

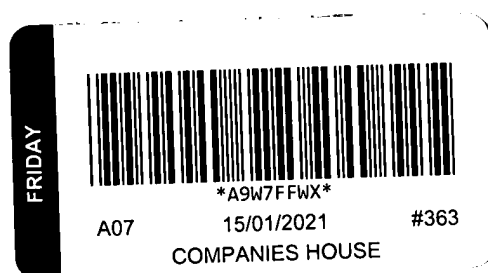
Healing Multi Academy Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2020

Forrester Boyd Chartered Accountants
26 South Saint Mary's Gate
Grimsby
DN31 1LW



Healing Multi Academy Trust

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Healing Multi Academy Trust

Reference and Administrative Details

Members	A Beach G Bratby (appointed 13 February 2020) J Goolden (appointed 4 December 2019) R Owen (resigned 5 August 2020) G Walker
Trustees (Directors)	D Peers, Chair P Kipling, Vice Chair C Cherry (appointed 16 December 2020) K Ellis J Goolden (resigned 4 December 2019) L Kitchen M Knapton J Lovelle G Padbury (appointed 16 December 2020) G Walker
Company Secretary	H Carlberg
Senior Management Team	M Knapton, Chief Executive Officer A Coney, Director of School Improvement S O'Hare, Trust Strategic Lead D Wakefield, Director of Finance and Operations D Callaghan, Headteacher (Hartsholme Academy) C Constantopoulos, Headteacher (William Barcroft Junior School) M Dewland, Principal (Healing School) R Green, Headteacher (Woodlands Academy) L Laming, Headteacher (Lincoln Castle Academy) D Manby, Headteacher (Ermine Primary Academy) D Milner, Headteacher (St Giles Academy) A Norman, Headteacher (Great Coates Primary) R Wakefield, Headteacher (Healing Primary)
Principal and Registered Office	Healing Multi Academy Trust Low Road Healing Grimsby DN41 7QD
Company Registration Number	7345756
Auditors	Forrester Boyd Chartered Accountants 26 South Saint Mary's Gate Grimsby DN31 1LW

Healing Multi Academy Trust

Reference and Administrative Details (continued)

Bankers

HSBC
55 Victoria Street
Grimsby
DN31 1UX

Solicitors

Wilkin Chapman LLP
26 Chantry Lane
Grimsby
DN31 2LJ

Healing Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2020

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2020. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

At the start of the academic year in September 2019, two schools in Lincoln transferred into Healing Multi Academy Trust; Ermine Primary Academy and Lincoln Castle Academy. The Trust now operates two hubs, based in Grimsby and Lincoln.

Healing Multi Academy Trust consists of nine schools, a teaching school and a School Centred Initial Teacher Training provider (SCITT). The Trust has one 11-16 secondary school (with teaching school status), one junior school and three primary schools around Grimsby, North East Lincolnshire. The Trust also consists of one 11-18 secondary school, three primary schools and a SCITT in Lincoln. The nine schools have a combined pupil capacity of 4,745 and have a roll of 4,400.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and Articles of Association are the primary governing documents of the academy trust. The company registration number is 7345756.

The Trustees act as the directors of the charitable company for the purposes of company law. The charitable company is known as Healing Multi Academy Trust. The Articles of Association require the members of the charitable company to appoint at least three Trustees to be responsible for the statutory and constitutional affairs of the charitable company and the management of the 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

The academy trust through its Articles has indemnified its Trustees to the fullest extent permissible by law. During the period the Academy also purchased and maintained liability insurance for its Trustees through the Risk Protection Arrangement (RPA).

Method of recruitment and appointment or election of Trustees

The management of the Trust is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

Policies and procedures adopted for the induction and training of Trustees

During the year under review, the Trustees held nine full Trust Board meetings, five Audit and Finance Committee meetings and the members held an AGM. The training and induction provided for any new Trustees will depend on their existing experience. Where necessary, induction will provide training on charity and educational legal and financial matters. New Trustees will be given a tour of the schools in the Trust. All Trustees and Members are provided with access to a Trustee/Member Handbook which contains copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role.

Healing Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Organisational structure

Healing Multi Academy Trust included the following academies at 31st August 2020:

Academy Name	Date Joined	Academy Type
Healing School - A Science Academy	1st September 2014	Secondary
Healing Primary School	1st September 2014	Primary
Great Coates Primary School	1st June 2016	Primary
William Barcroft Junior School	1st March 2017	Junior
Hartsholme Academy	1st November 2018	Primary
St Giles Academy	1st November 2018	Primary
Woodlands Academy	1st November 2018	Primary
Ermine Primary Academy	1st September 2019	Primary
Lincoln Castle Academy	1st September 2019	Secondary & 6th Form

The Trust has arranged its business in such a way that responsibilities and lines of accountability are clearly identified. The Trustees are responsible for setting general policy, adopting an annual Strategic Plan, setting budgets, monitoring the financial and operational performance and making strategic decisions about the operation and management of the Trust, including senior staff appointments.

Local Governing Bodies (LGBs) have been established for each school. As committees of the Trust Board, LGBs have delegated responsibility for key aspects of the running of schools although the Trust Board retains formal accountability for their operation and the strategic management and policies of the Trust as a whole. A separate Audit and Finance Committee of the Trust Board scrutinises governance, finances and risk management.

The Trust Board, the Local Governing Bodies and any associated sub committees each meet at least once a term.

The leadership model has a Chief Executive Officer (CEO) who oversees management of the whole of the Multi Academy Trust. In April 2020, the Trust created an Executive Leadership Team consisting of the CEO, Director of School Improvement, Director of Finance and Operations and the Trust Strategic Lead. The Director of School Improvement provides direct line management to the Headteachers in our improving schools and takes overall responsibility for delivering meaningful and sustainable school improvement in all schools. Every school has a Principal or Headteacher and the day to day running of the individual schools is delegated to the Headteacher or Principal.

The Trust also operates a Teaching School, which operates from Healing School - A Science Academy and the East of England School Centred Initial Teacher Training (SCITT). These both train new teachers and the Teaching School shares 'best practice' and delivers school improvement to schools inside and outside the Trust. The SCITT Manager reports directly to the CEO and the Humber Teaching School is led by the Director of Humber Teaching School who reports to Healing School's Principal.

Arrangements for setting pay and remuneration of key management personnel

Healing Multi Academy Trust does not remunerate its Trustees who operate on a voluntary basis, except for the CEO who is only remunerated for his contract of employment, and not in his role as a Trustee. However, the Academy Trust does have an approved procedure for anybody to claim expenses when working on the Trust's behalf.

The pay arrangements for the Chief Executive Officer and other key Trust positions (such as members of the Executive Team) were made on their appointment following reviews of the market rate for similar sized Academy Trusts outside the London area. The role of the CEO is evolving as the Trust grows and is currently paid within the guidelines in the latest 'School Teachers Pay and Conditions' document. The current CEO is leaving his position on 31st December 2020 and a new CEO has been appointed from 1st January 2021 on Support Staff pay and conditions.

All Senior Leaders across the Trust are subject to rigorous Performance Management and all leaders' pay progression can only be as a result of successful Performance Management Reviews. The Performance Management of each Principal/Headteacher is carried out by their Local Governing Body's chair and the CEO. The Director of School Improvement and all Principal/Headteacher's pay ranges are designated within the 'Headteacher Group' guidelines provided in the latest 'School Teachers Pay and Conditions' document.

Healing Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Trade Union Facility Time

Relevant Union Officials

Number of employees who were relevant union officials during the relevant period	Full time equivalent employee number
9	8.3

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	6
1% - 50%	3
51% - 99%	
100%	

Percentage of pay bill spent on facility time

Provide the total cost of facility time	£2,161
Provide the total pay bill	£20,483,459
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.01%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	100
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Risk management

The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to the specific teaching, provision of facilities, and other operational areas of the schools and their finances. The Trustees have implemented a number of systems to assess risks that the schools face, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. The introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal finance controls are implemented in order to minimise risk. Where significant financial risk still remains, adequate insurance cover is in place. The MAT finance department ensures schools have effective systems of internal financial controls and this is explained in more detail in the Governance Statement.

Connected organisations, including related party relationships

The Trust is an independent Multi Academy Trust with no connected organisations.

Owing to the nature of the Trust's operations and its close working relationships with local public and private sector organisations, transactions may take place with organisations in which a Trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's Financial Regulations Manual and normal procedures.

Healing Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Engagement with employees (including disabled persons)

The Trustees of Healing Multi Academy Trust ensure information is communicated both directly, and through the CEO and Executive Team, aimed at:

- providing employees with information on matters of concern to them
- consulting employees or their representatives regularly so that the views of employees can be considered in making decisions which are likely to affect their interests
- encouraging the involvement of employees in the company's performance
- achieving a common awareness on the part of all employees of the factors affecting the performance of the company

During the period, the Trust has taken the following actions to engage and consult with its employees:

- the publication of a termly newsletter to inform all staff of news from the Trust
- the publication of a fortnightly Trust Bulletin to share successes and the latest information and guidance
- the publication of a daily MAT Update during the COVID lockdown period to ensure all relevant information was shared with stakeholders
- encouraging staff representatives to sit on each Local Governing Body
- allowing staff time to engage with representatives of several Unions
- meeting Union representatives to engage with them on matters as they arose across the Trust

The Trustees recognise that equal opportunities are an integral part of good practice within the workplace. The Trust is committed to equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

Lifts, ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to all the main areas of the Trust estate, where possible. The policy of the Trust is to support recruitment and retention of students and employees with disabilities. The Trust does this by adapting the physical environment, by making resources available and through training and career development.

If an employee becomes disabled during their employment the Trust supports them by making adjustments to their work and environment to enable them to carry out their duties. Examples include support for an employee who became partially sighted. A thorough risk assessment, including external expert advice was carried out and equipment purchased to enable them to continue in their role.

Engagement with suppliers, customers and others in a business relationship with the trust

The Trustees of Healing Multi Academy Trust ensure they have had regard to the need to foster the company's business relationship with suppliers, customers and others. The Trustees, with guidance from the CEO and Director of Finance and Operations have ensured all decisions have regard to:

- the likely consequences of any decision in the long term
- the interests of the company's employees
- the need to foster the company's business relationships with suppliers, customers and others
- the impact of the company's operations on the community and the environment
- the desirability of the company maintaining a reputation for high standards of business conduct
- the need to act fairly as between members of the company

The Director of Finance and Operations oversees the Trust's business contracts and regular contact with suppliers is maintained through the Trust's central finance team and individual schools' business managers.

The Trust ensures public funds are maximised and that the Trust's resources and purchases provide the best value for money during each academic year.

Objectives and activities

Objects and aims

The principal objective and activity of the charitable company is to advance for the public benefit, the quality of education for pupils in our academies in North East Lincolnshire and Lincolnshire by establishing, maintaining and developing our schools to provide broad, balanced and challenging curricula and learning environments to enable pupils of different abilities to thrive.

Healing Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Objectives, strategies and activities

The Trust's objectives are set out in the Articles of Association and are encapsulated within our Mission and Vision statements
Our Mission:

Healing Multi Academy Trust was established in 2014 and is a partnership of schools that are genuinely committed to collaborative working, whilst retaining their individual ethos to secure the best possible outcomes for all pupils.

By working together, we strive to create a genuine partnership of academies that pupils, parents, staff, governors and the local community are proud to be part of.

Our vision is to:

- create a distinctive partnership of schools which is led by local people for local people
- strengthen the partnership by valuing the uniqueness of our partner schools
- foster a relationship where autonomy and accountability go hand in hand
- share expertise and bring together best practice and best practitioners
- recruit, retain and develop the best teachers and future leaders locally
- achieve efficiency savings for mutual benefit, in the procurement of goods and services.

The major new activities in the period September 2019 to August 2020 were the transfer of the two academies from the Academy of Lincoln Trust into Healing Multi Academy Trust. The Trust restructured to create a new Executive Leadership Team to provide expertise to oversee and support all areas of the Trust, including governance, education standards, finance, HR, premises and IT.

To successfully incorporate the two academies from The Academy of Lincoln Trust in September 2019, we maximised efficiencies in our non-teaching operational functions. A new hub office has been established in Lincoln and new structures and approaches in our centralised services, including the appointment of a new Director of Finance and Operations has maximised the support available to frontline activities.

The Trustees conducted the Trust's business to secure the above objectives in accordance with the highest standards of integrity, probity and openness.

The Trust Strategic Plan for 2020-21 is informed by:

- evaluation of the KPIs from the previous Plan [a number of actions were deferred to 2020-21]
- regional and national imperatives, statutory changes and best practice [e.g. AFH revisions, Ofsted Autumn plans, curriculum including SRE, KCSIE guidance, ITE, ECF, EEF]
- social, political, economic and environmental factors [e.g. Coronavirus and Brexit]
- technology and innovation [e.g. digital learning]
- strategies to embed growth for a medium size trust [e.g. changes in staffing structures, including CEO recruitment, stakeholder engagement re vision and values]
- internal and external evaluation, including SIP reports, peer review & stakeholder feedback [e.g. LGB 1:1, school performance & priorities, Ofsted Inspections-GCP, WBJS]
- strategies to develop the Trust's stage of maturity to a Trust where results are consistently "Embedded"

Healing Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

The strategic priorities for 2020-21 are:

Governance and risk management

- The impact the Trust has on its academies, including what elements of education are uniform across the Trust, where the Trust allows academies more autonomy and how the trust reduces underperformance
- How the MAT trustees work with the MAT leadership, including how they set priorities and how they constructively challenge leaders
- How the Trust Board and Local Governing Bodies recognise when and why a school may be judged as a grade 4 or grade 1
- How MAT leaders and managers have put in place effective arrangements for safeguarding

School improvement and developing people

- The way in which MAT leaders lead the trust, including how staff recruitment, development and management work across the Trust
- How the Trust monitors its academies, especially how it understands the quality of education being offered and its impact
- How policies are made, implemented and reviewed, including how curriculums are designed and reviewed, and the impact they have
- What the Trust's intentions and ambitions are, especially in relation to its curriculum, and how these are communicated, understood, implemented and monitored across the Trust
- How the Trust identifies its strengths and weaknesses, including in terms of the teaching within individual academies, and how the Trust responds

Finance and school resource management

- How effective is HR, finance and estate management functions that closely support schools to allow leaders to retain their focus on school improvement.

Individual School Development Plans synergise with the Trust Strategic Plan, enabling us to support local schools to improve the outcomes. The Trust's careful growth strategy seeks to provide a local solution to school effectiveness, working in partnership with the Regional Schools Commissioner.

The key priorities for each school are set out in their School Development Plan and will be closely monitored by their Local Governing Body who will report to the MAT Board of Trustees.

Public benefit

Learners are admitted in accordance with the admissions policy agreed with the DfE. Learners are admitted from a wide range of backgrounds. The Trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Employee Involvement

The Trustees encourage staff contributions at all levels and close collaboration between the schools. Regular meetings are held to share knowledge and best practice between Headteachers/Principals, School Business Managers and Chairs of Governors. Staff are also encouraged to collaborate with schools and organisations beyond the Trust. Schools hold regular meetings and briefings. New staff are fully inducted and teachers take part in training before the start and during each school year.

Healing Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Strategic Report

We carefully and strategically co-ordinated the recent growth of Healing Multi Academy Trust when Ermine Primary Academy and Lincoln Castle Academy joined the Trust on 1 September 2019. We added capacity to our school improvement team and the new Director of School Improvement has ensured meaningful and sustainable school improvement has been delivered in both our primary and secondary schools. Our focus is to maintain the improvement of standards in all our schools, whilst prioritising the health and safety of all our staff and pupils during these unprecedented times caused by the Coronavirus pandemic.

Individual School Improvement Plans synergise with the Trust Strategic Plan enabling us to support our schools to improve the outcomes. The Trust's careful growth strategy seeks to provide a local solution to school effectiveness, working in partnership with the Regional Schools Commissioner.

Achievements and performance

The last year has seen the Trust continue to hold a portfolio of schools with differing academic performance and improvement needs. Schools with a previous 'inadequate' Ofsted judgement upon joining the Trust, continue to improve and those judged 'good' or better have at least maintained pupil outcomes. William Barcroft Junior School received a monitoring visit from Ofsted in February 2020 and "William Barcroft Junior School continues to be a Good school".

During the year the Trust Board's focus was on strengthening the capacity of the Trust to deliver school improvement to new schools and to strengthen centralised support for all schools. This included the creation of a new Executive Leadership Team, which included a Director of School Improvement and a Director of Finance and Operations.

Academic Performance

The COVID-19 pandemic has had a major impact on pupil outcomes in all schools.

In all secondary schools across the country, examinations were replaced with Centre Assessed Grades (CAGs). Both of our secondary schools implemented robust processes to allocate CAGs. Initially these were due to be moderated by the examination boards and checked against school's previous performance. However, at the last minute the government decided the algorithm designed to carry out this process was unfair, so CAGs were awarded to pupils for all GCSEs, A-levels and vocational courses.

Healing School - A Science Academy maintained their outstanding outcomes for pupils and Lincoln Castle Academy continued to show significant improvement. The results are shown below (with last year's results as a comparison).

School	Healing School - A Science Academy	Lincoln Castle Academy
Measure	2020 GCSE results (2019 results in brackets)	
Attainment 8	55.2 (53.2)	40 (36)
Progress 8	+0.49 (+0.43)	0.00 (-0.31)
Basics - Strong	63% (57%)	28% (13%)
Basics - Standard	90% (82%)	54% (36%)
EBacc Entries	49% (55%)	12% (24%)
EBacc APS	4.91 (4.77)	3.39 (2.96)
Best English - Strong	80% (80.3%)	47% (30%)
Best English - Standard	95% (95%)	69% (52%)
Maths - Strong	69% (62%)	34% (18%)
Maths - Standard	91% (84%)	63% (47%)
2xSci - Strong	63% (63%)	29% (23%)
2xSci - Standard	88% (78%)	50% (44%)
Disadvantaged P8 score	+0.23 (+0.21)	-0.2 (-0.87)

Healing Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Strategic Report

SATs tests were cancelled in all schools in 2020 due to the COVID-19 pandemic. Our Primary Schools were on target to achieve very positive outcomes, with Ermine Primary Academy, Hartsholme Academy, St Giles Academy and Woodlands Academy all on track to continue on their improvement journey. The tables below show the latest teacher predicted grades for each school, from the Spring Term (with 2019 results for comparison).

Key Stage 2 - Percentages Meeting Expected Standard

2020 Data Uses Teacher Predictions (2019 actual SATs results in brackets)

	Reading	Writing	Maths	Combined
Ermine Primary Academy	69% (57%)	64% (65%)	68% (71%)	58% (43%)
Great Coates Primary School	69% (72%)	69% (76%)	77% (90%)	63% (69%)
Hartsholme Academy	63% (65%)	65% (67%)	67% (61%)	58% (48%)
Healing Primary School	94% (85%)	90% (93%)	88% (93%)	88% (85%)
St Giles Academy	50% (48%)	53% (73%)	61% (68%)	50% (45%)
William Barcroft Junior School	83% (71%)	86% (87%)	83% (89%)	80% (67%)
Woodlands Academy	78% (57%)	78% (71%)	82% (61%)	69% (51%)
MAT Average %	72% (65%)	72% (76%)	75% (76%)	67% (58%)
National Average	(73% in 2019)	(78% in 2019)	(79% in 2019)	(65% in 2019)

Key Stage 2 - Percentages Achieving Greater Depth

2020 Data Uses Teacher Predictions (2019 actual SATs results in brackets)

	Reading	Writing	Maths	Combined
Ermine Primary Academy	17% (9%)	11% (6%)	13% (8%)	8% (2%)
Great Coates Primary School	26% (17%)	20% (14%)	23% (21%)	17% (3%)
Hartsholme Academy	26% (13%)	16% (7%)	16% (11%)	14% (2%)
Healing Primary School	46% (36%)	38% (29%)	40% (22%)	21% (16%)
St Giles Academy	3% (8%)	5% (1%)	4% (10%)	0% (0%)
William Barcroft Junior School	31% (20%)	25% (19%)	27% (22%)	13% (5%)
Woodlands Academy	24% (10%)	14% (12%)	10% (8%)	6% (0%)
MAT Average %	25% (16%)	16% (15%)	19% (15%)	11% (4%)
National Average	(27% in 2019)	(21% in 2019)	(27% in 2019)	(11% in 2019)

Healing Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Strategic Report

Key Stage 1 - Percentages Meetings Expected Standard

2020 Data Uses Teacher Predictions (2019 actual SATs results in brackets)

	Reading	Writing	Maths	Combined
Ermine Primary Academy	63% (63%)	54% (56%)	56% (59%)	52% (53%)
Great Coates Primary School	73% (78%)	71% (76%)	73% (80%)	68% (76%)
Hartsholme Academy	57% (57%)	57% (62%)	65% (64%)	57% (55%)
Healing Primary School	86% (87%)	85% (81%)	83% (91%)	78% (77%)
St Giles Academy	44% (40%)	47% (35%)	51% (48%)	41% (30%)
William Barcroft Junior School	-	-	-	-
Woodlands Academy	50% (63%)	53% (65%)	50% (70%)	42% (51%)
MAT Average %	62% (65%)	61% (62%)	63% (69%)	56% (57%)
National Average	(75% in 2019)	(69% in 2019)	(76% in 2019)	(65% in 2019)

Key Stage 1 - Percentages Achieving Greater Depth

2020 Data Uses Teacher Predictions (2019 actual SATs results in brackets)

	Reading	Writing	Maths	Combined
Ermine Primary Academy	14% (20%)	12% (2%)	7% (10%)	5% (2%)
Great Coates Primary School	15% (28%)	15% (10%)	10% (14%)	7% (6%)
Hartsholme Academy	15% (9%)	13% (9%)	10% (16%)	7% (3%)
Healing Primary School	43% (38%)	28% (28%)	40% (38%)	26% (27%)
St Giles Academy	2% (5%)	2% (5%)	2% (15%)	0% (0%)
William Barcroft Junior School	-	-	-	-
Woodlands Academy	8% (14%)	3% (21%)	3% (14%)	3% (12%)
MAT Average %	16% (19%)	12% (13%)	12% (18%)	8% (8%)
National Average	(27% in 2019)	(21% in 2019)	(27% in 2019)	(11% in 2019)

Going concern

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

Healing Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Strategic Report

Financial review

Most of the Trust's income is obtained from the Department for Education (DfE) / Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE/ESFA during the year ended 31 August 2020 and the associated expenditure are shown as restricted funds in the statement of financial activities. The Trust also receives grants for fixed assets from the DfE/ESFA.

During the Year ended 31 August 2020, total expenditure of £28,150,000 was more than covered by recurrent grant funding from the DfE/ESFA together with incoming resources. The excess of income over expenditure for the period, excluding restricted fixed asset funds and the pension fund, was £147,000.

At 31 August 2020 the net book value of fixed assets was £35,212,000 and movements in intangible and tangible fixed assets are shown in notes 12 and 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Trust.

Reserves policy

The Trust's free reserves are its funds after excluding restricted funds. The amount of unrestricted reserves available at 31 August 2020 was £1,973,000 (2019: £1,938,000). Restricted reserves of £794,000 (2019: £682,000) are also available for the Trust to carry forward. Therefore, total reserves available to spend going forward are £2,767,000 (2019: £2,620,000). Reserves are therefore the resources the Trust has or can make available to spend for any or all of the Trust's purposes once it has met its commitments and covered its other planned expenditure. The Trust aims to set balanced in-year revenue budgets annually for each academy, with any surplus held against each academy for their investment to improve teaching and learning within each Trust academy.

The policy of the Trust is to carry forward a prudent level of resources designed to meet the long-term cyclical needs of renewal and other unforeseen contingencies. The Trust aims to have target levels of free reserves across the Trust within the range of 8% to 12% of the annual GAG income. The Trust therefore has a healthy level of reserves at the end of the year, with free reserves of £2,767,000. This level of reserves is being held to contribute towards future capital builds across the Trust's estate and to safeguard against uncertain future funding.

Of the total Restricted Fixed Asset fund reserves of £35,826,000, £35,234,000 can only be realised by disposing of fixed assets.

Investment policy

The aim of the Trust's Investment policy is to ensure that any surplus funds that are not needed to cover current expenditure are invested, to ensure low risk on the best available rate of returns. The Trust currently hold low risk investment accounts with HSBC on immediate and short notice returns which enable the Trust to receive a higher interest return, to maximise the Trust's Income, without putting the capital value at unacceptable risk.

Key Financial Performance Indicators

The Trust analyses performance by undertaking:

- regular benchmarking exercises, but like for like comparisons have been difficult at times due to the unique nature of the sites, ongoing building projects and timescales for emergency work
- budget monitoring, identifying surpluses and deficits if any, enable the Trust to allocate funds accordingly and report to the Trustees
- forecast Budgets and Monthly Management Accounts presented regularly during the year to the Trustees, show the present position of the Trust's Reserves and report all variances including Capital Reports monitoring the Trust's Assets
- financial checks by external accountants to monitor the Trust's Financial Management throughout the year. These reports are scrutinised and discussed by the Trustees at every Audit and Finance Committee meeting
- cash flow reports on variances are presented to the Trustees at each meeting
- long-term financial plans for the individual schools

The Trust has a robust system of internal financial controls which require each academy to set a budget and monitor performance against this budget at every meeting of the Local Governing Body's Finance sub-committee.

Healing Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Strategic Report

Principal risks and uncertainties

The principal risks and uncertainties which the Trust faces over the next few years are:

- health and financial implications created by COVID-19 pandemic
- resignation of the existing CEO and appointment and induction of new designate CEO
- the proposed change from a local to a National Funding Formula
- increased competition from local schools who have become part of larger academy chains
- small increase in funding per pupil not sufficient to cover increases in Staff Costs, Pension and NI contributions and cost of utilities
- providing capacity to deliver meaningful school improvement to 'inadequate' schools joining the Trust in a sustainable manner
- the ability to retain, recruit and train quality staff and managers by ensuring continual personal development and clear succession planning
- ensuring the estate under the control of the Trust remains safe, secure and compliant

Promoting the success of the company

The Trustees of Healing Multi Academy Trust always act in a way to promote the success of the company, and in doing so have regard to:

- the likely consequences of any decision in the long term
- the interests of the company's employees
- the need to foster the company's business relationships with suppliers, customers and others
- the impact of the company's operations on the community and the environment
- the desirability of the company maintaining a reputation for high standards of business conduct
- the need to act fairly as between members of the company

The Trustees achieve this through the engagement of a media consultant to work with local media outlets to publish articles that promote positive stories, community projects and achievements of pupils and staff within schools and academies across the Trust. The Trust and individual schools also produce regular newsletters that are published on their websites and are sent out to parents, carers and the local community. Schools in the Trust utilise numerous platforms to promote positive activities and achievements including Facebook and Twitter.

Fundraising

Academies in the Trust carry out a limited amount of fundraising, mindful of the communities within which they operate. In the circumstances when fundraising is undertaken, systems and controls are in place to separate and protect funds. The Trust is mindful of its responsibilities under the Charities (Protection and Social Investment) Act 2016 and legal rules, and ensures all activities are agreed and monitored at Senior Leadership Team level in compliance with relevant legal rules. Recognised standards are applied to ensure that fundraising is open, honest and respectful, protecting the public from undue pressure to donate. The Trust does not work with professional fundraisers or companies who carry out fundraising on its behalf. Complaints are handled and monitored through the academy's complaints procedures but during the year no complaints or issues have arisen as a result of the fundraising events.

Healing Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Strategic Report

UK Greenhouse gas emissions and energy use data for the period 01 September 2019 to 31 August 2020

2020

Energy consumption used to calculate emissions (kWh) 4,869,892

Energy consumption break down (kWh)

Gas	2,318,651
Electricity	1,422,819
Transport fuel	2,942
Oil	1,084,214
Business use/ rental vehicles	41,265

UK Greenhouse gas emissions and energy use data for the period 01 September 2018 to 31 August 2019

2020

Energy consumption used to calculate emissions (kWh) 4,869,892

Energy consumption break down (kWh)

Gas	2,318,651
Electricity	1,422,819
Transport fuel	2,942
Oil	1,084,214
Business use/ rental vehicles	41,265

Scope 1 emissions in metric tonnes CO₂e

Owned transport - mini-buses	0.75
Gas consumption	426.33
Oil	267.43
Total scope 1	694.51

Scope 2 emissions in metric tonnes CO₂e

Purchased electricity	331.72
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Scope 3 emissions in metric tonnes CO₂e

Business travel in employee owned vehicles	5.62
Water	10.51
Total scope 3	16.13

Total gross emissions in metric tonnes CO ₂ e	1042.36
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Intensity ratio

Tonnes CO ₂ e per pupil	0.23
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Healing Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Strategic Report

Quantification and Reporting Methodology:

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol - Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

The following describes the energy efficiency action carried out by The Healing Multi Academy Trust in the period covered by the report:

- Ermine Primary Academy have not undertaken energy efficiency measures.
- Great Coates Primary Academy have not undertaken energy efficiency measures.
- Hartsholme Academy have not undertaken energy efficiency measures.
- Healing Primary Academy have not undertaken energy efficiency measures.
- Healing School, A Science Academy have not undertaken energy efficiency measures.
- Lincoln Castle School have not undertaken energy efficiency measures.
- St Giles Academy have not undertaken energy efficiency measures.
- William Barcroft Junior School have not undertaken energy efficiency measures.
- Woodlands Academy have not undertaken energy efficiency measures.

Plans for future periods

The Trust expanded on the 1st of September 2019 to nine schools, incorporating Lincoln Castle Academy and Ermine Primary Academy from 'The Academy of Lincoln Trust'. The Trust plans to consolidate to ensure we are focussed on providing the maximum support to ensure pupils in every one of our academies receive the very best education, however we will always carefully consider future opportunities. We will promote the sharing of best practice within and across all of our academies to ensure we raise the aspirations and outcomes for all pupils.

Due to the change in CEO in January 2021, the Trust has carefully designed and will implement a bespoke induction programme and training for the new CEO.

We will continue to evolve our Trust model to maximise the impact of our school improvement strategy. We will continue to ensure our business functions, including HR and finance are delivered to a high standard as effectively and efficiently as possible.

We will review and evolve our curriculum approach to ensure all pupils receive a rich and varied curriculum that balances long term knowledge acquisition with targeted support for specific pupil needs.

We will continue to focus on the development, retention and recruitment of staff through our training and professional development programmes.

Equal Opportunities Policy

The Trustees recognise that equal opportunities should be an integral part of good practice within the workplace. The Trust is committed to equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

Employment of disabled persons

Lifts, ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to all the main areas of the Trust estate, where possible. The policy of the Trust is to support recruitment and retention of students and employees with disabilities. The Trust does this by adapting the physical environment, by making resources available and through training and career development.

Healing Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

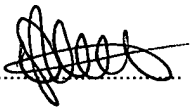
Strategic Report

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 members of the Board of Trustees on 16 December 2020 and signed on its behalf by:



.....
D Peers
Trustee

Healing Multi Academy Trust

Governance Statement

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Healing Multi 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 M Knapton, 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 Healing Multi 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 9 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
K Ellis	8	9
J Goolden (resigned 4 December 2019)	0	1
P Kipling, Vice Chair	9	9
L Kitchin	9	9
M Knapton	8	9
J Lovelle	9	9
D Peers, Chair	9	9
G Walker	9	9

Governance reviews

The priority of the Trust is to support its schools to deliver an outstanding education. By working together, we will strive to create a genuine partnership of academies that pupils, parents, staff, governors and the local community are proud to be a part of. In order to achieve this, the first strategy is to ensure the Trustees have the necessary skills and experience to carry out their duties effectively. The Trustees have been appointed to a matrix of required skills and experience. The Multi Academy Trust Board contains the following portfolio of skills:

1. CEO:

- Corporate Governance
- Corporate & Social Responsibility
- Educational Leadership
- MAT Performance/Development
- Leadership

2. Finance Trustee:

- Financial/Accountancy Policy
- Fiduciary Leadership
- Risk Management
- Audit

Healing Multi Academy Trust

Governance Statement (continued)

Governance reviews (continued)

3. Business Trustee:

- Business & Commerce
- Enterprise
- Procurement
- Business development & acumen

4. Education (Secondary/Primary/Governance) Trustees:

- Policy
- Education
- Performance/Standards
- Welfare
- Community
- Governance

5. Resources Development Trustee:

- Safety, health, welfare
- Employment, pay & conditions
- Organisational development
- Employment relations
- Economies of scale

6. Land and Estates Trustee:

- Buildings
- Land
- Facilities
- Security

Governance of each academy is overseen and supported by a Local Governing Body (LGB). Each LGB has standard 'Terms of Reference', a relevant Scheme of Delegation (full or partial) depending on the performance of the academy and provides minutes in a standard template for inspection by Trustees. All academies with a full Scheme of Delegation have a 'Finance, Health and Safety' sub-committee that scrutinises the budgets, finances and fiscal performance of the academy.

The Audit and Finance Committee is a sub-committee of the main Board of Trustees. Its purpose is to provide oversight and challenge of finance and risk management. Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
K Ellis	5	5
J Goolden	1	1
P Kipling	5	5
L Kitchen	4	5
M Knapton	5	5
J Lovelle	4	5
D Peers	5	5
G Walker	5	5

Healing Multi Academy Trust

Governance Statement (continued)

Review of value for money

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

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

- Monitoring the two new academies that joined the Trust, ensuring school improvement is cost effective and actively increasing standards
- Restructuring central support teams to integrate new staff in order to achieve greater efficiencies by operating two finance/HR hubs
- Implementing recently purchased technology and software packages including 'PS People' (HR package) and 'Every' (contracts, maintenance and assets software)
- Constantly reviewing the provision of external HR support
- Providing training and support including access to the Trust's external School Improvement Partners, Press and Media Consultant and Health & Safety Consultants to ensure best value for money for the Trust's schools
- All service level agreements and contracts have been reviewed to ensure best value has been obtained
- Overseeing the impact of the new Director of School Improvement on Teaching and Learning standards and ensuring that areas for development are prioritised. Funding is spent on joint CPD and resources to support this
- Targeting resources in key subject areas and for those pupils for whom we receive extra funding, including Pupil Premium funding, Free School Meals, SEND funding and Year 7 Catch-Up funding
- Mitigating against the impact of COVID-19 on Health and Safety, financial resources and mental well-being of staff and pupils
- Ensuring the COVID-19 catch up funding has maximum impact and is spent in accordance with the conditions of funding

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Healing Multi Academy Trust for the year ended 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ended 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

Healing Multi Academy Trust

Governance Statement (continued)

The Risk and Control Framework

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by each school's Local Governing Body (if they have a full scheme of delegation) and then reported to the Board of Trustees
- Regular reviews by the Finance, Health and Safety Sub-Committee of each LGB (with full delegation) 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 considered the need for a specific internal audit function and appointed Streets Accountants to carry out an agreed programme of Internal Scrutiny. The Internal Auditor's role includes giving expert advice on financial matters and performing a range of checks (internal audits) on the Trust's financial systems and internal controls. The results of these audits are presented to the Audit and Finance Committee and discussed in detail. In the year of operation between September 2019 and August 2020, the internal auditor carried out checks and provided reports to the Trustees on the operation of the systems and control and on the discharge of the Trustees financial responsibilities. Due to COVID-19, since March 2020 the majority of these checks have been conducted remotely to limit the risk of spread of infection. This was agreed with the Board of Trustees.

During the period between September 2019 and August 2020 Streets Accountants tested controls covering Governance, Academy Websites, Income, Purchases, Payroll, Accounting Systems, Reporting structures and procedures (including compliancy with all relevant regulations) using a Traffic Light system. The reviewer has delivered their schedule of work as planned and there were no significant issues (red light) to report during this period.

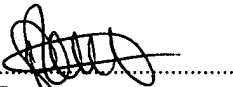
Review of effectiveness

As Accounting Officer, M Knapton 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 auditors;
- the work of the external auditor;
- the financial management and governance self-assessment process or the school resource management self-assessment tool;
- the work of the executive managers within the 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 and Finance Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 16 December 2020 and signed on its behalf by:



D Peers
Trustee



M Knapton
Accounting Officer


Healing Multi Academy Trust

Statement on Regularity, Propriety and Compliance

As Accounting Officer of Healing Multi Academy Trust I have considered my responsibility to notify the academy trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the 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 Financial Handbook 2019.

I confirm that I and the academy trust Board of Trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2019.

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


.....
M Knapton
Accounting Officer

16 December 2020

Healing Multi Academy Trust

Statement of Trustees' Responsibilities

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:

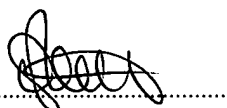
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 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 on 16 December 2020 and signed on its behalf by:



D Peers
Trustee

Healing Multi Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Healing Multi Academy Trust

Opinion

We have audited the financial statements of Healing Multi Academy Trust (the 'Academy Trust') for the year ended 31 August 2020, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, 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 FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 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 Academy Trust's affairs at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2019 to 2020 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 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Academy Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information (covers the Reference and Administrative Details, the Trustees' Report and Strategic Report and the Governance Statement)

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Other information includes the Trustees' Annual Report (incorporating the Strategic Report and Directors' Report), the governance statement and the Accounting Officer's statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Healing Multi Academy Trust

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

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report (incorporating the Strategic Report and Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and 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 our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and Directors' Report.

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 22], the Trustees (who are also the directors of the Academy Trust for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

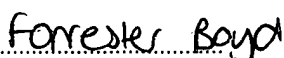
Auditor's responsibilities for the audit of the financial statements

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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of our report

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


Carrie Anne Jensen ACA (Senior Statutory Auditor)

For and on behalf of Forrester Boyd Chartered Accountants, Statutory Auditor
26 South Saint Mary's Gate
Grimsby
DN31 1LW

16 December 2020

Healing Multi Academy Trust

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

In accordance with the terms of our engagement letter dated 8 June 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Healing Multi Academy Trust during the period 1 September 2019 to 31 August 2020 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 Healing Multi Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to Healing Multi Academy Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Healing Multi Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Healing Multi Academy Trust's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of the Board of Trustees's funding agreement with the Secretary of State for Education dated 31 March 2014 and the Academies Financial Handbook extant from 1 September 2019, 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 2019 to 2020. 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 from 1 September 2019 to 31 August 2020 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 Academies Accounts Direction 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Evaluating the systems and control environment;
- Assessing the risk of irregularity, impropriety and non-compliance;
- Ensuring that all the activities of the academy trust are in keeping with the academy's framework and the charitable objectives;
- Obtaining representations from the Accounting Officer and Key Management Personnel

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 from 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Forrester Boyd

Carrie Anne Jensen ACA, Reporting Accountant
For and on behalf of Forrester Boyd Chartered Accountants, Chartered Accountants
26 South Saint Mary's Gate
Grimsby
DN31 1LW

16 December 2020

Healing Multi Academy Trust

Statement of Financial Activities for the Year Ended 31 August 2020 (including Income and Expenditure Account)

	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	2019/20 Total £ 000
Income and endowments from:					
Donations and capital grants	2	376	(3,035)	13,373	10,714
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	289	23,818	-	24,107
Teaching schools		337	104	-	441
Other trading activities	4	137	-	-	137
Investments	5	11	-	-	11
Total		<u>1,150</u>	<u>20,887</u>	<u>13,373</u>	<u>35,410</u>
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	7	839	25,325	1,647	27,811
Teaching schools	29	<u>276</u>	<u>63</u>	<u>-</u>	<u>339</u>
Total		<u>1,115</u>	<u>25,388</u>	<u>1,647</u>	<u>28,150</u>
Net income/(expenditure)		35	(4,501)	11,726	7,260
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	26	<u>-</u>	<u>(1,227)</u>	<u>-</u>	<u>(1,227)</u>
Net movement in funds/(deficit)		35	(5,728)	11,726	6,033
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2019		<u>1,938</u>	<u>(6,806)</u>	<u>24,100</u>	<u>19,232</u>
Total funds/(deficit) carried forward at 31 August 2020		<u>1,973</u>	<u>(12,534)</u>	<u>35,826</u>	<u>25,265</u>

Comparative figures are stated on page 27.

Healing Multi Academy Trust

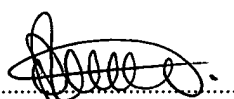
Statement of Financial Activities for the Year Ended 31 August 2019 (including Income and Expenditure Account)

	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	2018/19 Total £ 000
Income and endowments from:					
Donations and capital grants	2	249	(1,847)	10,460	8,862
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	334	14,354	-	14,688
Teaching schools		291	136	-	427
Other trading activities	4	83	-	-	83
Investments	5	14	-	-	14
Total		<u>971</u>	<u>12,643</u>	<u>10,460</u>	<u>24,074</u>
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	7	60	15,422	712	16,194
Teaching schools	29	<u>274</u>	<u>136</u>	<u>-</u>	<u>410</u>
Total		<u>334</u>	<u>15,558</u>	<u>712</u>	<u>16,604</u>
Net income/(expenditure)		637	(2,915)	9,748	7,470
Transfers between funds		-	(103)	103	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	26	<u>-</u>	<u>(2,378)</u>	<u>-</u>	<u>(2,378)</u>
Net movement in funds/(deficit)		637	(5,396)	9,851	5,092
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2018		<u>1,301</u>	<u>(1,410)</u>	<u>14,249</u>	<u>14,140</u>
Total funds/(deficit) carried forward at 31 August 2019		<u><u>1,938</u></u>	<u><u>(6,806)</u></u>	<u><u>24,100</u></u>	<u><u>19,232</u></u>

Healing Multi Academy Trust
(Registration number: 7345756)
Balance Sheet as at 31 August 2020

	Note	2020 £ 000	2019 £ 000
Fixed assets			
Intangible assets	12	22	29
Tangible assets	13	<u>35,212</u>	<u>23,981</u>
		<u>35,234</u>	<u>24,010</u>
Current assets			
Stocks	14	11	4
Debtors	15	651	610
Cash at bank and in hand		<u>5,404</u>	<u>3,984</u>
		6,066	4,598
Creditors: Amounts falling due within one year	16	<u>(2,707)</u>	<u>(1,888)</u>
Net current assets		<u>3,359</u>	<u>2,710</u>
Total assets less current liabilities		<u>38,593</u>	<u>26,720</u>
Net assets excluding pension liability		38,593	26,720
Pension scheme liability	26	<u>(13,328)</u>	<u>(7,488)</u>
Net assets including pension liability		<u>25,265</u>	<u>19,232</u>
Funds of the Academy:			
Restricted funds			
Restricted general fund		794	682
Restricted fixed asset fund		35,826	24,100
Restricted pension fund		<u>(13,328)</u>	<u>(7,488)</u>
		23,292	17,294
Unrestricted funds			
Unrestricted general fund		<u>1,973</u>	<u>1,938</u>
Total funds		<u>25,265</u>	<u>19,232</u>

The financial statements on pages 26 to 52 were approved by the Trustees, and authorised for issue on 16 December 2020 and signed on their behalf by:



 D Peers
 Trustee

Healing Multi Academy Trust

Statement of Cash Flows for the Year Ended 31 August 2020

	Note	2020 £ 000	2019 £ 000
Cash flows from operating activities			
Net cash provided by operating activities	21	1,787	1,320
Cash transferred on transfer of existing academies into the Trust	28	<u>(1,124)</u>	<u>(236)</u>
Cash flows from investing activities	22	<u>757</u>	<u>(44)</u>
Change in cash and cash equivalents in the year		1,420	1,040
Cash and cash equivalents at 1 September		<u>3,984</u>	<u>2,944</u>
Cash and cash equivalents at 31 August	23	<u><u>5,404</u></u>	<u><u>3,984</u></u>

Healing Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

1 Accounting policies

General information

The academy trust is a private company, limited by guarantee and incorporated in the United Kingdom.

The address of its registered office is:

Healing Multi Academy Trust

Low Road

Healing

DN41 7QD

These financial statements were authorised for issue by the Board on 16 December 2020.

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.

Basis of preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable 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 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The financial statements are prepared in sterling which is the financial currency of the company and have been rounded to the nearest thousand pounds.

The financial statements cover the individual entity Healing Multi Academy Trust.

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

Going concern

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

Income

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

Healing Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

1 Accounting policies (continued)

Grants

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

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

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

Donations

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

Other income

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

Transfer on conversion

Where assets and liabilities are received by the academy trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. An equal amount of income is recognised as transfer on conversion within Donations and capital grant income to the net assets received.

Transfer of existing academies into the trust

Where assets and liabilities are received on the transfer of an existing academy into the academy trust, the transferred net assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. An equal amount of income is recognised for the transfer of an existing academy into the academy trust within Donations and capital grant income to the net assets acquired.

Expenditure

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Healing Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

1 Accounting policies (continued)

Charitable activities

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

Intangible fixed assets

Intangible assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment. Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Asset class	Amortisation method and rate
Purchased computer software	5 years

Tangible fixed assets

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

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.

Asset class	Depreciation method and rate
Freehold buildings	40 years
Long leasehold land	125 years
Fixtures, fittings and equipment	5 years
Computer hardware	3 years

Liabilities

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

Leased assets

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

Financial Instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at transaction price less any provision for impairment. Prepayments are not financial instruments.

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

Healing Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

1 Accounting policies (continued)

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at transaction price. 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.

Stock

Unsold uniforms, catering stocks and oil fuel are valued at the lower of cost or net realisable value.

Taxation

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

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 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.

Pension benefits

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

The TPS is an unfunded scheme and contributions are calculated 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 based on quadrennial valuations using a prospective unit credit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

Fund accounting

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

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

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

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.

Healing Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

1 Accounting policies (continued)

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability 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 26, 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 2020. 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.

2 Donations and capital grants

	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	2019/20 Total £ 000	2018/19 Total £ 000
Educational trips and visits	112	-	-	112	180
Capital grants	-	-	968	968	199
Other donations	59	-	-	59	109
Transfer of existing academies into the Trust	205	(3,035)	12,405	9,575	8,374
	<u>376</u>	<u>(3,035)</u>	<u>13,373</u>	<u>10,714</u>	<u>8,862</u>

Healing Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

3 Funding for the Academy Trust's educational operations

	Unrestricted funds £ 000	Restricted funds £ 000	2019/20 Total £ 000	2018/19 Total £ 000
DfE/ESFA revenue grants				
General Annual Grant	-	19,350	19,350	12,090
Other DfE/ ESFA grants	-	3,217	3,217	1,648
	<u>-</u>	<u>22,567</u>	<u>22,567</u>	<u>13,738</u>
Other government grants				
Local authority grants	-	464	464	343
Special educational projects	-	668	668	273
	<u>-</u>	<u>1,132</u>	<u>1,132</u>	<u>616</u>
Non-government grants and other income				
Other income from the Academy Trust's educational projects	289	119	408	334
Total grants	<u>289</u>	<u>23,818</u>	<u>24,107</u>	<u>14,688</u>

4 Other trading activities

	Unrestricted funds £ 000	2019/20 Total £ 000	2018/19 Total £ 000
Hire of facilities	16	16	15
Catering income	2	2	-
Other sales	119	119	68
	<u>137</u>	<u>137</u>	<u>83</u>

5 Investment income

	Unrestricted funds £ 000	2019/20 Total £ 000	2018/19 Total £ 000
Short term deposits	<u>11</u>	<u>11</u>	<u>14</u>

Healing Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

6 Expenditure

	Non Pay Expenditure			2019/20	2018/19
	Staff costs £ 000	Premises £ 000	Other costs £ 000	Total £ 000	Total £ 000
Academy's educational operations					
Direct costs	16,227	-	1,095	17,322	10,711
Allocated support costs	5,555	2,791	2,143	10,489	5,483
Teaching School	204	6	129	339	410
	<u>21,986</u>	<u>2,797</u>	<u>3,367</u>	<u>28,150</u>	<u>16,604</u>

Net income/(expenditure) for the year includes:

	2019/20 £ 000	2018/19 £ 000
Operating lease rentals	115	86
Depreciation	1,070	704
Amortisation of intangible fixed assets	7	8
Fees payable to auditor - audit	15	12
Fees payable to auditor - other audit services	<u>10</u>	<u>7</u>

7 Charitable activities

	2019/20 £ 000	2018/19 £ 000
Direct costs - educational operations	17,322	10,711
Support costs - educational operations	<u>10,489</u>	<u>5,483</u>
	<u>27,811</u>	<u>16,194</u>

	Educational operations £ 000	2019/20 Total £ 000	2018/19 Total £ 000
Analysis of support costs			
Support staff costs	5,555	5,555	2,314
Depreciation	1,078	1,078	704
Technology costs	362	362	204
Premises costs	1,713	1,713	792
Other support costs	1,752	1,752	1,367
Governance costs	<u>29</u>	<u>29</u>	<u>102</u>
Total support costs	<u>10,489</u>	<u>10,489</u>	<u>5,483</u>

Healing Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

8 Staff

Staff costs

	2019/20 £ 000	2018/19 £ 000
Staff costs during the year were:		
Wages and salaries	15,725	9,281
Social security costs	1,420	807
Operating costs of defined benefit pension schemes	4,662	2,082
	<u>21,807</u>	<u>12,170</u>
Supply staff costs	37	76
Staff restructuring costs	142	33
	<u>21,986</u>	<u>12,279</u>
	2020 £ 000	2019 £ 000

Staff restructuring costs comprise:

Redundancy payments	48	-
Severance payments	93	32
	<u>141</u>	<u>32</u>

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £3,000 (2019: £32,592). Individually, the payments were:

Non-contractual payments £3,000

Staff numbers

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

	2019/20 No	2018/19 No
Charitable Activities		
Teachers	235	165
Administration and support	397	276
Management	14	11
	<u>646</u>	<u>452</u>

Higher paid staff

The number of employees whose emoluments exceeded £60,000 was:

	2020 No	2019 No
£60,001 - £70,000	7	3
£70,001 - £80,000	2	1
£80,001 - £90,000	1	1
£100,001 - £110,000	2	1

Healing Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

8 Staff (continued)

Key management personnel

The key management personnel of the academy trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £1,286,211 (2019: £894,821).

9 Central services

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

- HR
- Financial Services
- Premises Services
- School Improvement

The academy trust charges for these services on the following basis:

- Historical charges made by the Local Authority pre Academy e.g. SLA agreements
- Flat percentage of income (4.25% of GAG) for Academies joining the MAT from 2015/16
- Other bases as arising

The actual amounts charged during the year were as follows:

	2020/19 £ 000	2019/18 £ 000
Ermine Primary	154	-
Hartsholme	194	151
Healing School - A Science Academy	216	194
Healing Primary	41	9
Great Coates Primary	52	45
Lincoln Castle	266	-
St Giles	197	165
William Barcroft Jnr	59	58
Woodlands	157	136
	<u>1,336</u>	<u>758</u>

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 academy trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

M Knapton (CEO):

Remuneration: £105,000 - £110,000 (2019 - £100,000 - £105,000)

Employer's pension contributions: £25,000 - £30,000 (2019 - £15,000 - £20,000)

During the year ended 31 August 2020, travel and subsistence expenses totalling £1,489 (2019 - £1,191) were reimbursed or paid directly to 1 trustees (2019 - 1).

Other related party transactions involving the trustees are set out in note 27.

Healing Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

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 unlimited cover. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

12 Intangible fixed assets

	Computer Software £ 000	Total £ 000
Cost		
At 1 September 2019	54	54
At 31 August 2020	54	54
Amortisation		
At 1 September 2019	25	25
Charge for the year	7	7
At 31 August 2020	32	32
Net book value		
At 31 August 2020	22	22
At 31 August 2019	29	29

Healing Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

13 Tangible fixed assets

	Freehold land and buildings £ 000	Leasehold land and buildings £ 000	Assets under construction £ 000	Furniture and equipment £ 000	Computer equipment £ 000	Motor vehicles £ 000	Total £ 000
Cost							
At 1 September 2019	13,198	12,589	161	828	456	-	27,232
Additions	113	-	76	23	10	-	222
Transfers	<u>12,060</u>	<u>215</u>	<u>(215)</u>	<u>7</u>	<u>11</u>	<u>1</u>	<u>12,079</u>
At 31 August 2020	<u>25,371</u>	<u>12,804</u>	<u>22</u>	<u>858</u>	<u>477</u>	<u>1</u>	<u>39,533</u>
Depreciation							
At 1 September 2019	1,703	567	-	544	437	-	3,251
Charge for the year	<u>613</u>	<u>304</u>	<u>-</u>	<u>130</u>	<u>22</u>	<u>1</u>	<u>1,070</u>
At 31 August 2020	<u>2,316</u>	<u>871</u>	<u>-</u>	<u>674</u>	<u>459</u>	<u>1</u>	<u>4,321</u>
Net book value							
At 31 August 2020	<u>23,055</u>	<u>11,933</u>	<u>22</u>	<u>184</u>	<u>18</u>	<u>-</u>	<u>35,212</u>
At 31 August 2019	<u>11,495</u>	<u>12,022</u>	<u>161</u>	<u>284</u>	<u>19</u>	<u>-</u>	<u>23,981</u>

On 1st September 2010 the Trustees of Healing School - A Science and Foundation College transferred a freehold interest in land and buildings to the Academy for £nil consideration. The land and buildings were subsequently valued at £4,788,000 by professional valuers and are included in tangible fixed assets.

Long leasehold land and buildings were leased by the Trust on a 125 year lease from the Local Authority.

Valuations were carried out by professional valuers at the time of conversion:

- 1st September 2014 Healing Primary - £987,500
- 1st June 2016 Great Coates Primary - £2,950,000
- 1st March 2017 William Barcroft - £1,650,750

On 1st November 2018 the Link Education Trust joined Healing Multi Academy Trust. The 3 academies transferred Freehold and Leasehold land and buildings at net book value on transfer:

- 1st November 2018 Hartsholme Academy - £3,097,228 Freehold
- 1st November 2018 St Giles Academy - £3,364,224 Leasehold
- 1st November 2018 Woodlands Academy - £3,590,277 Leasehold

On 1st September 2019 the Academy of Lincoln Trust joined Healing Multi Academy Trust. The 2 academies transferred freehold land and buildings at net book value on transfer:

- 1st September 2019 Lincoln Castle Academy - £9,026,305
- 1st September 2019 Ermine Primary Academy - £3,034,133

Included within leasehold land and building is £11,932,000 (2019: £12,022,000) relating to long leasehold land and buildings. Included within freehold land and buildings is £1,231,000 (2019: £1,044,000) relating to freehold land which is not depreciated.

Healing Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

14 Stock

	2020 £ 000	2019 £ 000
Clothing	-	4
Heating oil	11	-
	<u>11</u>	<u>4</u>

15 Debtors

	2020 £ 000	2019 £ 000
Trade debtors	29	70
VAT recoverable	179	184
Other debtors	3	-
Prepayments	97	175
Accrued grant and other income	343	181
	<u>651</u>	<u>610</u>

16 Creditors: amounts falling due within one year

	2020 £ 000	2019 £ 000
Trade creditors	444	637
Other taxation and social security	345	208
Other creditors	1,078	615
Accruals	314	169
Deferred income	147	56
Pension scheme creditor	379	203
	<u>2,707</u>	<u>1,888</u>
	2020	2019
	£ 000	£ 000

Deferred income

Deferred income at 1 September 2019	56	20
Resources deferred in the period	147	56
Amounts released from previous periods	(56)	(20)
Deferred income at 31 August 2020	<u>147</u>	<u>56</u>

Deferred income is income received in advance related to school fund balances, assessment fees and grants.

Healing Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

17 Funds

	Balance at 1 September 2019 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2020 £ 000
Restricted general funds					
General Annual Grant	503	19,350	(19,385)	-	468
Pupil Premium	179	1,719	(1,613)	-	285
Transfer of existing academies into Trust	-	134	(134)	-	-
Other DfE/ ESFA	-	1,498	(1,498)	-	-
Teaching School Grants	-	104	(63)	-	41
Other Income	-	119	(119)	-	-
Other Government Grants	-	1,132	(1,132)	-	-
	<u>682</u>	<u>24,056</u>	<u>(23,944)</u>	<u>-</u>	<u>794</u>
Restricted fixed asset funds					
Transfer of existing academies into Trust	19,020	12,405	(916)	-	30,509
DfE/ ESFA capital grants	4,714	968	(365)	-	5,317
Capital expenditure from GAG	<u>366</u>	<u>-</u>	<u>(366)</u>	<u>-</u>	<u>-</u>
	24,100	13,373	(1,647)	-	35,826
Restricted pension funds					
Pension Reserve	<u>(7,488)</u>	<u>(3,169)</u>	<u>(1,444)</u>	<u>(1,227)</u>	<u>(13,328)</u>
Total restricted funds	17,294	34,260	(27,035)	(1,227)	23,292
Unrestricted funds					
Unrestricted general funds	<u>1,938</u>	<u>1,150</u>	<u>(1,115)</u>	<u>-</u>	<u>1,973</u>
Total funds	<u>19,232</u>	<u>35,410</u>	<u>(28,150)</u>	<u>(1,227)</u>	<u>25,265</u>

Healing Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

17 Funds (continued)

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

	Balance at 1 September 2018 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2019 £ 000
Restricted general funds					
General Annual Grant	631	12,090	(12,115)	(103)	503
Pupil Premium	84	1,047	(952)	-	179
Transfer of existing academies into Trust	-	236	(236)	-	-
Other DfE/ ESFA	244	601	(845)	-	-
Teaching School Grants	-	136	(136)	-	-
Other Income	-	40	(40)	-	-
Other Government Grants	-	616	(616)	-	-
	<u>959</u>	<u>14,766</u>	<u>(14,940)</u>	<u>(103)</u>	<u>682</u>
Restricted fixed asset funds					
Transfer of existing academies into Trust	9,247	10,261	(488)	-	19,020
DfE/ ESFA capital grants	4,515	199	-	-	4,714
Capital expenditure from GAG	<u>487</u>	<u>-</u>	<u>(224)</u>	<u>103</u>	<u>366</u>
	14,249	10,460	(712)	103	24,100
Restricted pension funds					
Pension Reserve	<u>(2,369)</u>	<u>-</u>	<u>(2,741)</u>	<u>(2,378)</u>	<u>(7,488)</u>
Total restricted funds	12,839	25,226	(18,393)	(2,378)	17,294
Unrestricted funds					
Unrestricted general funds	<u>1,301</u>	<u>971</u>	<u>(334)</u>	<u>-</u>	<u>1,938</u>
Total funds	<u>14,140</u>	<u>26,197</u>	<u>(18,727)</u>	<u>(2,378)</u>	<u>19,232</u>

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

The Restricted Pension Fund relates to the deficit on the Local Government Pension Scheme.

The Restricted Fixed Asset Fund represents fixed assets funded by capital grants, GAG and assets transferred into the Trust from existing academies.

Under the agreement with the Secretary of State, the Academy Trust was not subject to a limit on the GAG that it could carry forward at 31 August 2020.

Healing Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

17 Funds (continued)

Analysis of academies by fund balance

Fund balances at 31 August 2020 were allocated as follows:

	2020 £ 000	2019 £ 000
Ermine Primary	68	-
Hartsholme	12	81
Healing School - A Science Academy	1,055	1,041
Healing Primary	493	476
Great Coates Primary	95	146
Lincoln Castle	211	-
St Giles	97	56
William Barcroft Jnr	534	480
Woodlands	92	63
Central services	110	277
Total before fixed assets and pension reserve	2,767	2,620
Restricted Fixed Asset Fund	35,826	24,100
Pension Reserve	(13,328)	(7,488)
Total	<u>25,265</u>	<u>19,232</u>

Analysis of academies by cost

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

	Teaching and Educational Support Staff Costs £ 000	Other Support Staff Costs £ 000	Educational Supplies £ 000	Other Costs (excluding Depreciation) £ 000	Total 2020 £ 000	Total 2019 £ 000
Ermine Primary	1,747	283	3	490	2,523	-
Hartsholme	1,338	201	18	807	2,363	1,727
Healing School - A Science Academy	3,463	990	32	1,202	5,687	5,646
Healing Primary	977	172	14	261	1,424	1,408
Great Coates Primary	1,094	202	29	304	1,629	1,438
Lincoln Castle	3,790	899	10	1,520	6,221	-
St Giles	1,444	206	5	542	2,196	1,772
William Barcroft Jnr	1,081	251	19	292	1,643	1,557
Woodlands	996	281	13	1,735	3,024	1,352
Central services	350	849	-	380	1,579	992
Academy Trust	<u>16,280</u>	<u>4,334</u>	<u>143</u>	<u>7,533</u>	<u>28,289</u>	<u>15,892</u>

Healing Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

18 Analysis of net assets between funds

Fund balances at 31 August 2020 are represented by:

	Unrestricted funds £ 000	Restricted general funds £ 000	Restricted fixed asset funds £ 000	Total funds £ 000
Intangible fixed assets	-	-	22	22
Tangible fixed assets	-	-	35,212	35,212
Current assets	1,973	3,501	592	6,066
Current liabilities	-	(2,707)	-	(2,707)
Pension scheme liability	-	(13,328)	-	(13,328)
Total net assets	<u>1,973</u>	<u>(12,534)</u>	<u>35,826</u>	<u>25,265</u>

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

	Unrestricted funds £ 000	Restricted general funds £ 000	Restricted fixed asset funds £ 000	Total funds £ 000
Intangible fixed assets	-	-	29	29
Tangible fixed assets	-	-	23,981	23,981
Current assets	1,938	2,570	90	4,598
Current liabilities	-	(1,888)	-	(1,888)
Pension scheme liability	-	(7,488)	-	(7,488)
Total net assets	<u>1,938</u>	<u>(6,806)</u>	<u>24,100</u>	<u>19,232</u>

19 Capital commitments

	2020 £ 000	2019 £ 000
Contracted for, but not provided in the financial statements	<u>-</u>	<u>244</u>

Healing Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

20 Commitments under operating leases

Operating leases

At 31 August 2020 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2020 £ 000	2019 £ 000
Amounts due within one year	91	78
Amounts due between one and five years	147	140
	<u>238</u>	<u>218</u>

21 Reconciliation of net income to net cash inflow/(outflow) from operating activities

	2019/20 £ 000	2018/19 £ 000
Net income	7,260	7,470
Amortisation	7	8
Depreciation	1,070	704
Capital grants from DfE and other capital income	(968)	(199)
Interest receivable	(11)	(14)
Defined benefit pension scheme obligation inherited	3,169	2,123
Defined benefit pension scheme cost less contributions payable	1,232	486
Defined benefit pension scheme finance cost	212	132
(Increase)/decrease in stocks	(7)	1
Increase in debtors	(41)	(365)
Increase in creditors	819	999
Cash transferred on existing academies joining the Trust	1,124	236
Fixed assets transferred on existing academies joining the Trust	(12,079)	(10,261)
Net cash provided by Operating Activities	<u>1,787</u>	<u>1,320</u>

22 Cash flows from investing activities

	2019/20 £ 000	2018/19 £ 000
Dividends, interest and rents from investments	11	14
Purchase of tangible fixed assets	(222)	(257)
Capital funding received from sponsors and others	968	199
Net cash provided by/(used in) investing activities	<u>757</u>	<u>(44)</u>

23 Analysis of cash and cash equivalents

	2020 £ 000	2019 £ 000
Cash at bank and in hand	5,404	3,984
Total cash and cash equivalents	<u>5,404</u>	<u>3,984</u>

Healing Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

24 Analysis of changes in net debt

	At 1 September 2019 £000	Cash flows £000	At 31 August 2020 £000
Cash	3,984	1,420	5,404
Total	3,984	1,420	5,404

25 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.

26 Pension and similar obligations

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

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

Contributions amounting to £379,363 (2019 - £203,357) were payable to the schemes at 31 August and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

Healing Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

26 Pension and similar obligations (continued)

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

The employer's pension costs paid to TPS in the period amounted to £2,335,664 (2019: £960,194).

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 scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £1,375,298 (2019 - £884,000), of which employer's contributions totalled £1,062,810 (2019 - £690,000) and employees' contributions totalled £312,488 (2019 - £194,000). The agreed contribution rates for future years are 17.4 - 26.9 per cent for employers and 5.5 - 12.5 per cent for employees.

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

Principal actuarial assumptions

	2020 %	2019 %
Rate of increase in salaries	2.80	2.50
Rate of increase for pensions in payment/inflation	2.20	2.30
Discount rate for scheme liabilities	<u>1.70</u>	<u>1.90</u>

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

	2020	2019
Retiring today		
Males retiring today	21.12	20.80
Females retiring today	23.48	23.30
Retiring in 20 years		
Males retiring in 20 years	22.07	22.00
Females retiring in 20 years	<u>24.98</u>	<u>24.90</u>

Sensitivity analysis

	At 31 August 2020 £000	At 31 August 2019 £000
0.5% decrease in real discount rate	3,572	2,098
0.5% increase in the salary increase rate	1,058	278
Mortality assumption – 1 year increase	349	582
0.5% increase in the pension increase rate	<u>3,158</u>	<u>1,781</u>

Healing Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

26 Pension and similar obligations (continued)

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

	2020 £ 000	2019 £ 000
Equities	8,884	5,054
Corporate bonds	2,395	1,078
Property	1,428	759
Cash and other liquid assets	418	175
Total market value of assets	<u>13,125</u>	<u>7,066</u>

The actual return on scheme assets was £42,000 (2019 - £309,000).

Amounts recognised in the statement of financial activities

	2019/20 £ 000	2018/19 £ 000
Current service cost	2,287	1,176
Past service cost	-	44
Interest income	(235)	(177)
Interest cost	447	309
Total amount recognized in the SOFA	<u>2,499</u>	<u>1,352</u>

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

	2019/20 £ 000	2018/19 £ 000
At start of period	14,554	10,426
Transferred in on existing academies joining the trust	7,990	-
Current service cost	2,287	1,176
Interest cost	447	309
Employee contributions	285	194
Actuarial (gain)/loss	1,034	2,466
Benefits paid	(190)	(61)
Past service cost	46	44
At 31 August	<u>26,453</u>	<u>14,554</u>

Healing Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

26 Pension and similar obligations (continued)

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

	2019/20 £ 000	2018/19 £ 000
At start of period	7,066	5,934
Transferred in on existing academies joining the trust	4,821	-
Interest income	235	177
Actuarial gain/(loss)	(193)	132
Employer contributions	1,101	690
Employee contributions	285	194
Benefits paid	(190)	(61)
At 31 August	<u>13,125</u>	<u>7,066</u>

Net liability

	2020 £ 000	2019 £ 000
Scheme obligations	(26,453)	(14,554)
Scheme assets	13,125	7,066
Total	<u>(13,328)</u>	<u>(7,488)</u>

27 Related party transactions

Wilkin Chapman LLP Solicitors - a limited liability partnership of which Mr J Goolden (a member and previous trustee of the Trust) is a member. Mr Goolden joined the Trust on the 26 September 2016. Mr Goolden has no involvement in the work completed by Wilkin Chapman LLP and a separate engagement partner is used:

- The Trust purchased Legal Representation including HR support from Wilkin Chapman totalling £13,737 during the period. There was an outstanding balance of £nil at 31 August 2020;
- The Trust have employed the services of Wilkin Chapman for its initial conversion to Academy following a competitive tendering exercise and for the conversion of its partner schools from 2014. HR services were purchased in September 2017 following a best value exercise carried out by the Trust;
- The Trust have purchased services at arm's length in accordance with its financial regulations, prior to Mr Goolden being appointed a Trustee. Mr Goolden neither participated in, nor influenced those purchasing decisions;
- In entering into the legal transactions the Trust has complied with the requirements of the Academies Financial Handbook 2019.

Healing Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

28 Transfer of existing academies into the Trust

The Academy of Lincoln Trust

	Value reported by transferring academy trust £ 000	Transfer in recognised £ 000
Tangible fixed assets		
Freehold land and buildings	12,060	12,060
Furniture and equipment	8	8
Computer equipment	10	10
Motor vehicles	1	1
	<u>12,079</u>	<u>12,079</u>
Other assets		
Stock	21	21
Debtors due in less than one year	652	652
Cash in bank and in hand	<u>1,124</u>	<u>1,124</u>
	1,797	1,797
Liabilities		
Creditors due in less than one year	(1,132)	(1,132)
Pensions		
Pensions – pension scheme liabilities	<u>(3,169)</u>	<u>(3,169)</u>
Net assets	<u>9,575</u>	<u>9,575</u>

Healing Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

29 Teaching school trading account

	2019/20 £ 000	2018/19 £ 000
Income		
Other Income		
Fundraising and other trading activities	441	427
Total Income	441	427
Expenditure		
Direct costs		
Direct staff costs	145	138
Staff development	1	15
Other direct costs	102	169
Total direct costs	248	322
Other costs		
Support staff costs	59	49
Recruitment and support	-	1
Other support costs	32	38
Total other costs	91	88
Total Expenditure	(339)	(410)
Surplus from all sources	102	17
Teaching school balances at 1 September 2019	46	29
Teaching school balances at 31 August 2020	148	46