

Company Registration No. 07345756 (England and Wales)

**HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)**

**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2021**



# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Members

A Beach (resigned 13 October 2021)  
G Bratby  
J Goolden  
G Walker (resigned 14 October 2021)

### Trustees

C Cherry (Appointed 16 December 2020)  
K Ellis  
P Kipling  
L Kitchin  
M Knapton (Resigned 31 December 2020)  
J Lovelle (Vice-Chair)  
G Padbury (Appointed 16 December 2020 and resigned 2 March 2021)  
D Peers (Chair)  
G Walker (Resigned 31 December 2020)

### Executive team

- Chief Executive Officer (resigned 31 December 2020)	M Knapton
- Chief Executive Officer (appointed 1 January 2021)	J Nolan
- Director of School Improvement (resigned 30 April 2021)	A Coney
- Executive Principal (appointed 22 February 2021)	C Constantopoulos
- Trust Strategic Lead (resigned 31 December 2020)	S O'Hare
- Chief Finance Officer/Chief Operating Officer (resigned 31 December 2021)	D Wakefield
- Chief Finance Officer/Chief Operating Officer (appointed 1 January 2022)	T Lawlor

### Company secretary

T Lawlor

### Company registration number

07345756 (England and Wales)

### Principal and registered office

Low Road  
Healing  
Grimsby  
DN41 7QD

# **HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)**

## **REFERENCE AND ADMINISTRATIVE DETAILS**

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<b>Academies operated.</b>	<b>Location</b>	<b>Principal</b>
Ermine Primary Academy	Lincoln	D Manby
Hartsholme Academy	Lincoln	D Callaghan
Healing School - A Science Academy	Grimsby	M Dewland
Healing Primary School	Healing	R Wakefield
Great Coates Primary School	Grimsby	A Norman
Lincoln Castle Academy	Lincoln	L Laming
St Giles Academy	Lincoln	D Milner
William Barcroft Junior School	Cleethorpes	C Constantopoulos
Woodlands Academy	Grimsby	R Green
 <b>Independent auditor</b>	 RSM UK Audit LLP Two Humber Quays Wellington Street West Hull HU1 2BN	
 <b>Bankers</b>	 HSBC 55 Victoria Street Grimsby DN31 1UX	
 <b>Solicitors</b>	 Wilkin Chapman LLP Cartergate House 26 Chantry Lane Grimsby DN31 2LJ	

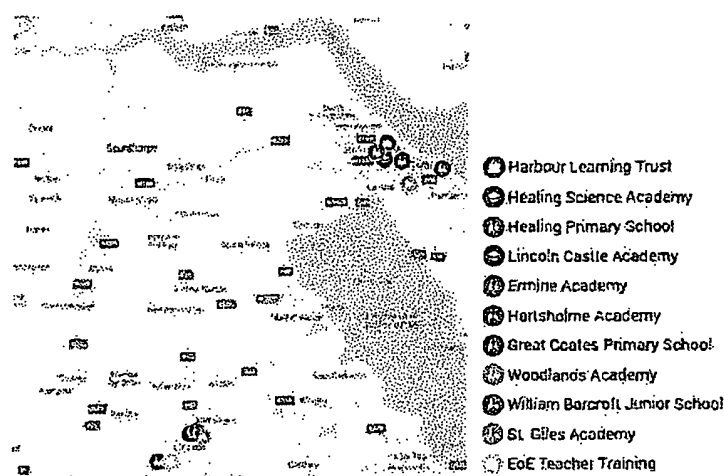
# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## TRUSTEES' REPORT

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

Harbour Learning Trust, formerly Healing Multi Academy Trust was formed in March 2014. In seven years it has grown from a single academy to seven primary academies, two secondary academies and a School Centred Initial Teacher Training (SCITT) which are located in two hub areas:

1. Grimsby, North East Lincolnshire
2. Lincolnshire



Going forward the Trust wishes to work with schools and trusts who have a similar ethos of placing children at the heart of all decision making. The geographical location of any new school would ideally be within a reasonable travel time of any Harbour Learning Trust Academy. The Trust is not actively seeking to grow in the immediate short term. Instead, it is focussing on ensuring all the pupils in the Trust are receiving the best education experiences as possible with outcomes across the Trust rising to be at least in line with the national average and every academy is Ofsted good or outstanding. That said, should any school wish to join the Trust which would add resources and capacity to the Trust, the trustees will consider each one of these cases on an individual basis.

The Trust has a pupil capacity of 4,745 and 4,351 on roll at its Primary and Secondary academies in the school census dated October 2020.

During the academic year 2020/21 the Trust introduced a new vision and values with a shortened tagline of 'Succession and happiness for every child'.

Members also agreed to change the name of the Trust from Healing Multi Academy Trust to Harbour Learning Trust with effect from 1 September 2021.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Constitution

Harbour Learning Trust is a company limited by guarantee (incorporated in August 2010) and is an exempt charity. The charitable company's memorandum and Articles of Association (April 2014) are the primary governing documents of the academy trust. The Harbour Learning Trust trustees are also the directors of the charitable company for the purpose of company law. The charitable company is known as Harbour Learning 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.

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## TRUSTEES' REPORT (CONTINUED)

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Details of the Trustees who served during the year, and to the date these financial statements 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

Subject to the provision of the Companies Act 2006, every trustee and officer is indemnified against any liability incurred by them in their capacity in defending any proceedings whether civil or criminal, in which judgement is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of Harbour Learning Trust. 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 types of trustees and their recruitment, term and appointment is set out within the Articles of Association and Scheme of Delegation. The members of the Trust during the year were:

1. A Beach (resigned 13 October 2021)
2. G Bratby (appointed 13 February 2020)
3. J Gooden (appointed 4 December 2019)
4. G Walker (resigned 14 October 2021)
5. L Charlesworth-Browne (appointed 17 January 2022)

The Members may appoint up to twelve trustees through such process as they may determine. The total number of trustees, including the CEO, who are employees of the Company shall not exceed one third of the total number of trustees. As of 1st January 2021 there are no staff trustees. Board members and trustees act collectively and they do not have individual executive authority. The Trust Board has delegated to the CEO, all responsibility for the day-to-day management of the Company. Where a matter is not specifically reserved to the Board, the CEO has authority to act.

### Policies and procedures adopted for the induction and training of Trustees

All new trustees will continue to receive training on school improvement, charity law, governance, HR, IT (including cyber security), estates (including H&S), legal and financial matters. All new trustees will be offered a tour of the trust's academies and have the opportunity to meet students, staff and local academy council representatives and receive copies of relevant policies, procedures, latest minutes, financial statements and other key documents they require to undertake their role effectively as trustees.

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## TRUSTEES' REPORT (CONTINUED)

### Organisational structure

The governance structure of the Trust is on two levels: The Trust Board and its subcommittees (including Local Academy Councils). Subcommittees are outlined in more detail in the governance section.

The Trust Board is responsible for the strategic decision making of the Trust. The Trust Board of Directors is responsible for ensuring that high standards of educational outcomes for students and corporate governance are maintained. It exercises its powers and functions by addressing such matters as school improvement, safeguarding, governance, policy and strategy development, financial reporting and planning, monitoring and reviewing all areas of performance and making longer-term decisions about the directors of the Trust and senior staff appointments.

The Trust Board's responsibilities are:

1. Ensuring clarity of vision, ethos and strategic direction;
2. Holding executive leaders to account for the educational performance of the organisation and its pupils and the effective and efficient performance management of staff; and
3. Overseeing the financial performance of the organisation and making sure its money is well spent in terms of regularity, probity and propriety.
4. The Board must be ambitious for all our children and young people, share a passion for education and strong commitment to continuous school improvement that enables the best possible outcomes. Regular internal scrutiny of controls, and making small but progressive improvements, is a powerful way to further progress and continue to meet our objectives.

Harbour Learning Trust included nine academies, a Teaching School and a SCITT as at 31st August 2021.

These are as follows:

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

The Trust Board sets out the Trust Group Strategy and operational policy in key areas which are then applied within and across all the academies through the Scheme of Delegation.

The CEO appointed on 1 January 2021 is not a Trustee but is the accounting officer for Harbour Learning Trust.

The Accounting Officer, on behalf of the Trust Board takes personal responsibility for assuring compliance with the Academies Financial Handbook, the master Funding Agreement and all relevant aspects of Company and Charitable law.

# **HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)**

## **TRUSTEES' REPORT (CONTINUED)**

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The CEO, with support from the Executive Team, have delegated authority under the Trust Board guidance, for the overall organisation, management and staffing of the organisation and for its procedures in financial and other matters, including conduct and discipline.

The CEO and Executive Team provide overall leadership of the Business Services Team and the Principals.

The Executive Principals, in addition to the CEO, work across the academies to support and inform the production of the Academy Improvement Plans and quality assure and monitor student achievement and progress, providing challenge to Academy Senior Leaders.

Along with the CEO, the CFO and other directors, the Trust Board will receive advice on finance, HR management and Capital Work Provision (including Health and Safety) and Data Protection.

A Scheme of Delegation has been put in place by Trustees for all Trust academies. It is intended to provide absolute clarity about the duties, roles and responsibilities of all parties in the Trust in order to secure effective systems of leadership, management and operation to manage risk effectively and secure required outcomes.

The Scheme of Delegation also specifies the level of financial control for Trust Board, CEO, Executive Team and Academies.

For the avoidance of doubt where any extant Trust policy conflicts with the Scheme of Delegation, then the Scheme shall take precedence. In all issues of interpretation, the decision of the Chief Executive, in conjunction with the Chair of the Trust Board is final. Where policies and procedures are not included in the Scheme of Delegation, these are a matter for the Chief Executive and where appropriate the Trust Board.

The Trust Board will set out the arrangements for assuring financial compliance through internal and external audit process.

Harbour Learning Trust supports its academies through the Executive Team and Business Services Team, known collectively as the Central Corporate Team (CCT) and has two functions: Academy Performance and Support Services. Each academy contributes a proportion of its income to fund these core services. A percentage was set at 4.75% - 9.75% across all academies and is reviewed annually by the Trust Board.

The CCT monitors and supports the work of academies to help ensure consistent practice across the group. It has wide ranging responsibilities across all its academies for assuring and ensuring educational improvement and for providing key business services as agreed by the Trust Board, especially in the areas of finance, HR and recruitment, compliance (including data protection), facilities, ICT, data and marketing and communications.

The CEO or their representative will report as appropriate to each Trust Board Committee at times throughout the academy year. These reports will provide information on the progress of the academies CCT and the actions of the CCT. The academy principals will contribute to this reporting process.

All members of the CCT are ultimately accountable to the CEO but the board appoints the Chief Financial Officer (CFO). The CEO quality assures the work of the CCT, and is overall responsible for the recruitment of staff and ensuring adequate training of CCT members and is accountable for this to the Trust Board. The CCT will support and inform the production of Academies' Improvement Plans. The CCT's own Development Plan will reflect the priorities of the group members and be reviewed and adjusted annually against improvement priorities set by Harbour Learning Trust and the CEO. The CEO and their representatives actively participate in local governance.

The SLT at each academy differs depending on need and could include Executive Principal, Principal, Head of Academy, Vice Principal and Assistant Principals and / or Associate roles. These leaders control the Academy at a local level implementing the policies approved by the Board of Trustees and CCT and reporting back to them. As a group the Senior Leadership Team academies is responsible for the authorisation of spending within agreed budgets. Some spending control is devolved to members of the Middle Management Team, but all expenditure is countersigned by SLT or at certain levels the Core Finance Team, CFO/COO and CEO.

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## TRUSTEES' REPORT (CONTINUED)

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### Arrangements for setting pay and remuneration of key management personnel

The Executive Team referred to on page 1 are also classed as key management personnel for the purposes of reporting under FRS102. The salary scales of the Executive Principals are set, with reference to the School Teachers Pay and Conditions document and guidance published by the Department for Education (DfE), by the Trustees.

Remuneration of key management personnel is considered and determined by the trust board. The trust continues to manage the remuneration of key personnel using salary benchmarking. This benchmarking considers trusts both locally and nationally based on their similar size, educational performance and financial performance. Trustees receive reports regarding remuneration including ESFA publications.

### Trade union facility time

#### Relevant union officials

Number of employees who were relevant union officials during the relevant period

-

Full-time equivalent employee number

-

#### Percentage of time spent on facility time

Percentage of time

Number of employees

0%

-

1%-50%

-

51%-99%

-

100%

-

#### Percentage of pay bill spent on facility time

Total cost of facility time

-

Total pay bill

-

Percentage of the total pay bill spent on facility time

-

#### Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours

-

No trade union facility time has been recorded during the year.

### Related parties, connected charities and co-operation with other organisations

Owing to the nature of the academy trust and the composition of the board of trustees drawn from local public and private sector organisations, transactions may take place with organisations in which trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions on or after 1 April 2019.

### Streamlined energy and carbon reporting

This content is included under that heading within the strategic report section.



# **HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)**

## **TRUSTEES' REPORT (CONTINUED)**

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### **Engagement with employees**

Harbour Learning Trust recognises the importance of effective communication with all key stakeholders.

Harbour Learning Trust recognises, respects and values diversity in the workforce and is committed to promoting and achieving equality of opportunity. How this is achieved is articulated in the Trusts Disability Equality Scheme. In addition, our Recruitment and Selection Procedures outlines how the Trust adheres to the Equality Act, ensuring all relevant equal opportunities legislation is adhered to and that all applicant and appointees are not discriminated against on the grounds of any protected characteristic. Reasonable adjustments are put in place to support potential candidates through the recruitment process and into employment. Support for employees who experience health concerns is available via the Education Support Partnership or a referral to Occupational Health via HR. Where an employee develops a disability during their employment, the Trust will ensure that there are no physical barriers, such as access to disabled toilets, which would make their life at work more difficult. Other barriers such as negative attitudes from other staff making assumptions that the disabled person is unable to carry out certain activities will be addressed via various Trust HR policies.

Removing these barriers creates equality and offers disabled people more independence, choice and control. Training and career development of staff with a disability will be proactively managed via the appraisal process.

The Trustees of Harbour Learning Trust ensure information is communicated both directly, and through the CEO 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 this period, the Trust has taken the following actions to engage and consult with its employees:

- The publication of a regular MAT updates during the COVID lockdown period to ensure all relevant information was shared with stakeholders
- Encouraging staff representatives to sit on each Local Governing Body
- Undertaking a staff survey

At a strategic level, the CEO holds Executive Team meetings with senior leaders. At an academy level senior leadership teams meet regularly, there are staff briefings and training and development time. Academy family of schools' meetings are held regularly with senior leaders representing every academy, members of the Executive Team and members of the corporate Business Services Team meet to share best practice and updates on development in their areas. Performance data on student outcomes is shared, discussed and challenged at these meetings.

The Trustees recognised 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.

# **HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)**

## **TRUSTEES' REPORT (CONTINUED)**

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

The Trustees of Harbour Learning 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 CFO/COO 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 customer'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 CFO/COO 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 Trust's objectives are set out in the Articles of Association. The Articles of Association clearly define the primary objective and activity of the Trust as:

- To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools ("the mainstream Academies") offering a broad and balanced curriculum or educational institutions which are principally concerned with providing full-time or part-time education for children of compulsory school age who, by reason of illness, exclusion from school or otherwise, may not for any period received suitable education unless alternative provision is made for them ("the alternative provision Academies") or 16 to 19 Academies offering a curriculum appropriate to the needs of its student ("the 16 to 19 Academies") or schools specially organised to make special education provision for pupils with Special Educational Needs ("the Special Academies").

#### **Our Mission**

To educate all children to the highest academic standard in an inclusive supportive environment to allow them to fulfil their potential and become responsible and caring adults of the future.

The Harbour Learning Trust vision and shortened tagline are:

We seek to inspire greatness in every child and to equip them with the academic achievements, life skills and personal attributes to lead happy, safe, successful lives.

**'Success and happiness for every child'**

#### **Our Trust Values**

1. We are **child-centred**. We make decisions based on what is right for our children and their life chances.
2. We are **inclusive**. We believe that every child can be successful regardless of background or ability.
3. We are **ambitious**. We aim for excellence in all that we do.
4. We act with **integrity**. We promote respect and trust; we value different points of view and beliefs. We actively reject discrimination, racism, bullying, deceit and dishonesty.
5. We are **collaborative**. We work in partnership with all stakeholders including parents, carers and the wider community ensuring a sense of togetherness.
6. We value our staff. We invest extensively in outstanding training and development opportunities.

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## TRUSTEES' REPORT (CONTINUED)

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### Objectives, strategies and activities

The strategic priorities for 2020-21 were:

#### 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

The trust strategic plan for 2020-21 is informed by:

- The evaluation of key KPIs
- Regional and national imperatives, statutory changes and best practice (Academies Financial Handbook revisions, and Ofsted updates)
- Strategies to develop the trust's stage of maturity to a trust where results are consistently 'embedded'
- Internal and external evaluation, including SIP reports, peer review & stakeholder feedback

At each board meeting, the objectives are measures against milestones and progress discussed.

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## TRUSTEES' REPORT (CONTINUED)

The table below shows the headline data for pupils / students:

Primary Academy	NOR R-6	Girls %	Boys %	Pupil Premium %	Minority Ethnic Groups %	English as an Additional Language %	SEN Support %	SEN EHC %	School Deprivation Indicator
Ermine	422	46.7	53.3	48.6	10	9.5	14 exc. 4.7% EHCP	4.7	36 (Quintile 4)
Great Coates	297 (+33 nursery)	44	56	35	5	4	10	6	2nd Quintile
Hartsholme	402	46	54	39	13	4.5	16	3	Lowest 20% (0.1) (Quintile 5)
Healing	351	55	45	7.4	9.4	6.3	5.1	1.1	Quintile 1
St Giles	392	49	51	57	26	19	19	3.5	0.37 (Quintile 4)
William Barcroft Junior	310	48	52	51	6	4	19	1	Quintile 5
Woodlands	300	54	46	44	9	9	12	2	0.52

Secondary Academy	NoR	Girls %	Boys %	Free School Meals %	Minority Ethnic Groups %	English as an Additional Language %	SEN Support %	SEN EHC %	School Deprivation Indicator
Healing School	989	48	52	10	12	5.4	5.6	1.5	Top 20%
Lincoln Castle Academy	859	49.8	50.2	31.05	1.1	11.24	13.7	3	Top 5-10%

### 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.

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## TRUSTEES' REPORT (CONTINUED)

### STRATEGIC REPORT

#### Achievements and performance

The Trust recognises the important role that Ofsted plays in monitoring standards. The profile of our academies is still variable across the Trust but each academy continues to strive for improved outcomes for every child. Inspections during the academic year were limited due to COVID restrictions and no academy in the Trust was subject to an inspection or visit.

Academy	Last Ofsted judgement	Date of Ofsted Inspection
Ermine Primary Academy	Inadequate	May 2019
Great Coates Primary School	Good	May 2019
Hartsholme Academy	Inadequate	June 2018
Healing Primary School	Good	May 2017
Healing School, A Science Academy	Outstanding	June 2009
Lincoln Castle Academy	Good	March 2016
St Giles Academy	Inadequate	October 2017
William Barcroft Junior School	Good	February 2020
Woodlands Academy	Inadequate	October 2018

During the year the Trust Board's focus was on strengthening the capacity at the Trust to deliver school improvement to all academies within the Trust. This included the creation of a new Executive Team led by the CEO and included a new Executive Principal Primary and the CFO/COO.

During the academic year 20/21 the education of pupils and students was once again disrupted due to the ongoing COVID pandemic.

In the academic year 19/20 the government announced there would be no exams for key stages 2, 4 and 5. This was the case again for the academic year 20/21.

However, we have included detail in this report in respect of the trust teacher assessments for KS2 and the centre assessed grades for KS4 and KS5.

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## TRUSTEES' REPORT (CONTINUED)

### Secondary Academies

The table below shows the Teacher Assessed Grades for 20/21 alongside the Centre Assessed Grades for 19/20 and the external KS4 results published for 18/19.

	% English & Maths 4+			% English & Maths 5+		
	18/19	19/20	20/21	18/19	19/20	20/21
Healing School	82	90	85	57	63	62
Lincoln Castle Academy	35.80	54.20	60.30	13.30	27.50	34.20

### Primary Academies

SAT's tests were cancelled in all schools in 2021 due to the ongoing COVID19 pandemic. The table below shows the Teacher Assessed Grades for Key Stage 2 for 20/21, 19/20 and the externally examined SAT's results for 18/19 and 17/18.

	%Reading				% Writing				% Maths				% RW&M Combined			
	17/18	18/19	19/20	20/21	17/18	18/19	19/20	20/21	17/18	18/19	19/20	20/21	17/18	18/19	19/20	20/21
Ermine	66	57	69	64	72	65	64	36	70	73	68	52	60	43	58	38
Great Coates	72	72	69	67	82	76	71	61	84	90	74	70	67	69	63	61
Hartsholme	68	65	63	67	74	67	65	76	60	61	61	65	48	48	48	58
Healing	100	84	94	82	98	93	90	80	100	93	88	91	98	84	88	75
St Giles	47	48	55	66	68	73	53	68	50	68	61	75	29	45	50	60
William Barcroft Junior	59	72	83	75	85	82	83	78	88	84	86	70	60	67	78	62
Woodlands	61	57	78	61	72	71	78	66	64	59	82	61	53	51	69	59

# **HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)**

## **TRUSTEES' REPORT (CONTINUED)**

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### **Remote Learning**

In its reopening guidance, the DfE outlined an expectation that all schools would, by the end of September 2020, have the capacity to offer immediate remote learning in the event of a local lockdown or where a class, group or small number of pupils needed to self-isolate. At the end of September, the DfE strengthened its stance by publishing a temporary continuity direction under the Coronavirus Act 2020, stating that all state-funded school age children must be provided with 'immediate access to remote education' should they miss school due to coronavirus. The DfE said the direction was 'to provide legal certainty for all involved in the education sector' by making clear the legal duty of schools in this respect. That direction came into force on 22nd October 2020 and was to have effect until the end of that year, unless revoked by a further direction.

On the 18th August 2021 the Secretary of State for Education issued a Temporary Continuity No.2 Direction for the Coronavirus Act 2020 Provision of Remote Education (England). The direction requires that where a class, group of pupils, or individual pupils need to self-isolate, or there are local or national restrictions requiring pupils to remain at home, schools are expected to provide immediate access to remote education. The Direction also requires schools to have regard to our expectations for remote education. These are set out in the 'Statutory obligations and expectations' section on Get Help with Remote Education. This direction will have effect from the start of the academic year 2021/2022.

As a Trust we have developed and refined our approach to remote learning. All academies had a 'blended remote learning offer' where children were able to access both live lesson and pre-recorded lessons alongside a number of other resources. Staff were provided with training and support to help develop and deliver the remote learning offer.

A significant number of laptops, over 500, were made available to children across the trust for both staff and students to borrow if they didn't have access to appropriate technology at home.

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## TRUSTEES' REPORT (CONTINUED)

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### COVID19 update

All children returned to school as planned in September 2020. Some phasing of students took place in both primary and secondary academies to support social distancing and new pupils as they entered the academy. Unfortunately, there was a return to a second national lockdown in November and then a third lockdown announced from 6th January 2021. All our academies reopened on 19 April 2021 and have remained open to all pupils since.

Rigorous risk assessments were put in place and were reviewed and updated weekly by the principals. Since the return of all student's academies have been carefully tracking the progress of all pupils and ensuring gaps in learning have been addressed through changes to the curriculum and additional intervention and support for indented need.

Throughout this pandemic attendance has remained a priority for the academies and Principals, supported by the Executive Principals have worked hard to ensure children are back in schools and learning.

The Executive Team also supported its academies, their Principals and the trust to manage the impact of COVID19 through:

- Regular meetings with Academy leaders.
- Regular updates to Audit and Risk and Board
- Detailed Academy risk assessments / plans
- Providing classroom learning as well as remote based learning for pupils and students. Remote learning has been provided through a combination of printed 'home learning' packs as well as through use of the Trust's IT facilities
- Providing additional 'catch up' support for targeted groups of pupils and students
- Regular monitoring of pupil / student engagement and wellbeing (including safeguarding) particularly for remote study
- Regular monitoring of staff safety and wellbeing through line management structures
- Revised financial forecasts for 20/21 and updated business plans for 21/22
- COVID19 absences were monitored on a daily basis during the academic year of 20/21 with information collated to allow for further analysis and reporting up to the Core Team. Within the academies themselves, government guidance was followed and advice from Public Health sought regularly and where necessary. Risk assessments were updated weekly. Year group and class bubbles were implemented with strict hygiene practices to avoid the spread, along with all areas being ventilated
- Year groups and classes were closed when necessary and remote learning took place. Closures were avoided at all costs with doubling up of classes to avoid this, implemented if possible
- Extra cleaning products were ordered and more cleaners (or extra hours offered) employed in the academies to work during the school day as opposed to evenings. All extra curricular activities such as fixtures and trips/visits were cancelled

### Promoting the success of the charitable company

The Trustees of Harbour Learning 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.



# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## TRUSTEES' REPORT (CONTINUED)

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### 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 2021 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 2021, total expenditure of £29,350k 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 £224k.

At 31 August 2021 the net book value of fixed assets was £36,597k and movements in intangible and tangible fixed assets are shown in notes 15 and 16 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Trust.

### Going concern

After making appropriate enquiries, the board of trustees have 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 Accounting Policies.

The trust has been able to accommodate additional costs in relation to the COVID19 pandemic through sound and effective financial management, eventually showing an outturn on general reserves (restricted and unrestricted funds) of £224k. This was delivered through effective budget planning and utilising additional grant income provided by the DfE.

Management Accounts are reviewed and signed off by the trustees each month.

Cash balances are reviewed regularly and reported to the Accounting Officer each week. Cash days remain healthy and a budget/cashflow has been prepared for the period up to 31 January 2023 as well as budget forecasts up to 31 August 2024.

### Financial and risk management objectives and policies

There is a deficit in the pension scheme of £18,610k as disclosed in note 26. The Secretary of State has agreed that in the event of the Academy Trust closing, the Local Government Pension Scheme liabilities would be met by the Department for Education.

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## TRUSTEES' REPORT (CONTINUED)

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### Reserves policy

The level of reserves to be held by the trust overall has been considered using both trustee knowledge and experience coupled with best practice from CIPFA Treasury Management (in public services) and NPC Charity Financial Analysis.

The Trust's free reserves are its funds after excluding restricted funds. The amount of unrestricted reserves available at 31 August 2021 was £1,771k (2020: £1,973k) Restricted reserves of £1,220k (2020: £794k) are also available for the Trust to carry forward. Therefore, total reserves available to spend going forwards are £2,991k (2020: £2,767k).

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 of 12% of the annual GAG income; for 2021 this gives a target of £2,447k. The Trust therefore has a healthy level of reserves at the end of the year, with free reserves of £2,991k. 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 £38,178k, £36,597k can only be realised by disposing of fixed assets.

### Investment policy

The Trust Finance, Audit & Risk (FARC) is responsible for approving the Investment Policy and has on-going responsibility to ensure monitoring and review of any investment. Investments should be made to further the trusts charitable aims but must ensure that investment risk is properly managed. No long term investments are held. The trust current only 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. The investment objectives based on prudence are:

- To achieve best financial return available whilst ensuring that security of deposits takes precedence over revenue maximization
- Only invest funds surplus to operational need based on all financial commitments being met without the trust bank account becomes overdrawn
- By complying with this policy, all investment decisions should be exercised with care and skill and consequently be in the best interests

While the Trust has an investment policy, the Trust presently has no funds invested. All funds are with in current accounts or instant access accounts.

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## TRUSTEES' REPORT (CONTINUED)

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### Key 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 finance, audit and risk meeting. The management accounts with budget comparisons is prepared each month and formally received and signed off each month by trustees. Large variances are investigated and notes for same provided.

### Plans for future periods

The Trust expanded on 1 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.

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

The Trust will review and evolve our curriculum approach to ensure all pupils a broad, balanced but ambitious curriculum that balances long term knowledge acquisition with targeted support for specific pupil needs.

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

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## TRUSTEES' REPORT (CONTINUED)

### Principal risks and uncertainties

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

- Educational, health and financial implications created by the COVID pandemic
- Appointment of a new COFO role and the ability to embed the central corporate team to offer an efficient and effective centralised service
- The educational and financial implications arising from a poor ICT infrastructure due to a lack of investment over a significant number of years
- The ability to recruit and retain staff due to geographical locations
- Increasing competition from local schools who are part of much bigger academy chains
- The ability to deliver high quality school improvement to ensure 'inadequate' schools within the trust continue to develop
- Reputational risk due to loss of Teaching school status and the SCITT due to government reform
- The reputational risk to the Trust as its outstanding school has not been subject to an Ofsted inspection since 2009
- The reputational risk to the Trust of being unable to retain and refresh skills and experience to ensure we have highly effective governors and trustees
- The financial and reputational risk to the trust of not keeping all of the states within the trust safe, secure and compliant

A live and working trust risk register has been developed. It is updated by executive on a regular basis and the update is presented at each finance, audit and risk meeting. There are plans to develop a board assurance framework in early 2022.

### COVID19 uncertainties

The pandemic has had an extreme impact on 20-21, with schools closing to all pupils and children from 6 January 2021 until 19 April 2021, although academies remained open to key workers and vulnerable children throughout the pandemic.

The Trust will need to spend more to ensure that all school sites remain COVID19 secure and that remote learning including the provision of devices are from pupils and students where bubble closure means self-isolation.

These additional expected costs for staffing, cleaning, and health and safety such as masks, hand sanitisers and additional IT costs were difficult to estimate when budgets were set, but it may be that reserves may have to be used if additional government funding is not forthcoming. Academies also saw a reduction in catering income which will affect budgets in 21/22.

### 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.

### Streamlined energy and carbon reporting

	2021 kWh	2020 kWh
Energy consumption		
Aggregate of energy consumption in the year	4,888,872	4,869,892

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## TRUSTEES' REPORT (CONTINUED)

	2021	2020
<i>Emissions of CO2 equivalent</i>	<i>metric tonnes</i>	<i>metric tonnes</i>
Scope 1 - direct emissions		
- Gas combustion	439.85	426.33
- Fuel consumed for owned transport	251.72	268.18
	<u>691.57</u>	<u>694.51</u>
Scope 2 - indirect emissions		
- Electricity purchased	312.27	331.72
Scope 3 - other indirect emissions		
- Fuel consumed for transport not owned by the academy trust	7.83	16.13
	<u>7.83</u>	<u>16.13</u>
Total gross emissions	<u>1,011.67</u>	<u>1,042.36</u>
<i>Intensity ratio</i>		
Tonnes CO2e per pupil	0.23	0.23
	<u>0.23</u>	<u>0.23</u>

### *Quantification and reporting methodology*

An evidence-based methodology was adopted in accordance with BS EN ISO 14064-3:2019, Section 4.3; verifiable data has been collected from the following sources:

Energy Data: Energy Metering, Invoices, Supply Summaries / Statements, Repayment Claims for business mileage, Fuel Cards, and correspondence with suppliers.

Previous Audit Data: ISO 50001, CRC, ESOS Phase II and Display Energy Certificates.

Emission Conversions: All emission factors for CO2 have been calculated using Defra Conversions, the carbon content of the District Heating Schemes has been provided by the energy supplier(s).

### *Intensity measurement*

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2 equivalent per pupil, the recommended ratio for the sector.

### *Measures taken to improve energy efficiency*

New boilers were installed at Healing Primary Academy and William Barcroft Academy and Woodlands Academy and Ermine Academy have both benefited from LED lighting.

Lincoln Castle Academy has a mechanical and electrical survey being carried out over October 2021 half term which will provide recommendations with a view to making energy savings.

Minibus travel along with staff travel has also been reduced due to COVID19 travel restrictions.

Now, that we are in receipt of reports and surveys in relation to building condition, health & safety and mechanical and electrical, the board in conjunction with trustees will be draft a strategy for streamlined energy and carbon reporting. This will include implementing measures to improve energy efficiency.

Gas combustion has increased during the year in response to the Government eagerness to keep schools open during the pandemic, windows were left open thus utilising more gas.

# **HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)**

## **TRUSTEES' REPORT (CONTINUED)**

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### **AUDITOR**

RSM UK Audit LLP was appointed auditor to the charitable company. A resolution proposing re-appointment will be put to the members.

### **Statement as to disclosure of information to auditor**

The Trustees have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The Trustees' report is approved by order of the Board of Trustees and the strategic report (included therein) is approved by the Board of Trustees in their capacity as the directors at a meeting on 25 January 2022 and signed on its behalf by:



D Peers  
Chair

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## GOVERNANCE STATEMENT

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### Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Harbour Learning Trust (Formerly 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 the principal, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Harbour Learning Trust (Formerly Healing Multi Academy Trust) and the Secretary of State for Education. The Accounting Officer is 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 8 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustees	Meetings attended	Out of possible
C Cherry (Appointed 16 December 2020)	7	7
K Ellis	7	8
P Kipling	5	8
L Kitchen	8	8
M Knapton (Resigned 31 December 2020)	2	2
J Lovelle (Vice Chair)	8	8
G Padbury (Appointed 16 December 2020 and resigned 2 March 2021)	2	2
D Peers (Chair)	8	8
G Walker (Resigned 31 December 2020)	1	2

In October 2020, Peter Kipling stepped down as Vice Chair and Jonathan Lovelle was appointed as his successor. Chris Cherry was appointed as Trustee on 16 December 2020. Gavin Padbury was appointed as a Trustee on 16 October 2020 but resigned as of 1 March 2021. Graham Walker resigned his post of Trustee as of 31 December 2020 and Mark Knapton resigned his post as CEO, Accounting Officer and Trustee as of 31 December 2020. Jo Nolan was appointed as CEO and Accounting Officer as of 1 January 2021 but was not made a Trustee.

# **HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)**

## **GOVERNANCE STATEMENT (CONTINUED)**

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### **The coverage of the work of the Board**

The Trust Board is ultimately responsible for overall control and direction, including the monitoring of performance and resources. The Board ensures that the Trust operates effectively and within the agreed terms of our internal governance and upholds the approved vision and values. Trustees are accountable to external government agencies including the Department for Education (DfE) and Charity Commission (CC) for the quality of the education they provide and have systems in place through which they can assure themselves of quality, safety and good practice.

The Board delegates other matters to its sub-committees (set out below) and executive powers which are recorded in the Scheme of Delegation. The development and implementation of new consistent and standardised school improvement model and processes under the leadership of the new Chief Executive has provided Trustees with further oversight and offered greater scrutiny into outcomes and the use of resources. The Trust continues to review its governance structure and Trustees against DfE, CC and Education and Skills Funding Agency (ESFA) guidance.

### **Governance reviews**

During the year the Trust has undertaken a comprehensive review of its governance structure, membership to the board (and its sub-committees) including the composition of each trust sub-committee and the remit of each committee.

The Board has also constructed a Chair of Committee, People and Welfare Committee, Education Committee, and a Governance Liaison Committee along with the remaining Audit, Risk, Finance and Estates Committee. The Governance Liaison Committee is to allow the Chairs of the Local Academy Councils and Academy Executive Boards to meet with key Trustees with the intention of improving the information flow.

The Board acknowledge that it has been a difficult year and in particular have faced a challenging period during the Covid Pandemic. The Board have continued to meet, through the use of information technology, to ensure the necessary challenges and scrutiny are still applied.

The Audit, Risk, Finance and Estates Committee is a sub-committee of the main Board of Trustees. Its purpose is to:

- Uphold financial integrity and manage the audit cycle
- Support the Trust's Strategic Plan, to agree estates priorities and monitor business delivery and health and safety compliance across the Trust and to receive reports on non-compliance
- Advise on the adequacy of financial and other controls and risk management arrangements
- Direct a programme of internal scrutiny
- Consider the results and quality of external audit
- Regularly review management accounts with the CFO and highlight variances including any proposed actions required to address any adverse variances from the budget
- Recommend exceptional investment / spend to the Trust Board in line with levels of authorisation
- Review the estates of the Trust and consider opportunities for development for recommendation to the Trust Board
- Regularly review management accounts relating to capital funds including grant funding
- Monitor delivery of estates and health and safety management and challenge areas of under-performance



# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## GOVERNANCE STATEMENT (CONTINUED)

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
C Cherry (Appointed 16 December 2020)	2	4
K Ellis	3	6
P Kipling	1	6
L Kitchin	6	6
M Knapton (Resigned 31 December 2020)	2	2
J Lovelle (Vice-Chair)	6	6
G Padbury (Appointed 16 December 2020 and resigned 2 March 2021)	1	1
D Peers (Chair)	4	6
G Walker (Resigned 31 December 2020)	2	2

The People and Welfare Committee is a sub-committee of the main Board of Trustees. Its purpose is to:

- Provide support and challenge on all Employment and HR matters
- Ensure salaries recommended by the line managers of senior staff are justified and in line with sector averages
- Monitor the consistency of job evaluation for all support staff and senior executives
- Review business cases / rationales for pay increases of senior staff as per the Scheme of Delegation
- Oversee the professional development of all employees in the Trust
- Review and monitor staff welfare across the Trust
- To review Single Central Record audit reports and offer reassurance to the Trust Board that the Single Central Record has been audited at least annually

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
C Cherry (Appointed 16 December 2020)	1	2
K Ellis	2	3
P Kipling	1	3
L Kitchin	3	3
M Knapton (Resigned 31 December 2020)	1	1
J Lovelle (Vice-Chair)	1	3
D Peers (Chair)	2	3
G Walker (Resigned 31 December 2020)	1	1

The Education Committee is a sub-committee of the main Board of Trustees. Its purpose is to provide as follows:

- Provide a balance of challenge and support to the Executive Team on the academic performance of the Trust and its academies
- Review academic targets to ensure they are ambitious for all pupils
- Monitor progress and challenge areas of under-performance
- Consider external reviews and make recommendations to the Trust Board regarding intervention in areas of concern
- Review SEND Policy and recommend to Trust Board
- Review Child Protection and Safeguarding Policy and recommend to Trust Board

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## GOVERNANCE STATEMENT (CONTINUED)

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
C Cherry (Appointed 16 December 2020)	4	4
K Ellis	4	4
P Kipling	4	4
L Kitchen	2	4
D Peers (Chair)	3	4

The Governance Liaison Committee is a sub-committee of the main Board of Trustees comprised of the Chair, Vice-Chair and Chair of the sub-committees. Its purpose is to provide as follows:

- Ensure synergy between the Trust Board and Local Academy Councils (LAC's)
- Promote and facilitate Liaison between the Trust Board and Local Academy Councils and to support governance within each Academy
- Report to Trust Board priorities from Local Academy Councils and Academy Executive Board

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
C Cherry (Appointed 16 December 2020)	1	1
K Ellis	0	1
P Kipling	0	1
L Kitchen	1	1
J Lovelle (Vice Chair)	1	1
D Peers (Chair)	1	1

Attendance of all meetings during 2020 - 2021 was as follows:

Trustees	Meetings attended	Out of possible
C Cherry (Appointed 16 December 2020)	15	18
K Ellis	16	22
P Kipling	11	22
L Kitchen	20	22
M Knapton (Resigned 31 December 2020)	5	5
J Lovelle (Vice Chair)	16	18
G Padbury (Appointed 16 December 2020 and resigned 1 March 2021)	3	3
D Peers (Chair)	18	22
G Walker (Resigned 31 December 2020)	4	5

### Review of value for money

As Accounting Officer, the CEO 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.

# **HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)**

## **GOVERNANCE STATEMENT (CONTINUED)**

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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 Chief Executive as an Accounting Officer is personally responsible for the regularity and propriety of public funds and ensuring they are consistent with the purposes for which they are intended.

The Accounting Officer has delivered improved value for money during the year by:

- Reviewing and updating the Scheme of delegation including reviewing financial authority and delegated financial limits
- Introducing a robust vacancy authorisation process and a change to contract authorisation process
- Reviewing all SLA and contracts and introducing a new robust approval system
- Restructuring the central team to create a more efficient and effective service to academies
- Instigating a trust wide building conditioning report
- Instigating full Health and Safety reviews across all academies to ensure DfCG funding is planned spending against need
- Reviewing the external auditors and recommending changes to the board and members
- Reviewing safeguard provision across the Trust and implementing a Safeguard SLA for services across the Trust
- Creating Executive Principal posts to support all the Principals with school improvement and removing the need for external consultants
- Instigating a variety of reviews of ICT across the Trust to protect against cyber-attacks and improve cyber security
- Recruitment to shared posts across primary schools and the secondment of staff
- Review of the curriculum and the staffing needs in both primary and secondary phase

### **The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of 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 Harbour Learning Trust (Formerly Healing Multi Academy Trust) for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

### **Capacity to handle risk**

The Board of Trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The 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 period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

### **The risk and control framework**

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- Regular reviews by the Finance, Health and Safety Sub-Committee of each Local Governing Body with full delegation (up to 31 March 2021) 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

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## GOVERNANCE STATEMENT (CONTINUED)

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### Internal scrutiny

The board of trustees has considered the need for a specific internal scrutiny function and decided:

- To appoint Streets Chartered Accountants as internal scrutineer
- To develop internal scrutiny to consider not only areas of finance but go beyond this into other areas of non-finance activity and operations
- To seamlessly link the risk register and work of internal scrutiny to better understand the assessment of risk and then the risks and opportunities faced over time.

With a change of Accounting Officer and scheme of delegation during year, the executive became aware that there were potentially some weaknesses in the area of purchasing and procurement and requested the recently appointed internal scrutineer Streets Chartered Accountants to review. This internal scrutiny work was conducted and one fundamental recommendation in this area (around purchase order controls) was raised which the Board has put an action plan in place to address.

During the period between September 2020 and August 2021 Streets Chartered Accountants have also undertaken reviews of payroll, purchasing and financial processes compliance against the new Scheme of Delegation only using a Traffic Light system. Some low and medium risk recommendations were raised, management have discussed and action plans are in place.

In addition to the work undertaken by Streets Chartered Accountants, the following reviews were completed as part of the overall risk management process.

March 2021 – General review report (peer review) – Northern Education Trust  
March 2021 – IT condition survey (peer review) – Northern Education Trust  
March 2021, June 2021 – Police cyber vulnerability initial report and follow up report  
June 2021 – Conditions surveys (Buildings) – Sanderson Weatherall  
July 2021 – Follow up IT Infrastructure Report (peer review) – Northern Education Trust  
July 2021 – Health & Safety Audits – Ermine and Lincoln (the remaining schools completed in 2021/22) – Cope Safety Management  
July 2021 – Fire Risk Assessments – Faithful & Gould  
August 2021 – Fire Compartment Surveys – Faithful & Gould

All the above reports have been presented to management and trustees and actions are being put in place to address shortcomings.

The academy trust can confirm the internal scrutineer delivered their schedule of work as planned.

Findings have been reported back to the Board. All issues identified have been picked up by the relevant business services Directors and are being actioned.

### Review of effectiveness

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

- The work of the internal scrutineers
- Findings from independent third party assurance reviews
- 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

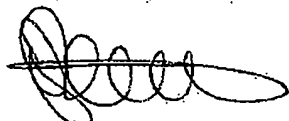
# **HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)**

## **GOVERNANCE STATEMENT (CONTINUED)**

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

Approved by order of the Board of Trustees on 25 January 2022 and signed on its behalf by:



D Peers  
Chair

## **HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)**

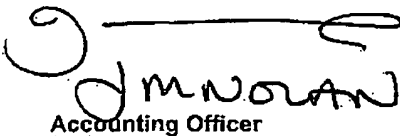
### **STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE**

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As accounting officer of Harbour Learning Trust (formerly 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 2020.

I confirm that I and the academy trust's 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 2020.

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



Accounting Officer

25 January 2022

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

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The trustees (who are also the directors of Harbour Learning Trust (formerly Healing Multi Academy Trust) for the purposes of company law) are responsible for preparing the Trustees' report (including the strategic report) and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these financial statements, the Trustees are required to:

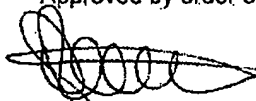
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 that 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 of Trustees on 25 January 2022 and signed on its behalf by:



D Peers  
Chair

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)**

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### **Opinion**

We have audited the financial statements of Harbour Learning Trust (formerly Healing Multi Academy Trust) (the "charitable company") for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), and the Academies Accounts Direction 2020 to 2021 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 charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2020 to 2021 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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

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

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

### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST) (CONTINUED)**

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### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Trustees' Report.

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

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

### **Responsibilities of Trustees**

As explained more fully in the Statement of Trustees' Responsibilities set out on page 30, the Trustees (who act as trustees for the charitable activities of the charitable company are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

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

### **The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses, and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST) (CONTINUED)

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Education and Skills Funding Agency's Academies Financial Handbook and Annual Accounts Direction. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the Education Inspection Framework under the Education Act 2005 (as amended), Keeping Children Safe in Education under the Education Act 2002, the UK General Data Protection Regulation (UK GDPR) and the Data Protection Act 2018. We performed audit procedures to inquire of management whether the charitable company is in compliance with these law and regulations and inspected correspondence with regulatory authorities in order to draw a conclusion.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

Richard Lewis (Senior Statutory Auditor)  
For and on behalf of RSM UK Audit LLP, Statutory Auditor  
Chartered Accountants  
Two Humber Quays  
Wellington Street West  
Hull  
HU1 2BN

26/1/2022

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

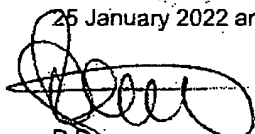
## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2021

		Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2021	Total 2020
	Notes	£000	£000	£000	£000	as restated £000
<b>Income and endowments from:</b>						
Donations and capital grants	5	-	5	4,353	1,358	1,139
Donations - transfer of existing academy into the trust		-	-	-	-	8,275
Charitable activities:						
- Funding for educational operations	6	303	25,990	-	26,293	24,107
- Funding for teaching school	6,28	-	459	-	459	441
Other trading activities	7	70	-	-	70	137
Investments	8	-	-	-	-	11
<b>Total</b>		<u>373</u>	<u>26,454</u>	<u>1,353</u>	<u>28,180</u>	<u>34,110</u>
<b>Expenditure on:</b>						
Charitable activities:						
- Educational operations	10	468	27,246	1,223	28,937	27,965
- Teaching school		-	413	-	413	339
<b>Total</b>	9	<u>468</u>	<u>27,659</u>	<u>1,223</u>	<u>29,350</u>	<u>28,304</u>
<b>Net income/(expenditure)</b>		(95)	(1,205)	130	(1,170)	5,806
Transfers between funds	20	(107)	107	-	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial losses on defined benefit obligations	26	-	(3,758)	-	(3,758)	(1,227)
<b>Net movement in funds</b>		<u>(202)</u>	<u>(4,856)</u>	<u>130</u>	<u>(4,928)</u>	<u>4,579</u>
<b>Reconciliation of funds</b>						
Total funds brought forward (as restated)		1,973	(12,534)	38,048	27,487	22,908
Total funds carried forward		<u>1,771</u>	<u>(17,390)</u>	<u>38,178</u>	<u>22,559</u>	<u>27,487</u>

**HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)****BALANCE SHEET****AS AT 31 AUGUST 2021**

		2021		2020 as restated	
	Notes	£000	£000	£000	£000
<b>Fixed assets</b>					
Intangible assets	15		15		22
Tangible assets	16		36,582		37,434
			<u>36,597</u>		<u>37,456</u>
<b>Current assets</b>					
Stocks		7		11	
Debtors	17	602		651	
Cash at bank and in hand		6,863		5,404	
		<u>7,472</u>		<u>6,066</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	18	(2,900)		(2,707)	
<b>Net current assets</b>			<u>4,572</u>		<u>3,359</u>
<b>Net assets excluding pension liability</b>			<u>41,169</u>		<u>40,815</u>
<b>Defined benefit pension scheme liability</b>	26		<u>(18,610)</u>		<u>(13,328)</u>
<b>Total net assets</b>			<u>22,559</u>		<u>27,487</u>
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>	20				
- Restricted fixed asset funds			38,178		38,048
- Restricted income funds			1,220		794
- Pension reserve			<u>(18,610)</u>		<u>(13,328)</u>
<b>Total restricted funds</b>			<u>20,788</u>		<u>25,514</u>
<b>Unrestricted income funds</b>	20		<u>1,771</u>		<u>1,973</u>
<b>Total funds</b>			<u>22,559</u>		<u>27,487</u>

The financial statements on pages 34 to 65 were approved by the Board of Trustees and authorised for issue on 25 January 2022 and are signed on their behalf by:



D Peers  
Chair

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

		2021		2020 as restated	
	Notes	£000	£000	£000	£000
<b>Cash flows from operating activities</b>					
Net cash provided by/(used in) operating activities	23		470		(461)
Cash funds transferred on conversion			-		1,124
			470		663
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		-		11	
Capital grants from DfE Group		1,182		968	
Capital funding received from sponsors and others		9		-	
Purchase of tangible fixed assets		(202)		(222)	
<b>Net cash provided by investing activities</b>			989		757
<b>Net increase in cash and cash equivalents in the reporting period</b>			1,459		1,420
Cash and cash equivalents at beginning of the year			5,404		3,984
<b>Cash and cash equivalents at end of the year</b>			6,863		5,404

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

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

---

### 1 Accounting policies

#### General information

Harbour Learning Trust (formerly Healing Multi Academy Trust) is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the Trustees' report.

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 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 financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006. The academy trust is a public benefit entity under FRS 102 and has therefore applied the relevant public benefit requirements of FRS 102.

The financial statements are presented in sterling which is also the functional currency of the academy trust.

Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

#### Going concern

The Trustees assess whether the use of the going concern basis of accounting is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. Based on cashflow forecasts prepared, the Board of Trustees have a reasonable expectation that the academy trust has the resources to adequately operate for a period of at least 12 months to 31 January 2023. The academy trust has also prepared budget forecasts to 31 August 2024 which have been considered in the Trustees' assessment to support the going concern conclusion adopted. In addition, the Trust operates with a manageable liquid cash balance and manages income and payments closely to ensure any potential risks to this are identified early. At the year-end cash at bank is £6,863k. 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 preparing the financial statements.

The trust has been able to accommodate additional costs in relation to the Covid-19 pandemic through sound and effective financial management, budget planning and utilising additional grant income provided through the DFE. The trust expects similar budget pressures in relation to the Covid-19 pandemic going forward, it is expected that any additional costs will be met from DFE grants and internal resources.

#### 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.

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

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### 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 period for which it is receivable; and any abatement in respect of the period is deducted from income and recognised as a liability.

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

#### Donations

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

#### Other income

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

#### Donated fixed assets

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

#### Transfer of assets from existing academies

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. Income equal to the net assets transferred is recognised within donations and capital grant income.

#### 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 are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

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### 1 Accounting policies (Continued)

#### 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.

#### Charitable activities

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

#### Employee benefits

The best estimate of the expenditure required to settle an obligation for termination benefits is recognised immediately as an expense when the Charitable Company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### Intangible fixed assets and amortisation

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:

Purchased computer software	5 years
-----------------------------	---------

#### Tangible fixed assets and depreciation

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. Subsequent costs are capitalised only when it is probable that such costs will generate future economic benefits. All other costs of repairs and maintenance are charged to the statement of financial activities as incurred.

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 that require 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.



# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 1 Accounting policies (Continued)

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, so as to write off the cost of assets less their residual values over their useful lives 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.

Freehold buildings	10 - 55 years (buildings element only)
Leasehold buildings	30 - 40 years
Long leasehold land	125 years
Computer hardware	3 years
Fixtures, fittings and equipment	5 years
Motor vehicles	5 years

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

#### 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 has chosen to adopt Sections 11 and 12 of FRS 102 in full in respect of financial instruments.

#### Financial assets and liabilities

Financial assets and financial liabilities are recognised when the academy trust becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. A financial asset or financial liability that is payable or receivable in one year is measured at the undiscounted amount expected to be received or paid net of impairment, unless it is a financing transaction. If an agreement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and financial liabilities are offset only when there is a current legally enforceable right to set off the recognised amounts and the intention to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

---

### 1 Accounting policies (Continued)

#### 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.

#### Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a projected unit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently there is insufficient information to use defined benefit accounting, it is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

The LGPS is a funded multi-employer scheme and the assets are held separately. 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 reporting date. The amounts charged to net income 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 as other comprehensive income. Actuarial gains and losses are recognised immediately as other comprehensive income.

#### 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.

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

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### 1 Accounting policies (Continued)

#### Prior period error

The valuation for some freehold and leasehold properties of academies previously transferred into Harbour Learning was based on net book value at the date of transfer rather than a full valuation on the basis of DRC as required as a best estimate of fair value in accordance with FRS 102.

This has resulted in a significant error in the values used upon the transfer of these properties into the Trust that has required a prior period adjustment that affects the financial statements for the years ended 31 August 2019 and 31 August 2020.

The adjustment in the value of the properties, and a revised calculation of the Useful Economic Life (UEL) of the various buildings transferred, has meant that the depreciation charged in those years and the impact of the net gain on the restricted fixed asset fund arising from the transfer in of the schools needs to be revised.

The details of the prior period error are shown in note 4.

### 2 Critical accounting estimates and areas of judgement

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

#### Critical accounting estimates and assumptions

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

#### **Defined benefit pension scheme**

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 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 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

#### **Useful economic lives of tangible assets**

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 16 for the carrying amount of the property plant and equipment, and the accounting policies for the useful economic lives for each class of assets.

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 3 Statement of financial activities - comparative year information (as restated).

Year ended 31 August 2020	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed asset Funds £000	Total 2020 £000
<b>Income and endowments from:</b>				
Donations and capital grants	171	-	968	1,139
Donations - transfer of existing academy into the trust	205	(3,035)	11,105	8,275
Charitable activities:				
- Funding for educational operations	289	23,818	-	24,107
- Funding for teaching school	337	104	-	441
Other trading activities	137	-	-	137
Investments	11	-	-	11
<b>Total</b>	<b>1,150</b>	<b>20,887</b>	<b>12,073</b>	<b>34,110</b>
<b>Expenditure on:</b>				
Charitable activities:				
- Educational operations	839	25,325	1,801	27,965
- Teaching school	276	63	-	339
<b>Total</b>	<b>1,115</b>	<b>25,388</b>	<b>1,801</b>	<b>28,304</b>
<b>Net income/(expenditure)</b>	<b>35</b>	<b>(4,501)</b>	<b>10,272</b>	<b>5,806</b>
<b>Other recognised gains/(losses)</b>				
Actuarial losses on defined benefit pension schemes	-	(1,227)	-	(1,227)
<b>Net movement in funds</b>	<b>35</b>	<b>(5,728)</b>	<b>10,272</b>	<b>4,579</b>

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 4 Prior period adjustment

The freehold and leasehold properties of the Link Education Trust were transferred into Harbour Learning Trust on 1 November 2018. The valuation used to value these properties at the date of transfer was net book value based on an earlier desktop valuation not the full valuation on the basis of Depreciated Replacement Cost (DRC) required.

Similarly the freehold properties of Academy of Lincoln Trust joined Healing Multi Academy Trust on 1 September 2019. The valuation used to value these properties at the date of transfer was net book value not the full valuation on the basis of (DRC) required.

This has resulted in a significant error in the values used upon the introduction of these properties into the Trust that has required a prior period adjustment that affects the financial statements for the years ended 31 August 2019 and 31 August 2020.

The adjustment in the value of the properties, and a revised calculation of the Useful Economic Life (UEL) of the various buildings transferred, has meant that the depreciation charged in those years also needs to be revised.

		1 September 2019 £000	31 August 2020 £000
<b>Reconciliation of funds</b>	<b>Notes</b>		
Funds as previously reported		19,232	25,265
Adjustments arising:			
Recognition of additional assets	1	3,738	2,376
Additional depreciation due to recognition of additional assets	2	(62)	(154)
Funds as restated		<u>22,908</u>	<u>27,487</u>
			2020 £000
<b>Reconciliation of net income for the previous financial period</b>	<b>Notes</b>		
Net income as previously reported			7,260
Adjustments arising:			
Recognition of additional assets	1		(1,300)
Additional depreciation due to recognition of additional assets	2		(154)
Net income as restated			<u>5,806</u>

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

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### 4 Prior period adjustment (Continued)

#### Notes to restatement

##### 1 - Revaluation of FH and LH Properties at date of transfer.

On 1 November 2018 the Link Education Trust joined Healing Multi Academy Trust. The three academies transferred freehold and leasehold land and buildings into the Trust valued at net book value on the date of transfer.

This has now been revalued at the date of transfer on a DRC basis, as a best estimate of the fair value, and the total affect of this adjustment in the year ended 31 August 2019 was to increase the value of freehold properties transferred by £2,762,772 and the value of leasehold properties transferred by £975,499. This increased the fund for fixed assets transferred on conversion and the donation for the transfer of the existing academies into the Trust recognised in the Statement of Financial Activities, correctly valued in accordance with the requirements of FRS 102, by £3,738,271.

On 1 September 2019 the Academy of Lincoln Trust joined Healing Multi Academy Trust. The two academies transferred freehold land and buildings into the Trust valued using net book value at the date of transfer.

This has now been revalued at the date of transfer on a DRC basis, as a best estimate of the fair value, and the total affect of this adjustment in the year ended 31 August 2020 was to reduce the value of freehold properties transferred by £1,300,438. This reduced the fund for fixed assets transferred on conversion and the donation for the transfer of the existing academies into the Trust recognised in the Statement of Financial Activities, correctly valued in accordance with the requirements of FRS 102, by £1,300,438.

##### 2 - Revision of depreciation arising as a result

There has been an additional depreciation charge of £137,000 in respect of the transfer of the Link Education Trust on 1 November 2018 due to the recognition of additional assets and revision of the useful economic lives of which £68,000 is attributable to freehold buildings, £69,000 to leasehold land and buildings.

In addition, there has been an additional depreciation charge of £79,000 in respect of the transfer of the Academy of Lincoln Trust on 1 September 2019 due to the recognition of additional assets and revision of the useful economic lives of which £79,000 is attributable to freehold buildings, £nil to leasehold land and buildings.

As a result additional accumulated depreciation as at 31 August 2020 was £216,000 (2019: £62,000).

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 5 Donations and capital grants

	Unrestricted funds £000	Restricted funds £000	Total 2021 £000	Total 2020 £000
Donated fixed assets	-	162	162	-
Capital grants	-	1,182	1,182	968
Other donations	-	14	14	171
	-	1,358	1,358	1,139

Fixed asset additions in the year included fixtures, computers and equipment gifted to the academy trust with a fair value of £162k.

### 6 Funding for the academy trust's educational operations

	Unrestricted funds £000	Restricted funds £000	Total 2021 £000	Total 2020 £000
<b>DfE / ESFA grants</b>				
General annual grant (GAG)	-	20,639	20,639	19,350
Other DfE / ESFA grants:				
- Universal Infant free school meals	-	194	194	204
- Pupil premium	-	1,754	1,754	1,719
- Others	-	1,910	1,910	1,294
	-	24,497	24,497	22,567
<b>Other government grants</b>				
Local authority grants	-	455	455	464
Special educational projects	-	982	982	668
	-	1,437	1,437	1,132
Teaching school income	-	459	459	441
Other incoming resources	303	56	359	408
	303	515	818	849
	303	26,449	26,752	24,548

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

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 7 Other trading activities

	Unrestricted funds £000	Restricted funds £000	Total 2021 £000	Total 2020 £000
Hire of facilities	13	-	13	16
Catering income	2	-	2	2
Educational trips and visits	42	-	42	-
Other income	13	-	13	119
	<u>70</u>	<u>-</u>	<u>70</u>	<u>137</u>

### 8 Investment income

	Unrestricted funds £000	Restricted funds £000	Total 2021 £000	Total 2020 £000
Interest from short term deposits	-	-	-	11
	<u>-</u>	<u>-</u>	<u>-</u>	<u>11</u>

### 9 Expenditure

	Staff costs £000	Non Pay Expenditure Premises £000	Other £000	Total 2021 £000	Total 2020 £000 as restated
Academy's educational operations:					
- Direct costs	17,449	-	1,342	18,791	17,322
- Allocated support costs	5,239	3,139	1,768	10,146	10,643
Teaching school					
- Direct costs	151	-	206	357	248
- Allocated support costs	56	-	-	56	91
	<u>22,895</u>	<u>3,139</u>	<u>3,316</u>	<u>29,350</u>	<u>28,304</u>

#### Net income/(expenditure) for the year includes:

	2021 £000	2020 £000 as restated
Operating lease rentals	137	115
Depreciation of tangible fixed assets	1,216	1,224
Amortisation of intangible fixed assets	7	7
Net interest on defined benefit pension liability	226	212
Fees payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services are as follows:		
- Audit	26	15
- Audit related assurance	13	10
- Other	9	-
	<u>265</u>	<u>242</u>



# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 10 Charitable activities

	Unrestricted funds £000	Restricted funds £000	Total 2021 £000	Total 2020 £000
<b>Direct costs</b>				<b>as restated</b>
Educational operations	43	18,748	18,791	17,322
Teaching school	-	357	357	248
<b>Support costs</b>				
Educational operations	425	9,721	10,146	10,643
Teaching school	-	56	56	91
	<u>468</u>	<u>28,882</u>	<u>29,350</u>	<u>28,304</u>
	<b>Teaching school £000</b>	<b>Educational operations £000</b>	<b>Total 2021 £000</b>	<b>Total 2020 £000</b>
<b>Analysis of support costs</b>				<b>as restated</b>
Support staff costs	56	5,274	5,330	5,555
Depreciation and amortisation	-	1,223	1,223	1,231
Technology costs	-	94	94	362
Premises costs	-	1,916	1,916	1,713
Legal costs	-	16	16	-
Other support costs	-	1,585	1,585	1,753
Governance costs	-	38	38	29
	<u>56</u>	<u>10,146</u>	<u>10,202</u>	<u>10,643</u>

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 11 Staff

#### Staff costs

Staff costs during the year were:

	2021 £000	2020 £000
Wages and salaries	16,387	13,279
Social security costs	1,487	1,420
Pension costs	4,865	5,763
Staff costs - employees	22,739	20,462
Agency staff costs	59	37
Staff restructuring costs	97	142
	22,895	20,641
Staff development and other staff costs	38	1
Total staff expenditure	22,933	20,642

Staff restructuring costs comprise:

Redundancy payments	29	49
Severance payments	68	93
	97	142

#### Non statutory/non-contractual staff severance payments

Included within staff restructuring costs are non-statutory/non-contractual severance payments of £13,000 (2020: £3,000). Individually, the payments were: £3,000 and £10,000.

#### Staff numbers

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

	2021 Number	2020 Number
Teachers	255	235
Administration and support	405	397
Management	13	14
	673	646

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 11 Staff (Continued)

#### Higher paid staff

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

	2021 Number	2020 Number
£60,001 - £70,000	10	7
£70,001 - £80,000	4	2
£80,001 - £90,000	2	1
£90,001 - £100,000	1	-
£100,0001 - £110,000	1	2

#### 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 £469,421 (2020: £1,286,211).

### 12 Central services

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

- human resources;
- 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 amounts charged during the year were as follows:

	2021 £000	2020 £000
Ermine Primary Academy	171	154
Hartsholme Academy	128	194
Healing School - A Science Academy	237	216
Healing Primary School	61	41
Great Coates Primary School	60	52
Lincoln Castle Academy	372	266
St Giles Academy	168	197
William Barcroft Junior School	70	59
Woodlands Academy	125	157
	<u>1,392</u>	<u>1,336</u>

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 13 Trustees' remuneration and expenses

One or more of the Trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The accounting officer only receives remuneration in respect of services they provide undertaking the role of accounting officer under their contract of employment, and not in respect of their services as Trustee. M Knapton resigned as accounting officer and trustee on 31 December 2020. J Nolan was appointed accounting officer on 1 January 2021 but is not a trustee.

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

M Knapton CEO:

Remuneration: £38,494 (2020: £105,000-£110,000)  
Employer's pension contributions £9,115 (2020: £25,000-£30,000)

During the year ended 31 August 2021, travel and subsistence claims totalling £100 (2020: £1,489) were reimbursed to one trustees (2020: one).

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

### 14 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 trust business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

### 15 Intangible fixed assets

	Computer software £000
<b>Cost</b>	
At 1 September 2020 and at 31 August 2021	54
<b>Amortisation</b>	
At 1 September 2020	32
Charge for year	7
At 31 August 2021	39
<b>Carrying amount</b>	
At 31 August 2021	15
At 31 August 2020	22

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 16 Tangible fixed assets

	Freehold land and buildings £000	Leasehold land and buildings £000	Computer hardware £000	Fixtures, fittings and equipment £000	Motor vehicles £000	Total £000
<b>Cost</b>						
At 1 September 2020 as restated	26,833	13,779	477	880	1	41,970
Transfers	(112)	-	-	112	-	-
Additions	-	-	162	202	-	364
At 31 August 2021	26,721	13,779	639	1,194	1	42,334
<b>Depreciation</b>						
At 1 September 2020 as restated	2,463	939	459	674	1	4,536
Charge for the year	731	342	39	104	-	1,216
At 31 August 2021	3,194	1,281	498	778	1	5,752
<b>Net book value</b>						
At 31 August 2021	23,527	12,498	141	416	-	36,582
At 31 August 2020 as restated	24,370	12,840	18	206	-	37,434

Included within freehold land and buildings is £2,380,000 (2020: £2,380,000 (as restated)) freehold land which is not depreciated.

### 17 Debtors

	2021 £000	2020 £000
Trade debtors	24	29
VAT recoverable	185	179
Other debtors	4	3
Prepayments and accrued income	389	440
	602	651

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 18 Creditors: amounts falling due within one year

	2021 £000	2020 £000
Trade creditors	497	444
Other taxation and social security	375	345
Other creditors	1,536	1,457
Accruals and deferred income (see note 19)	492	461
	<u>2,900</u>	<u>2,707</u>

### 19 Deferred income

	2021 £000	2020 £000
Deferred income is included within:		
Creditors due within one year	<u>196</u>	<u>147</u>
Deferred income at 1 September 2020	147	56
Released from previous years	(147)	(56)
Resources deferred in the year	<u>196</u>	<u>147</u>
Deferred income at 31 August 2021	<u>196</u>	<u>147</u>

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

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 20 Funds

	Balance at 1 September 2020 £000 as restated	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2021 £000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	468	20,639	(20,081)	-	1,026
Other DfE / ESFA grants:					
- Universal infant free school meals	-	194	(194)	-	-
- Pupil premium	285	1,754	(2,039)	-	-
- Others	-	1,910	(1,910)	-	-
Other government grants	-	1,437	(1,437)	-	-
Teaching school	41	459	(413)	107	194
Other restricted funds	-	61	(61)	-	-
Pension reserve	(13,328)	-	(1,524)	(3,758)	(18,610)
	<u>(12,534)</u>	<u>26,454</u>	<u>(27,659)</u>	<u>(3,651)</u>	<u>(17,390)</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	32,731	-	(1,073)	-	31,658
DfE group capital grants	5,317	1,182	(120)	-	6,379
Donated assets	-	171	(30)	-	141
	<u>38,048</u>	<u>1,353</u>	<u>(1,223)</u>	<u>-</u>	<u>38,178</u>
<b>Total restricted funds</b>	<u>25,514</u>	<u>27,807</u>	<u>(28,882)</u>	<u>(3,651)</u>	<u>20,788</u>
<b>Unrestricted funds</b>					
General funds	1,973	373	(468)	(107)	1,771
<b>Total funds</b>	<u>27,487</u>	<u>28,180</u>	<u>(29,350)</u>	<u>(3,758)</u>	<u>22,559</u>

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

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### 20 Funds (Continued)

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

#### **General Annual Grant (GAG)**

The General Annual Grant (GAG) must be used for the normal running costs of the Academy. Under the funding 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 2021.

#### **Other DfE/ESFA grants**

Other DfE/ESFA grants include:

- Pupil Premium must be used to support the cost of raising the attainment of disadvantaged pupils.
- Universal infant free school meals funding must be used to provide free school meals to infant school pupils.

#### **Other government grants**

Other government grants include:

- SEN funding which represents grants received in order to provide additional teaching resources for children with special learning needs. The cost of these teaching resources has been set against the income.
- Early years funding received for 3 and 4 year olds.
- Other lower level grants and donations received for a particular purpose. Any relevant costs have been offset against this income.

#### **Teaching School**

Teaching school grant is received from the ESFA and National College as part of the teaching school status.

#### **Other restricted funds**

Other restricted funds represent lower level grants and donations received for a particular purpose. Any relevant costs have been offset against this income.

#### **Pension reserve**

The Pension reserve represents the Academy Trust's net liability in respect of the Local Government Pension Scheme. This is in deficit as the liabilities on the two schemes exceed assets held. The agreed contribution rates for future years, detailed in note 26, are set to reduce this deficit in the years to come.

#### **Restricted fixed assets**

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

#### **Transfers**

Transfers in the year relate to the reclassification of teaching school balances, which were previously treated as unrestricted funds, to be classified as restricted balances.



# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 20 Funds (Continued)

#### Funds prior year

	Balance at 1 September 2019 £000 as restated	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2020 £000 as restated
<b>Restricted general funds</b>					
General Annual Grant (GAG)	503	19,350	(19,385)	-	468
Other DfE / ESFA grants:					
- Universal infant free school meals	-	204	(204)	-	-
- Pupil premium	179	1,719	(1,613)	-	285
- Others	-	1,294	(1,294)	-	-
Other government grants	-	1,132	(1,132)	-	-
Teaching school	-	104	(63)	-	41
Transfer of existing academies into Trust	-	134	(134)	-	-
Other restricted funds	-	119	(119)	-	-
Pension reserve	(7,488)	(3,169)	(1,444)	(1,227)	(13,328)
	<u>(6,806)</u>	<u>20,887</u>	<u>(25,388)</u>	<u>(1,227)</u>	<u>(12,534)</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	22,696	11,105	(978)	-	32,823
DfE group capital grants	4,714	968	(457)	-	5,225
Capital expenditure from GAG	366	-	(366)	-	-
	<u>27,776</u>	<u>12,073</u>	<u>(1,801)</u>	<u>-</u>	<u>38,048</u>
<b>Total restricted funds</b>	<u>20,970</u>	<u>32,960</u>	<u>(27,189)</u>	<u>(1,227)</u>	<u>25,514</u>
<b>Unrestricted funds</b>					
General funds	1,938	1,150	(1,115)	-	1,973
<b>Total funds</b>	<u>22,908</u>	<u>34,110</u>	<u>(28,304)</u>	<u>(1,227)</u>	<u>27,487</u>

# **HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021**

### **20 Funds (Continued)**

#### **Total funds analysis by academy:**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Fund balances at 31 August 2021 were allocated as follows:		<b>as restated</b>
Ermine Primary Academy	15	68
Hartsholme Academy	15	12
Healing School - A Science Academy	15	1,055
Healing Primary School	15	493
Great Coates Primary School	15	95
Lincoln Castle Academy	15	211
St Giles Academy	15	97
William Barcroft Junior School	15	534
Woodlands Academy	15	92
Central services	2,856	110
<b>Total before fixed assets fund and pension reserve</b>	<b>2,991</b>	<b>2,767</b>
<b>Restricted fixed asset fund</b>	<b>38,178</b>	<b>38,048</b>
<b>Pension reserve</b>	<b>(18,610)</b>	<b>(13,328)</b>
<b>Total funds</b>	<b>22,559</b>	<b>27,487</b>

As per the reserves policy outlined in the Trustees' Report, Trustees have considered individual academy reserves within the Academy Trust with the plan going forward to manage funds (at £15k per academy) at a Trust level. These funds will better support a new, consistent and student focused approach to school improvement across all academies.

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 20 Funds (Continued)

#### Total cost analysis by academy

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

	Teaching and educational support staff £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2021 £000	Total 2020 £000
Ermine Primary Academy	1,735	330	101	258	2,424	2,523
Hartsholme Academy	1,613	289	234	326	2,462	2,363
Healing School - A Science Academy	3,879	755	376	581	5,591	5,687
Healing Primary School	980	203	99	183	1,465	1,424
Great Coates Primary School	1,092	236	70	185	1,583	1,629
Lincoln Castle Academy	4,078	718	362	591	5,749	6,221
St Giles Academy	1,581	276	102	306	2,265	2,196
William Barcroft Junior School	1,193	189	96	177	1,655	1,643
Woodlands Academy	1,123	223	83	218	1,647	3,024
Central services	262	2,178	21	803	3,264	1,579
	<u>17,536</u>	<u>5,397</u>	<u>1,544</u>	<u>3,628</u>	<u>28,105</u>	<u>28,289</u>

### 21 Analysis of net assets between funds

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
<b>Fund balances at 31 August 2021 are represented by:</b>				
Intangible fixed assets	-	-	15	15
Tangible fixed assets	-	-	36,582	36,582
Current assets	1,771	4,120	1,581	7,472
Creditors falling due within one year	-	(2,900)	-	(2,900)
Defined benefit pension liability	-	(18,610)	-	(18,610)
<b>Total net assets</b>	<u>1,771</u>	<u>(17,390)</u>	<u>38,178</u>	<u>22,559</u>

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 21 Analysis of net assets between funds (Continued)

	Unrestricted Funds £000	Restricted funds: General £000	Fixed asset £000	Total Funds £000
<b>Fund balances at 31 August 2020 as restated are represented by:</b>				
Intangible fixed assets	-	-	22	22
Tangible fixed assets	-	-	37,434	37,434
Current assets	1,973	3,501	592	6,066
Creditors falling due within one year	-	(2,707)	-	(2,707)
Defined benefit pension liability	-	(13,328)	-	(13,328)
<b>Total net assets</b>	<b>1,973</b>	<b>(12,534)</b>	<b>38,048</b>	<b>27,487</b>

### 22 Long-term commitments, including operating leases

At 31 August 2021 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2021 £000	2020 £000
Amounts due within one year	85	91
Amounts due between one and five years	70	147
	<b>155</b>	<b>238</b>

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 23 Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2021 £000	2020 £000 as restated
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(1,170)	5,806
Adjusted for:		
Net surplus on transfer of academy in the trust	-	(8,275)
Capital grants from DfE and other capital income	(1,353)	(968)
Interest receivable	-	(11)
Pension costs less contributions payable	1,298	1,232
Pension scheme finance costs	226	212
Depreciation of tangible fixed assets	1,216	1,224
Amortisation of intangible fixed assets	7	7
Movements in working capital:		
Decrease/(increase) in stocks	4	(7)
Decrease/(increase) in debtors	49	(41)
Increase in creditors	193	819
Transferred on conversion	-	(459)
Net cash provided by/(used in) operating activities	470	(461)

### 24 Analysis of changes in net funds

	1 September 2020 £000	Cash flows £000	31 August 2021 £000
Cash	5,404	1,459	6,863

### 25 Members' liability

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

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

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### 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 that of the LGPS related to the period ended 31 March 2019.

Contributions amounting to £392k were payable to the schemes at 31 August 2021 (2020: £379k) and are included within creditors.

#### Teachers' Pension Scheme

##### Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions 2014.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer.

##### 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 except it has been prepared following the Government's decision to pause the operation of the cost control mechanisms at the time when legal challenges were still pending. The valuation report was published by the Department for Education on 5 March 2019.

The key elements of the valuation and subsequent consultation are:

- Total scheme liabilities for service (pensions currently payable and the estimated cost of future benefits) of £218 billion
- Value of notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196 billion
- Notional past service deficit of £22 billion
- Discount rate is 2.4% in excess of CPI

As a result of the valuation, new employer contribution rates were set at 23.68% (including a 0.08% administration levy) of pensionable pay from September 2019 onwards (compared to 16.48% during 2019/20). The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to the TPS in the period amounted to £2,479k (2020: £2,336k).

The TPS is a multi-employer pension plan and there is insufficient information to account for the scheme as a defined benefit plan so it is accounted for as a defined contribution plan.

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 26 Pension and similar obligations (Continued)

#### Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 17.4-26.9% for employers and 5.5-12.5% for employees.

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

#### Principal actuarial assumptions:

The following information is based upon a full actuarial valuation of the funds at 31 March 2019 updated to 31 August 2021 by the qualified independent actuaries.

	Discount rate for scheme liabilities		Rate of increase in salaries		Rate of increase for pensions in payment / inflation	
	2021 %	2020 %	2021 %	2020 %	2021 %	2020 %
East Riding Local Government Pension Scheme	1.65	1.7	3.8	3.1	2.9	2.2
Lincolnshire Local Government Pension Scheme	1.65	1.7	3.2	2.5	2.9	2.2

#### Mortality

The assumed life expectations are:

	Males		Females	
	Retiring today	Retiring in 20 years	Retiring today	Retiring in 20 years
	2021	2021	2021	2021
East Riding Local Government Pension Scheme	21.0	22.2	23.8	25.5
Lincolnshire Local Government Pension Scheme	21.5	22.5	23.8	25.3

Total contributions made	2021 £000	2020 £000
Employer's contributions	1,090	1,101
Employees' contributions	305	285
Total contributions	1,395	1,386

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 26 Pension and similar obligations (Continued)

The academy trust's share of the assets in the scheme	2021 Fair value £000	2020 Fair value £000
Equities	11,820	8,884
Bonds	2,664	2,395
Property	1,783	1,428
Cash and other liquid assets	505	418
Total fair value of assets	16,772	13,125

The actual return on scheme assets was £2,652,000 (2020: £42,000).

Amount recognised in the statement of financial activities	2021 £000	2020 £000
Current service cost	2,388	2,287
Net interest cost	226	212
Total operating charge	2,614	2,499

Changes in the present value of defined benefit obligations	2021 £000
At 1 September 2020	26,453
Current service cost	2,384
Interest cost	458
Employee contributions	305
Actuarial loss	6,178
Benefits paid	(396)
At 31 August 2021	35,382



# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 26 Pension and similar obligations (Continued)

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

	2021 £000
At 1 September 2020	13,125
Interest income	232
Return on plan assets (excluding net interest on the net defined pension liability)	2,420
Employer contributions	1,090
Employee contributions	305
Benefits paid	(396)
Administration expenses	(4)
At 31 August 2021	<u>16,772</u>

### 27 Related party transactions

Trustees' remuneration and expenses is disclosed in note 13.

Owing to the nature of the academy trust and the composition of the board of trustees drawn from local public and private sector organisations, transactions may take place with organisations in which trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions on or after 1 April 2019.

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 letter is used.

The Trust purchased legal representation, including HR support, from Wilkin Chapman LLP on an ongoing basis in September 2017 following a best value exercise carried out by the Trust. The costs relating to this service during the year were £21,271 (2020: £13,737). There was an outstanding balance of £Nil at 31 August 2021 (2020: £Nil).

In January 2022, the Trust launched a procurement exercise to formally appoint a solicitor for the trust.

A local governor at one of our academies, Mr A Whitehouse, provided SEN consultancy services to the trust to the value of £950 in the year through a company Mr Whitehouse is a director with People First Education Ltd.

Both the arrangements with Wilkin Chapman and People First Education were declared to the ESFA and are recorded on the related party database.

# HARBOUR LEARNING TRUST (FORMERLY HEALING MULTI ACADEMY TRUST)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 28 Teaching school trading account

	2021		2020	
	£000	£000	£000	£000
<b>Direct income</b>				
External funding		459		441
<b>Direct costs</b>				
Direct staff costs	151		145	
Staff development	-		1	
Other direct costs	206		102	
	<u>357</u>		<u>248</u>	
<b>Other costs</b>				
Support staff costs	56		59	
Other support costs	-		32	
	<u>56</u>		<u>91</u>	
<b>Total expenditure</b>		(413)		(339)
<b>Surplus from all sources</b>		46		102
Teaching school balances at 1 September 2020		148		46
<b>Teaching school balances at 31 August 2021</b>		<u>194</u>		<u>148</u>