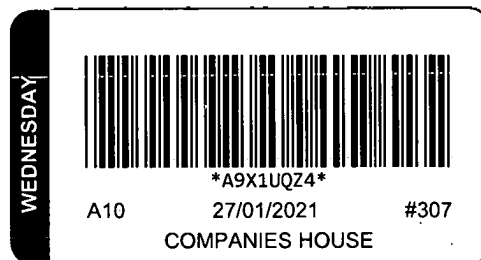


Company Registration No. 09691510 (England and Wales)

**HAILEY HALL ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**



# HAILEY HALL ACADEMY TRUST

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# HAILEY HALL ACADEMY TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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<b>Members</b>	L Want (Resigned 4 September 2019) R Parperis L Williams (Appointed 25 September 2019) K Dunnett (Appointed 25 September 2019) R Bolton (Appointed 25 September 2019) J DeBrau (Appointed 25 September 2019)	
<b>Trustees</b>	P J Delamaine (Accounting Officer) L Want (Resigned 4 September 2019) J Clarke S Newton R Parperis (Chair of Trustees) C Chalk A Connoley J Hammond S Sharp (Appointed 25 September 2019)	
<b>Senior management team</b>	P Delamaine J Dormer B Aldiss A Devine L Gregory S Newton J Kinchlea A Caira S Hill	- Acting Headteacher & Acting Accounting Officer - Deputy Headteacher (left 31 August 2020) - Acting Deputy Headteacher - Assistant Headteacher - Operations Manager - Head of Residential Care - Strategic Business Manager - Finance & Exam Manager (Left 5 January 2020) - Associate Assistant Headteacher (SENDCo)
<b>Company secretary</b>	J Kinchlea	
<b>Company registration number</b>	09691510 (England and Wales)	
<b>Registered office</b>	Hailey Lane Hertford Hertfordshire SG13 7PB	
<b>Independent auditor</b>	Azets Audit Services 5 Yeomans Court Ware Road Hertford SG13 7HJ	

# HAILEY HALL ACADEMY TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Bankers

Barclays Bank Plc  
51 High St  
Hoddesdon  
EN11 8TG

Lloyds Bank plc  
5-6 Market Pl  
Hertford  
SG14 1DS

# HAILEY HALL ACADEMY TRUST

## TRUSTEES' REPORT

### *FOR THE YEAR ENDED 31 AUGUST 2020*

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The Trustees present their Annual Report together with the financial statements and Auditor's Report of Hailey Hall Academy Trust (the Academy, The Trust or the Charitable Company) for the year 1 September 2019 to 31 August 2020. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' Report under company law.

The Trust operates a convertor Academy Special School and Specialist Sports College for boys aged 11-16 who have learning, social, emotional and behavioural and mental health difficulties (SEMH). The school population is drawn from all parts of Hertfordshire and Essex, Enfield and Bedfordshire especially the larger urban areas. The urban areas contain socio-economically deprived housing estates. The rural areas contain small primary schools or larger secondary schools that cater for wide geographical catchments. For 2019-20, the Academy had a pupil capacity of 70-day places and up to 40 Monday to Thursday boarding places. In the Spring (January) 2020 Census, there was an average of 70 pupils on roll. The boarding places were reduced to 33 with effect from 1 January 2020, due to reducing attendance.

#### **Structure, governance and management**

##### Constitution

The Academy is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are its primary governing documents. The Trustees of The Charitable Company are also the Directors for the purposes of company law. The terms Trustee, Director and Governor are interchangeable.

The Charitable Company is known as Hailey Hall Academy Trust.

The trustees of Hailey Hall Academy Trust are also the directors of the charitable company for the purposes of company law. Details of the Trustees who served during the year, and to the date these accounts are approved, are included in the Reference and Administrative Details on page 1.

##### Members' liability

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

##### Trustees' indemnities

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides unlimited cover.

# HAILEY HALL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### Method of recruitment and appointment or election of Trustees

The arrangements are as set out in the Articles and Funding Agreement.

Trustees are appointed for a fixed term of 4 years. The Headteacher is a member of the Board of Trustees. Parent Trustees and the Staff Trustees are elected to office or appointed if there are insufficient candidates offering themselves for election. The Articles of Association in 19/20 made provision for:

- Members to appoint up to one trustee (Members are Richard Parperis, Katherine Dunnett, Rosemary Bolton Linda Williams and John De Braux). The Articles were changed in September 2020, which now permit Members to appoint up to three trustees. The Articles of Association were amended with permission from the ESFA and Charitable Commission
- Members to appoint staff trustees up to one third of the total number of trustees
- A minimum of two and a maximum of four parent trustees to be elected by parents or appointed by the Board of Trustees if the number of parents standing for election as trustees is less than the number of vacancies
- Trustees may now appoint co-opted trustees. This was not the case in 2019/20, but was changed when The Articles were amended in September 2020.

The Board of Trustees comprises the Principal, four co-opted trustees, one staff trustee and two parent trustees.

In order to recruit new non-staff trustees, adverts are placed on the National Governors Association website. Applications are also taken via networking/external contacts of school staff.

An election process is undertaken for new parent governors. The school will write to all parents to announce a vacancy/vacancies and an election process is undertaken

Following application, meetings are arranged with Headteacher and Chair of the BOT to discuss suitability and areas of experience of the applicant/s. If it is agreed that the individuals are suitable to undertake a governance role, references are obtained, DBS check undertaken, and induction process delivered. This includes a tour of the school, provision of access to GovernorHub, governance information/school policies and the allocation of a school email address.

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

The Charitable Company is committed to providing adequate opportunities for Trustees to undertake and receive suitable training to enable them to perform their role effectively. To this end trustees are able to undertake training, including training courses run by Herts for Learning. The Board of Trustees undertakes an annual review of the range of skills of existing trustees and their training undertaken as compared with training recommended by Herts for Learning. Actions are taken to address any apparent skill or training gaps.

All new Trustees receive an induction to the role, according to their need, which may include, introductory sessions, mentoring and formal courses. This process will involve a meeting with the Chairman of Trustees and Headteacher, as well as chairs of governance committees in which they will take part. All Trustees are provided with relevant governance material as well as access to the School's policies.

# HAILEY HALL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### Organisational structure

The governance of the Academy is defined in the Memorandum and Articles of Association together with the Funding Agreement with the Department of Education.

The Board of Trustees, which meets on at least 5 occasions per year and each individual committee at least 3 times per year, is responsible for the strategic direction of the Academy. In order to maintain effective financial oversight, the board is circularised monthly management accounts and cash flow statement. The Board determines strategic direction for the Academy, reviews progress towards educational objectives and results; approves major expenditure requests; sets the budget for the following year; sets the organisational staffing structure; monitors progress of activities to achieve strategic and operational objectives; agrees the performance objectives of the Headteacher with the School Improvement Partner, and reviews them. The Headteacher is responsible for progressing towards agreed strategic objectives as well as all operational and day-to-day activities of the school.

The Academy's governance arrangements and structure are as described on the website at <http://www.haileyhall.herts.sch.uk/page/?title=Governance&pid=15>. The Board of Trustees has established the following governance sub-committees, each of which has detailed terms of reference (also available via the above link to the website).

Sub-committee	Main areas of responsibility
1. Finance and Premises Committee	- Financial oversight - Premises management, including health & safety.
2. Human Resources Committee	- School staff personnel policies, management, well-being, grievances, etc.
3. Achievement and Standards Committee	- Review, monitor and evaluate achievement and standard documentation; e.g. SIP/SDP, Curriculum Offer, Pupil Premium application, attendance data/procedures etc.
4. Policy Committee	- Oversee policy development and ensure policies are being properly applied and update as necessary

The Headteacher is the designated Accounting Officer of the Academy and has overall responsibility for the day-to-day financial management of the Charitable Company. The Headteacher has delegated responsibility for low values of expenditure to specific budget holders who are responsible for managing their own departments within their allocated budgets. A system of financial controls is in place to manage this process.

The Headteacher manages the Academy on a daily basis supported by a Senior Leadership Team (SLT). The SLT meets frequently to discuss emerging matters and to help to develop strategies for future development to be put to the Headteacher and the Board of Trustees as required for approval. Each member of the SLT has specific responsibilities to assist the Headteacher to manage certain aspects of the Academy.

# HAILEY HALL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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

Key management personnel include Academy Trustees and those staff to whom the Trustees have delegated significant authority and responsibility in the day-to-day running of the Trust.

Non- Staff Trustees receive no remuneration from the Academy.

Pay & Performance and Appraisal policies are in place, which provides a clear framework for the management of pay and grading issues for all staff employed by the Academy, together with a framework to undertake appraisals of staff performance. This policy is also used to;

- Maintain and improve the quality of teaching and learning at the school;
- Support the school improvement plan;
- Ensure that all staff are valued and appropriately rewarded for their work and contribution to the school;
- Ensure staff are well motivated, supported by positive recruitment and retention policies and staff development;
- Demonstrate that decisions on pay are fair, equitable, just and transparent;
- Provide flexibility to enable individual staff performance to be linked to pay decisions.

Specifically, the arrangements used for setting pay and remuneration of key management staff, which are outlined in the Pay Policy, are as follows:

#### **Leadership Pay Group (teaching staff)**

The Trustee Board has assigned individual pay ranges for each leadership group posts, which have been calculated in accordance with the STPCD and are set out in Appendix 1 of the Pay Policy.

These pay groups are reviewed when determining the pay range for a vacancy prior to it being advertised, taking account the needs of the school and skills and experience of a new appointment.

These ranges only change:

1. Where the accountability and responsibility of the post significantly increase since it was last reviewed.
2. In order to reflect a change in value of a post following a recruitment exercise which warrants a review of the leadership group ranges in order to maintain a suitable pay differential.

The pay range for the Headteacher is kept within the range attributed to the school group size in the STPCD. The Trustee Board has regard for the position of the school within the group range when determining the individual range for the Headteacher. This in turn informs limitations of other leadership group posts, which will not overlap with the pay range of the Headteacher.

In the case of non-teaching management staff, the pay value of roles are aligned to the Hay job evaluation scheme. The activities of new roles are compared to model job descriptions provided under the scheme by Herts CC, and appropriate gradings are applied.

The Pay and Appraisal Policies are reviewed annually by Trustees.



# **HAILEY HALL ACADEMY TRUST**

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

***FOR THE YEAR ENDED 31 AUGUST 2020***

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### Related parties and other connected charities and organisations

Owing to the nature of the Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, it is possible that from time to time transactions will take place with organisations in which members of the Board may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procedures. Any transaction where the Trustee may have a pecuniary interest is only undertaken in accordance with the 'at cost' principle described in the Academies Financial Handbook.

All members of the Board provide an annual declaration of any pecuniary or other interests they have with organisations which may be involved with the Trust. No such potential conflicts of interest have been identified

The Trust does not have a formal sponsor.

# HAILEY HALL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2020**

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### **Objectives and activities**

#### **Objects and aims**

The principal object and aim of the Charitable Company is the operation of the school to provide free education and care for boys of different abilities and special needs between the ages of 11 and 16.

#### **Objectives, Strategies and Activities**

The main objectives for 2019/20 are set out below for each of the new Ofsted headings, along with what we have done to achieve these objectives and how successful we have been:

### **QUALITY OF EDUCATION**

#### **Intent**

***Our school's curriculum is coherently planned and sequenced towards cumulatively sufficient knowledge and skills for future learning and employment:***

- Long-term and medium-term planning documents are evidenced in relation to life skills, SMSC and British Values, which are embedded into plans.
- The impact the current curriculum has on pupils is evidenced by the Life skills passport, which demonstrates each pupil's increasing fluency and independence
- Subject leaders have planned and sequenced the curriculum so that new knowledge & skills build on what has been taught before

***Our curriculum is successfully adapted, designed or developed to be ambitious and meet the needs of pupils with SEN and/or disabilities, developing their knowledge, skills and abilities to apply what they know and can do with increasing fluency and independence:***

- The Curriculum Map evidences how the curriculum will meet the needs of all learners and the Curriculum review evidences the development over time of each curriculum area.
- Impact of curriculum interventions which have been implemented to meet the needs of individual SEN pupils are as follows:
  - Meeting mental health needs can be evidenced through therapy worker's SDQ's and reports and case studies
  - Meeting educational needs through bespoke one to one support sessions.
  - Pupil premium strategy/audit identifying individual needs both academically and emotionally
- Ofsted 2019 inspection stated that leaders ensure pupils access a range of subjects within the curriculum including the core and a full range of foundation subjects.
- Our curriculum is designed to meet the individual needs of an SEMH pupil. The subjects available are in place to give the best possible progression opportunities post key stage 4. There is a wide range of curriculum opportunities to meet the individual passions and interests of pupils.
- At KS4, the core subjects English, Maths and Science are taught. Students choose their options from a range of subjects on offer in year 9. At KS4, students also work towards their GCSEs and Functional skills in Maths and English.

#### **Implementation**

***Our teachers have good knowledge of the subject(s) and courses they teach. Our leaders provide effective support for those teaching outside their main areas of expertise.***

- Lesson observations evidence that teachers have good subject knowledge.
- There is a good quality of teaching, learning and assessment by teachers (Ofsted 2019)
- Curriculum reviews evidence that teachers have a superb understanding of the courses they teach and the relevance of their courses
- Performance management include staff training and development plans
- Bespoke 121 mentoring and coaching of new DT/FT teacher from subject specialist
- Ongoing curriculum CPD is delivered to all staff this can be evidenced in the staff training record, curriculum maps, and British Values and SMSC curriculum audit.
- Curriculum leads have mentored and supported less experienced staff, or staff new to the sector/subject. Science co-ordinator mentoring NQT through induction programme- evidence in NQT portfolio.

# HAILEY HALL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2020**

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***Our teachers present subject matter clearly, promoting appropriate discussion about the subject matter being taught. They check pupils' understanding systematically, identify misconceptions accurately and provide clear, direct feedback. In so doing, our teachers respond and adapt their teaching as necessary without unnecessarily elaborate or individualised approaches.***

- Evidence of support given to all teachers to improve and develop can be seen in performance management documentation
- A thorough knowledge of the age-related expectations across the curriculum in all key stages is used to plan learning for all levels of ability well. (Ofsted 2019)
- Teachers check pupil understanding regularly through the marking and feedback of pupil work. Through this feedback, misconceptions are addressed and pupils have an opportunity to respond to feedback. Evidence of this can be seen in books and records of SLT work scrutiny.
- Teachers and teaching assistants have a clear understanding of pupils' academic and personal starting points (Ofsted 2019)
- Staff use questioning well to encourage pupils to explain their answers verbally. As a result, pupils are confident to play an active role in their lessons. This can be evidenced in lesson observations and behaviour data.
- CPD: Our 'grow your own' approach to developing new teachers has led to a member of staff completing his NQT year and another becoming qualified. This training has enabled them to adapt their teaching to meet individual needs. We are also proud to have 2 former pupils who are now part of the staff team.

Our internal CPD programme for teachers has upskilled staff on subject areas such as:

- Level 2- Understanding Young People and Children's Mental Health
- Level 2- Understanding Autism
- Level 2- Understanding Specific Learning Difficulties
- Level 2- Understanding Behaviour that Challenges
- Level 2- Understanding Behaviour that Challenges in Children
- Metacognition
- Handwriting skills

***Our teachers create an environment that focuses on pupils. Our textbooks and other teaching materials that teachers select – in a way that doesn't create unnecessary workload for staff – reflect the school's ambitious intentions for the course of study. These materials clearly support the intent of a coherently planned curriculum, sequenced towards cumulatively sufficient knowledge and skills for future learning and employment.***

- Tutor boards exclusively focus on individual's passions and interests, as well as achievement information
- We have tried to reduce unnecessary workload for staff by being smarter in the way we use teaching resources and materials. Home learning is set electronically to reduce unnecessary paper being carried to and from school for pupils. Our tutor programmes are now fully electronic to make the systems more efficient.
- All materials for learning are carefully chosen to drive the sequenced curriculum which has clear progression pathways.

### **Reading is prioritised to allow pupils to access the full curriculum offer**

- Reading is a key element in the tutor programme we deliver here at Hailey Hall School and the Reading For Pleasure plus the Sam Learning programme demonstrate the progress and love for reading our pupils have. Pupils regularly visit the school library to select books for their Reading For Pleasure programme.
- Reading assessment data (WRATS) shows the progress our pupils make with their reading

***We have a rigorous and sequential approach to the reading curriculum, this develops pupils' fluency, confidence and enjoyment in reading. At all stages, reading attainment is assessed and gaps are addressed quickly and effectively for all pupils. Reading books connect closely to the phonics knowledge pupils are taught when they are learning to read.***

- Reading is a key element in the tutor programme we deliver here at Hailey Hall School and the Reading For Pleasure/Sam Learning data demonstrates the progress and love for reading our pupils have. Pupils regularly visit the school library to select books for their Reading For Pleasure programme.

# HAILEY HALL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2020**

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***Our teachers ensure that their own speaking, listening, writing and reading of English support pupils in developing their language and vocabulary well.***

- Evidence of modelling of spoken and written English in all lessons regardless of subject.

### **Impact**

***Our pupils develop detailed knowledge and skills across the curriculum and, as a result, achieve well. This is reflected in our results from national tests and examinations that meet government expectations, or in the qualifications obtained***

- School data compared with local and national evidences sustained and continuous improvement. The school's progress 8 score from summer 2019 is excellent. In comparison with other Hertfordshire SEMH schools it is the best and nationally places Hailey Hall in the top 10 in the country for 2019. Despite no Progress 8 published data for 2020 (due to Covid – 19) year 11 school leavers in summer 2020 did extremely well, as evidenced below:
  - 72% of pupils achieved GCSE's 4 or above in English language and English Literature
- School's first ever GCSE 8 in maths
- 83% achieved GCSE 4 or above in Art
- School's first ever BTEC Level 2 Distinction\* (GCSE 8/9 equivalent) in music
- 100% Level 2 Pass or higher in Sport, ICT, Food Technology and Craft
  - Good quality work across the curriculum (evidenced in work scrutinies)
  - The above was reported to Trustees in September 2020.
  - Projected progress for years 7-10 pupils was closely monitored by the School versus actual progress, and will be reported to trustees in December 2020.

***Pupils' work across the curriculum is of good quality.***

- Evidence of high expectations and high-quality work in books across the school
- Lesson observations show evidence of intervention and support for pupils
- Performance management shows evidence of intervention and support for teachers

***Our pupils read widely and often, with fluency and comprehension appropriate to their age.***

***They're able to apply mathematical knowledge, concepts and procedures appropriately for their age***

- Reading is a key element in the tutor programme we deliver here at Hailey Hall School and the Reading For Pleasure data demonstrates the progress and love for reading our pupils have. Pupils regularly visit the school library to select books for their Reading For Pleasure programme. Pupils more so than ever enjoy reading and we have seen an increase in the number of pupils who read in their own time for pleasure.
- Evidence in pupil's books/work demonstrates they are able to apply mathematical knowledge, concepts and procedures
- School assessment data is used to assess current attainment and progress of all pupils. Pupil progress meetings with teachers identifies the pupils who are not making the necessary progress. Strategies and interventions are implemented to help these pupils achieve their full potential
- MyMaths has been implemented into the curriculum to narrow the gaps in basic mathematics skills.

### **BEHAVIOUR**

***We have high expectations for pupils' behaviour and conduct. These expectations are commonly understood and applied consistently and fairly. This is reflected in our pupils' positive behaviour and conduct. Low-level disruption isn't tolerated and pupils' behaviour doesn't disrupt lessons or the day-to-day life of the school. Our leaders support all staff well in managing pupil behaviour. Our staff make sure that pupils follow appropriate routines.***

- The Behaviour for Learning Policy was updated to include recommendations from the External Behaviour Review undertaken by HfL, and the outcome report identified improved and consistent behaviour management throughout the school
- Behaviour data/case studies showed positive trends
- Weekly SLT behaviour meetings are now held and evidenced focussing on pupils at risk / identified cohorts, emerging trends, monitoring and supporting school to home communication

# HAILEY HALL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2020**

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- Lesson observations identify impact of high pupil engagement in lessons and positive behaviour and conduct
- Staff surveys demonstrate pupils feel supported by SLT.
- Leaders have modified the daily routine at break time and lunch to reduce negative behaviour incidences, and outcome statistics evidence this.
- Whole school behaviour initiatives have been developed such as: Anti-bullying (Diana Award), Mentoring, PSP's (Intervention demonstrates reduction in negative behaviour for individuals on Pastoral Support Plans), Counselling (strengths and difficulties questionnaire demonstrates a modification of negative behaviour), 1-2-1 in-class support (individual 1-2-1 support for individuals demonstrates an improvement), and 1-2-1 out of class education intervention

***Our leaders, staff and pupils create a positive environment in which bullying isn't tolerated. If bullying, aggression, discrimination and derogatory language occur, they are dealt with quickly and effectively and aren't allowed to spread.***

- Relationship education is given during group work with school therapist and classwork in Life Skills (PSHE): evidence of supporting pupils is demonstrated to help them to know and understand how to respect each other and adults
- There is an Annual Anti Bullying Week with a range of assemblies and activities throughout the academic year

***There's demonstrable improvement in the behaviour and attendance of our pupils who have particular needs.***

- ALP programme demonstrates an improvement in behaviour and attendance
- Intervention groups: case studies show impact on a pupil level
- New processes now in place to monitor attendance and engagement of pupils with high levels of absence or lateness: impact of interventions demonstrate improvements in individual attendance and ultimately whole school attendance. Whole school attendance for 18-19 was 88%. Attendance for 19-20 was also good, however this was impacted by Covid-19. Despite this, we did still have our most vulnerable pupils attend school throughout lockdown.

***Our pupils' attitudes to their education are positive. They're committed to their learning, know how to study effectively and do so, are resilient to setbacks and take pride in their achievements***

- Pupils' work and books evidence consistently good presentation, pride in work and feedback from staff continuing to enable this
- Lesson observations: evidence of pupils taking their learning seriously, showing pride in their work, motivated and able to show resilience

***Our pupils have high attendance, come to school on time and are punctual to lessons. When this isn't the case, we take appropriate, swift and effective action.***

- More rigorous School attendance policies and procedures are in place (including home visits, parental meetings, referral to attendance officer, rewards etc.). Whole school attendance for 18-19 was 88%

***Fixed-term and internal exclusions are used appropriately. We reintegrate excluded pupils on their return and manage their behaviour effectively. Permanent exclusions are used appropriately as a last resort.***

- Evidence of success stories: pupils who have been excluded and are now in school and making good progress
- No permanent exclusions for academic year 19/20

***Relationships among our pupils and staff reflect a positive and respectful culture; pupils are safe and they feel safe.***

- Initiatives have been developed such as safeguarding assemblies, external mentors' support, onsite school therapist, restructured safeguarding and CP policies. The outcome of these is that Pupil Surveys demonstrate that most pupils feel safe in school.

# HAILEY HALL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2020**

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### **PERSONAL DEVELOPMENT**

***Our curriculum extends beyond the academic, vocational, or technical and provides for pupils' broader development. Our work to enhance pupils' SMSC development is of a high quality.***

- Life skills curriculum gives pupils an opportunity to track their development, equipping them with key social coping skills.
- Life Skills passport demonstrates the skills acquired beyond the academic, vocational, and technical curricula.
- SMSC is mapped through the curriculum and evidenced in the day to day teaching.
- Boarding is part of a 24-hour curriculum providing ongoing social support.
- Further examples of evidence indicating how the school enhances pupils' SMSC and the impact of this can be seen in policies and initiatives such as the Healthy Schools' Agenda, Rewards System, Behaviour Policy, Community Cohesion and British values Policy, Safeguarding/Single Equality Policy and Diana Award.

***Our curriculum and the school's effective wider work support pupils to be confident, resilient and independent, and to develop strength of character***

- This is evidenced in work experience programmes, peer mentoring, the Diana Award, Life skills passport (which develops independence and relationships skills) and the Sports Leaders' programme
- Character education is systematically planned for all pupils, and there is evidence of opportunities and experiences pupils have and the impact of these.
- The Humanities curriculum is building pupils' confidence, resilience and independence
- Other initiatives that support the above are the involvement of Haileybury pupils as part of their community service role model to our pupils, attendance at the Rotary dinner for Belmont View care home and the Enterprise project (cake sale).

***We provide high-quality pastoral support. Our pupils know how to eat healthily, maintain an active lifestyle and keep physically and mentally healthy. They have an age-appropriate understanding of healthy relationships.***

- This is promoted in the policies such as PSHCE (Life Skills) policy and Relationships and sex education (RSE) policy: The impact this has on our pupils has been to promote consistent confidence and self-esteem to value themselves and others, awareness and respect, tolerance towards others sexual orientation and gender preferences and understanding protective behaviours
- Other programmes/policies such as 'Sexplain' sex education, the PE curriculum, Behaviour for Learning Policy and the Food technology curriculum educates to pupils regarding how to eat healthily, maintain an active lifestyle, keep physically and mentally fit and how to enter into healthy and positive relationships.
- Pastoral provision in school and the impact of support given to pupils can be evidenced in pupil questionnaires

***We provide a wide range of opportunities to nurture, develop and stretch pupils' talents and interests. Our pupils appreciate these and make good use of them.***

- Passions and interests are tracked and used to support teaching and mental health bespoke individual programmes.
- Individual interventions i.e. PH tennis, IR tree surgery also informs the allocation of Pupil Premium funding.
- Work experience has provided a range of opportunities to develop pupils' talents and interests, although this was not as effective in 2019 due to the Covid situation.
- Further evidence of extra-curricular provision such as lunch and enrichment clubs, boarding, sporting and technology tournaments, rewards trips aligned to pupils' passions and interests
- Humanities curriculum provides a range of diverse opportunities of experience outside of the normal learning environment

***We prepare pupils for life in modern Britain effectively, developing their understanding of the fundamental British values of democracy, the rule of law, individual liberty, tolerance and respect.***

- The impact of school fundamental British values learning opportunities and initiatives is evidenced by things such as Pupil voice elections, in house General Election vote, inclusion of local community in the school's

# HAILEY HALL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2020**

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celebration of the D-Day landings and themed assemblies such as: Remembrance day, Good citizenship, hosting a reciprocal visit from teachers from communist China.

- Restorative Justice promotes the rule of law
- SMSC is also mapped across the curriculum

***We promote equality of opportunity and diversity effectively. As a result, our pupils understand, appreciate and respect difference in the world and its people, celebrating the things we share in common across cultural, religious, ethnic and socio-economic communities***

- Equality Policy: This is supported through our promotion of pride and celebration of difference, equality and diversity in school, hosting a reciprocal visit from teachers from communist China which encompassed a cross curricular day celebrating Chinese culture. Through this a culture is fully established where pupils are happy to discuss their differences in a non-judgemental way - evidenced in pupil surveys.

***Our pupils engage with views, beliefs and opinions that are different from their own in considered ways. They show respect for the different protected characteristics as defined in law and no forms of discrimination are tolerated.***

- The opportunities for pupils to meet and work with a range of pupils and adults are evidenced in our work experience and careers visits, sports and technology tournaments, supported external clubs which give our pupils opportunities to communicate and work with pupils from other schools. The impact of this is an evidenced increased understanding and tolerance of difference which can be evidenced in pupil surveys.
- RSE education enhances pupils' understanding regarding how to respect others. Few incidents of discrimination were recorded in 2019/20

***We provide pupils with meaningful opportunities to understand how to be responsible, respectful, active citizens who contribute positively to society. Our pupils know how to discuss and debate issues and ideas in a considered way.***

- Pupil voice has had a positive impact on the school, local and national environment by promoting change to timings of the school day, introducing meat free Monday, recycling, charity days, uniform and behaviour reviews.
- Peer leadership responsibilities are now in place for pupils to role model positive behaviours, such as the summer school where current pupils supported transitional year 6 pupils. The Sports Leaders' programme supported a local community school
- Breaking The Chain drama performance on County Lines, knife crime and drugs stimulated good debate and the English curriculum allowed pupils the opportunity to discuss issues and ideas in a considered way.
- The Diana Award has given meaningful opportunities to understand how to be responsible, respectful, active citizens who contribute actively to society
- Whole-school charity events have enabled pupils to contribute to the needs of local, national and international groups, such as Red nose day, Local food bank, Help for Heroes, Jeans for Genes day etc.

***Secondary schools prepare pupils for future success in education, employment or training.***

***We use the Gatsby Benchmarks to develop and improve our careers provision and enable a range of education and training providers to speak to pupils in years 8 to 13.***

***All of our pupils receive unbiased information about potential next steps and high-quality careers guidance. We provide good quality, meaningful opportunities for pupils to encounter the world of work.***

- The new School Careers Programme has provided evidence of supporting pupils in having a greater knowledge of opportunities following life at Hailey Hall. Only one pupil did not enter further education or go onto employment.
- The provision of careers guidance/interview techniques, opportunities for pupils to meet employers and employees has also contributed to the above
- Regular Compass audits demonstrate meeting the Gatsby Benchmarks where Covid did not restrict this.

# HAILEY HALL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2020**

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### **LEADERSHIP AND MANAGEMENT**

***Our leaders have a clear and ambitious vision for providing high-quality education to all pupils. This is realised through strong, shared values, policies and practice.***

- The school improvement plan has been the focus for SLT during 18/19 and 19/20: there is evidence of involving the whole school community including staff, parents and the Board of Trustees in developing and writing the plan. Action plans were also developed and assigned to SLT members for each area for improvement.
- Exam results and pupil progress demonstrates we are providing a high-quality education for all. (Outcomes, progress including P8 and destinations)
- Review of governance undertaken to meet required standards. Action plan in place and signed off by facilitators (HfL).
- Evidenced review of Pupil Premium undertaken successfully to identify and cater for individual needs
- Policy Committee now in place to support improved quality and standardisation of policies.
- Pupil Premium strategy implemented and being monitored regularly.

***Our leaders focus on improving teachers' subject, pedagogical and pedagogical content knowledge in order to enhance the teaching of the curriculum and the appropriate use of assessment. The practice and subject knowledge of our staff, including NQTs, build and improve over time.***

- SLT have developed created a CPD calendar focusing on T&L, Behaviour, SEN needs
- Termly moderation has been held with linked schools
- We encourage and develop unqualified teachers to become qualified teachers. During the 2019/20 academic year, one staff member gained QTLS, one completed his NQT year, and one his first year of QTLS.
- Development of internal mental health worker enabling us to better meet the needs of individual pupils, with strategies in place for the development of 1:1 basic skills small group and individual sessions, has also improved the above.
- A more robust PMR system was introduced, with smarter targets evidenced that are linked to the SIP. Staff CPD is linked to the SIP and PMR targets.
- TA training programme developed and evidenced

***Our leaders aim to ensure that all pupils successfully complete their programmes of study.***

***We provide the support for staff to make this possible. We create an inclusive culture and don't allow gaming or off-rolling.***

- School interventions in place such as linking the curriculum to pupils' passions and interests, Knowing Your student care plan, Risk reduction plans, WRATS, BPVS and CATS (data used to identify pupils who need more support with basic skills), individualised mental health assessments linked to the mental health strategy and individualised sessions for PP pupils, have resulted in an evidenced avoidance of permanent exclusions.
- Evidence of support given to pupils who are at the risk or have been excluded is evidenced through PSP's, Emergency EHCP reviews, liaison with external agencies, internal strategies for mental health and basic skills, etc
- Support interventions such as Reading for Pleasure, maths for Pleasure and spelling for purpose, 121 literacy and numeracy support, coursework catch up sessions, home learning (with boarding support) have resulted in good examination results and progression opportunities, aligned to pupils' passions and interests

***Our leaders engage effectively with pupils and others in their community, including, when relevant, parents, employers and local services. Engagement opportunities are focused and purposive.***

- Effective engagement with pupils by leaders can be evidenced through School surveys, pupil voice, assemblies, open door policy, regular 121 catch ups, EHCP reviews
- Effective engagement with parent/carer by leaders can be evidenced through regular SLT contact for at risk pupils, consultations evenings including parent evenings, termly newsletter, re-integration meetings / PSP / ALP, annual review.
- Consultation evening with parents have led to the creation of a communication development plan from which came actions such as coffee morning with the Headteacher, redesign of weekly tutor email home to make it more purposeful, improved and clear lines of communication between parents and staff



# HAILEY HALL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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- Effective engagement with providers, local services and agencies by leaders can be evidenced through ALP provider monitoring visits, annual reviews, care agencies, work experience/careers visits, SEMH workstream, special heads, liaison with the police and fire brigade, LA, TYS, School Nurse, Attendance officer
- There is enhanced evidence of working collaboratively with trustees to develop school improvement plans and facilitate link Governor visits
- Evidence and impact of working with members of the local community (professionals, local schools, local services) to support school improvement are that consortium groups have been created within local special schools, keeping current with national strategies, all SEMH Hertfordshire schools have aligned their internal training days to support collaborative work and moderation visits have taken place

***Our leaders engage with their staff and are aware and take account of the main pressures on them. They're realistic and constructive in the way they manage staff, including their workload.***

- Staff surveys are reviewed regularly and actions are evidenced to support staff which reduce workload and streamline practice, such as streamlining care plans and knowing your students for more accessible and effective use by staff, reduction in the number of data entries, new reporting system adopted enabling more efficient entry of reports, weekly tutor contact home enhanced for speed and clarity, streamlining of target setting, monitoring of staff directed time, incorporating in the PMR process an opportunity discuss and record mental health and well-being issues or concerns and leaders support staff with personal issues with an open door policy for all.

***Our leaders protect staff from bullying and harassment.***

- Impact evidenced of performance management and pastoral support to enable all staff to continually develop professionally
- Robust policies in place to ensure there is a fair and consistent approach.
- Clear to all stakeholders that bullying, harassment & racism are not tolerated at Hailey Hall School. This is communicated through assemblies, tutor groups and through 'role modelling'
- Evidence that leaders/trustees are quick to respond by involving appropriate agencies and/or taking appropriate internal action.
- School improvement plans take into account staff mental health and wellbeing

***Those responsible for governance understand their role and carry this out effectively.***

***Our trustees ensure that we have a clear vision and strategy, that resources are managed well and that leaders are held to account for the quality of education***

- Trustees are actively involved in school improvement planning and school self-evaluation.
- Governance review undertaken with evidenced actions such as, clearly identifying roles and responsibilities, restructuring of committee groups, CPD for trustees, developing vision, ethos and strategic direction, holding school leaders to account for the educational performance of school and performance management of staff
- Trustees are responsible for overseeing the financial performance of the school and making sure money is well spent including pupil premium. The School's finances were managed for 2019-20 to make best use of available funds and to ensure an 'operational surplus' for the year of between 1% and 2.5% of non-capital income. Trustees were also appraised of full year projections and 2-3 year look-ahead forecasts
- The School maintained sound control over income and expenditure during the year to 31/8/20 despite a restructure in finance department from 1st January 2020 and then the pandemic and effects of lockdown
- Until end March we were on course to achieve an end of year budgetary surplus of £80,000. Transport funding was reduced by 20% during lockdown, an extra cost, school had to bear but with some lower overhead costs of reduced numbers we are carrying over ca £100,000 to 2020/21 This should give us a buffer to meet whatever challenges are thrown at us while we endeavour to catch up amid changing landscapes, SLT and staff adapted admirably to changing guidelines and embraced distance learning and with rearranged staffing and SLT we envisage continuing to hold staff costs at 80% of total spend
- Total expenditure in the year was 6% lower than total income due to the anticipated increase in boarding, and pupil numbers in 2018/19, which absorbed the small deficit brought forward. This, together with sound budgetary control measures implemented by our new Financial Manager, resulted in a healthy surplus enabling a start in August to a monthly transfer to reserves as agreed in the capital & revenue reserves policy of Spring 2018. However, ensuring the School's continuing financial viability for future years remains a challenge, as for other schools.

# HAILEY HALL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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- Trustees and Members have been working with Senior Leaders to develop a list of realistic, proposed capital projects for the next 5 years, and to progress capital funding projects. Our capital bid to update our sports hall was not successful, however, we will apply for this again in 2020/21.
- Decisions have been taken jointly by Trustees and Senior Leaders to close the boarding provision, and a detailed plan will be developed in the Autumn Term of 2020 to facilitate this.

***Those with responsibility for governance ensure that our school fulfils its statutory duties, for example under the Equality Act 2010, and other duties, for example in relation to the 'Prevent' duty and safeguarding***

- Evidence identifies that Trustees check that the school fulfils all statutory duties through the committee reporting structure, ensuring that relevant training such as Prevent and safeguarding are delivered training in-line with government recommendations and in consultation with the link trustee.
- Policies are scrutinised through the new policies committee to ensure they are in-line with current legislation and recommendations.
- Link Governor visits provide additional overview and checks of good/appropriate School practice

***We have a culture of safeguarding that supports effective arrangements to:***

***Identify pupils who may need early help or who are at risk of neglect, abuse, grooming or exploitation, help pupils reduce their risk of harm by securing the support they need, or referring them in a timely way to those who have the expertise to help, manage safe recruitment and allegations about adults who may be a risk to pupils***

- Evidence that the school adopts the recommendations from KCSIE 2019 in the Safeguarding and CP Policies
- Pupil surveys indicate that the majority of pupils feel safe in school (Ofsted January 2019, Pupil Survey Nov 2019)
- Evidence of staff safeguarding training and impact this has had on safeguarding in school.
- Evidence that all staff are safeguarding and Prevent trained so all staff are vigilant and swift in identifying and responding to any concerns, and that staff are fully aware of the systems and procedures in reporting safeguarding concerns
- Evidence that SENSO alerts staff of IT issues
- The CPOMS system has been enhanced to provide more robust recording and monitoring of safeguarding issues
- Staff and trustees are appropriately trained in safer recruitment
- The School single central record is accurate and up-to-date and staff personnel files are complete
- There is evidence of staff allegations are recorded and due process followed

It is considered that the objectives of the school, including those embedding improvement, have been met well during the 2019/20 academic year, despite the Covid situation.

The Trustees believe that by working towards the objects and aims of the School as detailed above, they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

# HAILEY HALL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2020**

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### Strategic report

#### Achievements and performance

The 'objects' of the Trust, as per our Articles of Association, are 'to advance for the public benefit education in the United Kingdom by establishing, maintaining, carrying on, managing and developing a school specially organised to make special educational provision for pupils with Special Educational Needs offering a broad and balanced curriculum'.

The Trust continued its mission in line with the above objects, by ensuring that students achieved their potential regarding exam results. Pupils were encouraged to undertake a wide range of extra-curricular activities; developing and retaining suitable staff and preparing students for suitable progression as young adults when they left the school.

Specific achievements were as follows:

- Excellent exam results for the Summer of 2020
- Ensuring continuation of good attendance rates and achieving improvements in overall behaviour of pupils.
- Ensuring no material safety occurrences resulting in harm to pupils, staff or stakeholders.
- Continuing to administer robust GDPR procedures following the change in legislation.
- Developing and implementing robust procedures to reduce the risk of transmission of Covid in the school, and continuing to provide education to pupils either on site or at home during the Covid lockdown period. A Boarding Assurance visit by Ofsted awarded a very pleasing outcome for processes and procedures.

#### Key Performance Indicators

The Trustees receive relevant, regular information at each committee meeting to enable them to monitor the performance of the School compared to aims, strategies and financial budgets. The financial KPI's have been further aligned to produce improved comparison data.

As many elements of funding are based on pupil numbers this is a key performance indicator. Pupil numbers for 19/20 were an average of 71 against a forecast of 70.

#### Exam results

- This year Progress 8 scores were evaluated informally, as no national comparison data was available in the Summer due to the Covid Pandemic. Our evaluation, therefore, compared our results this year with last year's national results. This identified that good progress had been made, with an average Progress 8 score for all our pupils of -0.96, compared to -1.995 for similar schools nationally last year. This also shows an improvement against our figure last year which was -1.25.
- 94.4% of Year 11 pupils leaving Hailey Hall School in July 2020 went on to further education, employment or training. Only one pupil did not achieve this.
- All pupils achieve a good range of accreditation at KS4. We do not pick courses that attract performance points, we pick courses that are suitable for our pupils. We have a wide-ranging number of courses which include GCSE English Language and Literature, GCSE Maths, GCSE Art, I-Media, BTEC Sport, BTEC Applied Science, BTEC Music, NCFE Food technology and NCFE Craft and Employability.
- 80% of the pupils who were non-ALP achieved a qualification. Again, only one pupil did not achieve any qualifications.
- This year we achieved our highest qualifications in the following:
  - School's first ever GCSE 8 in maths
  - School's first ever BTEC Level 2 Distinction\* (GCSE 8/9 equivalent) in music
- 72% of pupils achieved GCSE's 4 or above in English language and English Literature, 83% achieved GCSE 4 or above in Art, 100% Level 2 Pass or higher in Sport, ICT, Food Technology and Craft.

# HAILEY HALL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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Our most important finance indicator is the extent to which operational income and expenditures were managed to the approved budget level

Staffing costs being the most significant expenditure, have been carefully managed to maintain at 80% of total spend, which for a special school is highly commendable. Staffing costs were higher than budget but commensurate with numbers. Finance department was reorganised due to the resignation of the Finance Manager, and we have filled gaps in finance, data management and IT with outside consultancies at neutral cost. The Acting Headteacher was confirmed as permanent and changes continue to SLT with the retirement of our Deputy Head. The opportunity was taken to work on areas highlighted over recent months of lockdown. Budgetary control for 2020-21 will operate on a pragmatic basis as we utilise catch up fundings and pupil premium money effectively.

The Finance & Premises Committee also monitor premises costs to General Annual Grant (GAG) income, capitation spend for curriculum departments to GAG income, total income less grants and cash flow on a regular basis to ensure that the budget is set and managed appropriately. All of the above areas were within the parameters set by the Board.

#### Going concern

The Board of Trustees have a reasonable expectation that the academy trust has adequate resources to continue in operation for the foreseeable future, at least for a period of at least twelve months from the date of approval of these accounts. Hence it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

#### **Financial review**

Most of the Trust's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, some of which are restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2020 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Trust also receives grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2015), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2020, total expenditure of £2,313k (2019: £2,206k) was met by recurrent grant funding from the ESFA together with other incoming resources. The excess of income over expenditure for the year (excluding restricted fixed asset funds and transfers to restricted fixed asset funds) was £14k - subject to Audit. (In 2019 the excess of income over expenditure was £67k).

At 31 August 2020 the net book value of fixed assets was £2,892k (2019: £2,970k). Movements in tangible fixed assets are shown in Note 12 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of Hailey Hall School.

The Local Government Pension Scheme, in which the Trust participates, showed a deficit of £937k (2019: £877k) at 31 August 2020.

# HAILEY HALL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### Reserves policy

The principal source of funding for the Academy is the GAG and other grants that it receives from the Education and Skills Funding agency (ESFA). For the year ended 31 August 2020 the Academy received £2,256k of funding and other operational income. Almost 80% of this income is spent on wages and salaries and support costs to deliver the Academy's primary objective of the provision of education. During the year it spent £365k on operational activities.

The carry forward balances as at 31 August 2020 are a balance of £244k. This figure is made up mainly of restricted funds.

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Academy is recognising a significant pension fund deficit of £937k. This does not mean that an immediate liability for this amount crystallises and such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years.

The cash balance of the Academy has been healthy all year, ending the year with a balance of £329k. The Trustees monitor cash flow as part of the committee Finance Manager reports and attempt to hold a minimum of £100k to cover short term cash flow variances.

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

#### Investment policy

An Investment Policy was approved by the Board of Trustees on 21/03/2018.

The policy sets out how any surplus cash balances will be invested in order to achieve best value and minimal risk, whilst also ensuring sufficient cash flow to enable the academy to manage its day to day accounts. The Academy does not consider the investment of surplus funds as a primary activity, rather as good stewardship and as and when circumstances allow.

#### Principal risks and uncertainties

The Trustees are aware of the major risks to which the Academy is exposed, and identify and monitor any appropriate actions to mitigate those risks. A formal risk register has been prepared and will be formally reviewed on a termly basis. The principal risks facing the Trust are outlined below; those facing the Academy at an operational level are addressed by its systems and by internal financial and other controls.

The Trustees report that the Trust's financial and internal controls conform to guidelines issued by the ESFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

As an academy school, the level of financial risk is low. Cash flows can be reliably forecast, monitored and reported. Staff costs make up the majority of expenditure and are relatively stable with contingencies in place to cover such items as sickness and maternity.

The other principal risks and uncertainties facing the Trust, as assessed by Trustees, are set out below, along with our mitigation approaches:

- Financial sustainability:

The Academy has considerable reliance on continued Government funding through the ESFA and there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

- We consider the likelihood and impact of this risk to be low and medium respectively. Our only realistic mitigations are to remain aware of education funding and ensure sound financial management, including look-ahead projections to enable planning and application of required actions.

# **HAILEY HALL ACADEMY TRUST**

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

### ***FOR THE YEAR ENDED 31 AUGUST 2020***

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Much of our funding is based on pupil numbers. Thus there is the risk that demographics and/or competition may result on lower pupil numbers and income.

- We monitor trends affecting our pupil numbers, ensure sound and tight financial management and reporting. We therefore consider the likelihood and impact of this risk to be Low and High respectively.

Safeguarding and Child Protection.

- Our safeguarding arrangements have been judged as 'good' or 'outstanding' by Ofsted in recent reviews. We therefore consider the likelihood and impact of this risk to be Low and High respectively.

Staffing - the success of the Academy is reliant on the complement, quality and motivation of its staff.

- Trustees monitor staffing levels and all staffing policies for recruitment, appraisal, and development of staff. We consider our present staff level, quality and morale to be good. We therefore consider the likelihood and impact of this risk to be Low and Medium respectively.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc.

- We have a sound governing body and good governance practices in place. Thus we consider the likelihood and impact of this risk to be Low and Medium respectively.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness.

#### **Fundraising**

The academy does not undertake significant fundraising activities. Initial plans have been developed to potentially let the grounds for weddings and other events, however, the Covid Pandemic has suspended progress with this.

#### **Plans for future periods**

Our overall aim is to continue to be an outstanding school which offers a safe and stimulating learning environment where pupils are able to develop socially, academically and emotionally, in order for students to attain and achieve their full potential becoming effective citizens and life-learners.

A significant focus area for 2020-21 will be to enable our pupils to catch up and cope better with the additional challenges presented by the Covid pandemic.

#### **Funds held as custodian trustee on behalf of others**

Hailey Hall Academy Trust does not act as a Custodian Trustee on behalf of others.

# HAILEY HALL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2020**

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### **Auditor**

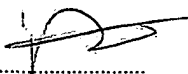
On 7 September 2020 Group Audit Services Limited trading as Wilkins Kennedy Audit Services changed its name to Azets Audit Services Limited. The name they practice under is Azets Audit Services and accordingly they have signed their report in their new name.

In so far as the Trustees are aware:

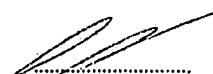
- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

A resolution proposing that Azets Audit Services be reappointed as auditor of the charitable company will be put to the members.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 07 January 2021 and signed on its behalf by:



P J Delamaine  
Accounting Officer



R Parperis  
Chair of Trustees

# HAILEY HALL ACADEMY TRUST

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2020**

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### Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Hailey Hall 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 5 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustees	Meetings attended	Out of possible
P J Delamaine (Accounting Officer)	4	5
L Want (Resigned 4 September 2019)	0	0
J Clarke	5	5
S Newton	3	5
R Parperis (Chair of Trustees)	5	5
C Chalk	4	5
A Connoley	3	5
J Hammond	5	5
S Sharp (Appointed 25 September 2019)	5	5

For the last eight years the board have carried out an annual self-assessment of the effectiveness of their governance activities. A review of governance has also been undertaken by Herts for Learning to ensure that our governance is as robust as possible. The trustees are due to complete the NGA Governor Skills Audit which is used to inform training needs. This is a broadly recognised and accepted tool within Educational establishments for gathering effective information regarding governor skills, and will be undertaken in the Autumn Term.

Coverage of the work of the Board includes determining strategic direction for the Academy, reviewing progress towards educational objectives and results; approving major expenditure requests; setting the budget for the following year; setting the organisational staffing structure; monitoring progress of activities to achieve strategic and operational objectives and agreeing the performance objectives of Headteacher with the School Improvement Partner, and reviewing them.



# HAILEY HALL ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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

- i) establish that the school maintains sound systems, practices and procedures to provide effective internal control, and comply with the requirements of the Funding Agreement and the Academies Financial Handbook.
- ii) To provide guidance and assistance to the Headteacher and governing body on financial matters.
- iii) To ensure the school maintains a strategic financial view of income, staffing, other expenditure, capital projects and cyclical maintenance, covering the short (current year) and longer term (2-3 years).
- iv) In consultation with the Headteacher, to consider the school's income and to draft the first formal budget in the financial year for the governing body to consider and endorse.
- v) To monitor, at least twice each term, spending against budget and to ensure that expenditure remains within the prescribed full year limits.
- vi) To monitor expenditure of all voluntary funds held by the School.
- vii) To ensure the Annual Report and Accounts are produced in accordance with the Academies Financial Handbook, and recommend their endorsement by FGB and Members.
- viii) To maintain oversight of activities and charges from the school's external accountants / auditors.
- ix) To approve improvement plans and actions relating to the finance and premises area.
- x) To ensure an effective approach is in place for the identification and management of key risks, including contingency and business continuity planning.
- xi) To prepare an annual report for submission to the governing body on the work of the committee including opinions on the effectiveness of:

- the internal control system, including use of the 'Financial Management and Governance Self-assessment'; and
- risk management.

To review relevant policies delegated to it by the governing body, and to report recommendations for changes, if any, at the next full governing body meeting.

The main challenges for the Finance & Premises Committee in the past year have been to:

- i. Continue to ensure full compliance with all requirements of the Academies Financial Handbook; and
- ii. Ensure clarity for Trustees on the financial status of the academy trust for the current and future academic years especially with regard to Covid related issues.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
P J Delamaine (Accounting Officer)	5	5
L Want (Resigned 4 September 2019)	0	0
J Clarke	3	4
S Newton	2	5
R Parperis (Chair of Trustees)	5	5
J Hammond	5	5

# **HAILEY HALL ACADEMY TRUST**

## **GOVERNANCE STATEMENT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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### **Review of value for money**

As accounting officer the headteacher 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.

Total expenditure in the year was 6% lower than total income, which means we are in surplus finance. We are looking to increase pupil numbers and are monitoring the cash flow and management accounts closely. We are also avoiding any unnecessary expenditure.

Key 'value for money' aspects for the year were:

- ICT support and counselling was brought in-house resulting in greater efficiency and economy
- Maintenance and catering were brought under better control with change of personnel and suppliers, resulting in time and money saved
- The School's use of Pupil Premium funding has been a contributor in the generally good progress / attainment of our disadvantaged pupils and whole of school and with a complete revamp from bottom up of needs and interventions we look forward to even better 2019-20
- Our Finance & Premises Committee met 5 times in the year to review, amongst other things, financial reports on income / costs to date and projections for the full year. The Committee support the school in providing comprehensive financial information and updates to our Board of Trustees at least once each term.

### **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 Hailey Hall Academy Trust for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and accounts.

### **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 2019 to 31 August 2020 and up to the date of approval of the annual report and accounts. 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 and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

# HAILEY HALL ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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As required Juniper Education (formerly known as EES for Schools) (owned by Essex County Council), a body which is completely independent of the school, were commissioned for a second year to carry out an evaluation of our internal controls. These visits took place 24th October 2019 and June 2020 (remotely). Their visit scope for 2019-20 covered:

#### Visit 1

- i) Governance, financial management & reporting, covering financial oversight, financial planning & budget monitoring, reporting to trustees, transparency, gifts received and given, expenses, risk management, internal scrutiny and financial management and governance self-assessment.
- ii) Banking, covering internal control and cash management.
- iii) Income, covering receipts from students and parents, generated income and internal control.
- iv) Payroll & expenses, covering payroll processing and expenses.

#### Visit 2

- v) Internal scrutiny
- vi) Expenditure, covering internal procedure, proper and regular use of public funds, internal control, related parties and tax implications.
- vii) Assets, covering fixed assets, inventory and disposal.
- viii) Payroll, covering payroll processing and authorisation

The main recommendations arising from the EES reviews were:

- BOT and F&P to agree plan of work to address ICE recommendations
- BOT to verify issues raised by auditors and previous ICE reports
- Dear Accounting Manager letters to be shared to members and trustees
- Debtors balances over 90 days to be investigated and resolved
- Schedule of Financial Delegation to be updated re petty cash authority limits
- List of annual contracts to be updated
- Register of insurable assets to be updated and independently checked

Actions are being progressed regarding the above.

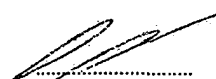
#### Review of effectiveness

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

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

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the finance and general purposes 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 07 January 2021 and signed on its behalf by:



R Parperis  
Chair of Trustees

# **HAILEY HALL ACADEMY TRUST**

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

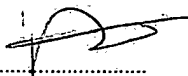
***FOR THE YEAR ENDED 31 AUGUST 2020***

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As accounting officer of Hailey Hall Academy Trust, I have considered my responsibility to notify the Academy trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the Academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the Academy trust'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 2019.

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



**P J Delamaine - Accounting Officer**

07 January 2021

# HAILEY HALL ACADEMY TRUST

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

**FOR THE YEAR ENDED 31 AUGUST 2020**

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The trustees (who are also the directors of Hailey Hall Academy Trust for the purposes of company law) are responsible for preparing the Trustees' report and the accounts in accordance with the Academies Accounts Direction 2019 to 2020 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 accounts for each financial year. Under company law, the Trustees must not approve the accounts 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 accounts, the Trustees are required to:

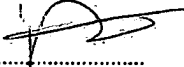
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 accounts 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Trustees on 07 January 2021 and signed on its behalf by:

  
P J Delamaine  
Accounting Officer

  
R Parperis  
Chair of Trustees

# **HAILEY HALL ACADEMY TRUST**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HAILEY HALL ACADEMY TRUST**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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### **Opinion**

We have audited the accounts of Hailey Hall Academy Trust for the year ended 31 August 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

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

### **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 accounts' section of our report. We are independent of the Academy trust in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

### **Other information**

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

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

We have nothing to report in this regard.

# **HAILEY HALL ACADEMY TRUST**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HAILEY HALL ACADEMY TRUST (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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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 including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the Academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report, including the incorporated strategic 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 accounts 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, the Trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the accounts**

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

A further description of our responsibilities for the audit of the accounts 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.

# HAILEY HALL ACADEMY TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HAILEY HALL ACADEMY TRUST (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2020**

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### 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.

*Azets Audit Services*

**Mandy Wilson FCA (Senior Statutory Auditor)**  
**for and on behalf of Azets Audit Services**  
**Chartered Accountants**  
**Statutory Auditor**

07 January 2021

5 Yeomans Court  
Ware Road  
Hertford  
SG13 7HJ



# **HAILEY HALL ACADEMY TRUST**

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO HAILEY HALL ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

***FOR THE YEAR ENDED 31 AUGUST 2020***

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In accordance with the terms of our engagement letter dated 22 June 2020 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Hailey Hall Academy Trust during the period 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Respective responsibilities of Hailey Hall Academy Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Hailey Hall Academy Trust's funding agreement with the Secretary of State for Education dated 1 September 2015 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

### **Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated with our audit on the Financial Statements to the extent evidence from the conduct of that audit supports the regularity conclusion as well as additional testing based on our assessment of risk of material irregularity.

# HAILEY HALL ACADEMY TRUST

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO HAILEY HALL ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2020**

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### Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*Azets Audit Services*

### Reporting Accountant

Azets Audit Services  
5 Yeomans Court  
Ware Road  
Hertford  
SG13 7HJ

Dated: 07 January 2021

# HAILEY HALL ACADEMY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted funds £	Restricted funds: General Fixed asset £ £		Total 2020 £	Total 2019 £
<b>Income and endowments from:</b>						
Donations and capital grants	3	274	-	6,329	6,603	15,685
Charitable activities:						
- Funding for educational operations	4	-	1,976,350	-	1,976,350	1,880,225
- Funding for boarding	24	-	245,234	-	245,234	286,058
Other trading activities	5	27,320	-	-	27,320	30,213
Investments	6	117	-	-	117	156
<b>Total</b>		<b>27,711</b>	<b>2,221,584</b>	<b>6,329</b>	<b>2,255,624</b>	<b>2,212,337</b>
<b>Expenditure on:</b>						
Charitable activities:						
- Educational operations	8	-	1,990,903	77,957	2,068,860	1,923,438
- Boarding	24	-	244,316	-	244,316	282,951
<b>Total</b>	<b>7</b>	<b>-</b>	<b>2,235,219</b>	<b>77,957</b>	<b>2,313,176</b>	<b>2,206,389</b>
<b>Net income/(expenditure)</b>		<b>27,711</b>	<b>(13,635)</b>	<b>(71,628)</b>	<b>(57,552)</b>	<b>5,948</b>
Transfers between funds	16	-	6,329	(6,329)	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial gains/(losses) on defined benefit pension schemes	18	-	66,000	-	66,000	(234,000)
<b>Net movement in funds</b>		<b>27,711</b>	<b>58,694</b>	<b>(77,957)</b>	<b>8,448</b>	<b>(228,052)</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		30,634	(810,468)	2,970,164	2,190,330	2,418,382
Total funds carried forward		58,345	(751,774)	2,892,207	2,198,778	2,190,330

# HAILEY HALL ACADEMY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

Comparative year information Year ended 31 August 2019	Notes	Unrestricted funds £	Restricted funds: General	Fixed asset £	Total 2019 £
<b>Income and endowments from:</b>					
Donations and capital grants	3	265	-	15,420	15,685
Charitable activities:					
- Funding for educational operations	4	-	1,880,225	-	1,880,225
- Funding for boarding	24	-	286,058	-	286,058
Other trading activities	5	30,213	-	-	30,213
Investments	6	156	-	-	156
<b>Total</b>		<b>30,634</b>	<b>2,166,283</b>	<b>15,420</b>	<b>2,212,337</b>
<b>Expenditure on:</b>					
Charitable activities:					
- Educational operations	8	-	1,846,984	76,454	1,923,438
- Boarding	24	-	282,951	-	282,951
<b>Total</b>	<b>7</b>	<b>-</b>	<b>2,129,935</b>	<b>76,454</b>	<b>2,206,389</b>
<b>Net income/(expenditure)</b>		<b>30,634</b>	<b>36,348</b>	<b>(61,034)</b>	<b>5,948</b>
Transfers between funds	16	-	(16,407)	16,407	-
<b>Other recognised gains/(losses)</b>					
Actuarial losses on defined benefit pension schemes	18	-	(234,000)	-	(234,000)
<b>Net movement in funds</b>		<b>30,634</b>	<b>(214,059)</b>	<b>(44,627)</b>	<b>(228,052)</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		-	(596,409)	3,014,791	2,418,382
Total funds carried forward		<b>30,634</b>	<b>(810,468)</b>	<b>2,970,164</b>	<b>2,190,330</b>


# HAILEY HALL ACADEMY TRUST

## BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	12	2,892,207	2,970,164
<b>Current assets</b>			
Debtors	13	36,069	33,002
Cash at bank and in hand		329,073	147,669
		<u>365,142</u>	<u>180,671</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	14	<u>(121,571)</u>	<u>(83,505)</u>
<b>Net current assets</b>		<u>243,571</u>	<u>97,166</u>
<b>Net assets excluding pension liability</b>		<u>3,135,778</u>	<u>3,067,330</u>
Defined benefit pension scheme liability	18	<u>(937,000)</u>	<u>(877,000)</u>
<b>Total net assets</b>		<u><u>2,198,778</u></u>	<u><u>2,190,330</u></u>
<b>Funds of the Academy trust:</b>			
<b>Restricted funds</b>	16		
- Fixed asset funds		2,892,207	2,970,164
- Restricted income funds		185,226	66,532
- Pension reserve		<u>(937,000)</u>	<u>(877,000)</u>
<b>Total restricted funds</b>		<u>2,140,433</u>	<u>2,159,696</u>
<b>Unrestricted income funds</b>	16	<u>58,345</u>	<u>30,634</u>
<b>Total funds</b>		<u><u>2,198,778</u></u>	<u><u>2,190,330</u></u>

The accounts on pages 33 to 54 were approved by the Trustees and authorised for issue on 07 January 2021 and are signed on their behalf by:

  
 P J Delamaine  
 Accounting Officer

  
 R Parperis  
 Chair of Trustees

Company Number 09691510

# HAILEY HALL ACADEMY TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020 £	£	2019 £	£
<b>Cash flows from operating activities</b>					
Net cash provided by operating activities	19		174,958		124,489
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		117		156	
Capital grants from DfE Group		6,329		15,420	
Purchase of tangible fixed assets		-		(31,828)	
<b>Net cash provided by/(used in) investing activities</b>			6,446		(16,252)
<b>Net increase in cash and cash equivalents in the reporting period</b>			181,404		108,237
Cash and cash equivalents at beginning of the year			147,669		39,432
<b>Cash and cash equivalents at end of the year</b>			329,073		147,669

# HAILEY HALL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

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### 1 Accounting policies

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

#### 1.1 Basis of preparation

The accounts of the Academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities (Charities SORP) preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland, the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Hailey Hall Academy Trust meets the definition of a public benefit entity under FRS 102.

#### 1.2 Going concern

The Trustees assess whether the use of going concern is appropriate, 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. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts and have concluded that the Academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

#### 1.3 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.

##### 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 in the period it is receivable and to the extent the Academy trust has provided the goods or services.

# HAILEY HALL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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### 1 Accounting policies

(Continued)

#### Donated goods, facilities and services

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

#### Donated fixed assets

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

### 1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

#### Expenditure on raising funds

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

#### Charitable activities

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

### 1.5 Tangible fixed assets and depreciation

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

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.



# HAILEY HALL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 1 Accounting policies

(Continued)

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

Land and buildings	20 years straight line
Plant and machinery	3 years straight line
Computer equipment	3 years straight line
Fixtures, fittings & equipment	10 years straight line
Motor vehicles	5 years straight line

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

#### 1.6 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.

#### 1.7 Leased assets

Rentals payable under operating leases are charged against income on a straight-line basis over the period of the lease.

#### 1.8 Financial instruments

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

##### Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

##### Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

#### 1.9 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.

# HAILEY HALL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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### 1 Accounting policies

(Continued)

#### 1.10 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'). These are defined benefit schemes and the assets are held separately from those of the Academy trust.

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

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

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

#### 1.11 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 or donor and include grants from the Education and Skills Funding Agency and Department for Education.

### 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.

# HAILEY HALL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 2 Critical accounting estimates and areas of judgement

(Continued)

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 12 for the carrying amount of the property plant and equipment, and note 1.5 for the useful economic lives for each class of assets.

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 18, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

#### Critical areas of judgement

There are no critical areas of judgement.

### 3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Capital grants	-	6,329	6,329	15,420
Other donations	274	-	274	265
	<u>274</u>	<u>6,329</u>	<u>6,603</u>	<u>15,685</u>

### 4 Funding for the Academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
<b>DfE / ESFA grants</b>				
General annual grant (GAG)	-	701,071	701,071	678,156
Other DfE group grants	-	49,043	49,043	48,503
	<u>-</u>	<u>750,114</u>	<u>750,114</u>	<u>726,659</u>
<b>Other government grants</b>				
Special educational projects	-	1,226,236	1,226,236	1,153,566
	<u>-</u>	<u>1,226,236</u>	<u>1,226,236</u>	<u>1,153,566</u>
<b>Other funding</b>				
Boarding income	-	245,234	245,234	286,058
	<u>-</u>	<u>245,234</u>	<u>245,234</u>	<u>286,058</u>
<b>Total funding</b>	<u>-</u>	<u>2,221,584</u>	<u>2,221,584</u>	<u>2,166,283</u>

# HAILEY HALL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Hire of facilities	20,048	-	20,048	15,034
Other income	7,272	-	7,272	15,179
	<u>27,320</u>	<u>-</u>	<u>27,320</u>	<u>30,213</u>

### 6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Short term deposits	117	-	117	156
	<u>117</u>	<u>-</u>	<u>117</u>	<u>156</u>

### 7 Expenditure

	Staff costs £	Non-pay expenditure Premises £	Other £	Total 2020 £	Total 2019 £
Academy's educational operations					
- Direct costs	1,246,439	-	117,301	1,363,740	1,350,954
- Allocated support costs	365,017	159,664	180,439	705,120	572,484
Boarding					
- Direct costs	2,457	-	-	2,457	4,912
- Allocated support costs	221,616	12,509	7,734	241,859	278,039
	<u>1,835,529</u>	<u>172,173</u>	<u>305,474</u>	<u>2,313,176</u>	<u>2,206,389</u>

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

	2020 £	2019 £
Fees payable to auditor for:		
- Audit	5,920	5,740
- Other services	2,570	2,060
Depreciation of tangible fixed assets	77,957	76,454
Net interest on defined benefit pension liability	17,000	17,000
	<u>103,447</u>	<u>101,254</u>

# HAILEY HALL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 8 Charitable activities

	2020	2019
	£	£
All from restricted funds:		
<b>Direct costs</b>		
Educational operations	1,363,740	1,350,954
Boarding	2,457	4,912
<b>Support costs</b>		
Educational operations	705,120	572,484
Boarding	241,859	278,039
	<u>2,313,176</u>	<u>2,206,389</u>

	Boarding Operations £	Educational operations £	Total 2020 £	Total 2019 £
<b>Analysis of support costs</b>				
Support staff costs	221,616	365,017	586,633	475,583
Depreciation	-	77,957	77,957	76,454
Technology costs	-	2,504	2,504	689
Premises costs	12,509	81,707	94,216	78,149
Legal costs	-	4,774	4,774	5,042
Other support costs	7,734	164,751	172,485	204,534
Governance costs	-	8,410	8,410	10,072
	<u>241,859</u>	<u>705,120</u>	<u>946,979</u>	<u>850,523</u>

# HAILEY HALL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 9 Staff

#### Staff costs

Staff costs during the year were:

	2020 £	2019 £
Wages and salaries	1,340,275	1,283,363
Social security costs	118,729	120,279
Pension costs	361,998	236,930
Staff costs - employees	1,821,002	1,640,572
Agency staff costs	13,027	48,101
Staff restructuring costs	1,500	24,894
Staff development and other staff costs	1,835,529	1,713,567
	14,869	13,781
Total staff expenditure	1,850,398	1,727,348

Staff restructuring costs comprise:

Redundancy payments	-	24,894
Severance payments	1,500	-
	1,500	24,894

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

Included in staff restructuring costs are non-contractual severance payments totalling £1,500 (2019: £nil). Individually, the payments were: £1,500.

#### Staff numbers

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

	2020 Number	2019 Number
Teachers	12	14
Administration and support	42	24
Management	7	3
	61	41

# HAILEY HALL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

#### 9 Staff

(Continued)

##### Higher paid staff

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

	2020 Number	2019 Number
In the band £60,001 - £70,000	2	2
In the band £70,001 - £80,000	1	-
In the band £90,001 - £100,000	-	1
	<u>          </u>	<u>          </u>

##### 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 £485,955 (2019: £504,609).

#### 10 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 headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of headteacher and staff members under their contracts of employment, and not in respect of their services as Trustees.

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

##### S Newton (Staff Trustee)

Remuneration £40,000- £45,000 (2019: £40,000 - £45,000)

Employers pension contributions paid £0 (2019: £0)

##### P Delamaine (Staff Trustee)

Remuneration £75,000- £80,000 (2019: £65,000 - £70,000)

Employers pension contributions paid £15,000- £20,000 (2019: £10,000 - £15,000)

##### S Sharp (Staff Trustee)

Remuneration £25,000-£30,000 (2019:£0)

Employers pension contributions paid £5,000-£10,000 (2019: £0)

During the year ended 31 August 2020, there were no travel and subsistence expenses (2019: £67) were reimbursed or paid directly to any Trustees in relation to their role as a member of staff.

#### 11 Insurance for Trustees and officers

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

# HAILEY HALL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 12 Tangible fixed assets

	Land and buildings	Plant and machinery	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£	£
<b>Cost</b>						
At 1 September 2019 and 31 August 2020	3,143,880	11,883	51,789	47,427	5,333	3,260,312
<b>Depreciation</b>						
At 1 September 2019	228,888	11,883	33,355	13,055	2,967	290,148
Charge for the year	61,000	-	9,980	5,910	1,067	77,957
At 31 August 2020	289,888	11,883	43,335	18,965	4,034	368,105
<b>Net book value</b>						
At 31 August 2020	2,853,992	-	8,454	28,462	1,299	2,892,207
At 31 August 2019	2,914,992	-	18,434	34,372	2,366	2,970,164

Included within tangible fixed assets is freehold land amounting to £2,075,000 which is not depreciated.

### 13 Debtors

	2020 £	2019 £
Trade debtors	1,676	1,559
VAT recoverable	8,856	15,863
Prepayments and accrued income	25,537	15,580
	<u>36,069</u>	<u>33,002</u>

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

	2020 £	2019 £
Trade creditors	22,570	8,694
Other taxation and social security	29,453	27,487
Other creditors	29,164	23,350
Accruals and deferred income	40,384	23,974
	<u>121,571</u>	<u>83,505</u>

### 15 Deferred income

There is no deferred income balance at the year end (2019: £nil).



# HAILEY HALL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 16 Funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	51,480	701,071	(589,624)	6,329	169,256
Other DfE / ESFA grants	-	49,043	(49,043)	-	-
Other government grants	-	1,226,236	(1,226,236)	-	-
Boarding	15,052	245,234	(244,316)	-	15,970
Pension reserve	(877,000)	-	(126,000)	66,000	(937,000)
	(810,468)	2,221,584	(2,235,219)	72,329	(751,774)
<b>Restricted fixed asset funds</b>					
General fixed asset funds	2,970,164	6,329	(77,957)	(6,329)	2,892,207
<b>Total restricted funds</b>	2,159,696	2,227,913	(2,313,176)	66,000	2,140,433
<b>Unrestricted funds</b>					
General funds	30,634	27,711	-	-	58,345
<b>Total funds</b>	2,190,330	2,255,624	(2,313,176)	66,000	2,198,778

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

The General Annual Grant (GAG) represents the core funding for the educational activities of the school that has been provided to the Academy Trust via the Education and Skills Funding Agency by the Department for Education. The General Annual Grant Fund has been set up because the GAG must be used for the normal running costs of the Academy Trust. 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.

Other DfE/ESFA grants: This includes the pupil premium and Year 7 Catch-up.

Other government grants: This includes High Needs Top Up Funding, Residential Funding and Transport Funding.

Boarding relates to the provision of student boarding.

General fixed assets funds: This includes EFA Devolved Formula Capital.

General funds: This includes rental income and catering income.

The pension reserve has been created to separately identify the pension deficit inherited from the Local Authority upon conversion to academy status, and through which all the pension scheme movements are recognised.

The transfer from fixed assets funds to restricted funds relates to the use of the capital grant to fund repairs expenditure.

# HAILEY HALL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 16 Funds

(Continued)

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	(28,354)	678,156	(581,915)	(16,407)	51,480
Other DfE / ESFA grants	-	48,503	(48,503)	-	-
Other government grants	-	1,153,566	(1,153,566)	-	-
Boarding	11,945	286,058	(282,951)	-	15,052
Pension reserve	(580,000)	-	(63,000)	(234,000)	(877,000)
	<u>(596,409)</u>	<u>2,166,283</u>	<u>(2,129,935)</u>	<u>(250,407)</u>	<u>(810,468)</u>
<b>Restricted fixed asset funds</b>					
General fixed asset funds	3,014,791	15,420	(76,454)	16,407	2,970,164
	<u>3,014,791</u>	<u>15,420</u>	<u>(76,454)</u>	<u>16,407</u>	<u>2,970,164</u>
<b>Total restricted funds</b>	<u>2,418,382</u>	<u>2,181,703</u>	<u>(2,206,389)</u>	<u>(234,000)</u>	<u>2,159,696</u>
<b>Unrestricted funds</b>					
General funds	-	30,634	-	-	30,634
	<u>-</u>	<u>30,634</u>	<u>-</u>	<u>-</u>	<u>30,634</u>
<b>Total funds</b>	<u>2,418,382</u>	<u>2,212,337</u>	<u>(2,206,389)</u>	<u>(234,000)</u>	<u>2,190,330</u>

### 17. Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
<b>Fund balances at 31 August 2020 are represented by:</b>				
Tangible fixed assets	-	-	2,892,207	2,892,207
Current assets	58,345	306,797	-	365,142
Creditors falling due within one year	-	(121,571)	-	(121,571)
Defined benefit pension liability	-	(937,000)	-	(937,000)
<b>Total net assets</b>	<u>58,345</u>	<u>(751,774)</u>	<u>2,892,207</u>	<u>2,198,778</u>

# HAILEY HALL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 17 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
<b>Fund balances at 31 August 2019 are represented by:</b>				
Tangible fixed assets	-	-	2,970,164	2,970,164
Current assets	30,634	150,037	-	180,671
Creditors falling due within one year	-	(83,505)	-	(83,505)
Defined benefit pension liability	-	(877,000)	-	(877,000)
<b>Total net assets</b>	<b>30,634</b>	<b>(810,468)</b>	<b>2,970,164</b>	<b>2,190,330</b>

### 18 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 Hertford County Council. Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. 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 £26,717 (2019: £20,903) were payable to the schemes at 31 August 2020 and are included within creditors.

#### Teachers' Pension Scheme

##### Introduction

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

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

##### Valuation of the Teachers' Pension Scheme

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.08%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%.

# HAILEY HALL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

#### 18 Pension and similar obligations

(Continued)

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £134,332 (2019: £97,616).

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

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

#### Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 22.65% for employers and 6.5% 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.

Total contributions made	2020 £	2019 £
Employer's contributions	116,000	93,000
Employees' contributions	27,000	21,000
Total contributions	143,000	114,000
Principal actuarial assumptions	2020 %	2019 %
Rate of increase in salaries	2.6	2.4
Rate of increase for pensions in payment/inflation	2.2	2.3
Discount rate for scheme liabilities	1.7	1.8

# HAILEY HALL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 18 Pension and similar obligations

(Continued)

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

	2020 Years	2019 Years
Retiring today		
- Males	21.9	21.5
- Females	24.1	23.7
Retiring in 20 years		
- Males	22.8	22.3
- Females	25.5	25.0

Scheme liabilities would have been affected by changes in assumptions as follows:

	2020	2019
Discount rate - 0.5%	268,000	233,000
Salary increase rate + 0.5%	4,000	31,000
Pension increase rate + 0.5%	261,000	198,000

#### The Academy trust's share of the assets in the scheme

	2020 Fair value £	2019 Fair value £
Equities	656,670	542,920
Bonds	433,650	432,120
Cash	111,510	44,320
Property	37,170	88,640
Total market value of assets	1,239,000	1,108,000

The actual return on scheme assets was £23,000 (2019: £83,000).

#### Amount recognised in the Statement of Financial Activities

	2020 £	2019 £
Current service cost	223,000	137,000
Past service cost	2,000	2,000
Interest income	(21,000)	(27,000)
Interest cost	38,000	44,000
Total operating charge	242,000	156,000

# HAILEY HALL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 18 Pension and similar obligations

(Continued)

Changes in the present value of defined benefit obligations	2020 £	2019 £
At 1 September 2019	1,985,000	1,505,000
Current service cost	223,000	137,000
Interest cost	38,000	44,000
Employee contributions	27,000	21,000
Actuarial (gain)/loss	(64,000)	290,000
Benefits paid	(35,000)	(14,000)
Past service cost	2,000	2,000
At 31 August 2020	2,176,000	1,985,000

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

	2020 £	2019 £
At 1 September 2019	1,108,000	925,000
Interest income	21,000	27,000
Actuarial gain	2,000	56,000
Employer contributions	116,000	93,000
Employee contributions	27,000	21,000
Benefits paid	(35,000)	(14,000)
At 31 August 2020	1,239,000	1,108,000

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

	2020 £	2019 £
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(57,552)	5,948
Adjusted for:		
Capital grants from DfE and other capital income	(6,329)	(15,420)
Investment income receivable	(117)	(156)
Defined benefit pension costs less contributions payable	109,000	46,000
Defined benefit pension scheme finance cost	17,000	17,000
Depreciation of tangible fixed assets	77,957	76,455
(Increase)/decrease in debtors	(3,067)	2,138
Increase/(decrease) in creditors	38,066	(7,476)
Net cash provided by operating activities	174,958	124,489

# HAILEY HALL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 20 Analysis of changes in net funds

	1 September 2019 £	Cash flows £	31 August 2020 £
Cash	147,669	181,404	329,073

### 21 Commitments under operating leases

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

	2020 £	2019 £
Amounts due within one year	4,006	22,297
Amounts due in two and five years	985	4,716
	4,991	27,013

### 22 Related party transactions

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

V Parperis, daughter of R Parperis (Chair of Trustees) is a teaching assistant employed by the Academy Trust. V Parperis is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to the Chair of Trustees.

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

### 23 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.

# HAILEY HALL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

24 Boarding trading account	2020		2019	
	£	£	£	£
<b>Direct income</b>				
Fee income		245,234		286,058
<b>Direct costs</b>				
Direct staff costs	2,457		4,912	
<b>Other costs</b>				
Support staff costs	221,616		244,345	
Energy costs	12,509		13,777	
Catering	5,839		13,752	
Other support costs	1,895		6,165	
	241,859		278,039	
Total expenditure		(244,316)		(282,951)
<b>Surplus/(deficit) from all sources</b>		918		3,107
Boarding balances at 1 September 2019		15,052		11,945
<b>Boarding balances at 31 August 2020</b>		15,970		15,052