

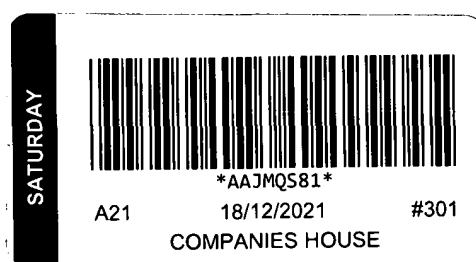
Company Registration Number:  
08665067 (England and Wales)

# **The Hallam Schools' Partnership Academy Trust**

(A Company Limited by Guarantee)

**Annual Report and Financial Statements**

**Year ended 31 August 2021**



# **The Hallam Schools' Partnership Academy Trust**

## **Contents**

Reference and Administrative Details	1
Trustees' Report	3
Governance Statement	18
Statement on Regularity, Propriety and Compliance	23
Statement of Trustees' Responsibilities	24
Independent Auditor's Report on the Financial Statements	25
Independent Reporting Accountant's Report on Regularity	28
Statement of Financial Activities incorporating Income and Expenditure Account	30
Balance Sheet	32
Statement of Cash Flows	33
Notes to the Financial Statements	34

# The Hallam Schools' Partnership Academy Trust

## Reference and Administrative Details

Members	<p>Diocese of Hallam Schools' Partnership  Rt Rev R Heskett  J Metcalfe  P R Patterson (resigned 4 February 2021)  R A Prior  S McClafferty (appointed 05 February 2021)  The Church of England Diocese of Leeds  The Diocese of Sheffield</p>
Trustees	<p>P R Patterson (resigned 26 February 2021)  A Dewhurst  C Thorpe (resigned 12 February 2021)  E J Whittaker  Rev H Thomas (appointed 14 September 2020)  Rev P D McGuire  R J Noake (appointed 14 September 2020)  S McClafferty (appointed 23 September 2020)  M L Janvier (appointed 20 October 2020, resigned 11 April 2021)  H McLaughlin (appointed 29 January 2021)  C Dewhurst (appointed 4 February 2021)  J Halstead (appointed 26 February 2021)  R Brookes (appointed 1 March 2021)</p>
Chief Executive Officer	<p>C Manze (from 1 March 2021)  R B Sawyer (until 28 February 2021)</p>
Company Secretary	<p>L Noone (from 1 March 2021)  E J Whittaker (until 28 February 2021)</p>
Senior Management Team	<p>C Manze, Chief Executive Officer (from 1 March 2021)  L Noone, Chief Financial Officer (from 1 March 2021)  H Simmerson, Head Teacher - Emmaus  F Barratt, Head Teacher – St John Fisher  N Kelly, Head Teacher – St Joseph's  C Marsden, Interim Head Teacher (covering mat leave) – St Joseph's  L Saxton, Head Teacher – Our Lady of Sorrows  L Oldcorn, Head Teacher – Holy Trinity</p>
Principal and Registered Office	<p>Hallam Pastoral Centre  St. Charles Street  Sheffield  South Yorkshire  S9 3WU</p>
Company Registration Number	08665067 (England and Wales)

# **The Hallam Schools' Partnership Academy Trust**

## **Reference and Administrative Details (continued)**

Independent Auditor	Allotts Chartered Accountants The Old Grammar School 13 Moorgate Road Rotherham S60 2EN
---------------------	---

Solicitors	Browne Jacobson Mowbray House Castle Meadow Road Nottingham NG12 1BJ
------------	--

Bankers	The Co-operative Bank 11 Peel Square Barnsley S70 2QT  Lloyds Bank Plc 1 High Street Sheffield S1 2GA
---------	---

# **The Hallam Schools' Partnership Academy Trust**

## **Trustees' Report (continued)**

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

The trust operates four primary academies and one 3-16 academy in South Yorkshire as follows:

St. John Fisher Catholic Primary School, A Catholic Voluntary Academy

St. Joseph's Catholic Primary School, A Catholic Voluntary Academy

Emmaus Catholic and Church of England Primary School, A Catholic and Church of England Voluntary Academy

Our Lady of Sorrows, Catholic Primary School, A Catholic Voluntary Academy

Holy Trinity, A Catholic and Church of England Voluntary Academy

Its academies have a combined pupil capacity of 2,065 and had a roll of 2,051 in the school census on 1<sup>st</sup> October 2020.

### **Structure, Governance and Management**

#### **Constitution**

The academy trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The company registration number is 08665067.

The trustees act as the trustees for the charitable activities of The Hallam Schools' Partnership Academy Trust and are also the directors of the charitable company for the purposes of company law. The charitable company operates as The Hallam Schools' Partnership Academy Trust.

Details of the trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on page 1.

During the next academic year, the Academy Trust anticipates that the HSPAT schools will be transferred into St Clare Catholic Multi Academy Trust and St Francis Catholic Multi Academy Trust. At this point, the assets and liabilities of the Academy Trust will be transferred at which point the activities of the Academy Trust will cease and the charitable company will be closed.

#### **Members' Liability**

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

#### **Trustees' Indemnities**

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

#### **Method of Recruitment and Appointment or Election of Trustees**

The Board seeks to have members with a range of skills and experience in education and business management. New Trustees holding the necessary skills are identified through the Diocesan and national education networks. The Board may appoint up to three Trustees without reference to the members, who carry out responsibility to appoint Trustees.

As set out in the Memorandum and Articles of Association for the Hallam Schools' Partnership Academy Trust, a Local Governing Body (LGB) for each individual school was set up post conversion to undertake the day to day running of the school in line with the agreed Scheme of Delegation. The individual school's methods are stated below:

# **The Hallam Schools' Partnership Academy Trust Trustees' Report (continued)**

## **St Joseph's School, a Catholic Voluntary Academy**

The Diocesan Bishop appoints a minimum of 6 Foundation Governors so as to ensure that at all times the number of Foundation Governors exceeds the total number of other Governors (excluding Foundation Governors) by at least 2. In 2020-2021 there were 2 Foundation Governors, until July when a third was recruited. Applications are being sought for the three vacant Foundation Governor positions.

The arrangements made for the election of a Parent Governor provides for every person who is entitled to vote in the election to have an opportunity to do so by post or, if they prefer, by having their ballot paper returned to the Academy Trust by a registered pupil at the Academy. The parent receiving the highest number of votes shall be appointed. The arrangements made for the election of a Staff Governor provides for every member of staff who is entitled to vote in the election to have an opportunity to do so. The Staff member who receives the highest number of votes shall be appointed.

## **St John Fisher, a Catholic Voluntary Academy**

The Diocesan Bishop appoints a minimum of 6 Foundation Governors so as to ensure that at all times the number of Foundation Governors exceeds the total number of other Governors (excluding Foundation Governors) by at least 2. At the end of 2020-2021 there are 5 foundation governors, as there were throughout the 20/21 academic year. Applications are being sought for the vacant governor position.

The arrangements made for the election of a Staff Governor provides for every member of staff who is entitled to vote in the election to have an opportunity to do so. The Staff member who receives the highest number of votes shall be appointed.

## **Emmaus Catholic and Church of England Primary School, A Catholic and Church of England Voluntary Academy**

The Bishop of Hallam and The Bishop of Sheffield appoint a minimum of 8 Foundation Governors - 4 from the Diocese of Sheffield and 4 from the Diocese of Hallam so as to ensure that at all times the number of Foundation Governors exceeds the total number of other Governors (excluding Foundation Governors) by at least 2. During 2020-2021 there was a full complement of Foundation Governors in place. However, at the beginning of 2021-2022 there have been three resignations and applications are being sought for these vacant positions (two from the Diocese of Sheffield and one from the Diocese of Hallam).

The arrangements made for the election of a Parent Governor provides for every person who is entitled to vote in the election to have an opportunity to do so by post or, if they prefer, by having their ballot paper returned to the Academy Trust by a registered pupil at the Academy. The parent receiving the highest number of votes shall be appointed. The arrangements made for the election of a Staff Governor provides for every member of staff who is entitled to vote in the election to have an opportunity to do so. The Staff member receiving the highest number of votes shall be appointed.

## **Our Lady of Sorrows Catholic Primary School, A Catholic Voluntary Academy**

The Diocesan Bishop appoints a minimum of 6 Foundation Governors so as to ensure that at all times the number of Foundation Governors exceeds the total number of other Governors (excluding Foundation Governors) by at least 2. During the majority of 2020-21 there were three Foundation Governors in place, until June 2021 when another appointment was made. Applications are being sought for the two vacant Foundation Governor positions.

The arrangements made for the election of a Parent Governor provides for every person who is entitled to vote in the election to have an opportunity to do so by post or, if they prefer, by having their ballot paper returned to the Academy Trust by a registered pupil at the Academy. The parent receiving the highest number of votes shall be appointed. The arrangements made for the election of a Staff Governor provides for every member of staff who is entitled to vote in the election to have an opportunity to do so. The Staff member who receives the highest number of votes shall be appointed.

# **The Hallam Schools' Partnership Academy Trust**

## **Trustees' Report (continued)**

### **Holy Trinity 3-16 School, a Catholic and Church of England Voluntary Academy**

The Bishop of Hallam and The Anglican Bishop of Leeds appoint a minimum of 8 Foundation Governors - 4 from the Diocese of Leeds and 4 from the Diocese of Hallam so as to ensure that at all times the number of Foundation Governors exceeds the total number of other Governors (excluding Foundation Governors) by at least 2. Although there was a full complement of Foundation Governors until July 2021, a Foundation Governor from Hallam Diocese has resigned and therefore there is a vacancy for which applications are being sought.

The arrangements made for the election of a Parent Governor provides for every person who is entitled to vote in the election to have an opportunity to do so by post or, if they prefer, by having their ballot paper returned to the Academy Trust by a registered pupil at the Academy. The parent receiving the highest number of votes shall be appointed. The arrangements made for the election of a Staff Governor provides for every member of staff who is entitled to vote in the election to have an opportunity to do so. The Staff member receiving the highest number of votes shall be appointed.

### **Policies and Procedures Adopted for the Induction and Training of Trustees**

The training and induction provided for new Directors/Governors will depend upon their existing experience. Director/Governor induction tends to be done informally and is tailored specifically to the individual. LGB training has included a standard session for all LGB members, provided by the Multi-Academy Trust (MAT) governance consultant with subsequent additional training courses as per the skill set needs of the individual LGBs, taking advantage of specific courses offered by the Local Authority and other bodies.

### **Organisational Structure**

In January 2021, HSPAT were issued with a Financial Notice to Improve and as a result there have been significant changes to the structure of the organisation.

Previously, the Board of Directors delegated to the Local Governing Bodies the responsibility for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy, capital expenditure and staff appointments, with the exception of the appointment of the Headteacher/ Deputy Headteacher.

Following a skills audit, four new appointments were made to the Board of Directors, ensuring individuals joined the Trust with the appropriate qualifications and experience to form three committees; Audit, Risk & Governance, Finance & Resources and Standards & Christian Life. Each committee is made up of at least three Directors and met a minimum of three times during the 2020-21 academic year. The Trust Board met sixteen times during the 2020-21 academic year. The frequency of meetings increased as the Board worked to resolve the issues identified in the FNI. The action taken by the Board of Directors, CEO, CFO and school leaders was successful and in July 2021, HSPAT received formal notification that the FNI had been lifted.

The Trust Board, alongside the committees are now responsible for setting the strategic vision of the Trust, approving key policies, establishing rules of governance and financial policies and procedures. The Trust Board delegates to its Finance and Resources committee responsibility of budget setting, monitoring, oversight of financial returns and approval of transactions in accordance with the scheme of delegation. The Audit, Risk & Governance committee are responsible for risk management, setting the internal scrutiny programme and ensuring appropriate external audit functions are in place. The Standards and Christian Life committee are responsible for the effectiveness of the HSPAT quality assurance process, the standards and performance of all schools within the trust, the quality of religious education, the progress in schools of meeting Ofsted requirements and the provision for spiritual development for staff.

On 1 March 2021, a full time CEO and CFO were appointed to form a central team to support the schools and work towards operating as a multi-academy trust. The central team are responsible for the strategic oversight of the day-to-day activities of the trust and supporting the school leaders as changes to the systems are implemented. Since March, new financial policies and a scheme of delegation has been introduced, outlining the roles and responsibilities of Members, Directors, Local Governing Bodies, Trust leaders and

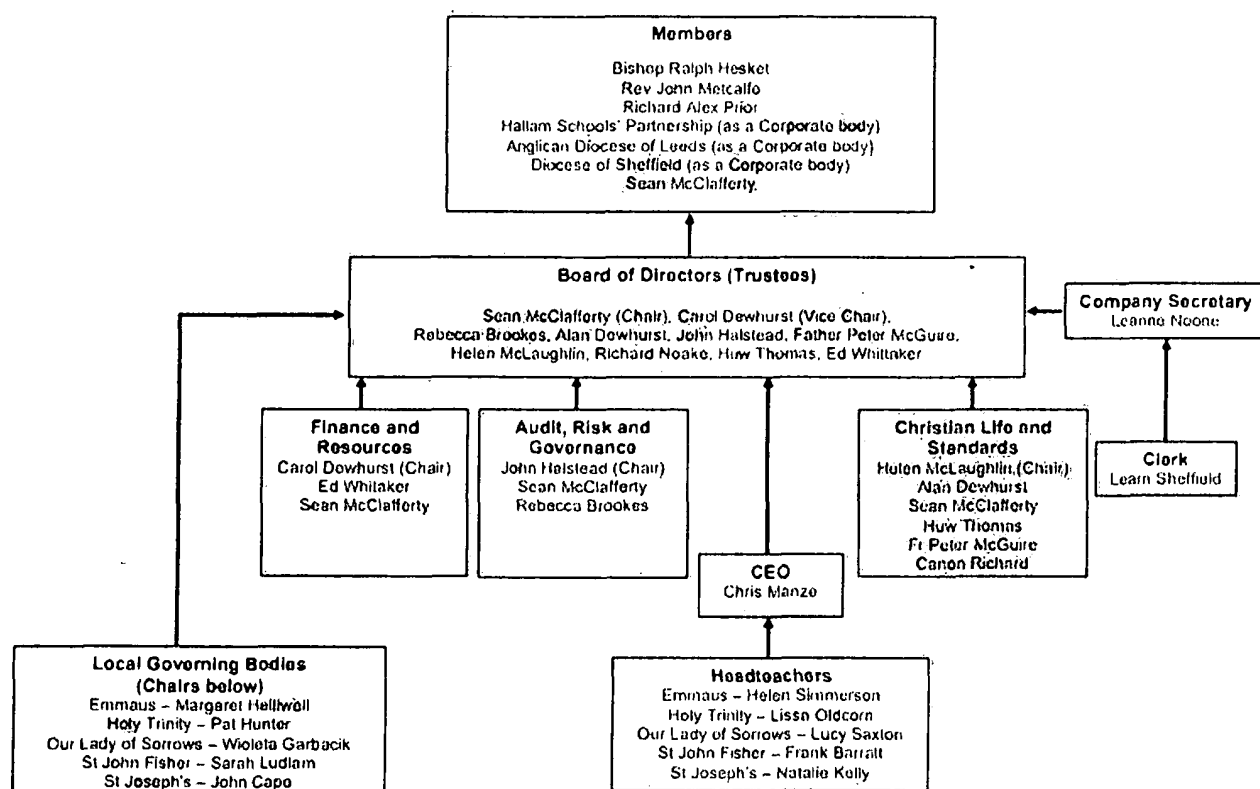
# The Hallam Schools' Partnership Academy Trust

## Trustees' Report (continued)

Headteachers.

Although changes to the organisational structure have taken place during 2020-21, the Board of Directors remains committed to retaining the Local Governing Bodies for each of the academies, to ensure oversight at a local school level and to give each of the academies a platform to raise issues through regular Chair of Governor meetings.

The leadership structure of each individual school within the MAT is tailored to meet the needs of the specific school, dependent on its number on roll, its academy action plan, its levels of SEN and its budget.



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

Finance Committees at each academy meet annually to review the recommendations for pay progression of staff by the Head teacher. Staff must successfully meet their performance management objectives in line with the academy's pay policy. An Executive pay policy was introduced in July 2021, ensuring the Trust's Finance and Resource committee have oversight of pay progression for the Executive team, employees on the leadership scale or increases to a TLR.

A member of each Local Governing Body will also meet annually with an external advisor, to carry out the appraisal of the Head teacher and consider any pay increments, if performance management objectives are successfully met. From September 2021 these will have to be approved by the Finance and Resource committee before being implemented. Pay ranges for Headteachers, Deputy Headteachers and Assistant Headteachers are determined in line with the STPCD.



# **The Hallam Schools' Partnership Academy Trust**

## **Trustees' Report (continued)**

### **Trade union facility time**

There were no employees of the Academy Trust who were relevant union officials during the period under review.

### **Related Parties and other Connected Charities and Organisations**

As a joint faith Catholic and Church of England multi academy trust, HSPAT works closely with the Diocese of Hallam, the Diocese of Sheffield and the Diocese of Leeds to preserve the Christian nature of the schools.

The Trust is linked to a number of connections through the Members and Trustees. In March 2021, a policy for effectively managing related parties was introduced to ensure a transparent process for any arising transactions.

Details of related parties and transactions are set out in note 24.

### **Engagement with employees (including disabled persons)**

HSPAT strongly supports an ethos of inclusivity and consults regularly with staff on matters which may affect them, inviting Trade Union representatives where appropriate and in line with Trust policies. Since March 2021 regular meetings are held between senior leaders and the central team to encourage staff engagement. Staff governors are elected for each individual Local Governing Body.

Each academy has an equality policy and objectives tailored to their individual needs. All academies and the central trust ensure that the recruitment, retention and ongoing development of staff is undertaken in a fair and equitable manner to support the Trust's vision and values.

For existing employees who become disabled, we undertake to make reasonable adjustments in areas such as physical environment, duties, working patterns and training. All employees can submit requests for flexible working in line with the Trust's policy and a Trade Union representative will be invited to any meetings to discuss these requests in detail.

# **The Hallam Schools' Partnership Academy Trust Trustees' Report (continued)**

## **Objectives and Activities**

### **Objects and Aims**

The principal object and activity of the Academy Trust is to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing Catholic Schools designated as such ("the Academies") which shall offer a broad and balanced curriculum and shall be conducted in accordance with the principles, practices and tenets of the Catholic Church and all Canon Law.

The principal object and activity of the charitable Company is the operation to support five schools to provide free education and care for pupils of different abilities.

Between September 2020 and February 2021, a designated CEO was in place, working closely with the schools and other diocesan officers for one day a week. From March 2021, a full time CEO was appointed to assist the Head teachers in working collaboratively, sharing good practice and achieving their strategic aims.

The aims of HSPAT during the year ended 31 August 2021 are summarised below:

- To provide rapid and sustained improvement to the standard of educational attainment and achievement of all pupils
- To establish high quality leadership in each school
- To provide a broad and balanced curriculum, including extra-curricular activities
- To develop students as more effective and independent learners
- To develop each school site to enable students to achieve their full potential
- To ensure that every child enjoys the same high-quality education in terms of resourcing, tuition and care
- To improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review
- To ensure that the learning needs of all pupils are effectively met, including disadvantaged pupils and those with SEN/D and EAL
- To provide value for money for the funds expended
- To comply with all appropriate statutory and curriculum requirements
- To develop links with high quality providers
- To develop the ethos of each school within the context of each individual community
- To conduct the Academy's business in accordance with the highest standards of integrity, probity and openness
- To ensure a work-life balance for all staff

Through the Hallam Schools' Partnership Academy Trust, we aim to get the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values, set within a distinctively Catholic or Catholic and Church of England context.

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

Key priorities for the year are contained in the Trust development plan, alongside the action plans for each of the five schools. Areas for improvement were identified following the Ofsted inspection of each school.

#### **Faith**

To create an environment where the Gospel values can be clearly seen and felt in all aspects of school life. This will be achieved by:

- Effective, thorough planning of the 'Come & See' syllabus, daily act of collective worship and other liturgies.
- The practice of gospel values by staff, especially the demonstration of tolerance, forgiveness and honesty.
- Showing children, they are valued within the Parish Community who are partners in the spiritual and moral development of children.
- Encourage in the sense of responsibility that comes with being a citizen in our school and to realise

# **The Hallam Schools' Partnership Academy Trust**

## **Trustees' Report (continued)**

their part in the global community.

- Regular newsletters and involvement of Parents in school on a daily basis - visits, maths, reading and other events.
- Invitations to Parents and Governors to welcome them to attend assemblies and Masses.

### **Curriculum**

To achieve the highest academic standards possible for every child. This will be achieved by:

- Reviewing and monitoring our whole approach to long term curriculum planning, ensuring continuity and progression
- Reviewing and monitoring our medium-term planning
- Policy documents for each area
- Weekly planning showing a variety of teaching styles and differentiation of work
- Maintaining thorough systems of assessment, which will inform future planning
- Bright, regularly changed interactive, informative displays, including a mixture of two and three-dimensional work
- Providing easily accessible and well-labelled resources in all areas of school
- Numerical and curricular targets set for each year
- Providing interesting activities and experiences across the whole curriculum and ensuring that all children have equal access to the curriculum
- Encouraging and developing parental support and understanding of the curriculum
- Two open evenings per year for reporting on progress and an end of year written report
- Encouragement and praise of good effort, behaviour, learning and progress
- Teachers will endeavor to foster a sense of respect for all individuals and experiences across a variety of cultures

### **Moral**

To establish a sense of worth, which will lead to respect for oneself and others. This will be achieved by:

- Behaviour policy which includes, positive behaviour incentives
- Continuation of school council to which representatives are elected by their peers, where they can discuss, reflect and value other pupils
- High expectations of standards of behaviour and academic achievement
- Opportunities for older children to support and help younger children e.g., playground friends, sport leaders and buddies
- Regular reporting of pupils' successes to parents
- Encouragement of collaborative work across the curriculum
- Extra-curricular activities available where children will be encouraged to work as team members
- Inviting school community service groups - police, health etc. into school to discuss their work
- Maintaining regular contact with the school Parishes.

### **Public Benefit**

The Academy provides educational services to all children in the local area. The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance provided by the Charity Commission. They have referred to this guidance when reviewing the Academy Trust's aims and objectives and in planning its future activities.

The Academy Trust aims to advance for the public benefit, education in the Diocese of Hallam. In particular, but without prejudice to the generality of the foregoing by estimating, maintaining, managing and developing schools, offering a broad curriculum set within a distinctively Catholic context.

The schools in the MAT provide opportunities for children, their parents, the parish and the local communities that they serve through a range of extra-curricular activities and opportunities.

# The Hallam Schools' Partnership Academy Trust

## Trustees' Report (continued)

As a MAT, we are working to support all of the schools within the MAT and to develop a culture of mutual support and development across these schools and the wider Catholic community. Within the broader diocesan context, each of these schools remains part of the broader family of church schools and part of that network. The commitment to developing a high-quality curriculum, delivered by well trained and effective teaching and support staff, and the sharing of expertise is already under way.

### Strategic Report

#### Achievements and Performance

During the year, a full time Chief Executive and Chief Financial Officer were appointed, with their focus being to improve the systems and policies, in order to lift the FNTI. This ensured the school leaders could focus on the academic outcomes and helping the students to catch up after the pandemic. On 30 July 2021, five months after the appointments, the FNTI was successfully lifted and the Trust is now in a stronger financial position with security over its assets and significantly improved systems to monitor and control finances.

Due to the impact of the COVID-19 pandemic, most exams and assessments did not take place in 2020/21. Academic outcomes were based on teacher assessments, rather than the normal measures and the results are not included in the strategic report.

#### Key Performance Indicators

The Trustees consider that the following are key performance indicators for the academy trust:

- Pupil numbers and income per pupil
- General financial stability – aim for income to match expenditure each year
- Percentage of income received from ESFA spent on total staff costs
- Staff costs as a percentage of grant income
- Staff costs as a percentage of total costs
- Ofsted inspection results: Good for 3 of the schools
- Capital expenditure per pupil
- The quality of teaching across the schools is at least "Good"
- Any other KPI's that are relevant to the trust

#### Ofsted Inspections

There have been no full inspections at the five HSPAT academies during the year. However, in February 2021 Emmaus Catholic and CofE Primary School had a remote monitoring inspection under section 8(2) of the Education Act.

The Directors were pleased with the findings in the report, with extremely positive feedback despite the difficulties faced as a result of the pandemic.

*"Leaders have established a strong common purpose to provide education in the current circumstances. You have a committed and caring team of leaders and staff morale is high. This has helped you to face challenges with success, acting decisively to provide education to all pupils."*

#### Key Financial Performance Indicators

	2021	2020
Fund balance (excluding fixed assets and pension) (£)	1,211,085	746,696
Cash in bank (£)	1,459,625	1,169,416
Total staff costs (£)	9,853,885	9,285,226
Staff costs to ESFA revenue income (%)	88.39	90.99
Staff costs to total income excluding fixed asset funds (%)	78.16	81.11
Staff costs as proportion of total expense (%)	77.51	77.77

The Directors have reviewed the financial KPIs and have no concerns regarding the going concern of the trust.

# The Hallam Schools' Partnership Academy Trust

## Trustees' Report (continued)

### Going Concern

In the next financial year, the academy anticipates a transfer to a Multi Academy Trust, namely St Francis Catholic Multi Academy Trust and St Clare Catholic multi-Academy trust, in late spring 2022. This transfer is not anticipated to impact the schools, but on this date all the activities, assets and liabilities of the Academy Trust will be transferred at which point the activities of the Academy Trust will cease. The individual academy school's funding is still secure and forecasts show a positive financial position in which expenditure is covered by income. The financial statements have therefore been prepared on a basis other than going concern. However, as the individual academy schools will continue to operate after the transfer, no material adjustments are required as a result of ceasing to apply the going concern basis. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

### Financial Review

Income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes.

During the year, the academy trust had a surplus on restricted general funds (excluding pension reserve) and unrestricted funds of £464,389 (2020: £25,579).

At the year ended 31 August 2021 the total Fund balances at individual academies (note 15) amounted to a deficit of £4,738,454 (2020: £4,442,097), however this included the pension liability of £8,173,000 (2020: £7,430,000).

The Academy has taken on the deficit of the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 22 to the financial statements. This liability would be met by the Department for Education in the event of Academy closure.

On 11 January 2021, the Trust was issued with a Financial Notice to Improve and the ESFA monitored the progress until the FNTI was lifted on 30 July 2021.

The details of the FNTI can be found on the Government website:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/952938/Financial\\_Note\\_to\\_Improve\\_The\\_Hallam\\_Schools\\_Partnership\\_Academy\\_Trust.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/952938/Financial_Note_to_Improve_The_Hallam_Schools_Partnership_Academy_Trust.pdf)

The letter to lift the Financial Notice to Improve can also be found on the Government website:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1007705/Hallam\\_Schools\\_Partnership\\_Academy\\_Trust.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1007705/Hallam_Schools_Partnership_Academy_Trust.pdf)

The Key Actions taken by the Trust in order to lift the Financial Notice to Improve were:

- Appointment of a full time CEO and CFO.
- Introduction of a new finance system and policies.
- Preparation of monthly management accounts in line with the ESFA's requirements.
- Changes to budget setting process, including the use of benchmarking and integrated curriculum financial planning.
- Appointments to the Board of Trustees to ensure there is the necessary skills and experience to challenge the Trust leaders.
- Changes to the governance structure, terms of reference and scheme of delegation.
- Appointment of an external clerk.
- Skills audits of the finance team and Trustees.
- Training provided to all finance staff and Governors.
- Appointment of new external auditors.
- Appointment of internal auditors to deliver comprehensive internal scrutiny in 20-21.
- Changes to the risk management of the Trust.
- Introduction of Trust Board Committees including; Audit and Risk, Finance and Resource and Standards and Christian Life.

# The Hallam Schools' Partnership Academy Trust

## Trustees' Report (continued)

- Ensured the Trust analysed the results of the School Resource Management tools and actioned any issues.
- Review of the finances to identify any related party transactions over the past three years.
- Worked with a School Resource Management Advisor to identify areas within the Trust that could be improved.

At 31 August 2021 the net book value of fixed assets was £2,207,898 (2020: £2,227,521) and movements in tangible fixed assets are shown in note 12 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

Key financial policies adopted or reviewed during the year include the Procurement Policy, Finance Regulations, and Scheme of Financial Delegation. Together these policies detail the framework for financial management, including financial responsibilities of the Board, Trust Leaders, Headteacher, managers, budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated include Charges and Remissions, Allowable Board and LGB expenses, Debt Recovery, Executive and Leadership Pay, Gifts and Hospitality and Effectively Managing Related Parties.

### Reserves Policy

The Board of Directors have reviewed the reserve levels of the individual schools. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

The board have approved individual school budgets to spend the majority of its revenue income each year on the students in its care; but also, to maintain a level of free reserves that will be adequate to provide a stable base for the continuing operation of the Academy whilst ensuring that excessive funds are not accumulated. The level of reserves required will be reviewed each year by the Finance and Resource committee.

The reserves policy states that the overall trust target level of reserves is 6% of income, but that each school will be reviewed on an individual basis. At 31 August 2021, the level of reserves is 10% and the Directors have approved budgets to increase spending in 21/22 in order to invest the surplus reserves into the buildings, improving leadership and facilities for students.

These free reserves are held for the investment in buildings, smooth any change in pupil led funding and to provide for any unforeseen liabilities. These reserves will provide a cushion to deal with unexpected emergencies such as urgent maintenance, as well as sums that are set aside from this each year for planned replacement of capital items such as ICT infrastructure etc.

At 31 August 2021 the level of free reserves held was £247,543 which shows an increase of £25,114 (11%) on the 2020 total of £222,429.

The balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds amounted to £1,211,085 (2020: £746,696) and the Trust has an overall balance of £2,223,461 (2020: £2,241,207) on restricted fixed asset funds.

### Investment Policy

The Board of Directors are firmly committed to ensuring that all funds under their control are administered under a risk adverse investment strategy. Our aim is to spend the public monies with which we are entrusted for the direct education benefit of students as soon as is prudent. As such the Board do not consider the investment of surplus funds as a primary activity.

The academy budgets and cash flow forecasts ensure there are always sufficient funds in the bank accounts to cover operational costs. Where significant funds have been accumulated and not required in the short term for operational expenses, or as part of a planned surplus for a specific project, the Board of Directors may consider the investment of these funds in order to improve the buildings, facilities or generate longer term income. The Board of Directors will ensure that surplus funds will not be invested into high risk investments, which are not in the best interest of the academy.

# **The Hallam Schools' Partnership Academy Trust**

## **Trustees' Report (continued)**

### **Principal Risks and Uncertainties**

The principal risk and uncertainty the Trust faces is the continued funding from the Department of Education. To mitigate against this risk the Trust ensures that these funds are used for the purpose they were provided for and only in accordance with guidance laid out in the DfE Academies Financial Handbook. The Trust ensures proper stewardship of those funds, economy, efficiency and effectiveness in their use, using its discretion reasonably and takes into account any and all relevant guidance on accountability or propriety.

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described by each school below. Where significant financial risk still remains, they have ensured they have adequate insurance cover.

HSPAT continues to develop and embed the system of internal control, including financial, operational and risk management which is designed to protect the Academy Trust's assets and reputation. The Executive team maintain a risk register centrally, which is reviewed by the Audit, Risk and Governance committee at least once a term. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on HSPAT and the actions being taken to reduce and mitigate these risks. Risks are prioritised using a scoring system and then RAG rated, both before and after the risk mitigation controls.

At the year end, the Academy had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit scheme deficit (Local Government Pension Scheme), which is set out in Note 22 to the financial statements, represents a significant potential liability. However, 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 of Education. This guarantee came into force on 18 July 2013.

### **Fundraising**

Hallam Schools' Partnership Academy Trust (HSPAT) will fundraise under the provisions of the Charities (Protection and Social Investment Act 2016, Section 13).

The funding of equipment and services from funds outside the Academies revenue budgets is becoming increasingly important in maintaining the quality of education for children.

HSPAT will support fundraising initiatives as long as correct procedures are adhered to. HSPAT fundraising must be a legitimate means of improving the academy Trust's ability to purchase goods, equipment or services, which are not available within the capital or revenue budget. Public donations of cash, equipment, or actively raising funds is seen as a positive way of supporting the academies.

The HSPAT trustees and LGB's are responsible for ensuring that:

1. Correct fundraising procedures are in place, procedures are followed and monitored
2. Expenditure is properly validated
3. All funds raised are properly accounted for and audited
4. The money is expended in accordance with the objectives agreed with fundraisers.

Fundraising activities will be recognised providing that they are generally within the strategic direction of the Trust's plans and ethos. Fundraising must be approved in advance, by the Academy Head. Other fundraising by external bodies will be recognised, although such bodies will be encouraged to advise the Trust of their intentions and be guided by the Trust.

In the event of funds raised or donated, to the Trust, for purposes outside the Trust's plans or ethos the Trust may decline to accept the donation but will encourage the donor / organiser to allow the donation to be used for more appropriate purposes. Where a member of staff becoming aware of an external body fundraising on behalf of an academy or the Trust, he / she should notify the Trustees so that the fundraising can be approved (if this has not already occurred).

# **The Hallam Schools' Partnership Academy Trust**

## **Trustees' Report (continued)**

Fundraisers shall adhere to all policies and procedures adopted by the Academy's local governing body or by the Trust.

Donors have the right to obtain complete and timely information on how their funds are used.

Public and promotional activities are to be truthful and non-deceptive with a clear statement of use.

HSPAT expects commitment to the highest standards of good practice to ensure that all fundraising activities are transparent, legal and fair.

Members of the public must not be subject to persistent unreasonable intrusive fundraising approaches that would put them under any undue pressure to donate.

Anyone having concerns or complaints regarding the Trust's fundraising scheme should discuss these with the Trustees.

### **Streamlined Energy and Carbon Reporting**

As the trust has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

### **Plans for Future Periods**

The Trustees anticipate that 2020-21 will be the last full academic year within HSPAT, as there are plans to move the five schools into two Catholic Multi-Academy Trusts during the next 12 months. The core focus over the next academic year will be to ensure a smooth transition into new cMATs. We will prepare schools for the transfer, ensure all systems are up to date with detailed handover documentation, communicate with the incoming leadership teams and advise of additional training required to assist staff during the process.

However, the Academy Trust also plans to ensure improvement in teaching and learning in our schools. Each academy has an individual plan for future periods. Priorities by school are as follows:

#### **St Joseph's School Catholic Primary School**

- Improve outcomes in reading across school, with a focus on outcomes and progress at KS2.
- Increase outcomes and progress for Pupil Premium Children.
- Ensure any gaps in learning are 'caught up' following on from the Coronavirus Pandemic – with a focus on vulnerable pupils.
- Ensure a broad and balanced curriculum is embedded across school which meets the expectations of the new curriculum.
- Ensure a greater number of lessons are outstanding, in all subjects, across all classes and year groups – leading to outstanding, teaching and learning, progress and attainment.
- Evaluate the curriculum offer for SEND pupils, including monitoring the effectiveness of mastery, current interventions, marking and feedback, access to the curriculum and funding/resources.

#### **St John Fisher Catholic Primary School**

- Teaching over time will continue to improve so that the proportion of securely and consistently 'Good' and 'Outstanding' teaching across all phases of school will increase by July 2021.
- The development of a rich and exciting curriculum which engages learners because it is visible and relevant to the children throughout school.
- Progress and attainment at the end of each year group and the three SJF Key Stages will be at least good and often better than the national and city average.
- The number pupils achieving the expected standard or greater depth at the end of Key Stages 1 and 2 in English, Mathematics and combined will be at or above the average for local schools as well as



# **The Hallam Schools' Partnership Academy Trust**

## **Trustees' Report (continued)**

- the national average.
- The number pupils achieving the expected standard or greater depth at the end of each year group not covered by statutory assessments will be above or in line with that shared by moderation partners
- Pupils' progress in English and Mathematics will be at or above the national average
- The proportion of FS2 pupils achieving a good level of development (GLD) will be in line with or above the national average
- The percentage of pupils meeting the required phonics standard at the end of Year 1 will remain above the national average
- An effective inclusion provision will ensure that gaps between pupils deemed to be vulnerable or disadvantaged will be reduced over time
- Leadership and management at all levels is effective in tackling all priority development areas indicated by the SEF/SES.
- The strength and happiness of our community is predicated on the quality of relationships that exist between all stakeholders within it.
- Our community has a rich and vibrant Catholic life that is visible in its ethos; ways of working; environment and curriculum.

### **Our Lady of Sorrows Catholic Primary School**

#### **Quality of Education:**

- Continue to improve the teaching of Grammar, Punctuation, Spelling and Handwriting.
- To improve reading comprehension outcomes and close the gaps across school (post COVID).
- Continue to enthuse and encourage pupils to use interesting and adventurous vocabulary in their writing.
- To further develop and personalise the school's art curriculum.

#### **Behaviour and Attitudes**

- To continue to raise attendance for disadvantaged and SEND children (to 96%).
- To establish high quality teaching of PSHE and promote SMSC throughout the curriculum and the school environment.
- To continue to create, develop and foster positive relationships within our school community.
- To raise the profile and importance to children's wellbeing.
- To ensure a consistent approach to behaviour across school.

#### **Personal Development**

- To raise the profile and importance to children's wellbeing.
- To continue to ensure pupil voice is secure across school.

#### **Leadership and Management:**

- To be proactive in managing staff workload and wellbeing.
- To embed the Governor's Action Plan.
- To continue to develop the role of middle leaders so that they can make a valuable contribution to improving teaching and learning and pupils' achievements.

#### **The Quality of Early Education**

- Develop valuable and effective links with parents that will establish a primary school long partnership between staff and parents to ensure children reach their full potential, (with the challenge of COVID).
- Improve the teaching of phonics, reading and writing to ensure the lowest 20% of children are making good progress.
- To develop further a personalised curriculum.

### **Holy Trinity, A Catholic and Church of England Voluntary Academy**

- Our vision is clear for all in our community and at the heart of all decision making.
- Mental health and wellbeing of pupils and staff is prioritised.
- Behaviour is good and where it is not, systems and structures ensure it is dealt with swiftly and effectively.
- Attendance is at least in line with national average in both phases, especially for key groups.
- SEND pupils have access to an ambitious and appropriate curriculum and make good progress.
- The intent of our curriculum is clear to all those delivering it. It is broad, varied and ambitious, meeting the needs and aspirations of all our pupils.

# **The Hallam Schools' Partnership Academy Trust**

## **Trustees' Report (continued)**

- There is a consistent approach and high expectations in teaching and learning.
- A reading culture develops.
- A strategy is in place to effectively target catch-up funding so that all pupils are supported to meet age related expectations and to make progress in line with prior attainment.
- A strategy is in place to ensure effective remote education in case of further lockdown and in order to maximise pupil progress and independent working:
- A culture of research and development is embedded.
- All leaders are confident in fulfilling their roles.
- Teachers are supported to fulfil their roles effectively.

### **Emmaus Catholic & Church of England Primary School**

#### Further improve the quality of education

- To improve outcomes for Phonics check by August 2022.
- To sharpen the use of assessment to ensure teachers know precisely what content pupils can remember from the taught curriculum, and use this to identify more accurately the aspects of key learning that need to be revisited within lessons.
- Develop the school's culture of reading to ensure it has a greater impact on all pupils, especially in relation to inspiring pupils to love reading for pleasure.
- To ensure pupils with SEND are supported to achieve their potential.

#### Improve the quality of Leadership at all levels

- To improve the accountability of Governors.
- To improve the accountability of Leaders including Subject Leaders

### **Funds Held as Custodian Trustee on Behalf of Others**

Hallam Schools' Partnership Academy Trust and its Directors do not act as the custodian Trustees of any other Charity.

## **The Hallam Schools' Partnership Academy Trust Trustees' Report (continued)**

### **Auditor**

During the year, Allotts Business Services Ltd were appointed as the Trust's external auditors.

Insofar as the trustees are aware:

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

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 7 December 2021 and signed on the board's behalf by:



**Sean McClafferty**  
Chair of Trustees

**7 December 2021**

# The Hallam Schools' Partnership Academy Trust

## Governance Statement

### Scope of Responsibility

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

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

The board of trustees has delegated the day-to-day responsibility to the Chief Executive, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Hallam Schools' Partnership Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 16 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
P R Patterson (Chair to 26.02.21) (resigned 26.02.21)	12	12
A Dewhurst	14	16
C Thorpe (resigned 12.02.21)	11	11
E J Whittaker	14	16
Rev H Thomas (appointed 14.09.20)	15	16
Rev P D McGuire	15	16
R J Noake (appointed 14.09.20)	14	16
S McClafferty (Chair from 27.02.21) (appointed 23.02.21)	14	16
M L Janvier (appointed 20.10.20, resigned 11.04.21)	12	12
H McLaughlin (appointed 29.01.21)	8	8
C Dewhurst (appointed 04.02.21)	5	6
J Halstead (appointed 26.02.21)	5	5
R Brookes (appointed 01.03.21)	4	4

# The Hallam Schools' Partnership Academy Trust

## Governance Statement

The Trust Board reviewed its structure during the 20/21 academic year and make new appointments following the recommendations in the Financial Notice to Improve and results of the skills audit. The Trust then implemented a new committee structure, including a Finance & Resources committee, Audit, Risk & Governance committee and Standards & Christian Life committee. The purpose of this structure is to allow Trustees to have a detailed and focused review of key aspects of the Trust's operations. Since the committees were formed in March 2021, the structure has been successful and governance has significantly improved.

The finance and resource committee is a sub-committee of the main board of trustees and was established in March 2021.

The purpose of the committee is to oversee and provide independent assurance to the Trust Board, and to make recommendations to the Trust Board thereon, on the arrangements of the Trust in relation to:

- The trust's financial systems and budget management
- The appropriate management and use of Trust financial resources and to make recommendations to the Board in relation to these matters
- To report half termly and annually to the trust board and the accounting officer
- The finance and resource committee has no executive powers or operational responsibilities/ duties

The Finance and Resource is made up of three trustees. Ed Whittaker joined the committee in April 2021, following the resignation of Mark Janvier. Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
C Dewhurst (Chair of F&R committee) (appointed 04.02.21)	2	2
M Janvier (appointed 20.10.20, resigned 11.04.21)	0	0
S McClafferty (appointed 23.09.20)	2	2
E Whittaker	2	2

The audit, risk and governance committee is also a sub-committee of the main board of trustees and was established in March 2021.

The purpose of the committee is to oversee and provide independent assurance to the Trust Board, and to make recommendations to the Trust Board thereon, on the arrangements of the Trust in relation to:

- Audit
- Risk Management and Internal Control
- Ethics and Probity (including oversight of the Whistleblowing Policy and protecting the identity of whistle-blowers).

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
J Halstead (Chair of committee) (appointed 26.02.21)	3	3
S McClafferty (appointed 23.09.20)	3	3
R Brookes (appointed 01.03.21)	3	3

# **The Hallam Schools' Partnership Academy Trust**

## **Governance Statement**

### **Review of Value for Money**

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

The accounting officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data or by using a framework where appropriate. From 1 March 2021, the accounting officer for the academy trust has delivered improved value for money during the year by:

- Approving a new scheme of delegation, to ensure central oversight for all transactions over £5,000.
- Centralising all financial policies to ensure academies have adequate controls in place for purchasing and procurement.
- Challenging local authorities regarding funding for SEN.
- Using grant funding to support Kickstarter staff.
- Using lean organisational design to reduce central costs.
- Introducing new order forms to ensure value for money is considered and comparison quotes obtained for transactions of a certain value.
- Registering the school leaders with National Deals.
- Ensuring academy budgets are benchmarked against similar schools.
- Ensuring the budget process is robust and that Directors approve each academy's forecast.
- Central procurement for some of the larger budget areas; HR, GDPR and Staff absence insurance.
- Going out to tender for the external audit services.
- Exploring every opportunity to generate income through hire of academy facilities. Income is also generated from small grant applications which help to support the wider curriculum.
- Collaborating with other academies to provide school improvement support.

### **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 was introduced in March 2021 and is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place for Hallam Schools' Partnership Academy Trust for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements.

### **Capacity to Handle Risk**

From March 2021, the board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ended 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 Hallam Schools' Partnership Academy Trust**

## **Governance Statement**

### **The Risk and Control Framework**

From March 2021, the academy trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the finance and resources committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- identification and management of risks.

The board of trustees has decided to buy-in an internal audit function and appointed Hart Shaw LLP as internal auditor from 1 September 2020. Their services will continue for the 21/22 academic year.

The internal auditor's role includes giving advice on financial and other matters and performing a range of checks on the academy trust's financial and other systems. In particular, the checks carried out in the current period included:

- testing of purchasing and procurement processes
- testing of the accounting systems and reporting to governors
- academies financial handbook compliance

Three times a year, the auditor reports to the board of trustees, through the audit and risk committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and annually prepares a report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

# **The Hallam Schools' Partnership Academy Trust**

## **Governance Statement**

### **Review of Effectiveness**

As accounting officer, the Chief Executive has responsibility for reviewing the effectiveness of the system of internal control. Since March 2021, the review has been informed by:

- the work of the internal auditor
- the work of the external auditor
- the financial management and governance self-assessment process
- the school resource management self-assessment tool
- the school resource management advisor's report
- the progress against the Financial Notice to Improve
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Audit, Risk and Governance committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 7 December 2021 and signed on its behalf by:



**Sean McClafferty**  
Trustee



**Christopher Manze**  
Accounting Officer



# **The Hallam Schools' Partnership Academy Trust**

## **Statement of Regularity, Propriety and Compliance**

As accounting officer of Hallam Schools' Partnership Academy Trust, I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration, I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the academy trust 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.

On 11 January 2021, the ESFA published a Financial Notice to Improve letter, the details of which can be found on the ESFA website. The Financial Notice to Improve letter listed instances of material funding non-compliance. There have been no instances of material impropriety or improper use of funds.

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the board of trustees and ESFA. If any instances are identified after the date of this statement, these will be notified to the board of trustees and ESFA:

### **Non-Financial Issues**

- There was no approved scheme of delegation for financial powers until May 2021. There were also no centralised financial policies for the operation of the finances of the individual schools. This resulted in a lack of robust internal controls over the individual schools. Up to then, each school had its own financial regulations, but these were not consistently followed.
- Related party transactions were not adequately reported to the ESFA up to March 2021. Amounts totaling £95,447 from the period 1 September 2019 were subsequently disclosed to the ESFA. In addition, a register of interests was not kept up to date and declarations of interest were not made at trustee meetings.
- Prior to March 2021, monthly management accounts were not prepared in line with the Academies Financial Handbook and were not discussed with the Chair of the Trust Board.
- The Board did not have committees in place, including an Audit and Risk committee, prior to March 2021.
- There was no risk register in place before March 2021.
- Before March 2021, the trust failed to appoint an accounting officer that was suitably fit and suitable for the role. In addition, before March 2021, the trust failed to appoint a chief financial officer that was appropriately experienced.

Since the Financial Notice to Improve was issued in January 2021, the Board and Executive team have made significant improvements to the governance, policies and systems within the trust. The Trustees, CFO and I have worked alongside the ESFA to ensure the trust is compliant with the Academies Financial Handbook. I can confirm that Hallam Schools' Partnership Academy Trust is now compliant and as a result, on 30 July 2021, the ESFA issued a letter to lift the Financial Notice to Improve.

Christopher Manze



Accounting Officer  
7 December 2021

## The Hallam Schools' Partnership Academy Trust Statement of Trustees' Responsibilities

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

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

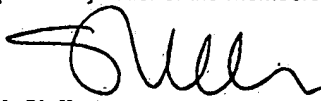
- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards 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 trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Approved by order of the members of the board of trustees on 7 December 2021 and signed on its behalf by:



S McClafferty

Trustee

# **The Hallam Schools' Partnership Academy Trust**

## **Independent Auditor's Report on the Financial Statements to the Members of Hallam Schools' Partnership Academy Trust**

### **Opinion**

We have audited the financial statements of The Hallam Schools Partnership Academy Trust (the charitable company') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including 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 (ESFA).

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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

In auditing the financial statements, we have concluded that the trustees' use of a basis other than going concern in the preparation of the financial statements is appropriate.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon. Other information includes the trustees' report (incorporating the strategic report and the directors' report), the governance statement, and the Accounting Officer's statement.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

# **The Hallam Schools' Partnership Academy Trust**

## **Independent Auditor's Report on the Financial Statements to the Members of Hallam Schools' Partnership Academy Trust**

### **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 Report of the Trustees (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Responsibilities of trustees**

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

### **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 a Report of the Independent Auditors 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:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management and review of correspondence to identify any instances of non-compliance with laws and regulations;
- Review of minutes of trustees' meetings.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations

# The Hallam Schools' Partnership Academy Trust

## Independent Auditor's Report on the Financial Statements to the Members of Hallam Schools' Partnership Academy Trust

- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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

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

### Use of our report

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



Mark Garrison BCom FCA DChA (Senior Statutory Auditor)  
for and on behalf of Allotts Business Services Ltd, Statutory Auditor  
Chartered Accountants  
The Old Grammar School  
13 Moorgate Road  
Rotherham  
South Yorkshire  
S60 2EN

Date: 10/12/2021

# **The Hallam Schools' Partnership Academy Trust**

## **Independent Reporting Accountant's Assurance Report on Regularity to Hallam Schools' Partnership Academy Trust and the Education and Skills Funding Agency**

In accordance with the terms of our engagement letter dated 14 June 2021 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 The Hallam Schools' Partnership Academy Trust during the period 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 The Hallam Schools' Partnership Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Hallam Schools' Partnership Academy Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Hallam Schools' Partnership Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of The Hallam Schools' Partnership Academy Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of The Hallam Schools' Partnership Academy Trust's funding agreement with the Secretary of State for Education dated 28 November 2013 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 period 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 the 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 charitable company's income and expenditure.

The work undertaken to draw to our conclusion includes:

- Enquiry of officers of the academy trust
- Review and testing of income and expenditure for compliance with the funding and other agreements, the Academies Financial Handbook and the academy's system of controls
- Examination of relevant documents
- Review of the activities carried out by the academy trust
- Review of the delegated authorities set out in the Academies Financial Handbook
- Review of governance arrangements in accordance with the Academies Financial Handbook.

# The Hallam Schools' Partnership Academy Trust

## Independent Reporting Accountant's Assurance Report on Regularity to Hallam Schools' Partnership Academy Trust and the Education and Skills Funding Agency

### Conclusion

In the course of our work, except for the matters listed below, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 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.

There were a number of issues relating to non-compliance with the Academies Financial Handbook:

1. Scheme of delegation  
A scheme of delegation of financial powers was not approved until May 2021 and therefore there was no centralised policy in place for the operation of the finances of the individual schools. This resulted in a lack of robust internal controls over the individual schools. Up to then, each school had its own financial regulations, but these were not consistently followed.
2. Related party transactions  
Related party transactions were not adequately reported to the ESFA up to March 2021. Amounts totalling £95,447 from the period 1 September 2019 were subsequently disclosed to the ESFA. In addition, a register of interests was not kept up to date and declarations of interest were not made at trustee meetings.
3. Management accounts  
Prior to March 2021, monthly management accounts were not prepared in line with the Academies Financial Handbook and were not discussed with the Chair of the Trust Board.
4. Audit and risk committee  
The Board did not have a committee in place, which included an audit and risk committee, prior to March 2021.
5. Risk register  
There was no risk register in place before March 2021.
6. Appointment of senior management  
Before March 2021, the trust failed to appoint an accounting officer that was fit and suitable for the role. In addition, before March 2021, the trust failed to appoint a chief financial officer that was appropriately experienced. As a result, the trust failed to maintain robust oversight over its financial affairs.

A financial notice to Improve was issued by the ESFA in January 2021 covering the above points. The points were subsequently resolved and the notice was lifted in July 2021.



Reporting Accountant  
Allotts Business Services Ltd  
Chartered Accountants  
The Old Grammar School  
13 Moorgate Road  
Rotherham  
South Yorkshire  
S60 2EN

Date: 10/12/2021

# The Hallam Schools' Partnership Academy Trust

## Statement of Financial Activities for the year ended 31 August 2021 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2020/21 Total £
<b>Income and endowments from:</b>					
Donations and capital grants	2	25,000	464,398	73,584	562,982
Other trading activities	4	75,715	258,241	-	333,956
Investments	5	114	-	-	114
Charitable activities:					
Funding for the academy trust's educational operations	3	-	11,783,487	-	11,783,487
<b>Total</b>		<b>100,829</b>	<b>12,506,126</b>	<b>73,584</b>	<b>12,680,539</b>
<b>Expenditure on:</b>					
Academy trust educational operations	6	75,715	12,509,992	127,189	12,712,896
<b>Total</b>		<b>75,715</b>	<b>12,509,992</b>	<b>127,189</b>	<b>12,712,896</b>
<b>Net income / (expenditure)</b>		<b>25,114</b>	<b>(3,866)</b>	<b>(53,605)</b>	<b>(32,357)</b>
Transfers between funds	15	-	(35,859)	35,859	-
<b>Other recognised gains / (losses):</b>					
Actuarial (losses) / gains on defined benefit pension schemes	22	-	(264,000)	-	(264,000)
<b>Net movement in funds</b>		<b>25,114</b>	<b>(303,725)</b>	<b>(17,746)</b>	<b>(296,357)</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		222,429	(6,905,733)	2,241,207	(4,442,097)
<b>Total funds carried forward</b>		<b>247,543</b>	<b>(7,209,458)</b>	<b>2,223,461</b>	<b>(4,738,454)</b>



# The Hallam Schools' Partnership Academy Trust

## Statement of Financial Activities for the year ended 31 August 2020 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2019/20 Total £
<b>Income and endowments from:</b>					
Donations and capital grants	2	8,133	264,312	36,957	309,402
Other trading activities	4	76,376	278,347	-	354,723
Investments	5	1,254	-	-	1,254
Charitable activities:					
Funding for the academy trust's educational operations	3	-	10,819,274	-	10,819,274
<b>Total</b>		<b>85,763</b>	<b>11,361,933</b>	<b>36,957</b>	<b>11,484,653</b>
<b>Expenditure on:</b>					
Academy trust educational operations	6	24,660	11,847,066	66,981	11,938,707
<b>Total</b>		<b>24,660</b>	<b>11,847,066</b>	<b>66,981</b>	<b>11,938,707</b>
<b>Net income / (expenditure)</b>		<b>61,103</b>	<b>(485,133)</b>	<b>(30,024)</b>	<b>(454,054)</b>
Transfers between funds	15	(33,134)	24,743	8,391	-
<b>Other recognised gains / losses):</b>					
Actuarial (losses) / gains on defined benefit pension schemes	22	-	(453,000)	-	(453,000)
<b>Net movement in funds</b>		<b>27,969</b>	<b>(913,390)</b>	<b>(21,633)</b>	<b>(907,054)</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		194,460	(5,992,343)	2,262,840	(3,535,043)
<b>Total funds carried forward</b>		<b>222,429</b>	<b>(6,905,733)</b>	<b>2,241,207</b>	<b>(4,442,097)</b>

# The Hallam Schools' Partnership Academy Trust

Balance Sheet as at 31 August 2021

Company Number 08665067

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	12	2,207,898	2,227,521
<b>Current assets</b>			
Debtors	13	435,911	406,740
Cash at bank and in hand		1,459,625	1,169,416
		<u>1,895,536</u>	<u>1,576,156</u>
<b>Liabilities</b>			
Creditors: Amounts falling due within one year	14	(668,888)	(815,774)
<b>Net current assets</b>		<u>1,226,648</u>	<u>760,382</u>
<b>Total assets less current liabilities</b>		<u>3,434,546</u>	<u>2,987,903</u>
<b>Net assets excluding pension liability</b>		<u>3,434,546</u>	<u>2,987,903</u>
Defined benefit pension scheme liability	22	(8,173,000)	(7,430,000)
<b>Total net assets</b>		<u>(4,738,454)</u>	<u>(4,442,097)</u>
<b>Funds of the academy trust:</b>			
<b>Restricted funds</b>			
Restricted fixed asset fund	15	2,223,461	2,241,207
Restricted GAG fund	15	762,918	511,231
Restricted pension reserve		(8,173,000)	(7,430,000)
Other restricted funds	15	200,624	13,036
<b>Total restricted funds</b>		<u>(4,985,997)</u>	<u>(4,664,526)</u>
<b>Unrestricted general funds</b>	15	<u>247,543</u>	<u>222,429</u>
<b>Total funds</b>		<u>(4,738,454)</u>	<u>(4,442,097)</u>

The financial statements on pages 30 to 56 were approved by the trustees and authorised for issue on 7 December 2021 and are signed on their behalf by

  
S McClafferty  
Trustee

# The Hallam Schools' Partnership Academy Trust

## Statement of Cash Flows for the year ended 31 August 2021

	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	18	<b>291,975</b>	47,381
<b>Cash flows from investing activities</b>	19	<b>(1,766)</b>	(95,504)
<b>Change in cash and cash equivalents in the reporting period</b>		<b>290,209</b>	(48,123)
<b>Cash and cash equivalents at 1 September</b>		1,169,416	1,217,539
<b>Cash and cash equivalents at 31 August</b>	20	<b>1,459,625</b>	1,169,416

# **The Hallam Schools' Partnership Academy Trust**

## **Notes to the Financial Statements**

### **1. Accounting policies**

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

The Trust is a limited company incorporated in England and Wales and limited by guarantee. Its registered office is the Hallam Pastoral Centre, St. Charles Street, Sheffield, South Yorkshire, S9 3WU.

### **Basis of Preparation**

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

### **Going Concern**

The trustees assess whether the use of going concern is appropriate i.e., whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

At 31 August 2021 the Academy had free unrestricted reserves of £247,543 (2020: £222,429) and restricted reserves (excluding pension reserve and restricted fixed assets) of £963,542 (2020: £524,267). The Academy's target level of reserves is £707,009.

The Academy has set a balanced budget for 2021/22 and 2022/23. The trustees are not aware of any material uncertainties which would cast doubt on the Academy's ability to achieve a balanced budget.

However, in the next financial year the academy anticipates a transfer to a Multi Academy Trust, namely St Francis Catholic Multi Academy Trust and St Clare Catholic multi-Academy trust, in late spring 2022. This transfer is not anticipated to impact the schools, but on this date all the activities, assets and liabilities of the Academy Trust will be transferred at which point the activities of the Academy Trust will cease. The individual academy school's funding is still secure and forecasts show a positive financial position in which expenditure is covered by income. The financial statements have therefore been prepared on a basis other than going concern. However, as the individual academy schools will continue to operate after the transfer, no material adjustments are required as a result of ceasing to apply the going concern basis.

### **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.

# **The Hallam Schools' Partnership Academy Trust**

## **Notes to the Financial Statements**

### **1. Accounting policies (continued)**

#### ***Grants***

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

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

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

#### ***Donations***

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

#### ***Other Income***

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

#### ***Donated goods, facilities and services***

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

#### ***Donated fixed assets***

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

# **The Hallam Schools' Partnership Academy Trust**

## **Notes to the Financial Statements**

### **1. Accounting policies (continued)**

#### **Expenditure**

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

#### ***Expenditure on Raising Funds***

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

#### ***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.

#### **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.

With the exception of land that is held under a 125-year lease from Sheffield City Council, all of the Trust's premises consist of land and buildings owned by, or leased by the Diocese of Hallam. The Trustees of Diocese of Hallam are the providers to the academy on the same basis as when the schools within the academy trust were maintained. The academy trust occupies the land and buildings under a mere licence.

The continuing permission of the Diocese of Hallam is pursuant to, and subject to, the Diocese's charitable objects, and is part of the Catholic Church's contribution since 1847 to provide state funded education in partnership with the State. The licence delegates aspects of the management of the land and buildings to the academy trust company for the time being, but does not vest any rights over the land in the academy trust company.

The Diocese of Hallam has given an undertaking to the Secretary of State that they will not give the academy trust less than 2 years notice to terminate the occupation of the land and buildings.

Having considered the factual matrix under which the academy trust company is occupying the land and buildings, the trustees have concluded that the value of the land and buildings occupied by the academy trust company should not be recognised on the balance sheet of the company.

# The Hallam Schools' Partnership Academy Trust

## Notes to the Financial Statements

### 1. Accounting policies (continued)

An amount based upon the rateable value of these land and buildings has been recognised in these accounts within income and expenditure.

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, per the table below. Where an asset comprises of two or more components which have substantially different useful lives, each component is depreciated separately over its useful economic life.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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

<b>Asset class</b>	<b>Depreciation method and rate</b>
Leasehold land	Over the life of the lease – 125 years
Building improvements	2% straight line
Furniture and equipment	10%, 20% and 25% straight line
Computer equipment	25% and 33% straight line

### 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.

### Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

### Leased Assets

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

### Financial Instruments

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

*Financial assets* – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments.

# The Hallam Schools' Partnership Academy Trust

## Notes to the Financial Statements

### 1. Accounting policies (continued)

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

*Financial liabilities* – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 14. Taxation and social security are not included in the financial instrument's 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.

#### 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.

#### Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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



# The Hallam Schools' Partnership Academy Trust

## Notes to the Financial Statements

### 1. Accounting policies (continued)

#### Fund Accounting

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

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

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

#### Critical accounting estimates and areas of judgement

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

##### *Critical accounting estimates and assumptions*

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, 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 judgement*

The main school buildings are held on licence from the trustees of the Diocese of Hallam. The trustees of The Hallam School's Partnership Academy Trust have assessed the risks and rewards of ownership and in their judgement, and after holding discussions with The Diocese of Hallam, these have not been transferred to the academy trust.

### 2. Donations and capital grants

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total 2021 £	Total 2020 £
Capital grants	-	-	73,584	73,584	36,957
Other donations	25,000	464,398	-	489,398	215,100
	25,000	464,398	73,584	562,982	252,057

# The Hallam Schools' Partnership Academy Trust

## Notes to the Financial Statements

### 3. Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
<b>DfE / ESFA grants</b>				
General Annual Grant (GAG)	-	9,505,671	9,505,671	8,735,162
<b>Other DfE / ESFA grants</b>	-			
UFSM	-	179,930	179,930	162,566
Pupil Premium	-	659,280	659,280	626,865
Teacher's Pay and Pension	-	437,184	437,184	429,097
<b>Other DfE/ESFA Group grants</b>	-	163,438	163,438	251,340
	-	10,945,503	10,945,503	10,205,030
<b>Other Government grants</b>				
Local authority grants	-	314,704	314,704	334,357
Special educational needs	-	289,550	289,550	239,242
<b>COVID-19 additional funding (DfE/ESFA)</b>				
Catch-up premium	-	157,240	157,240	-
Other DfE/ESFA COVID-19 funding	-	63,094	63,094	33,995
<b>COVID-19 additional funding (non-DfE/ESFA)</b>				
Coronavirus Job Retention Scheme grant	-	4,783	4,783	6,650
	-	829,371	829,371	614,244
<b>Other income from the academy trust's educational operations</b>	-	8,613	8,613	57,345
<b>Total</b>	-	11,783,487	11,783,487	10,876,619

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department for Education and ESFA, the academy trust's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported 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 received £157,240 of funding for catch-up premium and costs incurred in respect of this funding totalled £142,600, with the remaining £14,640 to be spent in 2021/22.

The academy furloughed some of its afterschool and breakfast club staff under the government's CJRS. The funding received of £4,783 relates to staff costs in respect of 2 staff which are included within note 8 below as appropriate.

# The Hallam Schools' Partnership Academy Trust

## Notes to the Financial Statements

### 4. Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Hire of facilities	-	27,421	27,421	15,544
Catering income	-	173,641	173,641	177,863
Recharges and reimbursements	75,715	37,604	113,319	82,222
Other sales	-	19,575	19,575	79,094
<b>Total</b>	<b>75,715</b>	<b>258,241</b>	<b>333,956</b>	<b>354,723</b>

### 5. Investment income

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Short term deposits	114	-	114	1,254
<b>Total</b>	<b>114</b>	<b>-</b>	<b>114</b>	<b>1,254</b>

### 6. Expenditure

	Non-Pay Expenditure				
	Staff costs £	Premises £	Other costs £	Total 2021 £	Total 2020 £
<b>Academy's educational operations</b>					
Direct costs	7,954,246	-	374,147	8,328,393	8,027,922
Allocated support costs	1,899,639	1,222,177	1,262,687	4,384,503	3,910,785
	<b>9,853,885</b>	<b>1,222,177</b>	<b>1,636,834</b>	<b>12,712,896</b>	<b>11,938,707</b>

Net income/(expenditure) for the period includes:

	2021 £	2020 £
Operating lease rentals	18,700	-
Depreciation of tangible fixed assets	95,087	78,757
Fees payable to auditor for:		
- audit	13,250	18,500
- other audit services	14,240	23,976

# The Hallam Schools' Partnership Academy Trust

## Notes to the Financial Statements

### 7. Charitable activities

	Total 2021 £	Total 2020 £
Direct costs – educational operations	8,328,393	8,027,922
Support costs – educational operations	4,384,503	3,910,785
	<b>12,712,896</b>	<b>11,938,707</b>

	Educational operations £	Total 2021 £	Total 2020 £
<b>Analysis of support costs</b>			
Support staff costs	1,899,639	1,899,639	1,547,071
Depreciation	95,087	95,087	78,757
Technology costs	148,115	148,115	76,050
Premises costs	1,127,090	1,127,090	1,151,240
Legal costs	1,336	1,336	9,497
Other support costs	1,074,631	1,074,631	1,005,694
Governance costs	38,605	38,605	42,476
<b>Total</b>	<b>4,384,503</b>	<b>4,384,503</b>	<b>3,910,785</b>

### 8. Staff

#### Staff costs

	Total 2021 £	Total 2020 £
<b>Staff costs during the period were:</b>		
Wages and salaries	6,828,779	6,512,599
Social security costs	658,289	567,184
Pension costs	2,033,957	1,954,311
	<b>9,521,025</b>	<b>9,034,094</b>
Supply staff costs	332,860	251,132
	<b>9,853,885</b>	<b>9,285,226</b>

#### Staff numbers

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

	Total 2021 £	Total 2020 £
Teachers	108	109
Administration and support	218	216
Management	8	6
	<b>334</b>	<b>331</b>

# The Hallam Schools' Partnership Academy Trust

## Notes to the Financial Statements

### Higher paid staff

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

	Total 2021	Total 2020
£60,001 - £70,000	3	4
£70,001 - £80,000	2	2
£90,001 - £100,000	1	1

### Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £629,703 (2020: £492,108).

## 9. Central Services

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

- Leadership support
- Budget management and preparation of BFR
- Preparation of management and statutory accounts
- Internal scrutiny
- External audit of TPS and statutory accounts
- Submission of financial returns
- Financial support to improve systems and
- Training

Previously, no central services were provided by the academy trust to its academies and no central charges arose. As a result of the Financial Notice to Improve, a CEO and CFO were appointed and the first six months of associated costs was covered by a grant from the Diocese of Hallam. Expenditure relating to GDPR and audit costs was recharged to schools from the central trust, based on the number of pupils at each school as well as the number of services used.

The actual amounts charged during the year were as follows:

	Total 2021 £	Total 2020 £
Emmaus Catholic and CofE Primary	11,321	-
Holy Trinity Catholic and CofE Voluntary Academy	20,990	-
Our Lady of Sorrows Catholic Primary	10,017	-
St John Fisher Catholic Primary	10,396	-
St Joseph's Catholic Primary	10,151	-
	<b>62,875</b>	-

# The Hallam Schools' Partnership Academy Trust

## Notes to the Financial Statements

### 10. Related Party Transactions – Trustees' remuneration and expenses

No trustees were paid remuneration or received other benefits from an employment with the academy trust in the current or previous year.

During the year ended 31 August 2021, travel and subsistence expenses totalling £nil (2020 - £nil) were reimbursed or paid directly to 0 trustees (2020 - 0).

Other related party transactions involving the trustees are set out in note 24.

### 11. Trustees' and officers' insurance

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

### 12. Tangible fixed assets

	Leasehold land and buildings £	Furniture and equipment £	Computer Equipment £	Total £
<b>Cost</b>				
At 1 September 2020	2,192,058	145,327	223,036	2,560,421
Additions	16,940	30,416	28,108	75,464
Disposals	-	-	-	-
At 31 August 2021	2,208,998	175,743	251,144	2,635,885
<b>Depreciation</b>				
At 1 September 2020	114,576	89,145	129,179	332,900
Charged in year	38,381	13,015	43,691	95,087
Disposals	-	-	-	-
At 31 August 2021	152,957	102,160	172,870	427,987
<b>Net book values</b>				
At 31 August 2020	2,077,482	56,182	93,857	2,227,521
At 31 August 2021	2,056,041	73,583	78,274	2,207,898

The school land and buildings are owned by the Diocese of Hallam and do not appear on the balance sheet for the reasons explained in the accounting policies note. The land and buildings at Emmaus are jointly owned by the Diocese of Hallam and Sheffield Diocesan Board of Finance.

# The Hallam Schools' Partnership Academy Trust

## Notes to the Financial Statements

### 13. Debtors

	2021 £	2020 £
Trade debtors	3,207	6,300
VAT recoverable	135,009	91,566
Other debtors	1,386	12,368
Prepayments and accrued income	296,309	296,506
	<u>435,911</u>	<u>406,740</u>

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

	2021 £	2020 £
Trade creditors	164,532	285,570
Other taxation and social security	123,332	122,549
Other creditors	141,456	145,551
Accruals and deferred income	239,568	262,104
	<u>668,888</u>	<u>815,774</u>

Deferred income at 1 September 2020	177,188	172,886
Released from previous years	(177,188)	(172,886)
Resources deferred in the year	126,421	177,188
Deferred Income at 31 August 2021	<u>126,421</u>	<u>177,188</u>

Deferred income includes rates relief and free school meals funding for the 2021/22 academic year.

# The Hallam Schools' Partnership Academy Trust

## Notes to the Financial Statements

### 15. Funds

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2021 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	511,231	9,505,671	(9,218,125)	(35,859)	762,918
UIFSM	-	179,930	(179,930)	-	-
Pupil Premium	-	659,280	(659,280)	-	-
Teacher pay and pension	-	437,184	(437,184)	-	-
Other DfE Group grants	-	163,438	(145,490)	-	17,948
Local authority grants	-	314,704	(314,704)	-	-
Special educational needs	-	289,550	(289,550)	-	-
COVID Catch up grants	-	157,240	(142,600)	-	14,640
Other DfE COVID-19 funding	-	63,094	(63,094)	-	-
Coronavirus Job Retention Grant	-	4,783	(4,783)	-	-
Other restricted funds	13,036	731,252	(576,252)	-	168,036
Pension reserve	(7,430,000)	-	(479,000)	(264,000)	(8,173,000)
	(6,905,733)	12,506,126	(12,509,992)	(299,859)	(7,209,458)
<b>Restricted fixed asset funds</b>					
Transfer on conversion	1,135,598	-	(13,221)	-	1,122,377
DfE Group capital grants	1,105,609	73,584	(108,261)	-	1,070,932
Capital expenditure from GAG	-	-	(5,707)	35,859	30,152
	2,241,207	73,584	(127,189)	35,859	2,223,461
<b>Total restricted funds</b>	(4,664,526)	12,579,710	(12,637,181)	(264,000)	(4,985,997)
<b>Total unrestricted funds</b>	222,429	100,829	(75,715)	-	247,543
<b>Total funds</b>	(4,442,097)	12,680,539	(12,712,896)	(264,000)	(4,738,454)

The academy trust is not subject to GAG carried forward limits. The specific purposes for which the funds are to be applied are as follows:

#### Restricted general funds

General Annual Grant (GAG) - Income receivable from the Education Funding Agency to fund the educational operations and running costs of the Academy.

UIFSM – Funding received to provide all pupils in key stage one with free school meals.

COVID catch up grants – Funding to support pupils to catch up for lost learning caused by the pandemic.

Pupil premium - Funding to improve education outcomes for disadvantaged pupils in schools in England.

Other DfE group grants - Other funding received including Rates Relief and PE & Sports Premium.

Local authority grants - Additional funding given to schools including Special Educational Needs and Nursery Grants.



# The Hallam Schools' Partnership Academy Trust

## Notes to the Financial Statements

### 15. Funds (continued)

Other restricted funds - Restricted voluntary funds received for activities, trips and other fundraising activities which in turn is used for the benefit of the pupils.

Defined pension liability - The deficit on the local government pension scheme has been recognised against restricted funds in order to match it against GAG as recommended by the Accounts Direction published by the ESFA.

#### Restricted fixed asset funds

DfE capital grants - Funding provided for capital maintenance/items.

#### Unrestricted general funds

Funds available to spend for the general purposes of the Academy.

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

	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2020 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	515,067	8,735,162	(8,763,741)	24,743	511,231
UIFSM	-	162,566	(162,566)	-	-
Pupil Premium	-	626,865	(626,865)	-	-
Teacher pay and pension	-	429,097	(429,097)	-	-
Other DfE Group grants	-	251,340	(251,340)	-	-
Local authority grants	-	334,357	(334,357)	-	-
Special educational needs	-	239,242	(239,242)	-	-
Other DfE COVID-19 funding	-	33,995	(33,995)	-	-
Coronavirus Job Retention Grant	-	6,650	(6,650)	-	-
Other restricted funds	11,590	542,659	(541,213)	-	13,036
Pension reserve	(6,519,000)	-	(458,000)	(453,000)	(7,430,000)
	<b>(5,992,343)</b>	<b>11,361,933</b>	<b>(11,847,066)</b>	<b>(428,257)</b>	<b>(6,905,733)</b>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	1,148,819	-	(13,221)	-	1,135,598
DfE Group capital grants	1,114,021	36,957	(53,760)	-	1,105,609
Capital expenditure from GAG	-	-	-	-	-
	<b>2,262,840</b>	<b>36,957</b>	<b>(66,981)</b>	<b>8,391</b>	<b>2,241,207</b>
<b>Total restricted funds</b>	<b>(3,729,503)</b>	<b>11,398,890</b>	<b>(11,914,047)</b>	<b>(419,866)</b>	<b>(4,664,526)</b>
<b>Total unrestricted funds</b>	<b>194,460</b>	<b>85,763</b>	<b>(24,660)</b>	<b>(33,134)</b>	<b>222,429</b>
<b>Total funds</b>	<b>(3,535,043)</b>	<b>11,484,653</b>	<b>(11,938,707)</b>	<b>(453,000)</b>	<b>(4,442,097)</b>

# The Hallam Schools' Partnership Academy Trust

## Notes to the Financial Statements

### 15. Funds (continued)

#### Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

	2021 £	2020 £
Emmaus Catholic and Church of England Primary School	226,876	127,372
Central services	15,283	47
Holy Trinity, Catholic and Church of England Voluntary Academy	233,768	29,728
Our Lady of Sorrow Catholic Voluntary Academy	55,839	56,059
St John Fisher Primary - A Catholic Voluntary Academy	349,740	178,803
St Joseph's School, A Catholic Voluntary Academy	329,579	354,687
Total before fixed assets and pension reserve	1,211,085	746,696
Restricted fixed assets	2,223,461	2,241,207
Defined pension liability	(8,173,000)	(7,430,000)
	<b>(4,738,454)</b>	<b>(4,442,097)</b>

#### 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 £
Emmaus	1,210,895	218,815	44,462	360,637	1,834,809	1,820,601
Central Trust	-	130,957	-	156,055	287,012	-
Holy Trinity	4,540,989	1,075,837	176,487	1,272,048	7,065,361	6,802,791
Our Lady of Sorrows	680,647	139,793	14,812	206,561	1,041,813	1,032,515
St John Fisher	756,108	164,308	64,587	151,424	1,136,427	1,048,206
St Joseph's	748,321	190,058	73,798	240,208	1,252,385	1,155,837
	<b>7,936,960</b>	<b>1,919,768</b>	<b>374,146</b>	<b>2,386,933</b>	<b>12,617,807</b>	<b>11,859,950</b>

# The Hallam Schools' Partnership Academy Trust

## Notes to the Financial Statements

### 16. Analysis of net assets between funds

Fund balances at 31 August 2021 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	2,207,898	2,207,898
Current assets	247,543	1,632,429	15,563	1,895,535
Current liabilities	-	(668,887)	-	(668,887)
Pension scheme liability	-	(8,173,000)	-	(8,173,000)
Total net assets	247,543	(7,209,458)	2,223,461	(4,738,454)

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

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	17,774	2,209,747	2,227,521
Current assets	222,429	1,319,738	33,989	1,576,156
Current liabilities	-	(813,45)	(2,529)	(815,774)
Pension scheme liability	-	(7,430,000)	-	(7,430,000)
Total net assets	222,429	(6,905,733)	2,241,207	(4,442,097)

### 17. Commitments under operating leases

#### Operating leases

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

	2021 £	2020 £
Amounts due within one year	16,179	16,389
Amounts due between one and five years	13,016	26,933
	29,195	43,322

# The Hallam Schools' Partnership Academy Trust

## Notes to the Financial Statements

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

	2021 £	2020 £
Net expenditure	(32,357)	(454,054)
Depreciation	95,087	78,757
Capital grants from DfE and other capital income	(73,584)	(36,957)
Interest receivable	(114)	(1,254)
Defined benefit pension scheme cost less contributions payable	338,000	336,000
Defined benefit pension scheme finance cost	141,000	122,000
(Increase)/decrease in debtors	(29,171)	(88,864)
Increase/(decrease) in creditors	(146,886)	91,753
Net cash inflow from operating activities	<u>291,975</u>	<u>47,381</u>

### 19. Cash flows from investing activities

	2021 £	2020 £
Dividends, interest and rents from investments	114	1,254
Purchase of tangible fixed assets	(75,464)	(133,715)
Capital funding received from sponsors and others	<u>73,584</u>	<u>36,957</u>
Net cash used in investing activities	<u>(1,766)</u>	<u>(95,504)</u>

### 20. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	<u>1,459,625</u>	<u>1,169,416</u>
Total cash and cash equivalents	<u>1,459,625</u>	<u>1,169,416</u>

### 21. Member's 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.

# **The Hallam Schools' Partnership Academy Trust**

## **Notes to the Financial Statements**

### **22. Pension and similar obligations**

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by South Yorkshire Pensions Authority. 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 to the period ended 31 March 2019.

Contributions amounting to £141,456 (2020: £136,679) were payable to the schemes at 31 August 2021 and are included within other creditors.

#### **Teachers' Pension Scheme**

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

The TPS is an unfunded scheme to which both 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 Hallam Schools' Partnership Academy Trust

## Notes to the Financial Statements

### 22. Pension and similar obligations (continued)

The employer's pension costs paid to TPS in the period amounted to £1,019,289 (2020: £914,779).

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

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

#### Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee- administered funds. The total contribution made for the year ended 31 August 2021 was £779,000 (2020: £699,000), of which employer's contributions totalled £635,000 (2020: £566,000) and employees' contributions totalled £144,000 (2020: £133,000). The agreed contribution rates for future years are 14.9 to 19.0 per cent for employers and variable per cent according to salary for employees.

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

Principal actuarial assumptions	At 31 August 2021 %	At 31 August 2020 %
Rate of increase in salaries	3.97	3.63
Rate of increase for pensions in payment/ inflation	2.82	2.50
Discount rate for scheme liabilities	1.70	1.80
Inflation assumptions (CPI)	<u>2.72</u>	<u>2.40</u>

# The Hallam Schools' Partnership Academy Trust

## Notes to the Financial Statements

### 22. Pension and similar obligations (continued)

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

	2021	2020
<b>Retiring today</b>		
Males retiring today	22.50	22.40
Females retiring today	25.30	25.20
<b>Retiring in 20 years</b>		
Males retiring in 20 years	24.00	23.90
Females retiring in 20 years	27.20	27.10

<b>Sensitivity analysis</b>	2021 £	2020 £
Discount rate +0.1%	(287,000)	(238,000)
Discount rate -0.1%	293,000	243,000
Mortality assumption – 1 year increase	435,000	331,000
Mortality assumption – 1 year decrease	(421,000)	(322,000)
CPI rate +0.1%	292,000	245,000
CPI rate -0.1%	(287,000)	(240,000)

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

	2021 £	2020 £
Equities	2,813,000	2,041,000
Government bonds	802,000	633,000
Other bonds	429,000	379,000
Property	499,000	361,000
Cash and other liquid assets	58,000	154,000
Other	1,208,000	736,000
<b>Total market value of assets</b>	<b>5,809,000</b>	<b>4,304,000</b>

The actual return on scheme assets was £835,000 (2020: -£8,000).

# The Hallam Schools' Partnership Academy Trust

## Notes to the Financial Statements

### 22. Pension and similar obligations (continued)

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

	2021 £	2020 £
Current service cost	973,000	902,000
Interest income	(84,000)	(77,000)
Interest cost	213,000	188,000
Admin expenses	12,000	11,000
Total amount recognised in the SOFA	<u>1,114,000</u>	<u>1,204,000</u>

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

	2021 £	2020 £
At 1 September	11,734,000	10,547,000
Current service cost	973,000	902,000
Interest cost	213,000	188,000
Employee contributions	144,000	133,000
Actuarial (gain)/loss	1,016,000	193,000
Benefits paid	(98,000)	(229,000)
At 31 August	<u>13,982,000</u>	<u>11,734,000</u>

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

	2021 £	2020 £
At 1 September	4,304,000	4,028,000
Interest income	84,000	77,000
Actuarial gain/(loss)	752,000	(260,000)
Employer contributions	635,000	566,000
Employee contributions	144,000	133,000
Benefits paid	(98,000)	(229,000)
Administration expenses	(12,000)	(11,000)
At 31 August	<u>5,809,000</u>	<u>4,304,000</u>



# The Hallam Schools' Partnership Academy Trust

## Notes to the Financial Statements

### 23. Annual PFI commitment

At 31 August 2021 the total of the Academy Trust's future minimum school contributions under the agreement was:

	2021 £	2020 £
Within 1 year	600,236	600,236
Between 1 and 5 years	2,400,945	2,400,945
After more than 5 years	6,602,599	7,202,835
	<u>9,603,780</u>	<u>10,204,016</u>

### 24. 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 made the following related party transactions:

#### The Diocese of Hallam

During the year under review, the academy trust had free use of the school premises and land owned by the Diocese of Hallam Trust. The accounts include a notional rent of £180,250 (2020: £180,250) for the period, which is included in voluntary income and premises costs.

During the year, the Diocese of Hallam donated a grant to HSPAT totalling £122,000. This was a contribution to the salaries of the newly appointed CEO and CFO to protect the budgets of the schools during 20/21. This income has been included in donations.

In addition, the Academy trust reimbursed the Diocese of Hallam, at cost, £28,000 (2020: £28,000) relating to salary, pension contributions, national insurance and expenses for the duties performed by the Chief Executive Officer to the Academy Trust.

The Diocese of Hallam also recharged the academy for costs totalling £2,822, which related to the cost of the CFO up to 28 February 2021 and a Headteacher's appraisal.

At the balance sheet date, the amount due to The Diocese of Hallam Trust was £nil (2020: £nil).

#### Diocese of Hallam Schools' Partnership

During the year the Diocese of Hallam Schools' Partnership charged the academy £19,876 (2020: £19,713) for professional services in relation to the Catholic nature of the schools. The academy trust also paid the Diocese of Hallam Schools' Partnership for training in the year totalling £145 (2020: £nil).

At the balance sheet date, the amount due to Diocese of Hallam Schools' Partnership was £nil (2020: £nil).

# **The Hallam Schools' Partnership Academy Trust**

## **Notes to the Financial Statements**

### **24. Related party transactions (continued)**

#### **Learning Unlimited Teaching School Alliance**

LUTSA – a company for which P Patterson is also a Trustee.

During the year, the academy trust paid LUTSA for training which totalled £520 (2020: £nil). HSPAT also received income from LUTSA totalling £3,269 in relation to student placements within school.

At the balance sheet date, the amount due from LUTSA was £2,819 (2020: £nil).

#### **Farmstar**

Farmstar – a School Business Manager's spouse is Director.

During the year, the academy trust purchased supplies needed for the pandemic which totalled £46 (2020: £54).

At the balance sheet date, the amount due to Farmstar was £nil (2020: £nil).

#### **Spa View Road Post Office**

Spa View Road Post Office – owned by one of the academies School Business Managers.

During the year, the academy trust paid for postage from the post office, which totalled £15 (2020: £nil).

At the balance sheet date, the amount due to Spa View Road Post Office was £nil (2020: £nil).