role has been fully implemented in accordance with the multi academy trust's financial procedures.

Each academy has a Senior Leadership Team (SLT) which is responsible for the day to day operation of the Academy, in particular organising the teaching staff, facilities and students.

Arrangements for setting pay and remuneration of key management personnel

Pay and remuneration of the senior leadership team is delegated to the Pay & Remuneration Committee and ratified by the Trustees. It is set in accordance within the parameters of the national leadership pay scale using the benchmarks for the size of the individual academies.

Trade union facility time

Information in accordance with Schedule 2 of the Trade Union (Facility Time Publication Requirements) Regulations 2018 is as follows :

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent number
2	2

Hamstead Hall Academy Trust
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Trustees' report for the year ended 31 August 2022 (continued)

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	2
1% - 50%	0
51% - 99%	0
100%	0

Percentage of pay bill spent on facility time

Total cost of facility time	£0
Total pay bill	£9,449,039
Facility time as percentage of total pay bill	0%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	0%
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Related parties and other Connected Charities and Organisations

There were no material related party transactions during the period other than disclosed in the financial statements.

Objectives and activities

Aims and Values

Our mission statement

Hamstead Hall Academy Trust aims to provide high quality education in our academies which will enable all of our students to realise their full potential.

Our Vision

At Hamstead Hall Academy Trust, our vision is to create a collaborative learning community where we work together to educate, support and inspire our students and staff to be the best they can be through the pursuit of excellence in everything we do.

We aim to provide:

- The widest possible range of opportunities for students and staff to achieve the highest standards.
- A challenging edge for us all to achieve our individual best in all aspects of academy life.
- A real sense of belonging to a supportive learning community where we develop our students as responsible, capable and confident active citizens ready for success in the 21st century workplace.
- The best facilities possible to support our work.
- A caring, supportively challenging and improving community that engenders all of us to take responsibility to make the vision a reality.
- A strong and sustainable financial future.

The Hamstead Hall Academy Trust seeks to be the place, which is the first choice for children to learn and staff to work. We will enhance children's life chances by maximising their educational outcomes through a broad and balanced, challenging curriculum, which develops best practice in teaching and learning, informed by research and the experiences of our staff across the Trust. Teaching staff in our academies are supported with opportunities for collaborative planning and development. The Trust will ensure that there is focussed and personalised, evidence informed professional learning, supported by robust and rigorous quality assurance across the academies to further improve teaching and learning and increase leadership capacity.

**Hamstead Hall Academy Trust
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Trustees' report for the year ended 31 August 2022 (continued)

Our Strategic Objectives:

To deliver -

- High Quality Education
- A positive, inclusive and supportive culture to develop the whole child
- Evidence driven Professional Development
- Financially robust and sustainable MAT with growth capacity
- Strong leadership and Governance
- Ongoing improvement to the learning environment

Key Performance Indicators

KPI 1: Student achievement and standards

- i. All MAT Academies to be at least good.
- ii. Students make good progress with achievement at least in line with national averages
- iii. Attendance is at least in line with national averages.
- iv. All Academies are compliant, with health and safety, safeguarding and other appropriate statutory requirements.
- v. Quality of teaching is high as evidenced through QA processes.

KPI 2: Staffing

- i. All academies are fully staffed with highly skilled staff
- ii. All staff have access to high quality evidence based professional learning
- iii. Leadership pathways provide opportunities to improve leadership and develop leadership capacity.

KPI 3: Governance

- i. Governance structure in place which is compliant and in line with DFE guidance for MATs.
- ii. Governors are recruited with appropriate skills and experience to ensure that Local Governing Bodies have a full complement.
- iii. Governors and Directors hold leaders to account and provide appropriate challenge.

KPI 4: Finance.

- i. Value for money is secured across the Trust
- ii. Trust finances are strong and return a surplus
- iii. Staffing costs at each academy are at 80% or lower of total income
- iv. Audit reports indicate financial systems are compliant and fit for purpose
- v. Risk management register in place which informs future planning.

Our academies:

Hamstead Hall Academy

An 11–18 academy, in Handsworth Wood. There are approximately 1150 students on role including approximately 180 in the sixth form. The academy serves the local community of Handsworth Wood and the deprived communities of Inner City Handsworth and Perry Barr. The academy has a very positive ethos, very high aspirations and demanding expectations that ensure high achievement. It is a culturally rich and diverse learning community, offering a broad education leading to excellent traditional, academic qualifications. Hamstead Hall Academy was founded on the current site over 46 years ago and blends tradition with innovation.

www.hamsteadhall.com

**Hamstead Hall Academy Trust
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Trustees' report for the year ended 31 August 2022 (continued)

Grestone Academy

A 4-11, three-form entry academy with a nursery, in Handsworth Wood. The academy serves the local community of Handsworth Wood and the deprived communities of Inner City Handsworth and Perry Barr. The academy has a very positive ethos, very high aspirations and demanding expectations that ensure achievement is improving. It is a culturally rich and diverse learning community. Grestone Academy was founded on the current site over 50 years ago.

www.grestoneacademy.com

Public benefit

In setting our objectives and planning our activities, the Board of Trustees has given careful consideration to the general guidance on public benefit published by the Charity Commission on their website at www.gov.uk/running-charity/managing-charity in exercising their powers or duties.

Hamstead Hall Academy Trust is an equal opportunity employer, and strives to give full and fair consideration to all applicants for employment, training and promotions, irrespective of disability, gender, race, colour or sexual orientation.

Trustees' report for the year ended 31 August 2022 (continued)

Strategic Report

Achievements and Performance

Hamstead Hall Academy

Ofsted graded Good (January 2019)

Target Outcomes 2021 - 2022

Teaching and Learning, student attainment and achievement

To continue to provide a strong focus in teaching, learning and assessment to support the achievement of the agreed whole school GCSE target:

Key Target 1 : KS4 Progress 8 to at least in line (i.e. at least average).

Key Target 2 : Post 16 Value Added to be at least in line (i.e. at least average).

Both targets were met in 2022

Key Stage 4: GCSE and equivalent

Total Entry	2019 Results	2022 Results
Total Entry	171	187
Grades 4 or higher in English and Maths	61%	63%
Grades 5 or higher in English and Maths	39%	41%
Grades 4 or higher in English	75%	75%
Grades 5 or higher in English	55%	52%
Grades 4 or higher in Maths	68%	67%
Grades 5 or higher in Maths	46%	51%
Entered for EBACC	60%	60%
Achieved EBACC (Grade 5 or higher)	15%	20%
Achieved EBACC (Grade 4 or higher)	22%	31%
EBACC average point score	3.89	4
Progress 8	NA	0.1
Attainment 8	44	45
Average Grade	Grade 4	Grade 4/5

Trustees' report for the year ended 31 August 2022 (continued)

A-Level 2022

Total Entry	2019 Results	2021 Results
Total Entry	81	94
A' Levels taken	239	213
% A* - A pass rate	6	14
% A* - B pass rate	24	30
% A* - E pass rate	91	96
Average Point Score per A-Level entry (*)	24.1	29
Average grade per A-Level entry	D	C
%KS5 students achieving 3 or more A*-E	74	90
%KS5 students achieving 2 or more A*-E	91	97
%KS5 students achieving 1 or more A*-E	100	99
%KS5 students achieving 3 or more A*-B	6	11
%KS5 students achieving 2 or more A*-B	20	26
%KS5 students achieving 1 or more A*-B	42	49
%KS5 students achieving 3 or more A*-A	0	5
%KS5 students achieving 2 or more A*-A	4.9	9
%KS5 students achieving 1 or more A*-A	16	18

Grestone Academy

Ofsted graded: Requires Improvement (February 2020).

The Ofsted Inspection in February 2020 demonstrated the progress the academy is making securing Good outcomes in:

Behaviour and attitudes – Good

Personal Development - Good

Ofsted Monitoring visits.

There were 3 Ofsted Monitoring visits for Grestone Academy during 2020 – 2021.

These took place on:

9th December 2020

4th March 2021

13th May 2021

These all reported that,

"Leaders and those responsible for governance are taking effective action in order for the school to become a good school."

Nationally KS2 outcomes dropped in 2022 but outcomes improved at Grestone Academy.

Hamstead Hall Academy Trust
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Trustees' report for the year ended 31 August 2022 (continued)

	2018 (Expected) Sch/(Nat) %	2019 (Expected) Sch/(Nat) %	2022 (Expected) Sch/(Nat) %
RWM	27 (64)	40 (65)	40 (59)
Reading	45 (75)	48 (73)	59 (74)
Writing (TA)	28 (78)	56 (78)	54 (69)
Maths	48 (75)	58 (79)	61 (71)
SPAG	51 (78)	68 (78)	69 (72)

- Direct costs as a percentage of total costs were 70.3% (2021 : 69.9%)
- Support costs as a percentage of total costs were 29.7% (2021 : 30.1%)
- Total payroll costs as a percentage of recurring income were 84.3% (2021 : 80.5%)

Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the multi 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

The financial results of Hamstead Hall Academy Trust are detailed in the following pages. It is considered that the finances are sound and well established. The principal financial management policies adopted are laid down by the Academy Trust Handbook published by the ESFA and requirements as laid down by the Multi Academy's Financial Handbook.

The principal funding source is grant income from the ESFA. All expenditure of this grant income is planned to fulfil the objectives and strategies of the multi academy.

During the year ended 31 August 2022 total resources expended were £12,067,216 and the excess of expenditure over income was £502,449 which included depreciation of £703,690.

Reserves Policy

The trustees continually monitor the reserves of the charitable company. This process encompasses the nature of income and expenditure streams and the need to match commitments with income and nature of reserves.

Hamstead Hall Academy Trust
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Trustees' report for the year ended 31 August 2022 (continued)

It is the board of trustees' general policy to continue to build reserves which can be used for future educational purposes.

The multi academy had total funds at 31 August 2022 of £22,263,558 which included £557,484 restricted funds not available for general purposes of the multi academy trust, £583,995 of free reserves defined as unrestricted funds available for general purposes and £26,379,079 which can only be realised by the disposal of tangible fixed assets

The balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds was a surplus of £1,141,479.

In addition, the deficit on the restricted pension fund of £5,257,000 arises from an actuarial deficit on the local government pension scheme which will be dealt with as advised by the actuary. This will result in a cash flow effect for the academy trust in the form of an increase in employers' pension contributions over a period of years.

The trustees regularly review the level of reserves and aim to maintain them at a minimum of 4 months of payroll.

Investment Policy

Due to the nature of the funding, the Academy Trust may at times hold cash balances surplus to its short term requirements. The Academy Trust's current policy is only to invest surplus funds in risk free and short term (1 to 3 months) accessible deposit accounts. No other form of investment is authorised.

These investments are carried out in accordance with the powers vested in the Board of Trustees..

Principal Risks and Uncertainties

The trustees have considered the major risks and uncertainties facing the charitable company which include changes in legislation and regulations and cash flow management and have put in place procedures to deal with these matters.

Attention has also been focused on non-financial risks arising from fire, health and safety. These risks are managed by ensuring accreditation is up to date, having robust policies in place, and regular awareness training for staff working in these operational areas.

A continuing risk is the pension liability, valued in line with FRS102, which continues to cause concern for Hamstead Hall Academy Trust. The notes to the accounts explain these commitments more clearly and show that at 31 August 2022 there was a shortfall of £5,257,000 for the West Midlands Pension Fund, a decrease of £7,390,000 during the year.

Fundraising

The Multi Academy Trust and its Trustees do not act as the Custodian Trustees of any other charity.

Plans for Future Periods

The key priorities for 2022-23 are :

- 1• Continue to improve the quality of education and secure an Ofsted grading that is at least Good for the academies in the Trust
- 2• Ongoing improvement to the learning environment
- 3• Explore the opportunity for growth to the Trust

**Hamstead Halll Academy Trust
(A Company Limited by Guarantee)**

Trustees' report for the year ended 31 August 2022 (continued)

Funds Held as Custodian Trustee on Behalf of Others

The Multi Academy Trust and its Trustees do not act as the Custodian Trustees of any other charity.

Auditor

Insofar as the Trustees are aware :

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 8 December 2022 and signed on the board's behalf by:

A handwritten signature in black ink, appearing to be 'Rob Smith', written over a horizontal dotted line.

Rob Smith - Chair of Trustees

Hamstead Hall Academy Trust
(A Company Limited by Guarantee)

Governance statement for the year ended 31 August 2022

Scope of Responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, 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 Hamstead Hall Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The **board of trustees** has formally met 4 times during the year. Attendance during the year at meetings of the board of trustees was as follows :

Effective oversight has been maintained between meetings by the Executive Principals holding regular telephone conversations and meetings with key Trustees, including the Chair and Vice-chair. They are kept updated and provide advice on key decisions made between formal meetings of the Trustees.

Trustee	Meetings attended	Out of a possible
Aanisah Begg	4	4
David Brown	3	4
Surinder Singh Buray	3	4
Rupi Chandla	3	4
Sukhbir Farar	2	4
Jonathan Mortimer	4	4
Trystan Shaw	4	4
Rob Smith	4	4
Rubbi Ubhi	3	4

Areas the Trust board covered included key policy check and review, health and safety, budget monitoring and the Risk register.

The trust intends to conduct its next self-evaluation/external review in 2023

Hamstead Hall Academy Trust
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Governance statement for the year ended 31 August 2022 (continued)

The Audit, Finance and Risk committee is a sub-committee of the main board of trustees. Its purpose is to assist the decision making of the Trust Board, by considering funding and budget planning including monitoring management accounts, monitoring health and safety compliance, to set and review a programme of works for internal audit, as well as review the risk registers.

Trustee	Meetings attended	Out of a possible
Aanisah Begg	4	4
Sukhbir Farar	3	4
Jonathan Mortimer	3	4
Trystan Shaw	3	4
Rob Smith	2	4

The Pay and Remuneration committee is a sub-committee of the main board of trustees. Its purpose is to ensure policies and procedures are being adhered to in relation to staff pay and all other HR related reporting.

Trustee	Meetings attended	Out of a possible
David Brown	1	1
Rob Smith	1	1
Ruby Ubhi	1	1

Review of value for money

As accounting officer, the Chief Executive Officer has responsibility for ensuring that the multi 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 academy 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 or by using a framework where appropriate. The accounting officer for the Multi Academy Trust has delivered improved value for money during the year by :

- Reviewing staffing structures across the Trust and implementing appropriate actions to increase efficiency and reduce staffing costs to ensure sustainability and become more in line with recommended benchmarking levels
- A range of centrally procured services and contracts have successfully been implemented to ensure consistence of service and additional value for money.
- Monitor and manage the schools within the Trust to ensure the best outcomes for pupils.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the multi academy trust's 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 Hamstead Hall Academy Trust for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Governance statement for the year ended 31 August 2022 (continued)

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the multi academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the multi academy trust's significant risks that has been in place for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

The multi 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:

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

The board of trustees has considered the need for a specific internal audit function and has decided to appoint an internal auditor to carry out the duties under a service level agreement with RSM Risk Assurance Services LLP.

Review of Effectiveness

As accounting officer, the chief executive officer has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

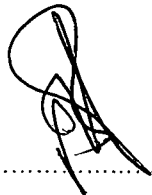
- the work of the internal reviewer
- the work of the external auditor;
- the financial management and governance self-assessment process of the school resource management self-assessment tool;
- the work of the executive managers within the multi academy trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the audit, finance and risk committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

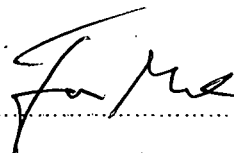
Hamstead Hall Academy Trust
(A Company Limited by Guarantee)

Governance statement for the year ended 31 August 2022 (continued)

Approved by order of the members of the board of trustees on 8 December 2022 and signed on its behalf by:



Rob Smith
Chair of Trustees



Jonathan Mortimer
Accounting Officer

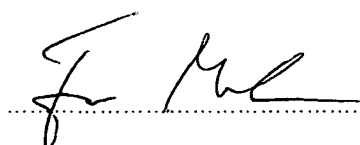
Hamstead Hall Academy Trust
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Statement of regularity, propriety and compliance
for the period ended 31 August 2022

As accounting officer of Hamstead Hall Academy Trust I have considered my responsibility to notify the multi academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the multi academy trust, under the funding agreement in place between the multi academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Trust Handbook 2021.

I confirm that I and the multi academy trust board of trustees are able to identify any material irregular or improper use of funds by the multi academy trust, or material non-compliance with the terms and conditions of funding under the multi academy trust's funding agreement and the Academies Trust Handbook 2021.

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.

 Jonathan Mortimer – Accounting Officer

8 December 2022

Hamstead Hall Academy Trust
(A Company Limited by Guarantee)

Statement of Trustees' responsibilities
for the period ended 31 August 2022

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

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

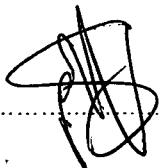
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the board of trustees on 8 December 2022 and signed on its behalf by:



..... Rob Smith – Chair of Trustees

Hamstead Hall Academy Trust
(A Company Limited by Guarantee)

Independent Auditor's Report on the Financial Statements to the Members of
Hamstead Hall Academy Trust

Opinion

We have audited the financial statements of Hamstead Hall Academy Trust for the year to 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements :

- give a true and fair view of the state of the multi academy trust's affairs as at 31 August 2022, and of its incoming resources and application of resources, including its income and expenditure, for the period then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency

Basis for opinion

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

Conclusions relating to going concern

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

- Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the multi academy trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.
- Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Hamstead Hall Academy Trust
(A Company Limited by Guarantee)

Independent Auditor's Report on the Financial Statements to the Members of Hamstead Hall Academy Trust
(continued)

Other information

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

We have nothing to report in this regard.

Opinion on other matter 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 (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

Hamstead Hall Academy Trust
(A Company Limited by Guarantee)

Independent Auditor's Report on the Financial Statements to the Members of Hamstead Hall Academy Trust
(continued)

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement [set out on page 17], the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's report that includes our opinion.

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

- We reviewed the multi academy trust's control and risk management procedures and planned our work based on our assessment of those controls and procedures;
- This review included an assessment of the risk of material misstatement due to errors, fraud and management override of controls for all material areas in the financial statements;
- We made enquiries of management and the multi academy trust's lawyers regarding any actual or potential litigation and/or claims;
- Financial statements disclosures were reviewed and checked for compliance with applicable laws;
- Detailed testing was conducted on balances and transactions including unusual items and those of individual significance to the financial statements;
- Data analytics were used in order to identify unusual or significant trends;
- Communications with management and those charged with governance regarding relevant matters was undertaken throughout the audit and on completion.

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.

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Independent Auditor's Report on the Financial Statements to the Members of Hamstead Hall Academy Trust
(continued)

Auditor's responsibilities for the audit of the financial statements (continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the multi academy trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's 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 multi academy trust and the multi academy trust's members as a body, for our audit work, for this report, or for the opinions we have formed.



David W Farnsworth FCA (Senior Statutory Auditor)

For and on behalf of Feltons, Statutory Auditor

8 Sovereign Court

8 Graham Street

Birmingham B1 3JR

16 December 2022

Hamstead Hall Academy Trust
(A Company Limited by Guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to Hamstead Hall Academy Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 30 March 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Hamstead Hall Academy Trust during the year 1 September 2021 to 31 August 2022 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 Hamstead Hall Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Hamstead Hall Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Hamstead Hall Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Hamstead Hall Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Hamstead Hall Academy Trust's funding agreement with the Secretary of State for Education dated 31 May 2013 and the Academies Trust Handbook, extant from 1 September 2021, 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 2021 to 2022. 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 2021 to 31 August 2022 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.

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 work undertaken to draw our conclusion includes :

- Consideration of the applicable legislation and the multi academy trust's funding agreement
- Review and evaluation of the Multi Academy Trust's system of internal controls
- Examination and assessment of the Accounting Officer's statement on Regularity, Propriety and Compliance
- Examination, on a test basis, of third party evidence supporting income and expenditure
- Review of exceptional and unusual items

Hamstead Hall Academy Trust
(A Company Limited by Guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to Hamstead Hall Academy Trust and the Education and Skills Funding Agency (continued)

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

A handwritten signature in black ink, appearing to read 'Feltons' with a horizontal line underneath.

David W Farnsworth FCA (Reporting Accountant)

For and on behalf of Feltons, Statutory Auditor

8 Sovereign Court

8 Graham Street

Birmingham B1 3JR

16 December 2022

Hamstead Hall Academy Trust
(A Company Limited by Guarantee)

Statement of financial activities for the year ended 31 August 2022
(including income and expenditure account)

	Notes	Unrestricted funds £	Restricted pension fund £	Restricted general funds £	Restricted fixed asset funds £	Total 2021/22 £	Total 2020/21 £
Income from :							
Donations and capital grants	2	1,101	-	-	470,666	471,767	609,530
Charitable activities :	3						
Funding for the academy trust's educational operations		352,185	-	10,705,028	-	11,057,213	10,778,129
Other trading activities	4	35,493	-	-	-	35,493	17,802
Investments	5	294	-	-	-	294	229
Total		389,073	-	10,705,028	470,666	11,564,767	11,405,690
Expenditure on :							
Charitable activities:							
Academy trust educational operations	6	351,039	655,000	10,357,487	703,690	12,067,216	11,322,162
Total		351,039	655,000	10,357,487	703,690	12,067,216	11,322,162
Net income/(expenditure) before transfers		38,034	(655,000)	347,541	(233,024)	(502,449)	83,528
Transfers between funds	15	-	-	(379,408)	379,408	-	-
Net income/(expenditure) after transfers		38,034	(655,000)	(31,867)	146,384	(502,449)	83,528
Other recognised gains/(losses)							
Actuarial gains/(losses) on defined benefit pension schemes	15, 25	-	8,045,000	-	-	8,045,000	(1,187,000)
Net movement in funds		38,034	7,390,000	(31,867)	146,384	7,542,551	(1,103,472)
Reconciliation of funds							
Total funds brought forward	16	545,961	(12,647,000)	589,351	26,232,695	14,721,007	15,824,479
Total funds carried forward		583,995	(5,257,000)	557,484	26,379,079	22,263,558	14,721,007

All of the Academy's activities derive from continuing operations during the above two financial periods.

Hamstead Hall Academy Trust
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Company number : 08528845
Balance sheet as at 31 August 2022

		2022		2021	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	12.		25,735,534		25,669,048
Current assets					
Debtors	13	994,555		920,242	
Cash at bank and in hand		<u>4,563,924</u>		<u>2,446,833</u>	
		5,558,479		3,367,075	
Liabilities					
Creditors: amounts falling due within one year	14(a)	<u>3,750,717</u>		<u>1,630,220</u>	
Net current assets			1,807,762		1,736,855
Total assets less current liabilities			<u>27,543,296</u>		<u>27,405,903</u>
Creditors: amounts falling due after more than one year	14(b)		(22,738)		(37,896)
Net assets excluding pension liability			<u>27,520,558</u>		<u>27,368,007</u>
Defined benefit pension scheme liability	25		(5,257,000)		(12,647,000)
Total net assets			<u><u>22,263,558</u></u>		<u><u>14,721,007</u></u>
Funds of the academy trust :					
Restricted funds					
Fixed asset fund	15	26,379,079		26,232,695	
Restricted income fund	15	557,484		589,351	
Pension reserve	15	<u>(5,257,000)</u>		<u>(12,647,000)</u>	
Total restricted funds			21,679,563		14,175,046
Unrestricted income funds	15		583,995		545,961
Total funds			<u><u>22,263,558</u></u>		<u><u>14,721,007</u></u>

The financial statements on pages 24 to 46 were approved by the trustees, and authorised for issue on 8 December 2022 and are signed on their behalf by:



Rob Smith - Chair of Trustees

Hamstead Hall Academy Trust
(A Company Limited by Guarantee)

Statement of cash flows for the year ended 31 August 2022

	Notes	2021/22 £	2020/21 £
Cash flows from operating activities			
Net cash provided by operating activities	19	2,431,465	363,855
Cash flows from investing activities	20	(299,216)	135,891
Cash flows from financing activities	21	(15,158)	(15,158)
		<u>2,117,091</u>	<u>484,588</u>
Cash and cash equivalents at 1 September 2021		2,446,833	1,962,245
Cash and cash equivalents at 31 August 2022	22	<u>4,563,924</u>	<u>2,446,833</u>

Hamstead Hall Academy Trust
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 August 2022

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

The financial statements of the multi academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable 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 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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

1.3 Income

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

- **Grants**

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the year 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.

- **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.

Hamstead Hall Academy Trust
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 August 2022 (continued)

1. Accounting policies (continued)

1.3 Income (continued)

- **Other income**
Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent the multi academy trust has provided the goods or services.
- **Donated goods, facilities and services**
Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in 'Stocks' and 'Income from Other Trading Activities'. Upon sale, the value of the stock is charged against 'Income from Other Trading Activities' and the proceeds are recognised as 'Income from Other Trading Activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from Other Trading Activities'.
- **Donated fixed assets**
Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the multi academy trust's accounting policies.

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 multi academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.
- **Charitable activities**
These are costs incurred on the multi academy trust's educational operations, including support costs and costs relating to the governance of the multi academy trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Hamstead Hall Academy Trust
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Notes to the financial statements for the year ended 31 August 2022 (continued)

1. Accounting policies (continued)

1.5 Tangible fixed assets (continued)

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 over its expected useful life as follows:

Freehold property	- straight line over 50 years
Leasehold land & buildings	- straight line over 50 years
Furniture and equipment	- 10% straight line
Computer hardware	- 33% straight line
Motor vehicles	- 25% reducing balance

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 are recognised at the settlement amount after any trade discount offered.

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.

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 trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Hamstead Hall Academy Trust
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 August 2022 (continued)

1. Accounting policies (continued)

1.9 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. 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. 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 Leased assets

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

1.11 Taxation

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

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

1.12 Pension benefits

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

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

Hamstead Hall Academy Trust
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 August 2022 (continued)

1. Accounting policies (continued)

1.12 Pension benefits (continued)

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

1.13 Fund accounting

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

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

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

1.14 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.

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, 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 2022. 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.

1.15 Agency arrangements

The multi academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in note 27.

Hamstead Hall Academy Trust
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Notes to the financial statements for the year ended 31 August 2022 (continued)

2. Donations and capital grants

	Unrestricted funds £	Restricted general fund £	Restricted fixed asset funds £	2021/22 Total £	2020/21 Total £
Capital grants	-	-	470,666	470,666	543,035
Donated fixed assets	-	-	-	-	65,760
Other donations	1,101	-	-	1,101	735
	<u>1,101</u>	<u>-</u>	<u>470,666</u>	<u>471,767</u>	<u>609,530</u>
2021 total	<u>735</u>	<u>-</u>	<u>608,795</u>	<u>609,530</u>	

3. Funding for the multi academy trust's educational operations

	Unrestricted funds £	Restricted general fund £	Restricted fixed asset funds £	2021/22 Total £	2020/21 Total £
DfE/ESFA grants					
General Annual Grant (GAG)	-	9,051,642	-	9,051,642	8,843,338
Other DfE Group grants					
Pupil premium	-	674,749	-	674,749	636,920
Supplementary grant	-	108,753	-	108,753	-
Teachers pension	-	39,271	-	39,271	284,511
UFSM	-	16,530	-	16,530	42,582
Teachers pay	-	13,897	-	13,897	100,686
Others	-	104,158	-	104,158	55,859
	<u>-</u>	<u>10,009,000</u>	<u>-</u>	<u>10,009,000</u>	<u>9,963,896</u>
Other government grants					
Local authority grants	-	547,552	-	547,552	387,933
Other government funding	-	35,926	-	35,926	28,333
	<u>-</u>	<u>583,478</u>	<u>-</u>	<u>583,478</u>	<u>416,266</u>
Other income from the academy trust's educational operations	352,185	-	-	352,185	258,128
Covid-19 additional funding (DfE/ESFA)					
Recovery/Catch-up premium	-	96,165	-	96,165	115,840
Other DfE/ESFA Covid-19 funding	-	16,385	-	16,385	20,990
Covid-19 additional funding (non DfE/ESFA)					
Coronavirus Job Retention Scheme	-	-	-	-	3,009
	<u>352,185</u>	<u>696,028</u>	<u>-</u>	<u>1,048,213</u>	<u>814,233</u>
	<u>352,185</u>	<u>10,705,028</u>	<u>-</u>	<u>11,057,213</u>	<u>10,778,129</u>
2021 total	<u>258,128</u>	<u>10,520,001</u>	<u>-</u>	<u>10,778,129</u>	

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Notes to the financial statements for the year ended 31 August 2022 (continued)

4. Other trading activities

	Unrestricted funds £	Restricted funds £	2021/22 Total £	2020/21 Total £
Hire of facilities	32,253	-	32,253	10,002
Miscellaneous	3,240	-	3,240	7,800
	<u>35,493</u>	<u>-</u>	<u>35,493</u>	<u>17,802</u>
2021 total	<u>17,802</u>	<u>-</u>	<u>17,802</u>	

5. Investment income

	Unrestricted funds £	Restricted funds £	2021/22 Total £	2020/21 Total £
Short term deposits	294	-	294	229
2021 total	<u>229</u>	<u>-</u>	<u>229</u>	

6. Expenditure

	Staff costs £	Non pay expenditure Premises £	Other £	2021/22 Total £	2020/21 Total £
Academy's educational operations					
Direct costs	7,483,970	341,429	661,522	8,486,921	7,914,020
Allocated support costs	2,267,524	772,583	540,188	3,580,295	3,408,142
	<u>9,751,494</u>	<u>1,114,012</u>	<u>1,201,710</u>	<u>12,067,216</u>	<u>11,322,162</u>
2021 total	<u>9,184,166</u>	<u>1,139,443</u>	<u>998,553</u>	<u>11,322,162</u>	

Net income/(expenditure) for the period includes :

		2021/22 £	2020/21 £
Depreciation		703,690	623,709
Fees payable to auditor	- audit	11,400	11,050
	- other services	<u>325</u>	<u>250</u>

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Notes to the financial statements for the year ended 31 August 2022 (continued)

7. Charitable activities

	Unrestricted funds £	Restricted pension fund £	Other restricted funds £	2021/22 Total £	2020/21 Total £
Educational operations					
Direct costs					
Educational operations	346,750	-	8,140,171	8,486,921	7,914,020
Support costs					
Educational operations	4,289	655,000	2,921,006	3,580,295	3,408,142
	<u>351,039</u>	<u>655,000</u>	<u>11,061,177</u>	<u>12,067,216</u>	<u>11,322,162</u>
2021 total	<u>210,478</u>	<u>491,000</u>	<u>10,620,684</u>	<u>11,322,162</u>	

Analysis of support costs

	Educational operations £	2021/22 Total £	2020/21 Total £
Support staff costs	2,267,524	2,267,524	2,024,559
Depreciation	362,261	362,261	322,299
Technology costs	69,911	69,911	99,408
Premises costs	410,322	410,322	523,794
Legal costs - other	25,058	25,058	16,888
Other support costs	433,494	433,494	409,894
Governance costs	11,725	11,725	11,300
Total support costs	<u>3,580,295</u>	<u>3,580,295</u>	<u>3,408,142</u>
2021 total	<u>3,408,142</u>	<u>3,408,142</u>	

8. Staff

a) Staff costs

Staff costs during the year were:

	2021/22 £	2020/21 £
Wages and salaries	6,448,162	6,127,238
Social security costs	663,699	614,584
Pension costs	<u>2,337,178</u>	<u>2,109,777</u>
	9,449,039	8,851,599
Agency staff costs	302,455	315,176
Staff restructuring costs	-	17,391
	<u>9,751,494</u>	<u>9,184,166</u>
Staff restructuring costs comprise :		
Redundancy payments	-	2,641
Severance payments	-	14,750
	<u>-</u>	<u>17,391</u>

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Notes to the financial statements for the year ended 31 August 2022 (continued)

8. Staff (continued)

b) Severance payments

The academy trust paid no severance payments in the year. The previous year payment is disclosed in the following band:

£0 - £25,000

2021/22 Number	2020/21 Number
-	1

c) Special staff severance payments

There were no special severance payments made in the year (2021 : £14,750).

d) Staff numbers

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

	2021/22 Number	2020/21 Number
Teachers	97	99
Administration and support	100	101
Management	3	3
	<u>200</u>	<u>203</u>

e) Higher paid staff

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

	2021/22 Number	2020/21 Number
£60,001 - £70,000	2	1
£70,001 - £80,000	3	3
£100,001 - £110,000	<u>2</u>	<u>2</u>

f) Key management personnel

The key management personnel of the multi academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the multi academy trust was £386,580 (2021 : £373,518).

9. Central services

The academy trust has provided the following central services to its academies during the year :

Category	Basis
Central support services	5.5% General Annual Grant

The actual amounts charged during the year were as follows :

	2022 £
Grestone Academy	108,965
Hamstead Hall Academy	<u>309,210</u>
	<u>418,175</u>

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Notes to the financial statements for the year ended 31 August 2022 (continued)

10. Related Party Transactions - Trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from employment with the multi academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment.

The value of trustees' remuneration and other benefits was as follows :

S Farar (Joint Executive Principal and Trustee)

Remuneration	£100,000 - £105,000 (2021 : £100,000 - £105,000)
Employer's pension contributions paid	£20,000 - £25,000 (2021 : £20,000 - £25,000)

J Mortimer (Joint Executive Principal and Trustee)

Remuneration	£100,000 - £105,000 (2021 : £100,000 - £105,000)
Employer's pension contributions paid	£20,000 - £25,000 (2021 : £20,000 - £25,000)

There were no travel and subsistence expenses paid to any trustee of Hamstead Hall Academy Trust during the current or previous year. Other related party transactions involving the trustees are set out in note 26.

11. Trustees' and officers' insurance

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

12. Tangible fixed assets

	Leasehold land and buildings £	Freehold property £	Furniture and equipment £	Computer hardware £	Motor vehicles £	Total £
Cost or valuation						
At 1 September 2021	7,010,402	21,847,081	776,732	588,158	9,000	30,231,373
Additions	2,558	623,623	72,357	71,638	-	770,176
At 31 August 2022	<u>7,012,960</u>	<u>22,470,704</u>	<u>849,089</u>	<u>659,796</u>	<u>9,000</u>	<u>31,001,549</u>
Depreciation						
At 1 September 2021	1,036,820	2,847,190	369,537	301,379	7,399	4,562,325
Charge for the year	140,207	372,728	75,373	114,982	400	703,690
At 31 August 2022	<u>1,177,027</u>	<u>3,219,918</u>	<u>444,910</u>	<u>416,361</u>	<u>7,799</u>	<u>5,266,015</u>
Net book values						
At 31 August 2022	<u>5,835,933</u>	<u>19,250,786</u>	<u>404,179</u>	<u>243,435</u>	<u>1,201</u>	<u>25,735,534</u>
At 31 August 2021	<u>5,973,582</u>	<u>18,999,891</u>	<u>407,195</u>	<u>286,779</u>	<u>1,601</u>	<u>25,669,048</u>

Included within freehold property and leasehold land and buildings are assets under the course of construction totalling £588,945 (2021 : £nil). No depreciation was charged on these assets during the current year.

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Notes to the financial statements for the year ended 31 August 2022 (continued)

13. Debtors	2022	2021
	£	£
Debtors from operations	135,230	75,266
VAT recoverable	143,139	187,437
Prepayments and accrued income	716,186	657,539
	<u>994,555</u>	<u>920,242</u>

14. Creditors	2022	2021
	£	£
(a) Amounts falling due within one year :		
Creditors from operations	2,207,155	308,107
Other taxation and social security	162,421	146,641
Accruals and deferred income	694,588	585,884
Loans	15,158	15,158
Other creditors	671,395	574,430
	<u>3,750,717</u>	<u>1,630,220</u>

Included in trade and other creditors are amounts of £2,738,853 due to Birmingham City Council for payroll costs which they have not drawn down and the trust held sufficient funds for the payment of these creditors. These are being paid off after the year end.

Deferred income

Deferred income at 1 September 2021	67,250	104,244
Resources deferred in the year	197,665	23,824
Amounts released from previous years	(23,824)	(60,818)
Deferred income at 31 August 2022	<u>241,091</u>	<u>67,250</u>

At the balance sheet date the multi academy trust was holding funds received in advance for universal infant free school meals and for expenditure expected to be incurred in the year to 31 August 2023.

	2022	2021
	£	£
(b) Amounts falling due after more than one year :		
Loans	22,738	37,896
	<u>22,738</u>	<u>37,896</u>

Loans due after more than one year represents a loan of £22,738 (2021 : £37,896) from the ESFA repayable in six monthly instalments. This loan has no interest to pay. The amount repayable due within one year is shown in note 14(a).

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Notes to the financial statements for the year ended 31 August 2022 (continued)

15. Funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted general funds					
General Annual Grant (GAG)	521,203	9,051,642	(8,635,953)	(379,408)	557,484
UIFSM	-	16,530	(16,530)	-	-
Pupil premium	-	674,749	(674,749)	-	-
Recovery/Catch-up premium	68,148	96,165	(164,313)	-	-
Other DfE/ESFA Covid-19 funding	-	16,385	(16,385)	-	-
Other grants	-	849,557	(849,557)	-	-
	<u>589,351</u>	<u>10,705,028</u>	<u>(10,357,487)</u>	<u>(379,408)</u>	<u>557,484</u>
Restricted fixed asset funds					
Transfer on conversion	21,360,740	-	(418,775)	-	20,941,965
DfE Group capital grants	3,414,785	470,666	(206,610)	-	3,678,841
Capital expenditure from GAG	1,274,344	-	(68,735)	379,408	1,585,017
Local authority funding	119,798	-	(6,284)	-	113,514
Donations	63,028	-	(3,286)	-	59,742
	<u>26,232,695</u>	<u>470,666</u>	<u>(703,690)</u>	<u>379,408</u>	<u>26,379,079</u>
Pension reserve	<u>(12,647,000)</u>	<u>-</u>	<u>(655,000)</u>	<u>8,045,000</u>	<u>(5,257,000)</u>
Total restricted funds	<u>14,175,046</u>	<u>11,175,694</u>	<u>(11,716,177)</u>	<u>8,045,000</u>	<u>21,679,563</u>
Unrestricted funds					
Other income	545,961	389,073	(351,039)	-	583,995
Total unrestricted funds	<u>545,961</u>	<u>389,073</u>	<u>(351,039)</u>	<u>-</u>	<u>583,995</u>
Total funds	<u>14,721,007</u>	<u>11,564,767</u>	<u>(12,067,216)</u>	<u>8,045,000</u>	<u>22,263,558</u>

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

Restricted general funds

These comprise all restricted funds other than restricted fixed asset funds and include grants from The Education and Skills Funding Agency and Birmingham City Council.

Under the funding agreement with the Secretary of State, the multi academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2022.

Unrestricted funds

These comprise resources that may be used towards meeting any of the charitable objects of the multi academy trust at the discretion of the trustees.

Restricted fixed asset funds

These comprise resources which are to be applied to specific capital purposes imposed by the ESFA and Birmingham City Council where the asset acquired or created is held for a specific purpose.

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Notes to the financial statements for the year ended 31 August 2022 (continued)

15. Funds (continued)

Comparative information in respect of the preceding period is as follows :	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	501,923	8,843,338	(8,388,460)	(435,598)	521,203
UIFSM	-	42,582	(42,582)	-	-
Pupil premium	-	636,920	(636,920)	-	-
Catch-up premium	-	115,840	(47,692)	-	68,148
Other DfE/ESFA Covid-19 funding	-	20,990	(20,990)	-	-
Coronavirus Job Retention Scheme	-	3,009	(3,009)	-	-
Other grants	-	857,322	(857,322)	-	-
	<u>501,923</u>	<u>10,520,001</u>	<u>(9,996,975)</u>	<u>(435,598)</u>	<u>589,351</u>
Restricted fixed asset funds					
Transfer on conversion	21,779,515	-	(418,775)	-	21,360,740
DfE Group capital grants	2,582,658	543,035	(146,506)	435,598	3,414,785
Capital expenditure from GAG	1,324,950	-	(50,606)	-	1,274,344
Local authority funding	124,888	-	(5,090)	-	119,798
Donations	-	65,760	(2,732)	-	63,028
	<u>25,812,011</u>	<u>608,795</u>	<u>(623,709)</u>	<u>435,598</u>	<u>26,232,695</u>
Pension reserve	<u>(10,969,000)</u>	<u>-</u>	<u>(491,000)</u>	<u>(1,187,000)</u>	<u>(12,647,000)</u>
Total restricted funds	<u>15,344,934</u>	<u>11,128,796</u>	<u>(11,111,684)</u>	<u>(1,187,000)</u>	<u>14,175,046</u>
Unrestricted funds					
Other income	479,545	276,894	(210,478)	-	545,961
Total unrestricted funds	<u>479,545</u>	<u>276,894</u>	<u>(210,478)</u>	<u>-</u>	<u>545,961</u>
Total funds	<u>15,824,479</u>	<u>11,405,690</u>	<u>(11,322,162)</u>	<u>(1,187,000)</u>	<u>14,721,007</u>

Total funds analysis by academy

	2021/22 Total £	2020/21 Total £
Fund balances at 31 August 2022 were allocated as follows :		
Hamstead Hall Academy	749,249	512,425
Grestone Academy	367,444	609,437
Trust	24,786	13,450
Total before fixed assets and pension reserve	<u>1,141,479</u>	<u>1,135,312</u>
Restricted fixed asset fund	26,379,079	26,232,695
Pension reserve	<u>(5,257,000)</u>	<u>(12,647,000)</u>
Total funds	<u>22,263,558</u>	<u>14,721,007</u>

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Notes to the financial statements for the year ended 31 August 2022 (continued)

15. Funds (continued)

Total cost analysis by academy

Expenditure incurred by each academy during the year was as follows :

	Teaching & educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs (excluding depreciation) £	Total 2021/22 £
Hamstead Hall Academy	5,636,954	924,799	241,705	787,814	7,591,272
Grestone Academy	1,789,741	428,653	106,194	385,823	2,710,411
Trust	57,275	914,072	-	90,496	1,061,843
Academy trust	7,483,970	2,267,524	347,899	1,264,133	11,363,526
2021 total	7,159,607	2,024,559	236,285	1,278,002	10,698,453

16. Analysis of net assets between funds

Fund balances at 31 August 2022 are represented by:

	Unrestricted funds £	Restricted pension funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	-	25,735,534	25,735,534
Current assets	583,995	-	4,293,043	681,441	5,558,479
Current liabilities	-	-	(3,735,559)	(15,158)	(3,750,717)
	583,995	-	557,484	26,401,817	27,543,296
Creditors due after one year	-	-	-	(22,738)	(22,738)
Pension scheme liability	-	(5,257,000)	-	-	(5,257,000)
Total net assets	583,995	(5,257,000)	557,484	26,379,079	22,263,558

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

	Unrestricted funds £	Restricted pension funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	-	25,669,048	25,669,048
Current assets	545,961	-	2,204,413	616,701	3,367,075
Current liabilities	-	-	(1,615,062)	(15,158)	(1,630,220)
	545,961	-	589,351	26,270,591	27,405,903
Creditors due after one year	-	-	-	(37,896)	(37,896)
Pension scheme liability	-	(12,647,000)	-	-	(12,647,000)
Total net assets	545,961	(12,647,000)	589,351	26,232,695	14,721,007

Hamstead Hall Academy Trust
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Notes to the financial statements for the year ended 31 August 2022 (continued)

17. Capital commitments

	2022	2021
	£	£
Contracted for but not provided in the financial statements	<u>626,000</u>	<u>607,000</u>

18. Commitments under operating leases

There are no future minimum lease payment commitments under non-cancellable operating leases during the current or previous year.

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

	2021/22	2020/21
	Total	Total
	£	£
Net income for reporting year (as per the SoFA)	(502,449)	83,528
Adjusted for :		
Depreciation (note 12)	703,690	623,709
Capital grants from DfE and other capital income	(470,666)	(543,035)
Donated fixed assets	-	(65,760)
Interest receivable (note 5)	(294)	(229)
Defined benefit pension scheme cost less contributions payable (note 25)	443,000	320,000
Defined benefit pension scheme finance cost (note 25)	212,000	171,000
Increase in debtors	(74,313)	(432,801)
Increase in creditors	<u>2,120,497</u>	<u>207,443</u>
Net cash provided by operating activities	<u>2,431,465</u>	<u>363,855</u>

20. Cash flows from investing activities

	2021/22	2020/21
	Total	Total
	£	£
Interest received	294	229
Purchase of tangible fixed assets	(770,176)	(407,373)
Capital grants from DfE Group	470,666	543,035
Net cash (used in) / provided by investing activities	<u>(299,216)</u>	<u>135,891</u>

21. Cash flows from financing activities

	£	£
	Total	Total
	£	£
Loan repayments in period	(15,158)	(15,158)
Net cash used in financing activities	<u>(15,158)</u>	<u>(15,158)</u>

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Notes to the financial statements for the year ended 31 August 2022 (continued)

22. Analysis of cash and cash equivalents

	At 31 August 2022 £	At 31 August 2021 £
Cash at bank and in hand	4,563,924	2,446,833
	<u>4,563,924</u>	<u>2,446,833</u>

23. Analysis of changes in net debt

	At 31 August 2021 £	Cash flows £	Other non-cash changes £	At 31 August 2022 £
Cash at bank and in hand	2,446,833	2,117,091	-	4,563,924
Loans falling due within one year	(15,158)	-	-	(15,158)
Loans falling due after more than one year	(37,896)	15,158	-	(22,738)
	<u>2,393,779</u>	<u>2,132,249</u>	<u>-</u>	<u>4,526,028</u>

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. Pension and similar obligations

The multi academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by West Midlands Pension Fund. Both are multi-employer defined-benefit schemes.

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

Contributions amounting to £158,442 (2021 : £149,628) were payable to the schemes at 31 August 2022 and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

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Notes to the financial statements for the year ended 31 August 2022 (continued)

25. Pension and similar obligations (continued)

Teachers' Pension Scheme (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 four 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% employer administration charge)
- 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 is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the year amounted to £940,971 (2021 : £916,880).

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

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

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 2022 was £932,000 (2021 : £756,000), of which employer's contributions totalled £805,000 (2021 : £641,000) and employees' contributions totalled £127,000 (2021 : £115,000). The agreed contribution rates for future years are awaiting confirmation from the actuary for employers and between 5.5% and 9.9% for employees.

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

The trustees have agreed that the trust will make additional contributions in addition to normal funding levels over the next 25 years.

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Notes to the financial statements for the year ended 31 August 2022 (continued)

25. Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

Principal actuarial assumptions

	At 31 August 2022	At 31 August 2021
Rate of increase in salaries	4.05%	3.90%
Rate of increase for pensions in payment / inflation	3.05%	2.90%
Discount rate for scheme liabilities	4.25%	1.65%
Inflation assumption (CPI)	3.05%	2.90%
Commutation of pensions to lump sums	50.00%	50.00%

Sensitivity analysis

	At 31 August 2022 £'000s	At 31 August 2021 £'000s
Discount rate +0.1%	(252)	(451)
Discount rate -0.1%	252	1,162
Mortality assumption 1 year increase	477	808
Mortality assumption 1 year decrease	(477)	(774)
CPI rate +0.1%	209	396
CPI rate -0.1%	(209)	(386)

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

	At 31 August 2022	At 31 August 2021
Retiring today		
Males	21.2	21.6
Females	23.6	24.0
Retiring in 20 years		
Males	22.9	23.4
Females	25.4	25.8

The academy trust's share of the assets in the scheme was:

	31 August 2022 £	31 August 2021 £
Equities	4,461,000	3,712,000
Bonds	1,398,000	876,000
Property	533,000	428,000
Cash and other liquid assets	266,000	224,000
Other	-	853,000
Total market value of assets	6,658,000	6,093,000

The actual negative return on scheme assets was 3.3% (2021 : £873,000 positive).

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Notes to the financial statements for the year ended 31 August 2022 (continued)

25. Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

	2021/22 £	2020/21 £
Amount recognised in the statement of financial activities		
Current service cost	1,215,000	960,000
Past service cost	33,000	-
Interest income	(107,000)	(79,000)
Interest cost	319,000	250,000
Administration expenses	-	1,000
Total amount recognised in the SOFA	1,460,000	1,132,000

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

	2021/22 £	2020/21 £
At 1 September 2021	18,740,000	15,639,000
Current service cost	1,215,000	960,000
Interest cost	319,000	250,000
Employee contributions	127,000	115,000
Actuarial gains/(losses) - financial assumptions	(8,307,000)	2,436,000
Actuarial gains/(losses) - demographic assumptions	(63,000)	(231,000)
Actuarial gains/(losses) - experience gains/losses	21,000	(224,000)
Benefits paid	(170,000)	(205,000)
Past service cost	33,000	-
At 31 August 2022	11,915,000	18,740,000

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

	2021/22 £	2020/21 £
At 1 September 2021	6,093,000	4,670,000
Interest income	107,000	79,000
Return on assets less interest	(304,000)	794,000
Employer contributions	805,000	641,000
Employee contributions	127,000	115,000
Benefits paid net of transfers in	(170,000)	(205,000)
Administration costs	-	(1,000)
At 31 August 2022	6,658,000	6,093,000
Net pension scheme liability	(5,257,000)	(12,647,000)

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Notes to the financial statements for the year ended 31 August 2022 (continued)

26. Related party transactions

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest.

The following related party transaction(s) took place during the year:

Expenditure related party transaction

Titan Partnership Limited

A company in which Mr J Mortimer (joint executive principal and trustee) is a director

Services provided by related company during the period

2022	2021
£	£
16,657	14,424

The academy trust made the purchase at arm's length.

In entering into the transaction, the academy trust has complied with the requirements of the Academies Financial Handbook.

27. Agency arrangements

The multi academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting year ending 31 August 2022 the trust received £12,156 (2021 : £17,591) and disbursed £18,263 (2021 : £16,215) from the fund. An amount of £39,325 (2021 : £45,432) is included in other creditors relating to undistributed funds that is repayable to ESFA.

28. Contingent liabilities

Following the recent decision in the Harpur Trust vs Brazel case the trust is considering the potential liability in respect of this. At this time it is not possible to quantify any liability, if any, and no provision has been made in these accounts.