

HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

**HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3
Statement of Trustees' responsibilities	22
Independent auditors' report on the financial statements	23 - 26
Independent reporting accountant's report on regularity	27 - 28
Statement of financial activities incorporating income and expenditure account	29 - 30
Balance sheet	31 - 32
Statement of cash flows	33
Notes to the financial statements	34 - 65

**HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

REFERENCE AND ADMINISTRATIVE DETAILS

Members	J Robinson (resigned 1 October 2020) B Unwin M Walters MBE D Webster (resigned 8 July 2021) N Lechmere (appointed 23 September 2021) S Price (appointed 1 October 2020) T Sinden (appointed 23 September 2021)
Members	S Price, Chair from 1 October 2020 until 22 September 2021 (appointed 1 October 2020, resigned 30 September 2021) J Robinson, Chair until 30 September 2020 T Sinden, Chair from 23 September 2021 (appointed 23 September 2021) L F Cooke, Accounting Officer & Chief Executive Officer S Adeney S Fitzjohn N Lechmere (resigned 23 September 2021) N Skellum (resigned 8 July 2021) J Speller K Taylor P Saunders (appointed 8 July 2021)
Company registered number	07690414
Company name	Hanley and Upton Educational Trust
Principal and registered office	Church End Hanley Castle Worcester Worcestershire WR8 0BL
Company secretary	M Snape
Accounting Officer	L F Cooke
Senior leadership team	L F Cooke, Accounting Officer & Chief Executive Officer HUET, Headteacher Hanley Cast High School E Wilkins, Chief Financial Officer HUET, Business & Finance Director Hanley Castle High School R Johnston, Deputy Headteacher, Hanley Castle High School S Anderson-Kirby, Deputy Headteacher, Hanley Castle High School D Findlater, Assistant Headteacher, Hanley Castle High School J Burrows, Assistant Headteacher, Hanley Castle High School A Pratley, Headteacher, Hanley Swan, St Gabriel's with St Mary's Church of England Primary School P Bundy, Assistant Headteacher, Hanley Swan, St Gabriel's with St Mary's Church of England Primary School B Baynes, Headteacher Kempsey Primary School D Willetts, Deputy Headteacher, Kempsey Primary School M Smith, Headteacher, Welland Primary School G Williams, Assistant Headteacher, Welland Primary School

**HANLEY AND UPTON EDUCATIONAL TRUST
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**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors 10 Temple Back Bristol BS1 6FL
Bankers	Lloyds Bank plc 1st Floor 4 The Cross Worcester WR1 2LB
Solicitors	Stone King LLP 13 Queen Square Bath BA1 2HJ

**HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021**

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2021. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates 3 primary academies and 1 secondary academy for pupils aged 4 to 19 in Upton upon Severn and the surrounding area. It has a pupil capacity of 1,650 and had a roll of 1,661 in the school census on 1 October 2020.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

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

The Trustees of Hanley and Upton Educational Trust are also the Directors of the charitable company for the purposes of company law. The charitable company is known as Hanley & Upton Educational Trust.

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

Trustees' liability

Each Trustee 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 Trustee, or within one year after he/she ceases to be a Trustee, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a Trustee.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	1
Full time equivalent employee number	1

Percentage of time spent on facility time

Percentage of time

Number of employees

0%	1
1% 50%	-
51% 99%	-
100%	-

Percentage of pay bill spent on facility time

	£
Total cost of facility time	-
Total pay bill	-
Percentage of total pay bill spent on facility time	-%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	-%
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**HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy Trust.

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The limit of this indemnity is £2,000,000.

TRUSTEES

Method of Recruitment and Appointment or Election of Trustees

The Academy Trust shall have the following Members and Trustees as set out in its Articles of Association and funding agreement:

Members

- 1 Member appointed by the Diocesan Board of Education
- The Chair of the Trustees
- 3 Members appointed according to the Articles of Association

Trustees

- 6 Trustees appointed by the Members
- 2 Trustees appointed by the Diocesan Board of Education
- The Chief Executive Officer

Trustees are appointed for a four year period, except that this time limit does not apply to the Chief Executive Officer. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be reappointed or re-elected. When appointing new Trustees, Members will consider the skills and experience mix of existing Trustees in order to ensure that the board has the necessary skills to contribute fully to the Trust's development.

Policies and Procedures Adopted for the Induction and Training of Trustees

The Trust has a recruitment, induction and training procedure which is followed for every new appointment, whether Member or Trustee. The training and induction provided will depend upon their existing experience but should include attendance at an induction course, the provision of an induction handbook, a tour of the schools within the Academy Trust and a chance to meet staff and pupils. All Members and Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their respective roles. Advantage may also be taken of specific courses offered by the Local Authority (LA) and other bodies. It should be noted that a planned induction programme for new Trustees was postponed due to the disruption caused by the Coronavirus pandemic and will now be run hopefully in the autumn of 2021 or in an online version if that remains the only option.

Organisational Structure

The Board of Trustees normally meets a minimum of four times per annum. The Board establishes an overall framework for the governance of the Trust and determines membership, terms of reference and procedures for committees, lead Trustees and other groups. It receives reports including policies for ratification. It monitors the activities of the committees and lead Trustees through the minutes of their meetings and reports. The Board may from time to time establish working groups to perform specific tasks over a limited timescale.

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

There are three committees as follows:

Audit Committee - this meets a minimum of twice a year and is responsible for examining and reviewing the risk management process and agreeing a programme of work to address these risks, undertaking a programme of internal audit through a responsible officer, ensuring due compliance with public accountability, recommending the appointment of the external auditors, and receiving the report of the auditors and ensuring any recommendations are actioned.

Pay and Performance Committee - meets once a year to assist the Board in fulfilling its responsibilities for the implementation of both its Pay and Performance Management Policies. It will monitor throughout the year and formally review annually the overall performance of staff and make recommendations to the Board in respect of pay awards to staff. With the External Adviser, it will monitor throughout the year and formally review annually the performance of the Chief Executive Officer, the Chief Financial Officer and headteachers, as a result of which it will make recommendations to the board in respect of their pay awards based on judgements of their overall performance and success in meeting the objectives set.

Academy Standards Committee - each academy has an Academy Standards Committee or ASC, whose responsibilities are laid out in the schemes of delegation.

Additional committees to those mentioned above may be convened as appropriate.

The areas of responsibility for Members, Trustees, and ASCs are delineated in the schemes of delegation. Three of the HUET's current member schools have been defined as supporting schools and have therefore been given the maximum delegation of governance functions and responsibilities. Welland Primary School joined the Trust in January 2019 as a supported school and as a consequence some of the governance responsibilities have been retained at Trust level, as set out in the schemes of delegation. Welland's supported status will be reviewed once it has undergone its first Ofsted inspection which is expected in the academic year 2021-22.

The following decisions are the responsibility of Members: amendments to the Articles of Association; the appointment of new Members or removal of current ones; the appointment and removal of Trustees; the appointment of the Trust's auditors by special resolution; the direction of the Trustees to take a specific action; and the power to change the name of the Charitable Company and, ultimately, wind up the Academy Trust.

The Board of Trustees has three core governance functions: to ensure clarity of vision, ethos, and strategic direction; to hold executive leaders to account for the educational performance of the organisation and its pupils, and the performance management of staff; and overseeing the financial performance of the HUET and ensuring its funds are well spent.

As both Charity Trustees and Directors of the Academy Trust, Trustees must ensure compliance with the HUET's charity objectives and with company and charity law. As such, the Board of Trustees is accountable to the Secretary of State for the Trust's adherence to its funding agreement. It is also accountable to the Diocesan Board of Education for any church schools within the HUET.

As set out in the schemes of delegation, responsibility for the day to day management of each academy is normally devolved to the headteacher and senior leadership team, with responsibility for strategic governance and other matters devolved to the ASC for supporting schools and retained more at Trust level for supported schools. The HUET Trustees ensure that their oversight of internally delegated responsibilities and their understanding of and ability to deliver against external responsibilities meets all requirements.

The Chief Executive Officer is the Accounting Officer.

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

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Trustees consider that the Board of Trustees and the senior leadership team comprise the key management personnel of the academy in charge of directing and controlling, running, and operating the Trust on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year for their role as Trustees.

Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

The pay of key management personnel is reviewed annually and normally increased in accordance with the pay policy of the HUET when affordability issues are also taken into consideration.

Connected Organisations, including Related Party Relationships

Hanley Castle has a Church Supplemental Agreement with the Hanley Castle Foundation Trust for the land on which the school buildings are built. The Hanley Castle High School Foundation Trust is a related party as it is the owner of the school's land and buildings. The Foundation Trust nominates one of its Trustees to also be a Member of the Hanley Castle High School ASC, whilst the HUET nominates one of its Trustees (currently the Chair) to be a Trustee of the Foundation. Hanley Castle High School occupies the land at no cost for the shorter of the duration of the Funding Agreement or two years notice from the beneficial owners.

There are no related parties which either control or significantly influence the decisions and operations of the Hanley and Upton Educational Trust.

Hanley Swan has a Church Supplemental Agreement with the Board of Education of the Diocese of Worcester for the land on which the school buildings are built.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the HUET remains unchanged to advance, for the public benefit, education in the United Kingdom, in particular by further improving schools and offering a high quality educational provision through a broad and balanced curriculum for all its pupils and students, irrespective of ability and aptitude.

The principal object and activity of the charitable company is the operation of Hanley Castle High School, Hanley Swan St Gabriel's with St Mary's Church of England Primary School, Kempsey Primary School and Welland Primary School to provide free education and care for students of all abilities between the ages of 4 and 18.

The aims of the HUET during the year ended 31 August 2021 are:

Belong – all children and young people within the partnership will feel part of a happy, safe, and caring community where the values of respect, honesty, friendship, kindness, responsibility, and perseverance are promoted and celebrated.

Aspire – all children and young people will be encouraged and supported to aim very high developing fully their unique gifts, talents and abilities through a relentless focus on maximising learning opportunities both within and beyond the curriculum.

Achieve – all children and young people will be encouraged and supported to achieve their full potential, leaving the care of the partnership with outstanding academic qualifications, and the skills and personal qualities required to succeed in a rapidly changing world.

All member schools (founder and future) will remain non-selective and will be supported in maintaining any current religious affiliation.

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

This will be achieved through:

- A relentless focus on raising the standard of educational attainment and achievement of students of all ages, abilities and aptitudes.
- A stimulating learning environment supported by consistent expectations.
- Care, support and intervention that places the individual at the centre of everything that we do.
- Celebration of all forms of success and reward of positive attitude and effort.
- Close partnership between parents, schools and the children and young people to support progress.
- Curriculum opportunities that promote understanding and appropriately challenge every child and young person.
- Opportunities outside the curriculum that support a broader personal development.
- A clear understanding of rights and responsibilities in a global community.

Objectives, Strategies and Activities

Broad themes were agreed for the HUET development plan for 2020-2021. Priorities identified included:

- **The quality of education and outcomes** – to continue to develop the quality of the transition curriculum in English and maths / to continue to improve pupil outcomes in maths across all key stages / to continue to improve the consistency of outcomes for disadvantaged pupils across all curriculum areas and in all key stages.
- **Personal development and welfare** – to further improve the culture of safeguarding across all schools / further improve the attendance of disadvantaged pupils.
- **Governance** – to develop the capacity of the HUET board in advance of expansion / to continue to improve monitoring of compliance with GDPR / to support Welland ASC in holding its headteacher to account.
- **Leadership and management** – to develop the HUET to meet the needs of housing developments in south Worcestershire – expansion of Hanley Castle to 180 PAN, Kempsey to 60 PAN, Welland to 30 PAN, potential free school bids / appoint DPO / maintain support to Welland Primary School (supported status).

The HUET schools have also continued to develop the scope of their work in initial teacher training in partnerships which include the University of Worcester and the Prince Henry's Teaching School Alliance.

In addition, each school had its own individual development priorities for 2020-21. Details of these priorities and progress towards them are available from each school.

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy Trust's aims and objectives and in planning its future activities.

The HUET aims to advance for the public benefit education in Hanley Castle, Hanley Swan, Kempsey and Welland and the surrounding area, offering a broad and balanced curriculum to students of all abilities.

The HUET provides facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of the said community.

As a Multi Academy Trust with sponsor school status we have a duty to support other schools. We support these schools, especially our feeder primary schools, through use of our premises and specialist skills including secondments where appropriate.

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

STRATEGIC REPORT

Achievements and Performance

The quality of education

- The children of the HUET enjoy experiences in and beyond the classroom which are rich and varied, usually including a global aspect and many opportunities to develop pupils' awareness and skills regarding SMSC and British values.
- They also benefit from teaching which is often inspirational, innovative and exciting.
- There is a relentless focus on the development of literacy and numeracy skills.
- Assessment and feedback are accurate, regular and effective in promoting improvement.
- Outcomes are generally good at all key stages, although small cohorts can lead to large year-on-year variations. In 2019 (the last year where validated data is available) KS2 progress in reading and writing at Welland, and in reading, writing and mathematics at Kempsey, were areas of focus. Significant improvements have been made in these areas during the last two academic years.
- KS4 progress at Hanley Castle returned to sig+ in 2019, with the progress made by lower prior attaining and disadvantaged students in 2019 particularly pleasing.
- Overall attainment and progress at post-16 in 2019 improved. However, a decline in the proportion of grades awarded at A* and A grade has been addressed. Unvalidated results in 2020 and 2021 suggest a return to previously high levels of attainment for more able students.
- Progress in applied subjects remains outstanding.
- Destinations data (at 16 and 18) remains excellent.
- The Local Authority, Ofsted and internal self-evaluation (summer 2018) confirmed that the quality of teaching and learning at Welland required improvement.
- The intensive support given to Welland during the last two years, accelerated by the appointment of a new headteacher who is a maths specialist, has had a significant impact with KS2 maths progress returning to strongly positive in 2019.
- The quality of education at Kempsey Primary School was judged to be good by Ofsted in January 2020, while the school was a finalist in the 'Primary School of the Year' at the 2019 Worcestershire Education Awards
- The quality of education at Hanley Swan Primary School was judged to be good by Ofsted in March 2020, with the teaching of maths and reading (including phonics) identified as areas of particular strength.
- All four schools are focusing on articulating curriculum intent with greater clarity and improving the effectiveness of implementation to improve outcomes
- The involvement of the HUET with the GLOW maths project (Mastery Specialist based at Hanley Castle) continues to drive improvement in maths

Performance during the pandemic

- All schools continued to deliver a high-quality curriculum to pupils, whether in school or remotely, meeting DfE guidelines where possible
- Schools ensured they had suitable IT hardware and software to support high-quality remote learning
- All staff had access to high-quality CPD to improve expertise in use of remote-education technologies
- Clear guidance was provided to teachers and other staff regarding remote learning expectations, including on the quality of assessment, feedback and reporting
- Schools ensured that all pupils at home had access to IT hardware and software which allowed them to access fully the school's remote learning provision
- Where this was not possible, schools provided effective alternatives (such as inviting children into school / providing hard copies of learning materials)
- Schools provided effective support to key worker / vulnerable children (including SEND) learning in school
- Schools provided effective support to vulnerable pupils learning at home, including SEND / disadvantaged learners
- Schools provided clear guidance to parents and carers to enable them to support remote learning
- Teachers were supported to accurate assessments where external assessments (e.g. SATs / GCSEs / A levels / BTECs) had been withdrawn

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

- Great efforts were made to ensure that the disruption to in-school provision did not lead to pupils, either individuals or groups, falling behind
- Similarly, schools are currently working hard to identify and address gaps in learning
- Key groups and individuals have been identified (for example SEND / disadvantaged / boys) and targeted support is planned or already being provided
- Effective use has been made of catch-up funding to enhance provision and support – for example staffing / facilities / resources / CPD / tuition for small groups or individuals

Personal development, behaviour and attitudes

Safeguarding is an overarching priority for the HUET and all four of its schools. Regular training for Members, Trustees, ASC members and staff is compulsory, and the pace of change in this area has made training sessions and follow up essential to ensure that knowledge is kept up to date through accredited sessions.

The cross HUET safeguarding policy has been updated and is now firmly embedded, improving practice and procedures across the MAT, including successful Trustee-led audits carried out at schools. All four schools have adopted the CPOMS whole school safeguarding monitoring system.

Fire surveys have also been completed across all HUET schools and remedial action taken where appropriate.

The schools have continued to focus on reducing persistent absenteeism, particularly for those students with SEND or who are disadvantaged. The 'Prevent' strategy has been fully implemented, with all staff trained to be aware of their roles and responsibilities in supporting students who are vulnerable to extremism and radicalisation.

A HUET attendance and safeguarding officer provides additional capacity in these key areas.

- Pupils enjoy lessons, engage actively with their learning and are enthusiastic and keen to learn
- Pupil behaviour is generally exemplary and attendance is high. Pupils work well together: relationships between pupils and between pupils and adults are excellent – confirmed by Ofsted (Kempsey January 2020 / Hanley Swan March 2020)
- Low level disruption is rare and addressed effectively
- Children feel safe and know how to keep themselves safe, physically and online
- Bullying is very infrequent – pupils feel very safe and confident that effective support will be provided where issues arise
- Attendance is generally good
- The focus on persistent absenteeism is having some success. However, despite significant interventions, the attendance of a few children is very poor due to illness, mental health problems or resistance to support from parents

Performance during pandemic

- Schools maintained intensive support remotely for vulnerable pupils, particularly those who are disadvantaged
- Clear guidance was provided to teachers, other staff and parents regarding on-line attendance, behaviour for learning and consequences
- Schools ensured they had suitable IT hardware and software to support on-line attendance, behaviour for learning and consequences
- Schools ensured all staff had access to high-quality CPD to improve expertise in use of these technologies
- Schools continued to improve resources and expertise to better support pupils' mental health
- Schools continued to maintain intensive support for vulnerable pupils, particularly those who are disadvantaged, on their return to school
- Schools worked with the HUET safeguarding and attendance officer to assess impact of pandemic on attendance
- Schools ensured rigorous systems were in place to identify and follow up on any absences during remote learning (including for key worker and vulnerable children who remained in school)

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

- Persistent absentees were provided with additional support to overcome barriers to remote education

Leadership and Management

The benefits of the HUET remain obvious, with collaboration and good practice being shared at both senior and middle leadership level.

Joint staff training, particularly in safeguarding, has ensured that safeguarding policies and practice across the HUET are of a consistently high standard (as recognised in both this year's Ofsted inspections).

As well as working hard on their internal development plan priorities, the four schools are collaborating to further improve the transition curriculum in English, mathematics and IT, further improving provision for premium pupils, continuing to raise attainment in literacy and numeracy, further improving the quality of teaching and learning and developing middle and senior managers.

This focus on developing middle and senior leaders is a priority, as the HUET seeks to develop and retain its most promising staff. Three senior leaders are currently working towards NPQH, while others have already completed NPQSL.

More whole HUET policies have been raised and ratified – for example a common code of conduct for HUET staff.

The quality of self evaluation has improved further, with all four schools working together to address the requirements of the new Ofsted framework, introduced in September 2019. The success of this was evidenced by last year's Ofsted outcomes

The consolidation of resources and prudent financial management have ensured that the HUET is in a strong financial position with reserves in line with its Finance policy.

Compliance with GDPR has been enhanced by the appointment and training of an effective DPO who has managed a number of issues very competently including complex SAR requests.

Aligning teachers' pay more closely with performance

The fourth full performance management cycle was successfully completed, including the Pay and Performance Committee's review of headteachers' performance. As a result, the HUET is confident that its pay policy is working effectively to provide a consistent framework within which excellent performance is incentivised and any underperformance challenged. There is a strong correlation between pay and performance, ensuring that the HUET and its schools achieve value for money.

Improving the Trust's environment and facilities

- Major improvements and expansion of accommodation and facilities continues at all four schools
- Pupil numbers are strong and rising: all schools are oversubscribed, with waiting lists for most year groups
- The Local Authority requested that Kempsey become a two-form entry school from September 2020 and provided funding to support the improvements required to accommodation and facilities
- The Local Authority requested that Hanley Castle increased its PAN to 180 from September 2020 and provided funding to support the improvements required to accommodation and facilities
- The Local Authority requested that Welland increased its PAN to 30 from September 2021 and provided funding to support the improvements required to accommodation and facilities
- The HUET has a well-developed free school bid for the Broomhall and Norton Barracks site, and has received positive feedback on its proposal from both the LA and Kempsey Parish Council
- The HUET stands ready to bid for the proposed new 600 student 11-16 secondary school in Worcester
- Major capital projects at Hanley Castle, Kempsey and Hanley Swan were all completed on time and within budget

**HANLEY AND UPTON EDUCATIONAL TRUST
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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Key Performance Indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date, which excluding fixed assets and pension reserve was £568k or 6.4% of revenue income as at August 2021. This together with £7,198k restricted fixed asset funds offset by the pension deficit of £4,826k leaves net assets as at 31 August 2021 of £2,940k.

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers as at October 2020 were 1661.

Another key financial performance indicator is staffing costs as a percentage of income. For 2021 this was 80.1%, which compared favourably to budget of 81.3%.

KPIs for the year	Budget	Actual
In year revenue deficit/surplus	-£171K	+£137K
Reserves as at 31 August	£190K	£568K
Reserves as a % of income	2%	6.4%
Pupil numbers (as at October 2020)		
Primary	603	587
Secondary	1096	1074
Total	1699	1661
Staff costs as percentage of income	81.3%	80.1%

Going Concern

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

FINANCIAL REVIEW

Financial Review

Most of the Trust's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the period ended 31 August 2021 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Trust also receives grants for fixed assets from the DfE via the ESFA and they are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Trust's accounting policies.

During the year ended 31 August 2021, excluding the impact of fixed assets and the increase in the LGPS pension deficit the Trust reported an in year surplus of £137k after transfer to capital with all individual schools maintaining positive reserves as at 31st August 2021.

The increase in Local Government Pension Scheme (LGPS) pension deficit of £374k to £4,826k was due to increasing liabilities and general market uncertainty.

Restricted Fixed Asset Fund income in the year of £1,446k related mainly to the expansion project at Welland, £918k and funding for boiler and fire safety projects planned for 21/22 of £460k. The expenditure within fixed assets of £1,056k included the annual depreciation charge of £278k and the expenditure at Hanley on the new building which is not now capitalised £778k. The transfer from revenue of £207k was utilised to support IT investment and other capital projects across the HUET. The net movement in the fund was £597k in year and stood at £7,198k as at 31 August 2021.

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

The total movement in funds in the year was £360k (£597k fixed assets, -£374k pension reserve and £137k general funds). Together with the brought forward funds from the previous financial year of £2,580k this resulted in carry forward funds of £2,940k of which £2,461k is restricted (£7,198k fixed assets, £(4,826k) pension and £88k general restricted reserve) and £479k is unrestricted.

At 31 August 2021 the net book value of fixed assets was £6,078k and movements in tangible fixed assets are shown in note 14 to the financial statements. The assets purchased in the year mainly expansion projects at Hanley Castle, Kempsey and Welland were used exclusively for providing education and the associated support services to the pupils of the Academy Trust.

The Trust has taken on the deficit in the LGPS in respect of its non teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in note 28 to the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Policy and Procedures which lays out the framework for financial management, including financial responsibilities of the HUET board, ASC's, headteacher, Chief Financial Officer, budget holders and other staff, as well as delegated authority for spending.

The Trustees have an appointed Responsible Officer Policy, a suitably qualified Trustee, to undertake a programme of internal checks on financial controls during the year ended 31 August 2021.

Reserves Policy

The Trustees review the reserve levels of the HUET annually and this review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the HUET, the uncertainty over future income streams and other key risks identified during the risk review. The general reserves at year end of £568k or 6% of income is in line with the targeted reserves and are held for future expenditure, for example one off building and maintenance work and to bridge the gap to Fairer Funding. The fixed asset reserves of £7,198k were invested in fixed assets. Whilst the HUET recognises a significant pension deficit of £(4,826k) due to the accounting treatment of the LGPS this does not mean that an immediate liability for this amount crystallises.

The LGPS reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy Trust.

Investment Policy

All funds surplus to immediate requirements are invested to optimal effect when appropriate. On a weekly basis this is achieved by transferring surplus funds to overnight deposit. Where cash flow allows, sums in excess of £50k may be invested on deposit for extended periods. Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Any cash not required for operating expenses is placed on deposit at the most favourable rate available from providers covered by the Financial Services Compensation Scheme. Day to day management of the surplus funds is delegated to the Chief Executive Officer as Accounting Officer and Chief Financial Officer within strict guidelines approved by the Board of Trustees.

Principal Risks and Uncertainties

The Board of Trustees has reviewed the major risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

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

The principal risks and uncertainties facing the HUET are as follows:

COVID-19 – the principal risk facing the HUET at present stems from the COVID-19 pandemic and includes the partial/total closure of an academy(ies) due to a COVID case(s). Each academy has its own detailed COVID-19 risk register in place and these are regularly reviewed with any significant changes reported back to the board.

Financial - the HUET has considerable reliance on continued government funding through the Education and Skills Funding Agency (ESFA) and the introduction of National Fairer Funding (NFF) is critical to the ongoing success of the Trust. In the last year over 94% of the HUET's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms. Whilst 3 of the 4 academies in the HUET have been asked and funded by the local authority to increase their intake, risks to revenue funding from a falling roll remain small. However, the reduction in post 16 funding levels, the freeze on the Government's overall education budget, changes in funding arrangements for special educational needs and increasing employment and premises costs mean that budgets will be increasingly tight in coming years.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the HUET's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational - the success of the HUET is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and any impact from the risks associated with the development of the MAT are minimised.

Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health and safety and discipline.

Staffing - the success of the HUET is reliant on the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning. The Trustees are aware of the potential pressures on staff due to ongoing funding issues and as a result work with the senior leadership teams to monitor any impact on staff.

Fraud and mismanagement of funds - the HUET's Responsible Officer undertakes an annual programme of checks on financial systems and records as required by the Academies Financial Handbook. All finance staff receive training to keep them up to date with financial procedures and develop their skills in this area.

The HUET has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by Trustees and include the financial risks to the HUET. The register and plan are constantly reviewed and updated by committees in light of any new information and formally reviewed at each board meeting by the HUET Board.

The Trustees examine financial health formally four times a year, reviewing performance against budget and overall expenditure by means of regular update reports at all meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

The Board of Trustees recognises that the defined benefit scheme deficit (LGPS), which is set out in note 28 to the financial statements, represents a significant potential liability. However, as the Trustees consider that the Academy Trust is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is minimised.

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

FUNDRAISING

The Academy Trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

PLANS FOR FUTURE PERIODS

The Hanley and Upton Educational Trust will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all ages and stages, continue to aim to attract high quality teachers and support staff in order to deliver its objectives and continue to work with partner schools to improve the educational opportunities for students in the wider community.

The HUET will continue to seek opportunities to strengthen its links legally and formally with partner schools to improve further the quality of educational provision for all children from the age of 4 to 19 within the schools involved, whilst retaining the distinctive character of each. This includes respecting and preserving the Christian ethos of Diocesan primary schools and the commitment of all schools to the spiritual, moral and cultural development of their students.

The HUET will seek to build closer links with other local schools, particularly those within the Upton Pyramid, to improve further the quality of educational provision for all children in our area.

The HUET will play a prominent role in system improvement through its 'sponsor school' status and is prepared to work with the DfE and Regional Schools Commissioner to support those schools which are identified as underperforming.

In addition, Hanley Castle will continue to develop the scope of its work in initial teacher training in partnerships which include the University of Worcester and the Prince Henry's Teaching School Alliance.

The quality of education

All HUET schools will continue to:

- Deliver a high-quality curriculum to pupils, whether in school or remotely, meeting DfE guidelines where possible
- Ensure that any disruption to in-school provision does not lead to pupils, either individuals or groups, falling behind
- Improve their curriculums in terms of intent, implementation and impact
- Improve the quality of the mathematics curriculum and its delivery across the HUET
- Develop the quality of the transition curriculum in English and maths, including associated moderation
- Develop further joint-curricular projects
- Focus on improving the consistency of outcomes for disadvantaged children
- Focus on improving the consistency of outcomes for children with SEND
- Focus on Ofsted priorities (both pre and post inspection)

Personal development, behaviour and attitudes

- All HUET schools will develop further strategies to improve pupils' emotional health and wellbeing
- They will develop systematic approaches to improving the uptake by disadvantaged and SEND pupils of trips, visits and other extra-curricular activities
- They will seek to further improve behaviour and attendance, particularly the behaviour and attendance of disadvantaged pupils
- Continue to focus on Ofsted priorities (both pre and post)

**HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

Leadership and management

- The HUET will further increase its capacity to drive internal improvements and support expansion, including to meet the needs of increased demand due to housing developments in our area
- The HUET will develop each school's facilities, premises and IT to support PAN increases
- The HUET will continue to improve safeguarding arrangements across all of its schools
- It will update its systems and procedures to ensure compliance with the GDPR and provide all staff with appropriate training
- It will further improve succession planning to ensure that its success is sustained
- The HUET will continue to provide support to Welland Primary School (supported status) in order to prepare it for a successful Ofsted inspection when the time comes
- The HUET will maintain strong financial controls to ensure that the Trust remains in good financial health
- The HUET will ensure that all its schools continue to focus on staff well-being (including that of school leaders) in the light of the additional challenges caused by the pandemic

Full details of all our plans for the future are given in the HUET Development Plan, which is available on our website or from the Company Secretary, and in academy development plans which can be obtained from the individual schools.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The HUET and its Trustees do not act as the custodian Trustees of any other charity with the exception of those Trustees who are Trustees of the Hanley Castle High School Foundation Trust.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware; and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

AUDITORS

The auditors, Bishop Fleming LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at the HUET AGM in January 2022.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 2 December 2021 and signed on its behalf by:



Mr T Sinden
Chair of Trustees

**HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021**

SCOPE OF RESPONSIBILITY

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

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

The Board of Trustees has delegated the day to day responsibility to the Chief Executive Officer of the Hanley and Upton Educational Trust 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 the HUET and the Secretary of State for Education. The CEO is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met 4 times during the year.

Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
J Robinson, Chair	4	4
L F Cooke, Accounting Officer & Chief Executive Officer	4	4
S Adeney	3	4
S Fitzjohn	3	4
N Lechmere	3	4
S Price	4	4
N Skellum	3	4
J Speller	3	4
K Taylor	4	4

Membership of the Board of Trustees has remained unchanged through the year although the role of Chair transferred to S Price on 1st October 2020. The Board of Trustees has continued to focus its activities on the three core governance functions:

- it has ensured that the clarity of vision, ethos and strategic direction as documented for the HUET underpin all its discussions and decision making.
- it has held executive leaders to account for the educational performance of the organisation and its pupils through detailed assessment of the high quality descriptive and data driven reports provided by the CEO and headteachers, and for the performance management of staff through the responsibilities delegated to the pay and performance committee; and
- through review of the equally high quality financial reports provided by the CFO, it has overseen the financial performance of HUET and ensured, in extremely challenging financial times, that its funds have continued to be well spent.

However, for 2020/21 this has only been a part of the story. The impact of the coronavirus pandemic has continued to impact all schools and the work of the Board of Trustees has been predominantly focused on supporting the HUET leadership in its work in guiding the Trust and its academies through this extremely difficult time. In the context of its own legal responsibilities regarding coronavirus related decisions, the Board has actively reviewed and challenged the individual academy Covid 19 risk assessments and, through regular meetings between heads and chairs of ASCs reported through the HUET Chair, monitored the ongoing situation in each academy. All meetings have, and continue to be held, via the Teams platform. A number of

GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Trustees have poor internet connectivity in our predominantly rural area making interactive activities via Teams particularly difficult. As a result, and because the Board were unwilling to impose further commitments on senior staff involved, training for both Members and Trustees planned has been postponed.

Governance Review

The quality of governance remained a central part of the HUET SEF and in self evaluation procedures using the Ofsted framework. The outcomes of this self evaluation are also recorded in each academy's SEF. During the last 12 months significant progress has been made in further improving the quality of governance, although not through the route originally planned. Formal governance self evaluation activity is normally undertaken by the Board of Trustees in the spring but in 2021 these plans continued to be disrupted by the pandemic for the reasons outlined above.

However, significant progress was made by utilising the Chairs' Forum (HUET Chair together with ASC Chairs) who have been able to work closely together and then share and develop their work with both the Leadership Forum and Board of Trustees at each of their meetings and integrate feedback received to their ongoing work. A major benefit of this format has been the development of closer relationships between the HUET and the ASCs via their chairs and the resultant improved embedding of the governance process across the HUET.

The Chair's Forum has worked in four main areas:

Coronavirus – regular review of individual academy risk assessments from a governance point of view through the collation and analysis of output from fortnightly meetings between heads and chairs which have been in place since the pandemic started. This allowed Trustees to be assured that their legal responsibilities were being safeguarded.

HUET risk management process – following the 19/20 comprehensive review of the HUET's entire risk management strategy and risk register together with the adoption of a new risk management policy this continues to be a key focus area. Fundamentally, the risk register links each individual risk in a matrix to the specific Scheme of Delegation category and HUET Development Plan section which it relates to. Risk owners continue to have a strengthened responsibility for monitoring and managing their risks. Each individual academy is required to maintain and manage its own risk register which is also linked to the schemes of delegation and the academy's development plan. Where an academy risk is linked to a similar HUET risk, e.g., where accountability sits with the HUET, but delivery lies predominantly at academy level, academies will be required to demonstrate to the board their on going management of the risk. The HUET risk register made available as part of the 2020/21 end of year reporting has been produced under the new system.

HUET self evaluation and development plan – linked to the work on the HUET risk management process, Chairs and through them the Board and ASCs, are now much more involved in the HUET self evaluation process and the construction of the HUET Development Plan. This will significantly strengthen the integrity of that plan and ownership by the HUET governance structure.

Safeguarding - Chairs continued to work to ensure that the ownership and implementation of the Trust's safeguarding principles and policies continued to be embedded at ASC level as well as amongst Members and Trustees. The governance aspect of this work is led by the Board's Safeguarding Lead, Kate Taylor, who undertakes annual school safeguarding audits.

In addition, Trustees continued to provide appropriate challenge and support regarding senior leadership, teaching and learning and outcomes. Trustees were assured that the Trust's financial position remained stable with contingency plans in place for the anticipated failure to increase income against unavoidable expenditure, including Covid related costs, in the short term. Resources were seen to have been managed effectively and efficiently to facilitate improvement in staffing levels, facilities, and accommodation to benefit all student groups. Trustees' own expertise, experience and knowledge of the Trust and its schools ensured they remain well placed to shape its direction and policies, identify strategic priorities, and to monitor and evaluate actions taken by the leadership of each of the schools within the Trust.

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

It is an important governance objective to ensure that Members are appropriately informed to undertake their high level role and they have been involved alongside Trustees in some of the self evaluation and safeguarding training, whilst also receiving briefing on the HUET's academic performance and other achievements against objectives. There remains a Member vacancy to be filled: as with Trustees, the policy of the Members has been to fill vacancies only as and when replacement candidates with suitable skills are identified, preferring if necessary, to keep a vacancy until that time. This has been delayed by the pandemic, but it is anticipated that the vacancy will be filled by the 2020/21 AGM in January 2022. However, it should be noted that one beneficial outcome of the pandemic for Members has been the ease with which they can now 'sit in' on board meetings whilst they are held on Teams and this allows them to better undertake their oversight role and understand the workings of the Board and the HUET more generally.

The HUET Audit Committee is a sub committee of the main Board of Trustees. Its purpose is to assist the Board of Trustees in fulfilling its responsibilities with reference to financial reporting, internal control, risk management and external audit.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
N Lechmere	2	2
K Taylor	2	2
P G Saunders (Independent Chair)	2	2
S Price – HUET Chair (In Attendance)	1	2
E Wilkins - CFO - (In Attendance)	2	2
N Skellum - RO - (In Attendance)	1	2

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Chief Executive Officer has responsibility for ensuring that the HUET 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 HUET'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 HUET has delivered improved value for money during the year by:

- Delivering an in year surplus of £137k compared to a budgeted deficit of -£171k. All individual schools returned an in year surplus for the year before transfer to capital
- No significant issues arising from external audit or internal audit work carried out by the Responsible Officer
- Maintaining strict control over staff costs. The number of staff has remained fairly static over the last five years whereas pupil numbers continue to rise. Staff costs per pupil are significantly lower than both the Worcestershire and national average and as a percentage of income were better than budget
- Maintaining reserves as at 31st August 2021 of £568k or 6% of income
- Conducting an annual benchmarking exercise which indicated that the Trust's costs are lower than most other similar trusts, whilst income is considerably lower than the national average due to the low funding of Worcestershire Local Authority
- Expansion projects at both Kempsey and Hanley Castle have been completed in budget and Welland expansion has progressed well despite the impact of the pandemic
- Funding was secured to replace boilers at Hanley Castle and fire alarm systems at Hanley Castle, Welland and Hanley Swan
- Maintaining tight control over financial position of trust throughout the lockdown period

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

- Closely monitoring exceptional costs during the pandemic and where possible submitting claims to government for financial support
- Continued investment in IT across the trust including over £130k on laptops and desktops at Hanley Castle and Kempsey

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 HUET 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 Hanley and Upton Educational Trust 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 HUET 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 HUET'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 HUET'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. It includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- 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

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Mrs N Skellum as Responsible Officer (RO) for the year ended 31 August 2021.

The reviewer's role includes giving advice on financial matters and performing a range of checks on the HUET's financial systems. The checks carried out in the current period included:

- Testing of payroll costs, cash and bank and credit card procedures
- Review of Academies Financial Handbook Schedule of requirements – the “musts”
- Testing of fixed asset projects and IT expenditure
- Testing of income streams and expenditure within non-payroll costs

On a quarterly basis, the reviewer reports to the Board of Trustees through the Audit Committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

**HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

There were no significant issues identified as part of the Responsible Officer's review. On an annual basis RO reports to the audit committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

REVIEW OF EFFECTIVENESS

As Accounting Officer, the Chief Executive Officer has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by

- the work of the reviewer
- the work of the external auditors
- the financial management and governance self assessment process
- the work of the executive managers within the HUET who have responsibility for the development and maintenance of the internal control framework

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Audit 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 2 December 2021 and signed on their behalf by:



Mr T Sinden
Chair of Trustees



Mrs L F Cooke
Accounting Officer

**HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Hanley and Upton Educational Trust I have considered my responsibility to notify the Academy Trust Board of Trustees 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 to 2021.

I confirm that I and the Academy Trust Board of Trustees 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 to 2021.

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



Mrs L F Cooke
Accounting Officer
Date: 2 December 2021

**HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

The CEO, CFO and Headteachers of each school (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 CEO, CFO and Headteachers of each school to prepare financial statements for each financial . Under company law, the CEO, CFO and Headteachers of each school 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 CEO, CFO and Headteachers of each school 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The CEO, CFO and Headteachers of each school 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 CEO, CFO and Headteachers of each school 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 CEO, CFO and Headteachers of each school 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 2 December 2021 and signed on its behalf by:



T Sinden
Chair of Trustees

**HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF HANLEY
AND UPTON EDUCATIONAL TRUST**

OPINION

We have audited the financial statements of Hanley and Upton Educational Trust (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 2020 to 2021 issued by the Education and Skills Funding Agency.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' 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.

**HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF HANLEY
AND UPTON EDUCATIONAL TRUST (CONTINUED)**

OTHER INFORMATION

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' 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.

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF HANLEY AND UPTON EDUCATIONAL TRUST (CONTINUED)

AUDITORS' 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 Auditors' 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.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the Academy sector, control environment and the Academy Trust's performance;
- results of our enquiries of management and the Trustee board, including the committees charged with governance over the Academy Trust's finance and control, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Academy Trust's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or noncompliance with laws and regulations;
- how the Academy Trust ensured it met its obligations arising from it being financed by the ESFA and other funders, and as such material compliance with these obligations is required to ensure the Academy Trust will continue to receive its public funding and be authorised to operate, including around ensuring there is no material unauthorised use of funds and expenditure;
- how the Academy Trust ensured it met its obligations to its principal regulator, the Secretary of State for Education; and
- the matters discussed among the audit engagement team and involving relevant internal Academy specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue, management override of controls using manual journal entries, procurement and payroll. We identified the greatest potential for fraud as incorrect recognition of revenue and management override using manual journal entries.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the Academy Trust operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Academies Accounts Direction, Academies Financial Handbook, UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Academy Trust's ability to operate or to avoid a material penalty. These included safeguarding regulations, data protection regulations, occupational health and safety regulations, education and inspections legislation, building legislation and employment legislation.

**HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF HANLEY
AND UPTON EDUCATIONAL TRUST (CONTINUED)**

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of Trustees and management and those charged with governance concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of its regulators;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing internal control reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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 Auditors' report.

USE OF OUR REPORT

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

 LLP

John Talbot FCA (Senior statutory auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

10 Temple Back

Bristol

BS1 6FL

16 December 2021

**HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO HANLEY AND UPTON EDUCATIONAL TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 14 September 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 Hanley and Upton Educational Trust 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 Hanley and Upton Educational Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Hanley and Upton Educational Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Hanley and Upton Educational Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF HANLEY AND UPTON EDUCATIONAL TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of Hanley and Upton Educational Trust's funding agreement with the Secretary of State for Education dated 29 July 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.

**HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO HANLEY AND
UPTON EDUCATIONAL TRUST 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.

Handwritten signature in black ink, appearing to read "Bishop Fleming LLP".

John Talbot FCA
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol
BS1 6FL

Date: 16 December 2021

HANLEY AND UPTON EDUCATIONAL TRUST
(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	80	109,735	1,446,317	1,556,132	2,260,219
Other trading activities	5	47,113	-	-	47,113	47,977
Investments	6	124	-	-	124	532
Charitable activities	4	80,592	8,817,966	-	8,898,558	8,297,505
TOTAL INCOME		127,909	8,927,701	1,446,317	10,501,927	10,606,233
EXPENDITURE ON:						
Raising funds		-	-	-	-	991
Charitable activities		79,602	8,930,863	1,056,395	10,066,860	9,367,569
TOTAL EXPENDITURE		79,602	8,930,863	1,056,395	10,066,860	9,368,560
NET INCOME/ (EXPENDITURE)		48,307	(3,162)	389,922	435,067	1,237,673
Transfers between funds	19	-	(207,035)	207,035	-	-
NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED GAINS/(LOSSES)		48,307	(210,197)	596,957	435,067	1,237,673
OTHER RECOGNISED GAINS/(LOSSES):						
Actuarial losses on defined benefit pension schemes	28	-	(75,000)	-	(75,000)	(143,000)
NET MOVEMENT IN FUNDS		48,307	(285,197)	596,957	360,067	1,094,673

HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
RECONCILIATION OF FUNDS:					
Total funds brought forward	430,852	(4,452,000)	6,600,900	2,579,752	1,485,079
Net movement in funds	48,307	(285,197)	596,957	360,067	1,094,673
TOTAL FUNDS CARRIED FORWARD	479,159	(4,737,197)	7,197,857	2,939,819	2,579,752

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 34 to 65 form part of these financial statements.

HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:07690414

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible assets	14	6,078,129	5,278,332
CURRENT ASSETS			
Stocks	15	6,310	1,804
Debtors	16	1,745,299	2,028,826
Cash at bank and in hand		1,099,948	741,417
		<u>2,851,557</u>	<u>2,772,047</u>
Creditors: amounts falling due within one year	17	(1,122,175)	(989,434)
NET CURRENT ASSETS		<u>1,729,382</u>	<u>1,782,613</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>7,807,511</u>	<u>7,060,945</u>
Creditors: amounts falling due after more than one year	18	(41,692)	(29,193)
NET ASSETS EXCLUDING PENSION LIABILITY		<u>7,765,819</u>	<u>7,031,752</u>
Defined benefit pension scheme liability	28	(4,826,000)	(4,452,000)
TOTAL NET ASSETS		<u><u>2,939,819</u></u>	<u><u>2,579,752</u></u>
FUNDS OF THE ACADEMY TRUST			
RESTRICTED FUNDS:			
Fixed asset funds	19	7,197,857	6,600,900
Restricted income funds	19	88,803	-
		<u>7,286,660</u>	<u>6,600,900</u>
Restricted funds excluding pension asset	19	7,286,660	6,600,900
Pension reserve	19	(4,826,000)	(4,452,000)
TOTAL RESTRICTED FUNDS	19	<u>2,460,660</u>	<u>2,148,900</u>
UNRESTRICTED INCOME FUNDS	19	<u>479,159</u>	<u>430,852</u>
TOTAL FUNDS		<u><u>2,939,819</u></u>	<u><u>2,579,752</u></u>

**HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:07690414**

**BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021**

The financial statements on pages 29 to 65 were approved by the Trustees, and authorised for issue on 02 December 2021 and are signed on their behalf, by:

A handwritten signature in black ink, appearing to be 'T Sinden', with a large loop at the start and a horizontal stroke at the end.

T Sinden
Chair of Trustees

The notes on pages 34 to 65 form part of these financial statements.

**HANLEY AND UPTON EDUCATIONAL TRUST
(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 used in operating activities	21	(201,273)	(569,990)
CASH FLOWS FROM INVESTING ACTIVITIES	23	543,733	91,632
CASH FLOWS FROM FINANCING ACTIVITIES	22	16,071	(7,146)
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		358,531	(485,504)
Cash and cash equivalents at the beginning of the year		741,417	1,226,921
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	24, 25	<u>1,099,948</u>	<u>741,417</u>

The notes on pages 34 to 65 form part of these financial statements

**HANLEY AND UPTON EDUCATIONAL TRUST
(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), judgments 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.

Hanley and Upton Educational Trust meets the definition of a public benefit entity under FRS 102.

1.2 GOING CONCERN

The Trustees assess whether the use of going concern is appropriate 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.

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

1. ACCOUNTING POLICIES (continued)

1.3 INCOME

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

- **Grants**

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

General Annual Grant is recognised in full in the Statement of financial activities in the 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 goods have been provided or on completion of the goods and services.

- **Transfer on conversion**

Where assets and liabilities are received by the Academy Trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

1.4 EXPENDITURE

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

- **Expenditure on raising funds**

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

**HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

1. ACCOUNTING POLICIES (continued)

1.4 EXPENDITURE (CONTINUED)

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy Trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.6 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.

1.7 TANGIBLE FIXED ASSETS

Assets costing £2,000 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, as follows:

**HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

1. ACCOUNTING POLICIES (continued)

1.7 TANGIBLE FIXED ASSETS (CONTINUED)

Depreciation is provided on the following bases:

Freehold property	- Buildings 50 years, leasehold land 125 years
Furniture and equipment	- 10-20% straight line
Motor vehicles	- 33.33% straight line
Office equipment	- 10-20% straight line
Computer equipment	- 33.33% 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.

1.8 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

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 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.11 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.

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 16. Prepayments are not financial instruments. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

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 notes 17 and 18. 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. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

1.13 OPERATING LEASES

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

1.14 PENSIONS

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.

**HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

1. ACCOUNTING POLICIES (continued)

1.15 AGENCY ARRANGEMENTS

The Academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy Trust does not have control over the charitable application of the funds. The Academy Trust can use a percentage of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received, paid and any balances held at period end are disclosed in note 26.

1.16 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.

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

Estimates and judgments 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 28, 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.

Critical areas of judgment:

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.

HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

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	80	109,735	-	109,815	15,575
Capital Grants	-	-	1,446,317	1,446,317	2,244,644
	<u>80</u>	<u>109,735</u>	<u>1,446,317</u>	<u>1,556,132</u>	<u>2,260,219</u>
TOTAL 2020	<u>7,231</u>	<u>8,344</u>	<u>2,244,644</u>	<u>2,260,219</u>	

**HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

4. FUNDING FOR THE ACADEMY TRUST'S DIRECT COSTS - ACTIVITIES

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
DFE/ESFA GRANTS				
General Annual Grant	-	7,555,006	7,555,006	7,022,205
OTHER DFE/ESFA GRANTS				
Pupil Premium	-	241,749	241,749	227,786
Teachers Pension grant	-	289,735	289,735	-
Teachers Pay grant	-	102,050	102,050	-
Universal Infant Free School Meals	-	92,921	92,921	92,209
Other DfE/ESFA grants	-	56,142	56,142	493,152
	-	8,337,603	8,337,603	7,835,352
OTHER GOVERNMENT GRANTS				
High Needs	-	139,657	139,657	110,999
Pupil Growth Fund	-	141,250	141,250	-
Other government grants	-	35,797	35,797	37,965
	-	316,704	316,704	148,964
COVID-19 ADDITIONAL FUNDING (DFE/ESFA)				
Catch-up Premium	-	105,440	105,440	-
Mass Testing	-	24,900	24,900	-
Emergency Support	-	10,356	10,356	-
Other DfE/ESFA COVID-19 funding	-	20,215	20,215	-
	-	160,911	160,911	-
OTHER FUNDING				
Internal catering income	7,193	-	7,193	7,476
Income from hosting trainee teachers	14,520	-	14,520	10,298
Sales to students	2,717	-	2,717	13,073
Trip income	32,428	2,603	35,031	237,917
Other income	23,734	145	23,879	44,425
	80,592	2,748	83,340	313,189
	80,592	8,817,966	8,898,558	8,297,505
TOTAL 2020	312,989	7,984,516	8,297,505	

HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

4. FUNDING FOR THE ACADEMY TRUST'S DIRECT COSTS - ACTIVITIES (CONTINUED)

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 Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

The academy trust received £105,440 of funding for catch-up premium and costs incurred in respect of this funding totalled £94,788, £10,652 are carried forward to 2021/22.

The academy trust received a further £55,471 of other COVID-19 funding and costs incurred in respect of this funding totalled £55,471, no funds are carried forward to 2021/22.

5. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Lettings	9,688	9,688	13,096
Breakfast club	30,231	30,231	27,710
Other	7,194	7,194	7,171
	<u>47,113</u>	<u>47,113</u>	<u>47,977</u>
TOTAL 2020	<u>47,977</u>	<u>47,977</u>	

6. INVESTMENT INCOME

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Bank interest	124	124	532
TOTAL 2020	<u>532</u>	<u>532</u>	

HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

7. EXPENDITURE

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	Total 2020 £
Expenditure on fundraising trading:					
Direct costs	-	-	-	-	991
Education:					
Direct costs	6,361,289	1,055,776	221,645	7,638,710	7,242,088
Support costs	1,308,525	614,169	505,456	2,428,150	2,125,481
	<u>7,669,814</u>	<u>1,669,945</u>	<u>727,101</u>	<u>10,066,860</u>	<u>9,368,560</u>
TOTAL 2020	<u><u>6,998,443</u></u>	<u><u>1,633,079</u></u>	<u><u>737,038</u></u>	<u><u>9,368,560</u></u>	

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Direct costs 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Education	<u>7,638,710</u>	<u>2,428,150</u>	<u>10,066,860</u>	<u>9,367,569</u>
TOTAL 2020	<u><u>7,242,088</u></u>	<u><u>2,125,481</u></u>	<u><u>9,367,569</u></u>	

HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF DIRECT COSTS

	Total funds 2021 £	Total funds 2020 £
Pension finance costs	29,000	27,000
Staff costs	6,348,855	5,883,416
Depreciation	277,586	267,042
Educational supplies	56,464	73,878
Examination fees	77,988	85,731
Staff development	17,396	20,545
Other costs	40,799	251,510
Supply teachers	12,434	25,268
Capital improvements held by Foundation Trust	778,188	607,698
	7,638,710	7,242,088

HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Total funds 2021 £	Total funds 2020 £
Pension finance costs	53,000	46,000
Staff costs	1,308,065	1,088,736
Other costs	36,409	33,195
Maintenance of premises and equipment	263,173	195,833
Cleaning	2,248	110,269
Rent and rates	137,314	53,327
Energy costs	111,922	87,833
Insurance	49,456	47,415
Security and transport	14,749	23,942
Catering	108,409	119,074
Technology costs	118,135	119,485
Office overheads	123,332	107,003
Legal and professional	85,650	77,832
Bank interest and charges	437	707
Loss on disposal of tangible fixed assets	621	-
Governance costs	15,230	14,830
	2,428,150	2,125,481

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Operating lease rentals	34,468	38,776
Depreciation of tangible fixed assets	277,586	267,042
Fees paid to auditors for:		
- audit	13,900	13,500
- other services	1,330	1,830

HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

10. STAFF

a. STAFF COSTS

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	5,601,296	5,124,815
Social security costs	514,437	474,442
Pension costs	1,541,187	1,372,895
	<u>7,656,920</u>	<u>6,972,152</u>
Agency staff costs	12,434	25,268
	<u>7,669,354</u>	<u>6,997,420</u>
	2021 £	2020 £
Severance payments	-	18,128
	<u>-</u>	<u>18,128</u>

b. NON-STATUTORY/NON-CONTRACTUAL STAFF SEVERANCE PAYMENTS

There were no staff compromise costs incurred during the year (2020: two totalling £18,128).

c. STAFF NUMBERS

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

	2021 No.	2020 No.
Teachers	89	85
Educational support	82	60
Administration and clerical	49	48
Management	13	13
	<u>233</u>	<u>206</u>

**HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

10. STAFF (CONTINUED)

c. STAFF NUMBERS (CONTINUED)

The average headcount expressed as full-time equivalents was:

	2021 No.	2020 No.
Teachers	77	74
Educational support	47	43
Administration and clerical	27	28
Management	13	12
	164	157

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	4	4
In the band £70,001 - £80,000	2	3
In the band £80,001 - £90,000	1	-
In the band £110,001 - £120,000	-	1
In the band £120,001 - £130,000	1	-

e. KEY MANAGEMENT PERSONNEL

The key management personnel of the Academy Trust comprise the CEO, CFO and Headteachers of each school. 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 £543,627 (2020: £510,112).

**HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

11. CENTRAL SERVICES

The Academy Trust has provided the following central services to its academies during the year:

- Insurance
- Legal and professional services
- Human resources and payroll
- Educational support services
- Financial services
- Premises services
- Audit services
- Others as required

The Academy Trust charges for these services on the following basis:

The Academy Trust charged these services on a fair basis as agreed between the CEO and Academy Standards Committees, being 5.75% of total income, less notional SEN funding.

The actual amounts charged during the year were as follows:

	2021 £	2020 £
Hanley Castle High School	286,309	268,800
Kempsey Primary School	63,441	55,968
Hanley Swan C-of-E Primary School	26,224	24,468
Welland Primary School	30,683	28,980
TOTAL	406,657	378,216

12. TRUSTEES' REMUNERATION AND EXPENSES

The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff under their contracts of employment, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy Trust in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows: Mrs L F Cooke: remuneration £120,000 - £125,000 (2020: £110,000 - £115,000), employer's pension contributions £25,000 - £30,000 (2020: £25,000 - £30,000).

During the year ended 31 August 2021, no expenses were reimbursed to Trustees (2020 - £589 to 3 trustees).

13. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2021 was £1,199 (2020 - £1,199). The cost of this insurance is included in the total insurance cost.

HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

14. TANGIBLE FIXED ASSETS

	Freehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Office equipment £	Total £
COST OR VALUATION						
At 1 September 2020	5,114,797	132,192	957,480	14,785	450,275	6,669,529
Additions	853,160	27,839	174,007	3,500	20,249	1,078,755
Disposals	-	-	(358,826)	(3,290)	-	(362,116)
At 31 August 2021	<u>5,967,957</u>	<u>160,031</u>	<u>772,661</u>	<u>14,995</u>	<u>470,524</u>	<u>7,386,168</u>
DEPRECIATION						
At 1 September 2020	232,125	56,386	796,137	4,127	302,422	1,391,197
Charge for the year	83,961	45,245	109,419	4,023	34,938	277,586
On disposals	-	-	(358,825)	(1,919)	-	(360,744)
At 31 August 2021	<u>316,086</u>	<u>101,631</u>	<u>546,731</u>	<u>6,231</u>	<u>337,360</u>	<u>1,308,039</u>
NET BOOK VALUE						
At 31 August 2021	<u>5,651,871</u>	<u>58,400</u>	<u>225,930</u>	<u>8,764</u>	<u>133,164</u>	<u>6,078,129</u>
At 31 August 2020	<u>4,882,672</u>	<u>75,806</u>	<u>161,343</u>	<u>10,658</u>	<u>147,853</u>	<u>5,278,332</u>

15. STOCKS

	2021 £	2020 £
Goods for resale	<u>6,310</u>	<u>1,804</u>

HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

16. DEBTORS

	2021 £	2020 £
Trade debtors	6,322	18,313
Other debtors	128,113	120,598
Prepayments and accrued income	1,471,705	1,733,238
VAT recoverable	139,159	156,677
	<u>1,745,299</u>	<u>2,028,826</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Salix loans	10,718	7,146
Trade creditors	528,864	446,874
Other taxation and social security	126,825	114,773
Other creditors	216,190	188,595
Accruals and deferred income	239,578	232,046
	<u>1,122,175</u>	<u>989,434</u>

Included within creditors due within one year is a Salix loan balance of £4,000. The full value of the loan outstanding is £20,000, £16,000 of which is shown as due over one year (note 18). The loan is repayable in six-monthly instalments over the remaining 8 year of the loan with an applicable annual interest rate of NIL%.

Also included within creditors within one year is a Salix loan balance of £1,000. The full value of the loan outstanding is £5,500, £4,500 of which is shown as due over one year (note 18). The loan is repayable in six-monthly instalments over 7 years, with repayments starting in January 2019. There is an applicable annual interest rate of NIL%.

Also included within creditors within one year is a Salix loan balance of £2,146. The full value of the loan outstanding is £3,692, £1,548 of which is shown as due over one year (note 18). The loan is repayable in annual instalments until October 2022. There is an applicable annual interest rate of NIL%.

During the year, a new Salix loan of £11,527 was received. The amount outstanding is £10,704, £9,057 of which is shown as due over one year (note 18). The loan is repayable in annual instalments until December 2027. There is an applicable annual interest rate of NIL%.

During the year, an additional new Salix loan of £13,477 was received. The amount outstanding is £12,512, £10,587 of which is shown as due over one year (note 18). The loan is repayable in annual instalments until December 2027. There is an applicable annual interest rate of NIL%.

**HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

	2021	2020
	£	£
Deferred income at 1 September 2020	126,165	205,234
Resources deferred during the year	68,472	126,165
Amounts released from previous periods	(93,690)	(205,234)
	<u>100,947</u>	<u>126,165</u>

At the balance sheet date the Academy Trust was holding funds received in advance for trips and other trading activities, totalling £5,026 (2020: £NIL), and grants received in advance totalling £95,921 (2020: £126,165)

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021	2020
	£	£
Salix loans	<u>41,692</u>	<u>29,193</u>

HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

19. STATEMENT OF FUNDS

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
UNRESTRICTED FUNDS						
General Funds - all funds	430,852	127,909	(79,602)	-	-	479,159
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	-	7,520,977	(7,258,826)	(184,000)	-	78,151
Universal Infant Free School Meals	-	92,921	(92,921)	-	-	-
Higher Needs funding	-	139,657	(139,657)	-	-	-
Pupil Premium (PP)	-	241,749	(241,749)	-	-	-
Other ESFA grants	-	767,174	(733,487)	(23,035)	-	10,652
Other grants	-	55,343	(55,343)	-	-	-
Donations	-	109,880	(109,880)	-	-	-
Pension reserve	(4,452,000)	-	(299,000)	-	(75,000)	(4,826,000)
	<u>(4,452,000)</u>	<u>8,927,701</u>	<u>(8,930,863)</u>	<u>(207,035)</u>	<u>(75,000)</u>	<u>(4,737,197)</u>
RESTRICTED FIXED ASSET FUNDS						
Land and buildings transferred in	3,918,527	-	(164,718)	-	-	3,753,809
Fixed assets purchased from GAG and other restricted funds	588,065	-	(24,720)	207,035	-	770,380
Devolved Formula Capital funding (DFC)	161,297	41,521	(6,780)	-	-	196,038
Academies Capital Maintenance Fund (ACMF)	22,063	-	(927)	-	-	21,136

**HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

19. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Condition Improvement Fund (CIF)	311,447	460,570	(13,092)	-	-	758,925
PAN expansion	1,616,918	918,050	(846,158)	-	-	1,688,810
Donated capital funding	(17,417)	26,176	-	-	-	8,759
	<u>6,600,900</u>	<u>1,446,317</u>	<u>(1,056,395)</u>	<u>207,035</u>	<u>-</u>	<u>7,197,857</u>
TOTAL RESTRICTED FUNDS	<u>2,148,900</u>	<u>10,374,018</u>	<u>(9,987,258)</u>	<u>-</u>	<u>(75,000)</u>	<u>2,460,660</u>
TOTAL FUNDS	<u>2,579,752</u>	<u>10,501,927</u>	<u>(10,066,860)</u>	<u>-</u>	<u>(75,000)</u>	<u>2,939,819</u>

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

RESTRICTED FUNDS:

General Annual Grant (GAG) - income from the ESFA which is to be used for the normal running costs of the academy, including education and support costs.

Universal Infant Free School Meals - income from the ESFA for the provision of free school meals.

Higher Needs funding - funding provided by Local Authorities for the Academy Trust to fund further support for students with additional needs.

Start Up Grant - This represents one off funding received from the ESFA to contribute to the cost of converting from a school to an academy.

Pupil Premium (PP) - represents funding received from the ESFA for children that qualify for free school meals to enable the academy to address the current underlying inequalities between those children and their wealthier peers.

Other ESFA grants - restricted income from the ESFA which is to be used in accordance with the terms of the funding.

Other grants - income which has been received for specific purposes.

Donations - incoming donations received for specific purposes, as specified by the donor.

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

19. STATEMENT OF FUNDS (CONTINUED)

Pension reserve - this represents the academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an academy.

RESTRICTED FIXED ASSET FUNDS:

Land and buildings transferred in - this represents the buildings and equipment donated to the Academy Trust from the Local Authority on conversion to an academy.

Fixed assets purchased from GAG - this represents capital assets that have been purchased out of restricted GAG funding.

Devolved Formula Capital funding (DFC) - this represents funding from the ESFA to cover the maintenance and purchase of the academy's assets.

Academies Capital Maintenance Funding (ACMF) - are restricted grants related to a grant provided to the Academy Trust from the Academies Capital Maintenance Fund was used on various capital projects.

Condition Improvement Fund (CIF) - are restricted grants related to a grant provided to the Academy Trust from the Condition Improvement fund to be used for capital works.

PAN expansion - are restricted grants related to capital funding to enable the Trust to increase their PAN.

Donated capital funding - are restricted amounts received in the form of donations to be used on capital enhancements.

HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

19. STATEMENT OF FUNDS (CONTINUED)

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 - all funds	388,039	368,729	(300,217)	(25,699)	-	430,852
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	-	6,987,794	(6,928,537)	(59,257)	-	-
Universal Infant Free School Meals	-	7,384	(7,384)	-	-	-
Higher Needs funding	-	92,209	(92,209)	-	-	-
Pupil Premium (PP)	-	34,411	(34,411)	-	-	-
Other ESFA grants	-	470,893	(470,893)	-	-	-
Other grants	-	391,825	(391,825)	-	-	-
Donations	-	8,344	(8,344)	-	-	-
Pension reserve	(4,049,000)	-	(260,000)	-	(143,000)	(4,452,000)
	<u>(4,049,000)</u>	<u>7,992,860</u>	<u>(8,193,603)</u>	<u>(59,257)</u>	<u>(143,000)</u>	<u>(4,452,000)</u>
RESTRICTED FIXED ASSET FUNDS						
Land and buildings transferred in	4,004,156	-	(85,629)	-	-	3,918,527
Fixed assets purchased from GAG and other restricted funds	503,109	-	-	84,956	-	588,065
Devolved Formula Capital funding (DFC)	153,878	41,089	(33,670)	-	-	161,297

HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

19. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Academies Capital Maintenance Fund (ACMF)	22,063	-	-	-	-	22,063
Condition Improvement Fund (CIF)	382,627	-	(71,180)	-	-	311,447
PAN expansion	-	2,202,605	(585,687)	-	-	1,616,918
Donated capital funding	80,207	950	(98,574)	-	-	(17,417)
	<u>5,146,040</u>	<u>2,244,644</u>	<u>(874,740)</u>	<u>84,956</u>	<u>-</u>	<u>6,600,900</u>
TOTAL RESTRICTED FUNDS	<u>1,097,040</u>	<u>10,237,504</u>	<u>(9,068,343)</u>	<u>25,699</u>	<u>(143,000)</u>	<u>2,148,900</u>
TOTAL FUNDS	<u><u>1,485,079</u></u>	<u><u>10,606,233</u></u>	<u><u>(9,368,560)</u></u>	<u><u>-</u></u>	<u><u>(143,000)</u></u>	<u><u>2,579,752</u></u>

HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

19. STATEMENT OF FUNDS (CONTINUED)

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

	2021 £	2020 £
Hanley Castle High School	285,928	200,771
Kempsey Primary School	192,633	178,729
Hanley Swan C-of-E Primary School	38,004	18,900
Welland Primary School	42,526	28,131
Central services	8,871	4,321
Total before fixed asset funds and pension reserve	567,962	430,852
Restricted fixed asset fund	7,197,857	6,600,900
Pension reserve	(4,826,000)	(4,452,000)
TOTAL	2,939,819	2,579,752

TOTAL COST ANALYSIS BY ACADEMY

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2021 £	Total 2020 £
Hanley Castle High School	4,182,808	687,097	31,547	1,691,584	6,593,036	6,258,252
Kempsey Primary School	1,109,570	160,584	18,378	247,856	1,536,388	1,339,607
Hanley Swan C-of-E Primary School	415,831	88,455	2,380	85,518	592,184	580,960
Welland Primary School	457,085	108,051	2,219	116,895	684,250	660,991
Central services	99,561	131,338	-	(235,290)	(4,391)	1,708
ACADEMY TRUST	6,264,855	1,175,525	54,524	1,906,563	9,401,467	8,841,518

HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

20. 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	-	-	6,078,129	6,078,129
Current assets	479,159	959,545	1,412,853	2,851,557
Creditors due within one year	-	(829,050)	(293,125)	(1,122,175)
Creditors due in more than one year	-	(41,692)	-	(41,692)
Provisions for liabilities and charges	-	(4,826,000)	-	(4,826,000)
TOTAL	479,159	(4,737,197)	7,197,857	2,939,819

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD (AS RESTATED)

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	5,278,332	5,278,332
Current assets	430,852	659,286	1,681,909	2,772,047
Creditors due within one year	-	(630,093)	(359,341)	(989,434)
Creditors due in more than one year	-	(29,193)	-	(29,193)
Provisions for liabilities and charges	-	(4,452,000)	-	(4,452,000)
TOTAL	430,852	(4,452,000)	6,600,900	2,579,752

HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

21. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income for the year (as per Statement of financial activities)	435,067	1,237,673
ADJUSTMENTS FOR:		
Depreciation	277,586	267,042
Loss on disposal of tangible fixed assets	621	-
Capital grants from DfE and other capital income	(1,621,613)	(658,476)
Interest receivable	(124)	(532)
Defined benefit pension scheme cost less contributions payable	217,000	187,000
Defined benefit pension scheme finance cost	82,000	73,000
Increase in stocks	(4,506)	(502)
Decrease/(increase) in debtors	283,527	(1,668,828)
Increase/(decrease) in creditors	129,169	(6,367)
NET CASH USED IN OPERATING ACTIVITIES	(201,273)	(569,990)

22. CASH FLOWS FROM FINANCING ACTIVITIES

	2021 £	2020 £
Repayments of Salix loans	(8,933)	(7,146)
Cash inflows from Salix loans	25,004	-
NET CASH PROVIDED BY/(USED IN) FINANCING ACTIVITIES	16,071	(7,146)

23. CASH FLOWS FROM INVESTING ACTIVITIES

	2021 £	2020 £
Interest received	124	532
Purchase of tangible fixed assets	(785,630)	(567,376)
Tangible fixed asset additions included in creditors	(293,125)	-
Proceeds from the sale of tangible fixed assets	751	-
Capital grants from DfE Group	1,621,613	658,476
NET CASH PROVIDED BY INVESTING ACTIVITIES	543,733	91,632

HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

24. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £	2020 £
Cash in hand and at bank	1,099,948	741,417
TOTAL CASH AND CASH EQUIVALENTS	1,099,948	741,417

25. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2020 £	Cash flows £	New Salix loans £	Other movements £	At 31 August 2021 £
Cash at bank and in hand	741,417	358,531	-	-	1,099,948
Debt due within 1 year	(7,146)	8,933	(3,572)	(8,933)	(10,718)
Debt due after 1 year	(29,193)	-	(21,432)	8,933	(41,692)
	705,078	367,464	(25,004)	-	1,047,538

26. AGENCY ARRANGEMENTS

The academy distributes 16-19 Bursary funds to students as an agent for ESFA. In the accounting period ended 31 August 2021 the academy received £21,378 (2020: £17,103) and disbursed £11,731 (2020: £13,693) from the fund. An amount of £19,747 (2020: £10,100) is included in other creditors relating to undistributed funds.

27. CAPITAL COMMITMENTS

	2021 £	2020 £
CONTRACTED FOR BUT NOT PROVIDED IN THESE FINANCIAL STATEMENTS		
Acquisition of tangible fixed assets	262,336	658,927

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

28. 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 Worcestershire County Council. 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 £139,288 were payable to the schemes at 31 August 2021 (2020 - £128,590) 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.

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 £888,737 (2020 - £852,976).

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.

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

28. PENSION COMMITMENTS (CONTINUED)

LOCAL GOVERNMENT PENSION SCHEME

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £552,000 (2020 - £452,000), of which employer's contributions totalled £456,000 (2020 - £370,000) and employees' contributions totalled £ 96,000 (2020 - £82,000). The agreed contribution rates for future years are 19.3 per cent for employers and 5.5 - 12.5 per cent for employees.

As described in note the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

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	4.2	3.9
Rate of increase for pensions in payment / inflation	2.8	2.5
Discount rate for scheme liabilities	1.7	1.8
Inflation assumption (CPI)	2.7	2.4

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

	2021	2020
	Years	Years
Retiring today		
Males	22.7	22.6
Females	25.1	25.0
Retiring in 20 years		
Males	24.4	24.2
Females	27.1	27.0

SENSITIVITY ANALYSIS

	2021	2020
	£000	£000
Discount rate +0.1%	4,653	4,307
Mortality assumption - 1 year increase	5,089	4,651
CPI rate +0.1%	5,003	4,600
Pay growth +0.1%	4,841	4,468

HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

28. PENSION COMMITMENTS (CONTINUED)

SHARE OF SCHEME ASSETS

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

	2021 £	2020 £
Equities	2,937,000	1,666,000
Other bonds	4,000	134,000
Government bonds	-	169,000
Property	155,000	136,000
Cash	88,000	106,000
Other	346,000	316,000
Total market value of assets	3,530,000	2,527,000

The actual return on scheme assets was £510,000 (2020 - £42,000).

The amounts recognised in the Statement of financial activities are as follows:

	2021 £	2020 £
Current service cost	(673,000)	(557,000)
Interest income	44,000	43,000
Interest cost	(126,000)	(116,000)
Total amount recognised in the statement of financial activities	(755,000)	(630,000)

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

	2021 £	2020 £
At 1 September	6,979,000	6,505,000
Current service cost	673,000	557,000
Interest cost	126,000	116,000
Employee contributions	96,000	82,000
Actuarial gains/(losses)	534,000	(225,000)
Benefits paid	(52,000)	(56,000)
At 31 August	8,356,000	6,979,000

HANLEY AND UPTON EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

28. PENSION COMMITMENTS (CONTINUED)

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

	2021 £	2020 £
At 1 September	2,527,000	2,456,000
Interest income	50,000	48,000
Actuarial gains/(losses)	459,000	(368,000)
Employer contributions	456,000	370,000
Employee contributions	96,000	82,000
Benefits paid	(52,000)	(56,000)
Admin expenses	(6,000)	(5,000)
At 31 August	3,530,000	2,527,000

29. 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	24,991	27,324
Later than 1 year and not later than 5 years	33,993	19,214
	58,984	46,538

30. 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.

31. RELATED PARTY TRANSACTIONS

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

During the year, the Academy Trust received income from Upton CofE Primary School, a school in which B Unwin is also a governor, totalling £600 (2020: £1,250). The income was received on an arm's length basis and in entering the transaction the Academy Trust has complied with the requirements of the ESFA's Academies Financial Handbook.

32. GENERAL INFORMATION

Hanley and Upton Educational Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is Church End, Hanley Castle, Worcester, Worcestershire, WR8 0BL.