

HAYDON SCHOOL
(A Company Limited by Guarantee)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

HAYDON SCHOOL
(A Company Limited by Guarantee)

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HAYDON SCHOOL
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mr Bob Harrison (appointed 6 October 2021) Mr Tim Hill Dr Tanya Huehns Mrs Janet Keal Mrs Diana Wingrove-Owens (appointed 6 October 2021)
Trustees	Mrs Amanda Cowley (appointed 22 October 2020) Mr Steven Edwards ^{1,2} Ms Melinda Giddens Ms Claire Hilton ¹ Mr Rob Kirk (appointed 22 October 2020) ¹ Mr Sandeep Kumar ^{1,2} Ms Natalie McLean (resigned 14 September 2021) ¹ Mrs Chloe Ogunleye (appointed 5 October 2020, resigned 8 October 2021) ¹ Mrs Sandeep Palmer Ms Claire Pitt Mrs Natasha Ramachandran (appointed 3 December 2020, resigned 6 September 2021) Mr Giuseppe Schettino ¹ Mr Paras Shah (appointed 5 October 2020) ¹ Mr Robert Jones, Headteacher ^{1,2} Dr Tanya Huehns, Chair of Trustees ^{1,2} Mrs Janet Keal ^{1,2} ¹ Members of Finance & Premises Committee ² Members of the Audit Committee
Company registered number	07557791
Company name	Haydon School Academy Trust
Principal and registered office	Haydon School Wiltshire Lane Eastcote Pinner HA5 2LX
Company secretary	Miss Beyhan Ercan
Senior leadership team	Mr Robert Jones, Headteacher Mrs Caroline Whitehead, Deputy Headteacher Ms Angela Appleby, Assistant Headteacher Mr Daniel Gooch, Assistant Headteacher Mr David Gosling, Assistant Headteacher Mrs Julie Martin, Assistant Headteacher Mrs Morag Wall, Assistant Headteacher Mr Samuel Kidd, Assistant Headteacher Miss Beyhan Ercan, Director of Finance & Operations

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

Independent auditor	Cooper Parry Group Limited Chartered Accountants Statutory Auditor One Central Boulevard Blythe Valley Business Park Solihull West Midlands B90 8BG
Bankers	Lloyds Bank PLC Ruislip High Street Ruislip HA4 7AB
Solicitors	Winckworth Sherwood Solicitors and Parliamentary Agents Minerva House 5 Montague Close London SE1 8BB

HAYDON SCHOOL
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Governors, who are the Trustees under charity law and the Directors under company law, present their annual report together with the audited financial statements and auditor's report of Haydon School for the year ended 31 August 2021. The annual report serves the purposes of both a Trustees' report under charity law and a Directors' report, including strategic report, under company law.

Structure, governance and management

The Charitable Company was incorporated on 9 March 2011 and conversion to Academy status was on 1 April 2011. The annual report serves the purposes of both a Trustees' report and a Directors' report, including a strategic report, under company law.

The Academy Trust operates an academy for students aged 11 to 18. Students are admitted on a non-selective basis. It has a student capacity of 2,040 and had a roll of 1,750 in the school census on 7 October 2021.

a. Constitution

Haydon School is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

This model shows a Governing Body totalling sixteen Governors, is broken down as follows:

- 6 Parent Governors (elected by parents)
- 3 Staff Governors (elected by staff)
- 7 Governors (appointed by the Governing Body)
- Headteacher (ex-officio)

Each term of office for all Governors is a period of four consecutive years.

Governors act as the Trustees for the charitable activities of Haydon School and are also the Directors of the charitable company for the purposes of company law. Throughout this report the references to Governors and Trustees are interchangeable.

The charitable company is known as Haydon School.

Details of the Governors who served throughout the year except as noted are included in the Reference and Administrative Details on page 1.

b. 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.

c. Trustees' indemnities

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

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

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Trustees

Parent Governors: When a vacancy arises for a Parent Governor a letter is sent to every family inviting nominations. Anyone wishing to stand as a Parent Governor has to be nominated and seconded by two other parents (one of which can be a spouse). Parents are given two weeks to make their nomination. If more nominations are made than the number of vacancies there has to be a ballot.

Ballot papers are sent to each family together with details of all candidates and envelopes to return the ballot forms. Parents are given two weeks to return the ballot forms. Following the close of the ballot the papers are counted by the Clerk and another member of staff. The candidates and parents are informed in writing of the result.

Staff Governors: When a vacancy arises for a Staff Governor a letter is sent to every member of staff inviting nominations. Anyone wishing to stand as a Staff Governor has to be nominated and seconded by two other members of staff. Staff are given one week to make their nomination. If more nominations are made than the number of vacancies there has to be a ballot. Ballot papers are sent to each member of staff together with details of all candidates. Staff are given one week to return the ballot forms. Following the close of the ballot the papers are counted by the Clerk and another member of staff. The candidates and staff are informed in writing of the result.

Governors: When a vacancy arises for a Governor the Governing Body is informed and asked for suggestions of possible candidates. The Chair of Governors speaks to the candidate to ascertain their interest and suitability for the post. The candidate then has to be proposed and seconded by members of the Governing Body and voted on by all the Governors. For the latest guidance on the recruitment of Governors Haydon School Academy Trust always refers to the DfE website.

e. Policies adopted for the induction and training of Trustees

Induction and Training of Governors is bought in as required either from the Local Authority Governors Support Service or from an appropriate professional body according to requirements.

f. Organisational structure

As an outstanding school Haydon School converted to an Academy on 1 April 2011. It has approximately 1,750 students on the roll with a PAN of 300 at year 7. Haydon School has a Sixth form consisting of approximately 391 students.

As a local employer in Hillingdon, Haydon School employs 104 teaching staff, 79 non-teaching support staff and 9 management staff (8 with effect from 1 September 2021).

For the period covered by this report Haydon School was led by Robert Jones as Headteacher who has held this position for nine years. The Senior Leadership Team who served throughout the year are included in the Reference and Administrative Details on page 1. The Senior Leadership Team is accountable to the Headteacher. The Headteacher has delegated spending authority as detailed and approved by the Governing Body.

Some of the Headteacher's delegated authority are delivered by members of the Senior Leadership Team and Heads of Department/Faculty with controlled limits in place.

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

Structure, governance and management (continued)

g. Arrangements for setting pay and remuneration of key management personnel

The Key Management Personnel of the Academy Trust are the Member Governors, Governors and the Senior Leadership Team. The Governors are not remunerated in their capacity as Governors. The arrangements for setting pay and remuneration of key management personnel are set out in the Pay Policy for Teachers and Support Staff. Haydon School has ensured that the Performance Management process for the Headteacher and Senior Leadership Team, and underlying management structure is aligned with Haydon School's objectives and planning activities in support of meeting both threshold and stretch targets, and is in line with appropriate benchmarks for the locality.

The annual Performance Management review process provides a structured way for Haydon School to appraise the performance of the Headteacher and Senior Leadership Team. This process directly involves the Member Governors and Governors in reviewing the performance of the Headteacher who in turn reviews the performance of the Senior Leadership Team against a common framework of objectives aligned with both the School Improvement Plan and organisational and development targets for individuals. There is a Personnel Review Committee to deal with the pay for the Headteacher together with a Personnel Review Appeals Committee.

h. Related parties and other connected charities and organisations

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

i. Principal activities

Haydon School is committed to providing a broad and balanced education for children of all abilities from 11 to 18 years and is an effective employer for teaching and non-teaching staff.

j. Trade union facility time

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, where an Academy Trust has more than 49 full time equivalent employees throughout any 7 months within the reporting period, certain information must be provided. Haydon School does not have any employees who were made union officials during the relevant period.

Objectives and activities

a. Objects and aims

The principal objects of the Academy Trust, as set out in its Articles of Association is to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school, offering a broad and balanced curriculum.

b. Objectives, strategies and activities

Students

Our students will experience a broad curriculum to become the next generation of innovative thinkers and leaders. They will be exceptional learners, achieving excellence through perseverance. They will develop resilience to overcome challenges and inspire others. They are treated with respect and kindness and are considerate of others in the community. Students will leave Haydon School prepared to enter the best universities and workplaces. We want our students to be ready for the next steps in their lives and be proud to have been part of the Haydon School community.

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

Objectives and activities (continued)

b. Objectives, strategies and activities (continued)

Staff

Our staff will achieve excellence in a collaborative professional community, with quality development opportunities preparing them for the next steps in their career. Staff wellbeing is of high importance and staff are trusted and valued. We want Haydon School to be a great community where everyone works together to be their best and are proud to be part of Haydon School.

Parents / Carers

Our parents and carers will be strong partners with Haydon School. We will actively welcome engagement with the school to support their child's learning and wellbeing as part of a caring community. We want parents and carers to be proud that their child has attended Haydon School.

Community

The wider community is important to Haydon School. We will establish strong and sustainable local, national and international partnerships to inspire our students, their families and our staff.

Values

We would like all members of our school community to develop the following values.



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

Objectives and activities (continued)

b. Objectives, strategies and activities (continued)

Priority 1: Achieving Excellence

1.1 Developing a school curriculum to engage and challenge all

We will challenge our students with a broad knowledge-based curriculum that allows all students to thrive and be prepared for a rapidly changing global economy. It will be based on latest research on effective learning to ensure all students enjoy a vibrant and relevant education.

1.2 Providing additional challenge for all of our learners through a stimulating extracurricular programme

Each student will participate in a wide range of enrichment activities every year at Haydon School. An extensive programme will be offered that inspires students to develop new and existing interests as well as to be supported with their wider interests outside school. Our sixth form students will develop their leadership skills through their involvement. Our carefully planned trips programme enables all students to develop perseverance and independence, and an appreciation and knowledge of the arts, contemporary society and the outdoors.

1.3 Developing the use of new technology so that it enhances learning, teaching and communications

Students and staff will continue to develop new approaches to learning and teaching. We will develop our students' ability to learn independently using technology in the most effective way based on the latest research. The school's curriculum will be online to enable students to take ownership and independence of their learning. Technology will be used to enhance the partnership with parents and carers to support their child's development further.

1.4 Ensuring all students receive outstanding pastoral care

The heart of pastoral care will be an inspiring form tutor who will support student wellbeing. Form tutors are the primary contact for parents and carers to ensure that each student thrives. A dedicated year leader will support the whole year group on their journey throughout their time at Haydon School. A coordinated network of dedicated specialist staff will provide additional high quality bespoke support.

Priority 2: Developing Haydon School for everyone

2.1 Invest in developing all our staff

We will invest in all our teachers, leaders and professional support staff, focusing on empowering staff with their development, leadership and wellbeing. We will provide an inspiring development, support and enrichment programme to which all staff contribute. Staff will develop as high-performing teams, reducing workload through collaborative and coordinated ways of working.

2.2 Champion equity, diversity and inclusion

Haydon School is a community where everybody's contribution is valued. We will invest in resources to address systemic differences in student attainment, attendance and engagement including enrichment activities. A tailored careers programme will inspire and support all students' next steps. We believe diversity of perspectives and thought brings with it high quality decision-making and will improve outcomes for all. Our supportive, equitable and inclusive culture will advance the diversity of staff.

2.3 Invest in a world-class environment

We are committed to further improving the campus and our enviable green spaces. Our priorities are to provide purposeful social areas for different year groups, improve the lunchtime experience, develop a pastoral hub to coordinate specialist support to students, enhance our sports facilities to continue nurturing professional sportspeople, and support staff and students with an outstanding digital environment.

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

Objectives and activities (continued)

2.4 Engage our wider community, friends and partners, and alumni

We will nurture lifelong relationships with Haydon and ensure they are kept up to date with school news. We will strengthen and widen our network of stakeholders in the wider community, including parents and carers, employers and support agencies, to provide exciting experiences and opportunities for student development. Our alumni programme will regularly welcome former students (Old Haydonians) to engage with each other, meet their former teachers and other staff, and inspire current Haydon School students.

c. Public benefit

The Haydon School's objectives are set out in this report. The Member Governors and Governors have complied with their duty to have due regard to public benefit guidance published by the Charity Commission and have paid due regard to this guidance in deciding the activities the academy has undertaken.

Strategic report

Achievements and performance

171 of our Year 13 students progressed on to university with 50 going to Russell Group Universities. The Year 13 A-level results were good: 55% achieving A* to B and 80% at A* to C.

At GCSE, 86% of students got a standard pass (Grade 4 or higher) in English and mathematics and 66% got a good pass in both English and mathematics (Grade 5 or higher). 20.5% of all GCSE grades were 9 or 8, 35.7% of GCSE grades were graded 7 to 9 and 70.6% of GCSE grades were graded 5 to 9.

Haydon School maintained its roll of approximately 1,750 students.

Impact of COVID 19

COVID-19 has brought many challenges with it and completely changed the way we operate within our Academy and how we deliver education. Our staff members as well as having to deal with their own emotions and concerns were having to provide substantial emotional support to our students and their families. Cancellation of exams and subsequent developments and uncertainties added great pressure to already very challenging day to day life.

Putting year groups into bubbles meant that we had to redistribute all the classes across the site and create separation between each bubble. To achieve this we had to have external walk paths built. This was not an easy project under COVID-19 conditions, however, we had to get this done to be able to have year groups in bubbles and not mixing with each other.

The layout of each class had to be adapted and any excess furniture removed. Additional hand washing facilities created for each bubble. Hand sanitisers and disinfecting sprays distributed across the site and each teacher is given their individual bottles of hand sanitisers and disinfecting sprays to carry with them.

The school timetable has been adapted to allow different start and finish times to keep bubbles separate. Each bubble is allocated their own area for break times and lunch times.

Allocating a specific class per form group meant that students stay in the same class for their lessons (except specialist lessons) all the time - reducing student movement across the site. However, this meant the teaching staff now have to move from lesson to lesson.

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

Strategic report

Achievements and performance (continued)

All the above arrangements had to be adapted in line with changing guidelines for Covid. These changes included:

- Having to mark exam papers which increased the workload of teaching staff immensely
- Undoing of bubbles which meant reorganising the whole school site for the implementation of this
- Carrying out Covid tests in school which meant redeployment of some of our staff to perform this task and hiring of external agency staff and management of this process
- Delivering Covid vaccinations in school which meant extra workload to many of our staff

We are very grateful even under these conditions our students, staff and wider community pulled together and we have achieved the above mentioned grades. This is a sentiment to our community spirit.

a. Key performance indicators

Haydon School monitors its financial performance using the following key performance indicators:

• Staffing costs as a percentage of all income	= 78.8%
• Income per student	= £6,443
• Learning resources/direct costs per student	= £5,128
• Capital investment / fixed asset additions per student	= £65

b. Going concern

After making appropriate enquiries, the Member Governors and Governors have a reasonable expectation that Haydon School has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Financial review

The Governors have overall responsibility for the administration of Haydon School's finances. The main responsibilities of the Governors are prescribed in the Funding Agreement between Haydon School and the DfE and in Haydon School's Finance Policy.

The Finance and Premises Committee is a Committee of the Governors. The Finance and Premises Committee meets at least five times in the academic year but more frequent meetings can be arranged if necessary. The main responsibilities of the Finance and Premises Committee are detailed in written terms of reference which have been authorised by the Member Governors and Governors.

Haydon School has a Five Year Budget Plan and provides an Annual School Improvement Plan.

The Five Year Budget Plan is prepared as part of the improvement planning process. The School Improvement Plan indicates how education and other objectives are going to be achieved within the expected level of resources over the next year.

The School Improvement Plan provides the framework for the annual budget. The budget is a detailed statement of the expected resources available to Haydon School and the planned use of those resources for the following year.

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

Strategic report (continued)

Financial review (continued)

Financial highlights for the period of this report include:

	2021	2022
Total Income	£11,464,912	£10,681,521
Total expenditure	£11,855,179	£11,646,584
Net book value of fixed assets	£30,234,176	£30,833,890
Depreciation charge	£712,802	£707,119
Cash balances	£1,252,552	£476,168

For the year ended 31 August 2021, Haydon School's total income (excluding capital grants) was £11,436,323 (2020 - £10,653,058) while the total expenditure (excluding depreciation and LGPS FRS102 pension cost charges) was £10,733,377 (2020 - £10,419,724), resulting in a net surplus for the year of £702,946 (2020 - net surplus of £22,593).

a. Reserves policy

The Governors have agreed a reserves policy for Haydon School and review this regularly. The review covers the income and expenditure streams and the requirement to match income and committed expenditure with an appropriate level of reserves. The Governors consider that the appropriate level of revenue reserves for Haydon School should be not less than one month of expenditure.

At 31 August 2021 the total funds comprised:

Unrestricted funds		£343,211
Restricted funds	Fixed asset funds	£30,234,176
	GAG funds	£557,642
	COVID Catch-up premium	£94,133
	Pension deficit reserve	(£6,733,000)
Total funds		£24,496,162

Haydon School's current level of operating reserves at 31 August 2021 is £900,853, being the amount held in unrestricted funds and the GAG restricted fund.

The deficit on the pension reserve relates to the non-teaching staff pension scheme where, unlike the teachers scheme, separate assets are held to fund future liabilities. The deficit can be met in the longer term from any combination of increased employer or employee contributions, increased government funding or changes to scheme benefits. The Governors have considered their plans to clear the pension deficit over a ten year period. The restricted funds will be spent in accordance with the terms of the particular funds. Unrestricted funds are for use on the general purposes of Haydon School, at the discretion of the Governors. The aim is to increase this reserve to meet future working capital requirements. The Governors seek to ensure an appropriate level of reserves is maintained bearing in mind recurrent spending.

b. Investment policy

Surplus funds are held in an interest bearing bank account.

c. Principal risks and uncertainties

During the financial year covered by this report there has been no significant change in Haydon School's internal financial controls, finance processes or financial statements.

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

c. Principal risks and uncertainties (continued)

The Finance and Premises Committee is presented with a comprehensive set of financial reports at every meeting. All aspects of financial management relating to the production of these reports are challenged and scrutinised by the committee that frequently requests supplementary information or regular updates. This committee agreed to have additional meetings as part of Finance Improvement Plan (FIP) to scrutinise finances in details and discuss specific items in preparation of the F&P Meetings. These FIP meeting provide an extra layer of assurance on top of regular Finance and Premises Committee Meetings. The Director of Finance and Operations attends these meetings to deal with any queries.

Full management and financial accounts and summary reports are produced in accordance with the processes contained in the Finance Policy. These are distributed to members of the Finance and Premises Committee and the Member Governors and Governors. Not all members of the Governors are on the Finance and Premises Committee so these individuals are updated via Full Governing Body Meetings, however, they all have access to these documents.

Requirements for ethical behaviour and business practices are set out in policy documents and the Finance Policy. All processes and the Finance Policy are scrutinised by the Governors prior to approval and approved for use by Haydon School. Other requirements on ethical behaviour are covered as part of staff training and development which for individuals is ongoing as part of their professional development.

The Audit Committee was established in December 2013. The main role of this committee is to identify the key risks that the school faces. This risks are being allocated to a sub-committee as appropriate.

The principal risks facing Haydon School are detailed in the Risk Register. A summary is given below:

- A major health pandemic affecting staff and / or students
- A major incident concerning staff and / or students
- Major incident on school trip
- Unexpected loss of school revenue
- An unforeseen incident that renders school accommodation unserviceable for an undeterminable period of time
- Decline in school performance
- Competition threat from neighbouring schools
- Staffing vacancies
- Governance of the school by all levels
- Loss of key suppliers
- Significant failure of IT systems

COVID-19 meant the pandemic risk has taken over our day to day lives and we had to become very adaptable, flexible, creative and resourceful in a very short space of time. Putting systems and processes in place have taken large chunks of time out of our working hours and we really had to focus on the pandemic. We had to do these while learning and developing new skills such as track and trace; both for students and staff following a positive test result.

d. Financial and Risk Management Objectives and Policies

Haydon School practices risk management principles through its Full Governing Body (FGB), namely the Governors and the constituted sub-committees. The Audit Committee oversees these areas. Any major risks highlighted at any sub-committee are brought to the main Board of Governors with proposed mitigating actions and they continue to be reported until the risk is adequately mitigated. Haydon School Governors accept managed risk as an inevitable part of its operations but maintains an objective not to run unacceptable levels of risk in any area. The subjective nature of this process requires major risks to be resolved by the Governors collectively, whilst more minor risks are dealt with by the Senior Leadership Team.

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

Fundraising

Haydon School generates additional income through hiring out its facilities when they are not used by Haydon School. Haydon School has hired a staff member who has specific responsibility to increase the income generated from hiring out existing facilities, through grant applications and via donations from parents and others in the community. No external professional fundraisers are used. The governors monitor all fundraising activity.

Due to COVID-19 our lettings were not possible. In a normal year we would generate around £100K from our lettings. This was disheartening as we had additional COVID-19 related expenditure of £107K in the financial year.

We will proactively concentrate on income generation following COVID-19 and when we are able to hire out our facilities.

Plans for future periods

Strategy Development

The School Improvement Plan have 2 priorities:

Priority 1: Achieving Excellence

- 1.1 Developing a school curriculum to engage and challenge all
- 1.2 Providing additional challenge for all of our learners through a stimulating extracurricular programme
- 1.3 Developing the use of new technology so that it enhances learning, teaching and communications
- 1.4 Ensuring all students receive outstanding pastoral care

Priority 2: Developing Haydon School for everyone

- 2.1 Invest in developing all our staff
- 2.2 Champion equity, diversity and inclusion
- 2.3 Invest in a world-class environment
- 2.4 Engage our wider community, friends and partners, and alumni

Use of new technology is a priority within the Priority 1. The importance of use of technology was really highlighted during COVID-19 and this is a high priority for the Academy.

Funds held as custodian on behalf of others

Haydon School and the Governors do not act as Custodian Trustees of any other charity.

Haydon School does however hold Post 16 Bursary Funds on behalf of the ESFA, which are distributed to students as required and in line with the terms and conditions of the funds.

Disclosure of information to auditor

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- that 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.

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TRUSTEES' REPORT (CONTINUED)
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Auditor

Cooper Parry Group Limited have expressed their willingness to continue in office as auditors and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 9 December 2021 and signed on its behalf by:



Dr Tanya Huehns
Chair of Trustees

HAYDON SCHOOL
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GOVERNANCE STATEMENT

Scope of responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to the 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 Haydon School and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report. The Full Board of Trustees has formally met five times during the year. These meetings were held online using Google Meet due to Covid 19 pandemic. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mrs Amanda Cowley	3	4
Mr Stevon Edwards	4	5
Ms Melinda Giddens	1	5
Ms Claire Hilton	2	5
Mr Rob Kirk	4	4
Mr Sandeep Kumar	3	5
Ms Natalie McLean	2	5
Mrs Chloe Ogunleye	2	4
Mrs Sandeep Palmer	4	5
Ms Claire Pitt	5	5
Mrs Natasha Ramachandran	1	3
Mr Giuseppe Schettino	4	5
Mr Paras Shah	4	4
Mr Robert Jones, Headteacher	5	5
Dr Tanya Huehns, Chair of Trustees	5	5
Mrs Janet Keal	5	5

There are four sub-committees of the Board of Trustees; Finance and Premises, Audit, Personnel and Student. Their purpose is detailed in the Terms of Reference for each sub-committee which is agreed at the first meeting of each academic year. The Board of Trustees maintains effective financial governance through the meetings of the Finance and Premises Committee and Audit Committee.

The key remits of the **Finance and Premises Committee** are:

- In consultation with the Headteacher to draft the first formal budget plan of the financial year for presentation to the Governing Body.
- To establish and maintain an up to date 3 year financial plan reflecting school priorities including staffing plans and plans relating to repair, maintenance and development of premises and to recommend action on these plans to the Governing Body.
- To ensure that the Governing Body agrees financial procedures and controls, including audit, and to monitor implementation in the School.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

- To agree an effective procedure for monitoring the budget, to consider appropriate reports for the purposes of monitoring, to report the outcomes of monitoring together with an evaluation of the use of resources to the Governing Body and make any appropriate recommendations.
- To agree the level of delegation to the Headteacher for the day to day financial management of the School.
- To advise the Governing Body on priorities, including Health and Safety, for the maintenance and development of the School premises.

Attendance at the Finance and Premises Committee meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr Steven Edwards	4	5
Ms Claire Hilton	1	5
Dr Tanya Huehns	5	5
Mr Robert Jones	5	5
Mrs Janet Keal	5	5
Mr Rob Kirk	3	4
Mr Sandeep Kumar	3	5
Ms Natalie McLean	0	5
Ms Chloe Ogunleye	2	4
Mr Giuseppe Schettino	4	5
Mr Paras Shah	4	4

The key remits of the Audit Committee are:

- To recommend to the Governing Body a framework of effective audit coverage, having reviewed the external audit processes and any internal audit that has taken place.
- To advise the Governing Body on the minimum and optimum level of external and internal audit arrangements.
- To ensure that regular audits are carried out in the following areas: legal, risk, financial (including statutory annual audits, VAT, PAYE, procurement, payments and contracts), health and safety (including equipment), safeguarding of students and staff and monitoring of contractors performance, investments and insurance, examination irregularities, safer recruitment processes and to contribute to these reviews.
- To monitor external and any internal audit reviews and to advise the Governing Body accordingly.
- To investigate on behalf of the Governing Body any matter that may put the school at risk.
- To examine reports on special investigations and to advise the Governing Body accordingly.
- To consider the appropriateness of executive action following any internal audit reviews and to advise senior management on any additional or alternative steps to be taken.

Attendance at the Audit Committee meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr Steven Edwards	3	3
Dr Tanya Huehns	3	3
Mr Robert Jones	3	3
Mrs Janet Keal	3	3
Mr Sandeep Kumar	3	3

HAYDON SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

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.

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

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

- Reviewing the staffing structure of the academy to ensure non-teaching staff resources are utilised efficiently and effectively.
- Reviewing the curriculum timetable to ensure existing teaching staff resources are allocated as effectively and efficiently as possible.

The Accounting Officer ensures that Haydon School makes effective and efficient use of the resources to meet the needs of all students. The Five Year Budget Plan and value for money are monitored by the Members and Governors.

The Procurement Policy Notes (PPNs) have been applied in our catering contract.

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 Haydon School for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with a Five Year Budget Plan and periodic financial reports which are reviewed and agreed by the Board of Trustees.
- regular reviews by the Finance and Premises 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.

HAYDON SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

The Board of Trustees has decided to employ Association of School and College Leaders (ASCL) as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. In particular the checks carried out in the current year included:

- Internal control
- Governance
- Risk management
- Payroll and HR

The internal auditor reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Academy Trust Board's financial responsibilities.

The internal auditor has delivered their programme of work during the year ended 31 August 2021 as planned. No significant internal control weaknesses were identified from the work completed.

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:

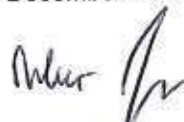
- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process, including the School Resource Management Self-Assessment Tool;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 9 December 2021 and signed on their behalf by:



Dr Tanya Huehns
Chair of Trustees



Mr Robert Jones
Accounting Officer

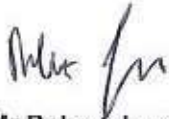
HAYDON SCHOOL
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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



Mr Robert Jones
Accounting Officer

Date: 9 December 2021

HAYDON SCHOOL
(A Company Limited by Guarantee)

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

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

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

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

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

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

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

Approved by order of the members of the Board of Trustees on 9 December 2021 and signed on its behalf by:



Dr Tanya Huehns
Chair of Trustees

HAYDON SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HAYDON SCHOOL**

Opinion

We have audited the financial statements of Haydon School (the 'Academy Trust') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

HAYDON SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HAYDON SCHOOL (CONTINUED)**

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the 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 financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

HAYDON SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HAYDON SCHOOL (CONTINUED)**

Auditor's responsibilities for the audit of the financial statements

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

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

Our assessment focussed on key laws and regulations the Academy Trust has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, the Academies Financial Handbook 2020, the Academies Accounts Direction 2020 to 2021, taxation legislation, data protection, anti-bribery and employment legislation.

We are not responsible for preventing irregularities, including fraud. Our approach to detecting irregularities, including fraud, included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the Academy Trust and how the Academy Trust is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the Academy Trust's control environment and how the Academy Trust has applied relevant control procedures, through discussions with Trustees and other management and by reviewing the reports on the internal scrutiny work commissioned by the trust in relation to the year and by performing walkthrough testing over key areas;
- obtaining an understanding of the Academy Trust's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection of fraud based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

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

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

HAYDON SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HAYDON SCHOOL (CONTINUED)**

Use of our report

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



Simon Atkins FCA (Senior Statutory Auditor)

for and on behalf of

Cooper Parry Group Limited

Chartered Accountants

Statutory Auditor

One Central Boulevard

Blythe Valley Business Park

Solihull

West Midlands

B90 8BG

14 December 2021

HAYDON SCHOOL
(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 11 June 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Haydon School during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of Haydon School's funding agreement with the Secretary of State for Education dated 3 March 2011 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter. The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity. A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion. Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy Trust's income and expenditure.

The work undertaken to draw our conclusions included:

- Reviewing the internal control policies and procedures implemented by the Academy Trust and evaluating their design and effectiveness to understand how the Academy Trust has complied with the framework of authorities, including reviewing the reports on the internal scrutiny work commissioned by the trust in relation to the year.
- Reviewing the minutes of meetings of the Trustees, relevant sub-committees and other evidence made available to us, relevant to our consideration of regularity;
- Enquiries of the Accounting Officer, including reviewing the work undertaken by the Accounting Officer in relation to their Statement on Regularity, Propriety and Compliance; and
- Detailed testing of the income and expenditure of the Academy Trust based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit of the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

HAYDON SCHOOL
(A Company Limited by Guarantee)

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

Conclusion

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



Reporting Accountant
Cooper Parry Group Limited
Chartered Accountants
Statutory Auditor
One Central Boulevard
Blythe Valley Business Park
Solihull
West Midlands
B90 8BG

Date: 14 December 2021

HAYDON SCHOOL
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:						
Donations and capital grants	3	11,603	45,900	28,589	86,092	55,706
Charitable activities	4	-	11,300,952	-	11,300,952	10,299,339
Other trading activities	5	57,885	19,857	-	77,742	325,984
Investments	6	126	-	-	126	492
Total income		69,614	11,366,709	28,589	11,464,912	10,681,521
Expenditure on:						
Charitable activities	7	102,942	11,039,435	712,802	11,855,179	11,646,584
Total expenditure		102,942	11,039,435	712,802	11,855,179	11,646,584
Net (expenditure)/income		(33,328)	327,274	(684,213)	(390,267)	(965,063)
Transfers between funds	16	-	(84,499)	84,499	-	-
Net movement in funds before other recognised gains/(losses)		(33,328)	242,775	(599,714)	(390,267)	(965,063)
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	23	-	(1,169,000)	-	(1,169,000)	(1,197,000)
Net movement in funds		(33,328)	(926,225)	(599,714)	(1,559,267)	(2,162,063)
Reconciliation of funds:						
Total funds brought forward	16	376,539	(5,155,000)	30,833,890	26,055,429	28,217,492
Net movement in funds		(33,328)	(926,225)	(599,714)	(1,559,267)	(2,162,063)
Total funds carried forward	16	343,211	(6,081,225)	30,234,176	24,496,162	26,055,429

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 29 to 49 form part of these financial statements.

HAYDON SCHOOL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07557791

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	13	30,234,176	30,833,890
		<u>30,234,176</u>	<u>30,833,890</u>
Current assets			
Debtors	14	298,179	336,712
Cash at bank and in hand		1,252,552	476,168
		<u>1,550,731</u>	<u>812,880</u>
Creditors: amounts falling due within one year	15	(555,745)	(436,341)
Net current assets		994,986	376,539
Total assets less current liabilities		<u>31,229,162</u>	<u>31,210,429</u>
Net assets excluding pension liability		31,229,162	31,210,429
Defined benefit pension scheme liability	23	(6,733,000)	(5,155,000)
Total net assets		<u><u>24,496,162</u></u>	<u><u>26,055,429</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	16	30,234,176	30,833,890
Restricted income funds	16	651,775	-
Pension reserve	16	(6,733,000)	(5,155,000)
Total restricted funds	16	24,152,951	25,678,890
Unrestricted income funds	16	343,211	376,539
Total funds		<u><u>24,496,162</u></u>	<u><u>26,055,429</u></u>

The financial statements on pages 26 to 49 were approved by the Trustees, and authorised for issue on 09 December 2021 and are signed on their behalf, by:



Dr Tanya Huehns
Chair of Trustees

The notes on pages 29 to 49 form part of these financial statements.

HAYDON SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	18	860,757	(85,789)
Cash flows from investing activities	19	(84,373)	(148,512)
Change in cash and cash equivalents in the year		776,384	(234,301)
Cash and cash equivalents at the beginning of the year		476,168	710,469
Cash and cash equivalents at the end of the year	20, 21	<u>1,252,552</u>	<u>476,168</u>

The notes on pages 29 to 49 form part of these financial statements

HAYDON SCHOOL
(A Company Limited by Guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

1.2 Going concern

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

1.3 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 Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.4 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 the funders where the asset acquired or created is held for a specific purpose.

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

Investment income, gains and losses are allocated to the appropriate fund.

1.5 Agency arrangements

The Academy Trust acts as an agent in distributing 16-19 Bursary Funds from the ESFA payments received from the ESFA and subsequent disbursements to students are excluded from the Statement of Financial activities as the Academy Trust does not have control over the charitable application of the funds. The Academy Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. Where funds have not been fully applied in the accounting period then an amount will be included as amounts due to the ESFA.

HAYDON SCHOOL
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

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

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

• **Donations**

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

• **Other income**

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

• **Donated goods, facilities and services**

Goods donated for ongoing use by the Academy Trust are included at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The value of the donated goods is recognised as 'Income from Donations and Capital Grants' and a corresponding amount is included in the appropriate expenditure category in accordance with the Academy Trust's accounting policies.

1.7 Expenditure

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

• **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.

All resources expended are inclusive of irrecoverable VAT.

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

1. Accounting policies (continued)

1.8 Tangible fixed assets

Assets costing £3,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following bases:

Freehold buildings	- 2% straight line
Freehold land	- No depreciation on land
Equipment	- 20% straight line
Computer equipment	- 33% straight line
Motor vehicles	- 20% 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.

1.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.10 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.

1.11 Provisions

Provisions are recognised when the Academy Trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

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

1. Accounting policies (continued)

1.12 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 bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

1.13 Pensions

The Academy Trust operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Academy Trust to the fund in respect of the year.

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

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

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy 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.

1.14 Operating leases

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

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

2. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Tangible fixed assets are depreciated over their economic useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors.

Critical areas of judgement:

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

3. Income from donations and capital grants

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	11,603	45,900	-	57,503	27,243
Capital Grants	-	-	28,589	28,589	28,463
	<u>11,603</u>	<u>45,900</u>	<u>28,589</u>	<u>86,092</u>	<u>55,706</u>
Total 2020	<u>27,243</u>	<u>-</u>	<u>28,463</u>	<u>55,706</u>	

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

4. Funding for the Academy's educational operations

	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
DfE/ESFA grants			
General Annual Grant (GAG)	10,010,659	10,010,659	9,174,525
Other DfE/ESFA grants			
Other DfE/ESFA Group	26,290	26,290	31,327
Pupil Premium	234,930	234,930	246,518
Teachers Pay grant	139,865	139,865	142,152
Teachers Pension grant	395,211	395,211	401,672
	-	10,806,955	9,996,194
Other Government grants			
Local Authority SEN funding	131,978	131,978	94,476
	131,978	131,978	94,476
Other income from the Academy Trust's educational operations	29,486	29,486	208,669
COVID-19 additional funding (DfE/ESFA)			
Catch-up Premium	111,160	111,160	-
Mass testing grants	52,310	52,310	-
Other COVID related funding	169,063	169,063	-
	332,533	332,533	-
Total 2021	11,300,952	11,300,952	10,299,339
Total 2020	10,299,339	10,299,339	

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the academy trust's funding for various grants previously aggregated together as Other DfE/ESFA grants are now reported as separate grants under the heading of Other DfE/ESFA grants above. The prior year comparatives have been reclassified accordingly.

The Academy Trust received £111,160 of funding for COVID catch-up premium and costs incurred in respect of this funding totalled £17,027, with the remaining balance of £94,133 to be expended during the year ending 31 August 2022.

Other COVID related funding relating for the year ended 31 August 2021 comprised exceptional costs funding of £119,479 and summer school funding of 49,584.

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**NOTES TO THE FINANCIAL STATEMENTS
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5. Income from other trading activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Rental income	38,706	-	38,706	129,718
Other income	19,179	19,857	39,036	196,266
Total 2021	<u>57,885</u>	<u>19,857</u>	<u>77,742</u>	<u>325,984</u>
Total 2020	<u>153,947</u>	<u>172,037</u>	<u>325,984</u>	

6. Investment Income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Investment income	126	126	492
Total 2020	<u>492</u>	<u>492</u>	

7. Expenditure

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	Total 2020 £
Charitable activities:					
Direct costs	7,738,440	494,940	740,973	8,974,353	8,902,942
Support costs	1,585,227	358,236	937,363	2,880,826	2,743,642
	<u>9,323,667</u>	<u>853,176</u>	<u>1,678,336</u>	<u>11,855,179</u>	<u>11,646,584</u>
Total 2020	<u>8,980,546</u>	<u>876,602</u>	<u>1,789,436</u>	<u>11,646,584</u>	

Of the total expenditure of £11,855,179 (2020 - £11,646,584), £102,942 (2020 - £90,483) was attributable to unrestricted funds, £11,039,435 (2020 - £10,848,982) was attributable to restricted funds and £712,802 (2020 - £707,119) was attributable to the restricted fixed asset funds.

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**NOTES TO THE FINANCIAL STATEMENTS
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8. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Charitable activities	8,974,353	2,880,826	11,855,179	11,646,584
Total 2020	8,902,942	2,743,642	11,646,584	

Analysis of support costs

	Activities 2021 £	Total funds 2021 £	Total funds 2020 £
LGPS FRS102 net interest cost	90,000	90,000	68,000
Staff costs	1,585,227	1,585,227	1,437,989
Repairs and maintenance	88,343	88,343	137,878
Gas and electricity	232,819	232,819	217,620
Cleaning costs	229,012	229,012	202,269
Insurance	39,366	39,366	37,967
Security and transport	8,812	8,812	33,862
Catering costs	87,115	87,115	149,957
Site expenses - Covid-19	37,074	37,074	27,310
Other support costs	403,712	403,712	367,229
Professional fees	38,483	38,483	35,213
Rates	18,781	18,781	22,162
Legal fees - other matters	22,082	22,082	6,186
	2,880,826	2,880,826	2,743,642
Total 2020	2,743,642	2,743,642	

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

9. Net (expenditure)/income

Net (expenditure)/income for the year includes:

	2021 £	2020 £
Operating lease rentals	30,720	32,200
Depreciation of tangible fixed assets	712,802	707,119
Fees paid to auditor for:		
- audit	8,000	7,600
- other services	4,500	4,150
	<u>825,022</u>	<u>745,069</u>

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	6,528,110	6,298,333
Social security costs	693,503	654,678
Pension costs	1,773,646	1,634,925
	<u>8,995,259</u>	<u>8,587,936</u>
Agency staff costs	328,408	386,810
Staff restructuring costs	-	5,800
	<u>9,323,667</u>	<u>8,980,546</u>

Staff restructuring costs comprise:

	2021 £	2020 £
Severance payments	-	5,800
	<u>-</u>	<u>5,800</u>

b. Non-statutory/non-contractual staff severance payments

During the year the Academy Trust made no non-contractual termination payments (2020 - two payments of £4,500 and £1,300 respectively).

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

10. Staff (continued)

c. Staff numbers

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

	2021 No.	2020 No.
Teachers	103	105
Administrative and support	79	85
Management	9	9
	<u>191</u>	<u>199</u>

d. Higher paid staff

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

	2021 No.	2020 No.
In the band £60,001 - £70,000	6	6
In the band £70,001 - £80,000	1	1
In the band £80,001 - £90,000	1	-
In the band £120,001 - £130,000	-	1
In the band £130,001 - £140,000	1	-
	<u>1</u>	<u>-</u>

e. 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 £942,904 (2020 - £878,294).

11. Trustees' and Officers' insurance

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

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12. Trustees' remuneration and expenses

One or more 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. The value of Trustees' remuneration and other benefits was as follows:

		2021 £	2020 £
Mr Robert Jones (Headteacher)	Remuneration	135,000 - 140,000	125,000 - 130,000
	Pension contributions paid	30,000 - 35,000	30,000 - 35,000
Mrs Melinda Giddens	Remuneration	55,000 - 60,000	55,000 - 60,000
	Pension contributions paid	10,000 - 15,000	10,000 - 15,000
Mrs Sandeep Palmer	Remuneration	20,000 - 25,000	20,000 - 25,000
	Pension contributions paid	5,000 - 10,000	5,000 - 10,000

During the year ended 31 August 2021, no Trustee expenses have been incurred (2020 - £NIL).

13. Tangible fixed assets

	Freehold property £	Furniture and equipment £	Motor vehicles £	Computer equipment £	Total £
Cost or valuation					
At 1 September 2020	34,412,694	639,945	42,815	657,023	35,752,477
Additions	34,300	-	-	78,788	113,088
Disposals	-	-	-	(20,925)	(20,925)
At 31 August 2021	34,446,994	639,945	42,815	714,886	35,844,640
Depreciation					
At 1 September 2020	4,136,565	297,567	42,815	441,640	4,918,587
Charge for the year	494,940	109,645	-	108,217	712,802
On disposals	-	-	-	(20,925)	(20,925)
At 31 August 2021	4,631,505	407,212	42,815	528,932	5,610,464
Net book value					
At 31 August 2021	29,815,489	232,733	-	185,954	30,234,176
At 31 August 2020	30,276,129	342,378	-	215,383	30,833,890

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

13. Tangible fixed assets (continued)

Included in freehold property is freehold land of £9,700,000 (2020 - £9,700,000) which is not depreciated.

14. Debtors

	2021	2020
	£	£
Due within one year		
Trade debtors	5,375	11,008
Prepayments and accrued income	244,014	285,871
VAT recoverable	48,790	39,833
	<u>298,179</u>	<u>336,712</u>

15. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Trade creditors	80,207	51,845
Other taxation and social security	182,194	159,353
Other creditors	188,599	157,926
Accruals and deferred income	104,745	67,217
	<u>555,745</u>	<u>436,341</u>

	2021	2020
	£	£
Deferred income at 1 September	45,185	48,889
Resources deferred during the year	77,219	45,185
Amounts released from previous periods	(45,185)	(48,889)
Deferred income at 31 August	<u>77,219</u>	<u>45,185</u>

Deferred income at 31 August 2021 includes amounts received in advance in respect of trip income of £31,899 (2020 - £27,391) and other income of £45,320 (2020 - £17,794)

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

16. Statement of funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers In/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
General Funds	376,539	69,614	(102,942)	-	-	343,211
Restricted general funds						
General Annual Grant (GAG)	-	10,010,659	(9,368,518)	(84,499)	-	557,642
Other DfE/ESFA grants	-	26,290	(26,290)	-	-	-
Pupil Premium	-	234,930	(234,930)	-	-	-
Teachers pay grants	-	139,865	(139,865)	-	-	-
Teachers pension grants	-	395,211	(395,211)	-	-	-
Local Authority SEN grants	-	131,978	(131,978)	-	-	-
COVID Catch-up premium	-	111,160	(17,027)	-	-	94,133
Other COVID related funding	-	169,063	(169,063)	-	-	-
Mass testing grants	-	52,310	(52,310)	-	-	-
Other restricted income	-	95,243	(95,243)	-	-	-
Pension reserve	(5,155,000)	-	(409,000)	-	(1,169,000)	(6,733,000)
	<u>(5,155,000)</u>	<u>11,366,709</u>	<u>(11,039,435)</u>	<u>(84,499)</u>	<u>(1,169,000)</u>	<u>(6,081,225)</u>
Restricted fixed asset funds						
Tangible fixed assets	30,833,890	28,589	(712,802)	84,499	-	30,234,176
Total Restricted funds	<u>25,678,890</u>	<u>11,395,298</u>	<u>(11,752,237)</u>	<u>-</u>	<u>(1,169,000)</u>	<u>24,152,951</u>
Total funds	<u>26,055,429</u>	<u>11,464,912</u>	<u>(11,855,179)</u>	<u>-</u>	<u>(1,169,000)</u>	<u>24,496,162</u>

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

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NOTES TO THE FINANCIAL STATEMENTS
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16. Statement of funds (continued)

The General Annual Grant funding must be used for the normal running costs of the Academy Trust in line with the Trust's charitable objects and the terms and conditions of the Trust's funding agreement.

Other grants and income, which include other ESFA / DfE grants, Pupil Premium, Teacher Pay grants, Teachers' Pension grants, Local Authority funding, COVID Catch-up Premium, other COVID related funding and other restricted income, are all used in accordance with the specific restrictions of the individual grants and funding provided.

The Pension reserve represents the Local Government Pension Scheme deficit.

Restricted fixed asset funds represent the investment in fixed assets, net of accumulated depreciation, and includes the value of fixed assets transferred to the Academy Trust on conversion of the Schools within the Academy Trust and the value of fixed assets transferred from academies joining the Trust in the current or previous years, together with any capital expenditure funded from restricted or unrestricted funds. Unspent capital grants and capital income are also held in this fund and their use is restricted to the capital projects for which the grant awarded.

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

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
General Funds	434,344	181,682	(90,483)	(149,004)	-	376,539
Restricted general funds						
General Annual Grant (GAG)	8,924	9,174,525	(9,183,449)	-	-	-
Other DfE/ESFA grants	1,144	31,327	(32,471)	-	-	-
Pupil Premium	-	246,518	(246,518)	-	-	-
Teachers pay grants	-	142,152	(142,152)	-	-	-
Teachers pension grants	-	401,672	(401,672)	-	-	-
Local Authority SEN grants	-	94,476	(94,476)	-	-	-
Other restricted income	58,358	380,706	(439,064)	-	-	-
Pension reserve	(3,649,000)	-	(309,000)	-	(1,197,000)	(5,155,000)
	<u>(3,580,574)</u>	<u>10,471,376</u>	<u>(10,848,802)</u>	<u>-</u>	<u>(1,197,000)</u>	<u>(5,155,000)</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Statement of funds (continued)

**Restricted fixed
asset funds**

Tangible fixed assets	31,363,542	28,463	(707,119)	149,004	-	30,833,890
Total Restricted funds	27,782,968	10,499,839	(11,555,921)	149,004	(1,197,000)	25,678,890
Total funds	28,217,312	10,681,521	(11,646,404)	-	(1,197,000)	26,055,429

Total funds analysis by academy

Fund balances for the Academy Trust at 31 August 2021 and 31 August 2020 related to the single academy, being Haydon School, hence a breakdown by academy is not included in these financial statements.

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	30,234,176	30,234,176
Current assets	343,211	1,207,519	-	1,550,730
Creditors due within one year	-	(555,745)	-	(555,745)
Provisions for liabilities and charges	-	(6,733,000)	-	(6,733,000)
Difference	-	1	-	(1)
Total	343,211	(6,081,225)	30,234,176	24,496,162

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17. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	30,833,890	30,833,890
Current assets	376,539	436,340	-	812,879
Creditors due within one year	-	(436,340)	-	(436,340)
Provisions for liabilities and charges	-	(5,155,000)	-	(5,155,000)
Total	<u>376,539</u>	<u>(5,155,000)</u>	<u>30,833,890</u>	<u>26,055,429</u>

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

	2021 £	2020 £
Net expenditure for the year (as per Statement of Financial Activities)	(390,267)	(965,063)
Adjustments for:		
Depreciation	712,802	707,119
Capital grants from DfE and other capital income	(28,589)	(28,463)
Investment income	(126)	(492)
Defined benefit pension scheme cost less contributions payable	319,000	241,000
Defined benefit pension scheme finance cost	90,000	68,000
Decrease/(increase) in debtors	38,533	(17,372)
Increase/(decrease) in creditors	119,404	(90,518)
Net cash provided by/(used in) operating activities	<u>860,757</u>	<u>(85,789)</u>

19. Cash flows from investing activities

	2021 £	2020 £
Investment income	126	492
Purchase of tangible fixed assets	(113,088)	(177,467)
Capital grants from DfE Group	28,589	28,463
Net cash used in investing activities	<u>(84,373)</u>	<u>(148,512)</u>

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20. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand and at bank	1,252,552	476,168
Total cash and cash equivalents	<u>1,252,552</u>	<u>476,168</u>

21. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	476,168	776,384	1,252,552
	<u>476,168</u>	<u>776,384</u>	<u>1,252,552</u>

22. Capital commitments

	2021 £	2020 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	-	36,300
	<u>-</u>	<u>36,300</u>

23. Pension commitments

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 London Borough of Hillingdon. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £173,271 were payable to the schemes at 31 August 2021 (2020 - £157,926) and are included within creditors.

Teachers' Pension Scheme

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

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

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23. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £1,090,108 (2020 - £1,025,440).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £465,000 (2020 - £602,000), of which employer's contributions totalled £365,000 (2020 - £478,000) and employees' contributions totalled £ 100,000 (2020 - £124,000). The agreed contribution rates for future years are 25.1% for employers and 5.5% to 12.5% for employees.

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

Principal actuarial assumptions

	2021	2020
	%	%
Rate of increase in salaries	3.2	2.5
Rate of increase for pensions in payment/inflation	2.9	2.2
Discount rate for scheme liabilities	1.65	1.7
Inflation assumption (CPI)	2.9	2.2

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23. Pension commitments (continued)

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

	2021 Years	2020 Years
Retiring today		
Males	22.3	22.1
Females	24.7	24.3
Retiring in 20 years		
Males	23.3	22.8
Females	26.2	25.5

Sensitivity analysis

Change in value of the defined benefit obligations:

	2021 £000	2020 £000
Salary increase rate +0.5%	155	134
Discount rate -0.5%	1,605	1,313
Pension Increase Rate +0.5%	1,425	1,156

Share of scheme assets

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

	2021 £	2020 £
Equities	3,717,700	2,989,200
Bonds	2,373,000	1,971,600
Property	1,265,600	954,000
Cash	553,700	445,200
Total market value of assets	7,910,000	6,360,000

The actual return on scheme assets was £1,188,000 (2020 - £(382,000)).

The amounts recognised in the Statement of Financial Activities are as follows:

	2021 £	2020 £
Current service cost	(684,000)	(719,000)
Interest income	111,000	117,000
Interest cost	(201,000)	(185,000)
Total amount recognised in the Statement of Financial Activities	(774,000)	(787,000)

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23. Pension commitments (continued)

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

	2021 £	2020 £
At 1 September	11,515,000	9,921,000
Current service cost	684,000	719,000
Interest cost	201,000	185,000
Employee contributions	100,000	124,000
Actuarial losses	2,246,000	698,000
Benefits paid	(103,000)	(132,000)
At 31 August	<u>14,643,000</u>	<u>11,515,000</u>

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

	2021 £	2020 £
At 1 September	6,360,000	6,272,000
Interest income	111,000	117,000
Actuarial gains/(losses)	1,077,000	(499,000)
Employer contributions	365,000	478,000
Employee contributions	100,000	124,000
Benefits paid	(103,000)	(132,000)
At 31 August	<u>7,910,000</u>	<u>6,360,000</u>

24. Operating lease commitments

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

	2021 £	2020 £
Not later than 1 year	31,273	21,330
Later than 1 year and not later than 5 years	66,142	12,036
	<u>97,415</u>	<u>33,366</u>

25. Members' liability

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

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26. Related party transactions

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 12.

27. Agency arrangements

The Academy Trust distributes 16-19 bursary funds on behalf of the ESFA. In the year ended 31 August 2021 the Academy Trust received £21,158 (2020 - £26,327) and distributed £11,628 (2020 - £20,529). A balance of £15,328 (2020 - £5,798) is included within creditors.