

HAYES SCHOOL
(A company limited by guarantee)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022



HAYES SCHOOL
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members	J Hacon N Williams A Howarth
Trustees	N Williams, Chair of Trustees M Hanbury E Bamber (resigned 28 June 2022) S Giles H Hill A Howarth H Warren I Spencer T McMenemy (appointed 28 June 2022) P White (appointed 11 October 2022)
Company registered number	07548734
Registered office	Hayes School Hayes Road Paignton Devon TQ4 5PJ
Principal operating office	Hayes School Hayes Road Paignton Devon TQ4 5PJ
Company secretary	A Grant
Accounting Officer	M Hanbury
Senior management team	M Hanbury, Head Teacher E Bamber, Deputy Head Teacher D Torpey, Assistant Head Teacher H Stapleton, Assistant Head Teacher A Grant, School Business Manager
Independent auditors	Griffin Chartered Accountants Silverdown Office Park Exeter Airport Business Park Exeter EX5 2UX

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Bankers	HSBC 7 Palace Avenue Paignton TQ3 3ED
Solicitors	Browne Jacobson LLP Mowbray House Castle Meadow Road Nottingham NG2 1BJ

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a Trustees' report and a directors' report and strategic report under company law.

The academy trust operates an academy for pupils aged 3 to 11 serving a catchment area in Devon. It has a pupil capacity of 450 and had a roll of 428 in the school census on 19th January 2022.

Structure, governance and management

a. Constitution

The Academy Trust (incorporated on 2 March 2011 and opened as an Academy on 1 April 2011) is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The Trustees act as Trustees for the charitable activities of Hayes School and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Hayes School.

b. Members' liability

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

c. Trustees' indemnities

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

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Trustees

On 1 April 2011 the Trustees appointed all those Trustees that served the predecessor school to be Trustees of the newly formed Academy. These Trustees were appointed for a term of office that would end when their original term at the predecessor school would have ended, thus ensuring a staggered re-election or replacement process.

The Academy's Board of Trustees comprises the Headteacher, a minimum of 2 Parent Trustees, up to 2 Staff Trustees (providing that the total number of Trustees, including the Headteacher, who are employees of the Academy Trust, does not exceed one third of the total number of Trustees) and up to 6 other Trustees.

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

- up to 6 Governors, appointed by parents;
- up to 2 Staff Governors;
- A minimum of 2 Parent Governors who are elected;
- the Headteacher who is treated for all purposes as being an ex officio Governor;
- any further governor is appointed under the terms of the articles of association (Articles 62, 63 & 68).

Trustees are appointed for a four-year period, except that this time limit does not apply to the Headteacher. Subject to remaining eligible to be a Trustee, any Trustee can be re-appointed or re-elected.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development.

e. Policies adopted for the induction and training of Trustees

The Clerk retains recruitment, induction and Training packs for Trustees and maintains the skills register for the Board. This is updated at least annually and on induction for any new Trustees.

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academy and a chance to meet staff and pupils (except for extraordinary circumstances where physical attendance at school is minimised such as during the Covid-19 pandemic). All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual.

The school arranges training for Governors through Torbay Local Authority and Babcock Education Services. The Clerk sends out details of available training at least termly to all Trustees, then arranges training and keeps a record of training attended.

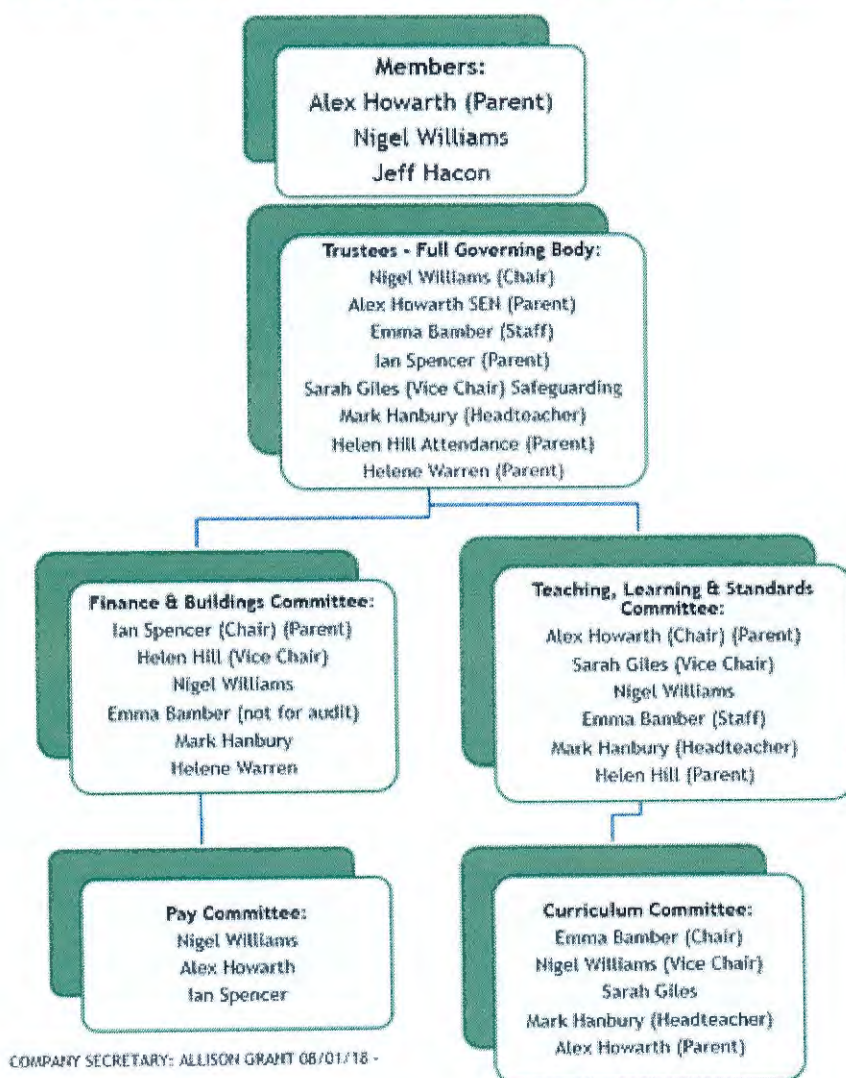
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

f. Organisational structure

Hayes Governing Body Organogram 2021/22



The Trustees are responsible for carrying out Trust business and may delegate decisions to the sub-committees. They report to Members at least annually. The Headteacher is the Accounting Officer.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

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

The Trustees comprise the Board of Trustees and the Senior Leadership Team comprise the key management personnel of the Academy in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year.

Senior Management pay and remuneration is decided by the Pay Committee which meets yearly. Any increase in pay is based on performance of the individual and the contribution they make towards the academy.

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

h. Trade union facility time

No employees were relevant union officials during the year.

i. Related parties and other connected charities and organisations

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

j. Risk management

The Trustees have assessed the risks to the school due to the Covid-19 pandemic. They have overseen, reviewed and approved safeguarding risk assessments in October 2020, November 2020, January 2021, March 2021, April 2021, May 2021 and July 2021. The school staff members and recognised trade unions have also been consulted on risk assessments.

The Trustees instructed Thompson Jenner LLP to carry out Responsible Officer checks for 2021/22 and the audits were carried out in December 2021, April 2022 and May 2022.

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas, and its finances.

The Trustees have implemented a system to assess risks that the Academy faces, especially in the operational areas (e.g. in relation to teaching, health & safety and trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of Academy grounds) and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The Strategic Risk Register is a standing item at every Full Governing Body meeting.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

Objectives and activities

a. Objects and aims

The principal object and activity of the Academy is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing a school, offering a broad range of curriculum for pupils of different abilities.

The aims of the Academy during the year ended 31 August 2022 are summarised below:

- to continue to raise the standard of educational attainment and achievement of all pupils.
- to provide a broad and balanced curriculum, including extracurricular activities.
- to develop pupils as more effective learners.
- to develop the Academy site so that it enables 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 provide value for money for the funds expended.
- to develop greater coherence, clarity and effectiveness in school systems.
- to comply with all appropriate statutory and curriculum requirements.
- to develop the Academy's capacity to manage change, and;
- to conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

At Hayes School 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. Our Academy is a community in which children, staff and parents should be part of a happy and caring environment.

b. Objectives, strategies and activities

Key activities and targets were identified in the School Improvement Plan and were influenced by the significant challenges and opportunities arising from national changes in education policy and funding. The activities included the following:

Quality of Education

INTENT:

- Children are immersed in a curriculum with breadth and depth in knowledge across all areas, building cognitive challenge, focusing on memory.
- Ensure that our curriculum builds knowledge and skills and, purposefully-ambitious for all.
- Develop our children as independent thinkers, through a question-based approach within subjects.

IMPLEMENTATION:

- Develop vertical integration through a coherently planned, sequenced curriculum in order that learning is challenging for all pupils.
- Develop vocabulary through writing and oracy across the curriculum, as children develop their ability to 'think' through carefully planned teaching of knowledge.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Objectives and activities (continued)

IMPACT:

- Develop young people as critical thinkers with a depth of knowledge that empowers them to think creatively.

Behaviour and Attitudes

- To reflect and refer regularly to our values though daily school life.
- Encourage pupils to make a positive and tangible contribution to school life and the wider community (where possible) which includes supporting the wellbeing of one another.
- Further strengthen on developing a culture, respect and responsibility through explicit modelling of appropriate online interactions.

Personal Development

- Ensure that pupils reflect upon Spiritual, Moral, Social and Cultural development (SMSC) regularly.
- Provide opportunities for children in order to keep physically and mentally healthy.
- To appreciate, respect, value and nurture differences in our school, community and world with a specific focus on diversity.

Leadership and Management

- To build on and improve one another's practice and subject knowledge, through the use of IRIS.
- Develop the role of the Governors, as subject ambassadors across the school.
- To further develop the impact of Subject Directors.
- Continue to build on constructive ways to manage workload and wellbeing, whilst maintaining high standards for pupils.

Early Years Education

INTENT:

- Focus on developing subject specific vocabulary (and spoken) within Early Years Foundation Stage (EYFS).
- Strengthen partnership with parents in the delivery of early reading and number sense.
- Ensure we have academic ambition for all pupils, with a specific focus on outcomes in writing and mastery of number.

IMPLEMENTATION:

- Pupils in Nursery and Reception to use a broader range of subject specific vocabulary across all areas of the EYFS framework.
- Develop independence with a wide range of models of images in order to strengthen number sense.

IMPACT:

- Pupils writing independently with increasing confidence using a wider range of vocabulary.
- Children to develop understanding of number and making links between models and images and composition of number.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Objectives and activities (continued)

c. Public benefit

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

The Academy aims to advance for the public benefit, education in St Michael's and the surrounding area. In particular, but without prejudice to the generality of the forgoing by estimating, maintaining, managing and development schools, offering a broad curriculum with a strong emphasis on, but in no way limited to the specialism of performing arts.

Strategic report

Achievements and performance

a. Achievements and Performance

The Academy is in its eleventh year of operation and has maintained the forecast number of students. The total number of students in the January school census was 428 including Nursery.

Key Stage 2 SATs were carried out for 2022 and the results are as follows:

- KS2 achieving expected in combined reading, writing & maths was 84% compared to a 65% national average in 2019.
- KS2 achieving expected in reading was 84%, compared to a national average of 73% in 2019.
- KS2 achieving expected in writing was 87%, compared to a national average of 78% in 2019.
- KS2 achieving expected standard in maths was 87%, compared to the national average of 79% in 2019.
- KS2 achieving the higher standard in combined reading, writing & maths was 23% compared to a 11% national average in 2019.
- KS2 achieving the higher standard in reading was 50%, compare to a national average of 27% in 2019.
- KS2 achieving the higher standard in writing was 28%, compare to a national average of 36% in 2019.
- KS2 achieving the higher standard in maths was 47%, compare to a national average of 27% in 2019.
- KS2 Overall Progress for reading was +5.7 compared to the national score of +2.4 in 2019.
- KS2 Overall Progress for writing was +5.1 compared to the national score of -2.25 in 2019.
- KS2 Overall Progress for maths was +6.7 compared to the national score of -2.59 in 2019.

The Academy has managed to maintain class sizes, generally at PAN, with each year group having its 2 classes. All classes have a teaching assistant, which is a valuable addition to the classroom.

Volunteers have been helping in the Academy this year. Their commitment to the children and Academy is inspirational. They have helped with reading, writing, maths, drama and trips out of school.

To ensure that standards are continually assessed, the Academy operates a programme of lesson observations, which are undertaken by the Phase Leads and the Senior Leadership Team.

The Academy was inspected by OFSTED in October 2019 and was judged to be good in all areas.

"Leaders have made sure that the school has improved significantly since the previous inspection. In particular, they have ensured that stronger teaching has led to rapidly rising standards in reading, writing and mathematics across the school. Leaders have effectively addressed the areas for improvement noted in that inspection".

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

Achievements and performance (continued)

What does the school need to do to improve?

- Leaders have provided good-quality training for staff that has led to significantly improving outcomes in reading, writing and mathematics since the previous inspection. They now need to focus on improving further the subject knowledge of teachers in order to secure pupils' progress in other subjects.
- Leaders have constructed a curriculum that identifies the knowledge and skills that pupils need to learn in all foundation subjects. They need to now consider how to enable pupils to build successfully upon their prior learning in subjects and clearly identify the skills and knowledge that pupils should remember over time.

The points outlined above are school improvement priorities for 2021/22 and beyond. These are linked to appraisal targets for teachers across the school. These targets are regularly reviewed and feedback to Governors throughout the year. The school improvement partner reviews the schools performance towards these priorities and reports back to the Headteacher and Governors.

b. Key performance indicators

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers for 2022 were 428, which is slightly lower than the previous year. It is anticipated that the school population will increase in future years.

Another key financial performance indicator is staffing costs as a percentage of total income. For 2021/22 this was 76%, compared to 89% in 2020/21. For 2022/23 we are predicting this will remain similar.

	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
Pupil to teacher ratio	21.4:1	29.3:1	25.7:1	27.1:1	25.2:1
Teaching Assistants to Teacher Ratio	1.43:1	1.86:1	1.19:1	1.28:1	1.59:1
Total income per pupil	£4,433	£4,828	£4,996	£5,288	£5,612
Total GAG per pupil	£3,473	£3,703	£3,663	£3,776	£4,041
GAG income % of total income	78.3%	76.7%	71.4%	71.4%	71.5%
Staff costs per pupil	£3,801	£4,054	£4,602	£4,602	£4,308
Staff costs as a % of GAG income	112%	109.5%	125%	125%	107%
Staff costs as a % of total income	93%	89.8%	92%	89%	76%
Total learning resources costs per pupil			£263	£444	£109
Property repair costs per pupil			£27	£10.12	£56
Net assets at the year end	£5,178,190	£4,455,391	£4,164,367	£1,134,954	£2,923,006

The pupil to teacher ratio is in line with the previous year. There have been no significant changes in teaching staff.

c. Going concern

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

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

Financial review

Most of the Academy's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2022 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

During the year ended 31 August 2022, total expenditure of £2,261,722 (excluding actuarial pension adjustments and depreciation) was covered by recurrent grant funding from the DfE, together with other incoming resources of £2,436,599.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion, the valuation at 31 August 2022 was £389,000.

The level of unrestricted free reserves held by the Academy at 31 August 2022 was £327,589, of which £130,100 is designated. Restricted GAG funds carried forward were £215,046.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Head Teacher, Managers, Budget Holders and other Staff, as well as delegated authority for spending.

Trustees have adopted a Responsible Officer/internal audit policy and appointed Thompson Jenner LLP to undertake a programme of internal checks on the financial controls. The Trustees have received 3 reports from the Responsible Officer/internal audit, which contained no matters of significance.

There is a development plan in place for repair, improvement and development to the school over the next 5 years. The costs expected to be incurred within this plan are detailed below in the reserves policy.

This will be reviewed annually to ensure that the needs of the school are being met and to see if additional work/projects need to be allowed for.

a. Reserves policy

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review. The Trustees have reviewed the Academy's future plans and have set designated reserves of £130,100, the majority of which is reserved as follows:

Project	Estimated Cost
Toilets	£60,000
Roofing repairs	£25,000
Nursery playground - to replace equipment	£15,000
Staff toilet renovation	£10,000

b. Investment policy

Due to the nature of funding, the Academy may at times hold cash balances surplus to its short-term requirements. The Trustees have authorised the opening of additional short-term bank investment accounts to take advantage of higher interest rates. No other form of investment is authorised.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

c. Principal risks and uncertainties

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

Financial:

The Academy has considerable reliance on continued Government funding through the ESFA. In the last year, 97% of the Academy's incoming resources was ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

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

Fraud and mismanagement of funds - The Academy has appointed a Responsible Officer/internal audit to carry out checks on financial systems and records as required by the Academy Trust Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

Other financial risks include increased staffing costs and the risk of the after school club, breakfast club and catering service not breaking even.

Outcomes for Pupils:

The Governors and school staff ensure the strict requirements of risk assessment are adhered to, to ensure staff and pupils are kept as safe as possible. This will enable us to reduce staff and pupil absence and ensure children receive the best education and support possible which will in turn enhance their future outcomes.

Safeguarding and Child Protection:

The Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health and safety and discipline. Overall performance and outcomes for disadvantaged pupils are closely monitored at least termly.

Estates and Facilities:

The risks due to the Covid-19 pandemic were mitigated through stricter health and safety procedures and enhanced cleaning procedures supported by sufficient resources. There are a number of risks regarding failure of ICT systems, building management systems and kitchen facilities. These are mitigated through maintenance agreements, regular checks and contingency plans.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Governance:

The Covid-19 pandemic meant we were unable to hold physical meetings for the autumn and spring terms. All meetings during that period were held by Zoom. There is a risk that Governors may not be able to attend meetings, could feel they are not able to carry out their duties or feel they are not being properly supported. This has not been the case and meetings have worked well online using Zoom and Governors have reported they are happy with both how the pandemic is being managed by the school and how Governors are being involved in decision-making.

There is a risk of losing experienced Governors and ensuring current Governors have the right skills and experience. This is mitigated through regularly updating a skills matrix and provision of training and support for all Governors.

Human Resources:

Reputational – the Covid-19 pandemic led to the school introducing strict risk assessments to ensure the staff and pupils were as safe as possible. If either staff or pupil groups did not adhere to the agreed measures, there could have been unnecessary cases in school which could have led to staff or pupil absence. Significant staffing absence could result in an inability to keep the school fully open.

Reputational - the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed.

Staffing - the success of the Academy is reliant on the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Legal:

There are risks in adoption of Employment Law and Health and Safety risks. These are mitigated through the purchase of professional services and regular audits to ensure compliance.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A strategic risk register is maintained and reviewed and updated on a regular basis. This is provided to each Full Governing Body meeting.

Due to the Covid-19 pandemic, a more thorough, detailed risk assessment was developed and approved by Governors. Staff and Unions were also consulted on this. This detailed all of the measures put in place to minimise the risks to staff, pupils, parents and local community.

Fundraising

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

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Plans for future periods

The Academy will continue to strive to provide outstanding education and to improve the levels of performance of its pupils at all levels. The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

We plan to maintain small class sizes with a teaching assistant in each class which will reflect in academic outcomes being improved.

Funds held as custodian on behalf of others

The Academy and its Trustees do not act as the Custodian Trustees of any other Charity.

Disclosure of information to auditors

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are 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 28 November 2022 and signed on its behalf by:



N Williams
(Chair of Trustees)

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GOVERNANCE STATEMENT

Scope of responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Hayes School and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of trustees' responsibilities. The Board of Trustees has formally met 3 times during the year.

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

Governors' Attendance at Meetings

FGB = Full Governing Body

TLS = Teaching, Learning & Standards Committee

FB = Finance and Buildings Committee

CC = Curriculum Committee

PC = Pay Committee

Trustee / Director Name	Position	FGB Possible	FGB attended	TLS Possible	TLS attended	FB possible	FB attended	CC Possible	CC attended	Pay Possible	PC attended	TOTAL ATTENDED
Mark Hanbury	Headteacher	3	3	3	3	3	3	1	1	0	0	11
Nigel Williams	Chair of Governors	3	3	3	3	3	3	3	3	1	1	13
Alex Howarth	SEN / Parent	3	2	3	2	3	2	3	1	1	1	8
Sarah Giles	Safeguarding	3	2	3	3	3	2	3	3	0	0	10
Helene Warren	Governor	3	1	3	1	3	0	3	0	0	0	2
Helen Hill	Attendance / Parent	3	2	3	3	3	3	3	3	0	0	11
Emma Bamber	Staff	3	2	3	3	3	2	3	3	0	0	10
Ian Spencer	Parent	3	1	3	2	3	2	3	2	1	1	8

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The membership of the Governing Body has only seen one change with N Williams returning to the Governing Body and becoming Chair of Governors. The Board and its committees have covered all planned agenda items and remote working has not significantly impacted on their work. The lack of national data available due to there being no national tests has meant more reliance on qualitative data and teacher assessments during the year.

Governance Review

The Governors review and update their skills matrix at every Full Governing Body meeting. An external review of governance was carried out in spring 2022 and the recommendations and proposed actions from this are discussed at Full Governing Body meetings.

At every Governing Body meeting (including sub committees), the Chair asks Trustees if they have any new declarations of interest and the Clerk provides declaration of interest forms. The Clerk maintains a central register of interest for all Governors and senior leaders. This information is also published on the school website. The school ensures all conflicts of interest are discussed by Governors so that any conflicts of interest are avoided where possible. The school does not have any subsidiaries, joint ventures or associates.

The Governing Body has agreed to carry out a self-assessment review of governance annually and to arrange external reviews routinely. The last external review of governance was carried out in March 2022 by Duncan Macrea, School Improvement Partner. The report was presented to Governors in June 2022 and the recommendations were discussed.

The Governors agreed to consider the findings and fed back to the Governing Body meeting held in November. This discussion informed a further self-assessment in Summer 2023.

The Members meet at least once a year at their Annual General Meeting. They subscribe to and can amend the Articles of Association, may appoint new Members and Trustees, may issue direction to Trustees via special resolution, appoint auditors, receive accounts and have the power to change the name of or wind up the Academy Trust.

The Board of Trustees/Governing Body normally meets once each term. The Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There are two standing committees which both have a sub-committee, as follows;

- Finance and Buildings Committee - this meets at least three times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting. The Committee receives reports from the Responsible Officer/internal audit and drafts the annual budget including setting staffing levels. It also incorporates the role of an Audit Committee. This Committee fulfils audit responsibilities and ensures the School meets its legal auditing requirements. This Committee receives and responds to reports from internal and external auditors.
- The annual Pay Committee is a sub-committee of the Finance and Buildings Committee. This meets once a year to review pay awards and consists of volunteer members of the Governing Body.
- Teaching, Learning and Standards Committee - this meets once a term to monitor, evaluate and review Academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral issues.
- The Data Committee is a sub-committee of the Teaching, Learning and Standards Committee which meets termly to assist the decision making of the Governing Body, by enabling more detailed consideration of academy data collection, planning, monitoring and review.

HAYES SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The following decisions are reserved to the Board of Trustees; to consider any proposals for changes to the status or constitution of the Academy and its Committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the Headteacher and Clerk to the Trustees, to approve the Annual Development Plan and Budget.

The Trustees are responsible 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.

The Academy has a leadership structure, which consists of the Trustees, The Senior Leadership Team and Team Leaders. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

Review of value for money

As accounting officer, the Headteacher has responsibility for ensuring that the Academy 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's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the Academy has delivered improved value for money during the year by:

Improving Educational Results

- We have a broad and balanced curriculum designed to ensure that all pupils are enthused, challenged and make good or better progress throughout school.
- We provide outstanding music provision to all children, where all pupils have inclusive music lessons, and at KS2 perform regularly as part of a thirty strong ensemble.
- We have good tracking systems to record all aspects of student progress through school to ensure that support is targeted to achieve Value for Money.
- We monitor the needs of all pupils, and ensure the support they receive is bespoke to overcoming challenges.
- The effectiveness of our strategies can be seen in the teacher assessments and qualitative assessments of children this year, as well as feedback from our most recent School Improvement Partner visit, our SIP Impact reviews and Pupil Premium Impact strategies.

Financial performance

- The School Business Manager has been influential in driving down costs through thoroughly tracking and monitoring contracts and costs. This has led to a number of contracts being renegotiated, scaled down, cancelled or replaced during 2021/22.
- All SLAs are reviewed annually to ensure that they are delivering good value for money and are fit for purpose for the needs of the school.
- Financial management, governance and oversight is strong, with the use of several professional bodies to advise and provide support and monitor.
- Careful budgeting ensures Value for Money is achieved in all aspects of the school.
- Spending proposals are budgeted and presented to senior leaders/Governors who then challenge appropriately.

HAYES SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

- We regularly review staffing to ensure that staff is deployed efficiently and appropriately, with targeted support where necessary.
- We continue to generate income from catering, extended day provision and our solar PV array.
- The school has a development plan in place to ensure that reserves are spent appropriately and sensibly, identifying where improvement is needed or where existing needs can be met.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Hayes School for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Trustees receive the strategic risk register at every Full Governing Body meeting. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that have been in place for the period from 1 September 2021 to 31 August 2022 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 Trustees examine the Academy's financial health formally every term, reviewing performance against budgets and overall expenditure by means of regular update reports at all full Trustees' and Finance and Buildings Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

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 risk and control framework

The Academy'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:

- Monthly monitoring reports to governing body
- Regular review of financial policy and procedures
- Governors approving plans in response to audit findings

The Board of Trustees has decided to employ Thompson Jenner LLP as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems.

HAYES SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

Thompson Jenner LLP carried out Responsible Officer checks for 2021/22 in December 2021, April 2022 and May 2022 to fulfil internal scrutiny obligations. All visits were conducted remotely.

Over the course of the year these visits covered the following key areas:

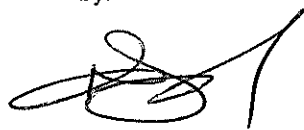
- Policies, including Directors' interests
- Income sources and recognition
- Fixed assets
- Bank reconciliations and month end controls
- Budgets: planning, control and review
- Management accounts
- Purchases procedure
- Employee expenses
- Contract procurement
- Payroll process, overtime and controls
- Compliance

There were no fundamental findings that needed the attention of management. One important, but not fundamental, finding was to ensure register of interest forms are completed by Governors and this information is published on the school website and two minor errors were raised with Governors and remedial actions approved.

Review of effectiveness

As Accounting Officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by the audits carried out, the school staff's experience of these audits, and their findings. The Accounting Officer has been advised of the implications of the result of reviews of the system of internal control by the Finance and Buildings 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 28 November 2022 and signed on their behalf by:



N Williams
Chair of Trustees



M Hanbury
Accounting Officer

HAYES SCHOOL
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Hayes School I have considered my responsibility to notify the Academy 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, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

I confirm that I and the Academy Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academy Trust Handbook 2021.

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



M Hanbury
Accounting Officer
Date: 28 November 2022

HAYES SCHOOL
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2022

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- 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 28 November 2022 and signed on its behalf by:



N Williams
(Chair of Trustees)

HAYES SCHOOL
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF HAYES SCHOOL

Opinion

We have audited the financial statements of Hayes School (the 'academy') for the year ended 31 August 2022 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

HAYES SCHOOL
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF HAYES SCHOOL (CONTINUED)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic report.

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

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

HAYES SCHOOL
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF HAYES SCHOOL (CONTINUED)

Responsibilities of trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the Academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy 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 an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Our audit procedures have reviewed for evidence of management override, any ongoing legal cases, completeness of related party transactions, as well as an ongoing consideration of fraud and irregularities during the whole audit process.

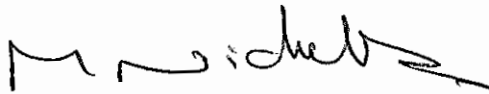
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

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

HAYES SCHOOL
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF HAYES
SCHOOL (CONTINUED)



Misty Nickells FCA (Senior statutory auditor)

for and on behalf of

Griffin

Statutory auditor

Silverdown Office Park

Exeter Airport Business Park

Exeter

EX5 2UX

Date: 06/12/22

HAYES SCHOOL
(A company limited by guarantee)

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

In accordance with the terms of our engagement letter dated 21 December 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Hayes School during the year 1 September 2021 to 31 August 2022 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 Hayes School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Hayes School and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Hayes School and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Hayes School's funding agreement with the Secretary of State for Education dated 31st March 2011 and the Academy Trust Handbook, extant from 1 September 2021, 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 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusion includes:

- Review of governance procedures
- Evaluation and testing of the system of internal controls, such as authorisation and value for money procedures
- Substantive testing on relevant transactions

HAYES SCHOOL
(A company limited by guarantee)

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

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Misty Nickells FCA (Senior statutory auditor)

Reporting Accountant
Griffin
Silverdown Office Park
Exeter Airport Business Park
Exeter
EX5 2UX

Date: 06/12/22

HAYES SCHOOL
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds As restated 2021 £
Income from:						
Donations and capital grants	3	-	7,507	16,817	24,324	35,888
Other trading activities	5	81,015	-	-	81,015	24,530
Investments	6	880	-	-	880	-
Charitable activities	4	141,637	2,205,560	-	2,347,197	2,229,264
Total income		223,532	2,213,067	16,817	2,453,416	2,289,682
Expenditure on:						
Raising funds	7	18,900	-	-	18,900	12,051
Charitable activities	7,8	145,388	2,375,434	78,642	2,599,464	2,427,937
Total expenditure		164,288	2,375,434	78,642	2,618,364	2,439,988
Net income/(expenditure)		59,244	(162,367)	(61,825)	(164,948)	(150,306)
Transfers between funds	17	(61,758)	(76,914)	138,672	-	-
Net movement in funds before other recognised gains/(losses)		(2,514)	(239,281)	76,847	(164,948)	(150,306)
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	23	-	1,953,000	-	1,953,000	(174,000)
Net movement in funds		(2,514)	1,713,719	76,847	1,788,052	(324,306)
Reconciliation of funds:						
Total funds brought forward		330,103	(1,887,673)	2,692,524	1,134,954	1,459,260
Net movement in funds		(2,514)	1,713,719	76,847	1,788,052	(324,306)
Total funds carried forward		327,589	(173,954)	2,769,371	2,923,006	1,134,954

HAYES SCHOOL
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

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

The notes on pages 33 to 62 form part of these financial statements.

HAYES SCHOOL
(A company limited by guarantee)
REGISTERED NUMBER: 07548734

BALANCE SHEET
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £	As restated 2021 £
Fixed assets			
Tangible assets	13	2,753,542	2,722,849
		<u>2,753,542</u>	<u>2,722,849</u>
Current assets			
Debtors	14	63,227	55,320
Cash at bank and in hand		668,405	551,778
		<u>731,632</u>	<u>607,098</u>
Creditors: amounts falling due within one year	15	(173,168)	(130,993)
Net current assets		<u>558,464</u>	<u>476,105</u>
Total assets less current liabilities		<u>3,312,006</u>	<u>3,198,954</u>
Net assets excluding pension liability		<u>3,312,006</u>	<u>3,198,954</u>
Defined benefit pension scheme liability	23	(389,000)	(2,064,000)
Total net assets		<u><u>2,923,006</u></u>	<u><u>1,134,954</u></u>
Funds of the Academy			
Restricted funds:			
Fixed asset funds	17	2,769,371	2,692,524
Restricted income funds	17	215,046	176,327
		<u>2,984,417</u>	<u>2,868,851</u>
Restricted funds excluding pension asset	17	2,984,417	2,868,851
Pension reserve	17	(389,000)	(2,064,000)
Total restricted funds	17	<u>2,595,417</u>	<u>804,851</u>
Unrestricted income funds	17	<u>327,589</u>	<u>330,103</u>
Total funds		<u><u>2,923,006</u></u>	<u><u>1,134,954</u></u>

HAYES SCHOOL
(A company limited by guarantee)

BALANCE SHEET (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 28 to 62 were approved by the Trustees, and authorised for issue on 28 November 2022 and are signed on their behalf, by:



N Williams
(Chair of Trustees)

The notes on pages 33 to 62 form part of these financial statements.

HAYES SCHOOL
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £	<i>As restated</i> 2021 £
Cash flows from operating activities			
Net cash provided by operating activities	19	188,098	114,774
Cash flows from investing activities	20	(71,472)	(50,620)
Change in cash and cash equivalents in the year		116,626	64,154
Cash and cash equivalents at the beginning of the year		551,779	487,625
Cash and cash equivalents at the end of the year	21, 22	<u>668,405</u>	<u>551,779</u>

The notes on pages 33 to 62 form part of these financial statements

HAYES SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

The Board of Trustees has a reasonable expectation that the trust has adequate resources to continue to operate for the foreseeable future. The Trustees have considered a number of factors in arriving at this conclusion. The academy had a strong revenue reserves position at the 31 August 2022 of £542,635, with £668,405 held of cash at this date. A detailed budget for 2022/23 has been prepared and updated to include the impact of increased fuel costs and salaries to reflect cost of living increase. This budget for 2022/23 is forecasting a surplus after taking these additional costs into account.

1.3 Income

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

- **Grants**

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

- **Sponsorship income**

Sponsorship income provided to the Academy which amounts to a donation is recognised in the Statement of financial activities in the year in which it is receivable (where there are no performance-related conditions) where receipt is probable and it can be measured reliably.

- **Donations**

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

- **Other income**

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

HAYES SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.4 Expenditure

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

- **Expenditure on raising funds**

This includes all expenditure incurred by the Academy 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's educational operations, including support costs and costs relating to the governance of the Academy apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

1.6 Taxation

The Academy 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 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.7 Tangible fixed assets

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following bases:

Freehold property	- 50 years straight line (buildings), no depreciation (land)
Furniture and equipment	- 25% straight line
Computer equipment	- 33% straight line
Motor vehicles	- 20% reducing balance

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

1.8 Debtors

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

1.9 Cash at bank and in hand

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

1.10 Liabilities

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.11 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

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

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

1.12 Pensions

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

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

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

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.13 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

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

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

3. Income from donations and capital grants

	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Donations	7,507	8,115	15,622
Capital Grants	-	8,702	8,702
	<u>7,507</u>	<u>16,817</u>	<u>24,324</u>

	<i>Restricted funds 2021 £</i>	<i>Restricted fixed asset funds 2021 £</i>	<i>Total funds 2021 £</i>
Donations	3,084	22,464	25,548
Capital Grants	-	10,340	10,340
	<u>3,084</u>	<u>32,804</u>	<u>35,888</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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4. Funding for the Academy's charitable activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Education			
DfE/ESFA grants			
General Annual Grant	-	1,729,679	1,729,679
Other DfE/ESFA grants			
Pupil Premium	-	211,500	211,500
Others	-	151,070	151,070
	-	2,092,249	2,092,249
Other Government grants			
High needs	-	73,093	73,093
Local Authority grants	-	40,218	40,218
Nursery Income Funded	114,696	-	114,696
	114,696	113,311	228,007
Other			
Catering Income	15,533	-	15,533
Nursery Income	11,408	-	11,408
	26,941	-	26,941
	141,637	2,205,560	2,347,197
	141,637	2,205,560	2,347,197

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

4. Funding for the Academy's charitable activities (continued)

	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Education			
DfE/ESFA grants			
General Annual Grant	-	1,634,860	1,634,860
Other DfE/ESFA grants			
Pupil Premium	-	201,728	201,728
UFSM	-	41,006	41,006
Teachers' Pay and Pension grant	-	78,787	78,787
Others	-	25,233	25,233
	-	1,981,614	1,981,614
Other Government grants			
High Needs	-	54,699	54,699
Local Authority Pupil Premium	-	12,057	12,057
Other Grants	-	3,843	3,843
Nursery Income Funded	99,402	-	99,402
	99,402	70,599	170,001
COVID-19 additional funding (DfE/ESFA)			
Catch-up Premium	-	33,151	33,151
	-	33,151	33,151
Other			
Local Authority COVID Income	-	31,440	31,440
Income from Catering	7,951	-	7,951
Nursery Income unfunded/fee paying	5,107	-	5,107
	13,058	31,440	44,498
	112,460	2,116,804	2,229,264
	112,460	2,116,804	2,229,264

In 2020/21 the Academy received £21,968 of funding for catch-up premium and costs incurred in respect of this funding totalled £21,968.

In 2020/21 the Academy received £29,355 of COVID-19 funding from the Local Authority, of which all was fully spent during the 2021/22 financial year.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

5. Income from other trading activities

	Unrestricted funds 2022 £	Total funds 2022 £
Fees recieved	74,923	74,923
Other	6,092	6,092
	<u>81,015</u>	<u>81,015</u>

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Fees received	20,162	20,162
Other	4,368	4,368
	<u>24,530</u>	<u>24,530</u>

6. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Interest received	<u>880</u>	<u>880</u>	<u>-</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

7. Expenditure

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £
Expenditure on fundraising trading activities:				
Direct costs	-	-	18,900	18,900
Education:				
Direct costs	1,561,158	39,404	121,666	1,722,228
Allocated support costs	319,698	82,004	475,534	877,236
	<u>1,880,856</u>	<u>121,408</u>	<u>616,100</u>	<u>2,618,364</u>

	Staff Costs 2021 £	As restated Premises 2021 £	As restated Other 2021 £	Total 2021 £
Expenditure on fundraising trading activities:				
Direct costs	12,051	-	-	12,051
Education:				
Direct costs	1,659,686	32,506	54,982	1,747,174
Allocated support costs	384,356	77,037	219,370	680,763
	<u>2,056,093</u>	<u>109,543</u>	<u>274,352</u>	<u>2,439,988</u>

8. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Education	<u>1,722,228</u>	<u>877,236</u>	<u>2,599,464</u>

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

	<i>As restated Activities undertaken directly 2021 £</i>	<i>As restated Support costs 2021 £</i>	<i>Total funds 2021 £</i>
Education	1,747,174	680,763	2,427,937

Analysis of direct costs

	Total funds 2022 £	<i>Total funds As restated 2021 £</i>
Staff costs	1,558,812	1,658,737
Depreciation	65,258	52,056
Educational supplies	27,827	1,227
Other costs	67,985	34,205
Supply teachers	2,346	949
	1,722,228	1,747,174

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

Analysis of support costs

	Total funds 2022 £	<i>Total funds As restated 2021 £</i>
Pension finance costs	33,000	27,000
Staff costs	564,698	384,356
Depreciation	13,384	12,062
Educational supplies	-	15,707
Staff development	4,615	1,319
Recruitment and other staff costs	3,275	4,170
Maintenance of premises and equipment	24,038	16,430
Cleaning	15,080	20,219
Rent and rates	9,514	13,275
Heat and light	21,766	19,581
Insurance	9,456	8,544
Security and transport	10,173	13,233
Catering	70,965	64,819
Technology costs	17,218	13,269
Office overheads	47,010	37,956
Legal and professional	26,927	18,685
Bank interest and charges	2,381	1,625
(Profit)/loss on disposal of fixed assets	(1,214)	-
Governance costs	4,950	8,513
	877,236	680,763

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2022	<i>As restated</i> 2021
	£	£
Operating lease rentals	2,608	2,542
Depreciation of tangible fixed assets	78,642	64,118
Fees paid to auditors for:		
- audit	4,950	6,750
- other services	2,200	2,230
	<u>2,200</u>	<u>2,230</u>

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2022	2021
	£	£
Wages and salaries	1,434,880	1,453,181
Social security costs	124,895	109,432
Pension costs	563,735	492,531
	<u>2,123,510</u>	<u>2,055,144</u>
Agency staff costs	2,346	949
	<u>2,125,856</u>	<u>2,056,093</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

10. Staff (continued)

b. Staff numbers

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

	2022 No.	2021 No.
Teachers	19	16
Administration and support	34	38
Management	5	5
	<u>58</u>	<u>59</u>

The average headcount expressed as full-time equivalents was:

	2022 No.	2021 No.
Teachers	19	16
Administration and support	27	31
Management	3	5
	<u>49</u>	<u>52</u>

c. Higher paid staff

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

	2022 No.	2021 No.
In the band £70,001 - £80,000	-	1
In the band £80,001 - £90,000	1	-
	<u>1</u>	<u>-</u>

d. Key management personnel

The key management personnel of the Academy 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 was £388,130 (2021 - £376,731).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

11. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2022	2021
		£	£
M Hanbury	Remuneration	80,000 - 85,000	75,000 - 80,000
	Pension contributions paid	15,000 - 20,000	15,000 - 20,000
E Bamber (resigned 28 June 2022)	Remuneration	55,000 - 60,000	55,000 - 60,000
	Pension contributions paid	10,000 - 15,000	10,000 - 15,000

During the year ended 31 August 2022, no Trustee expenses have been incurred (2021 - £NIL).

12. Trustees' and Officers' insurance

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

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**NOTES TO THE FINANCIAL STATEMENTS
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13. Tangible fixed assets

	Freehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2021 (as restated)	3,072,318	220,033	121,452	4,000	3,417,803
Additions	3,525	1,776	68,458	35,576	109,335
Disposals	-	-	-	(4,000)	(4,000)
At 31 August 2022	<u>3,075,843</u>	<u>221,809</u>	<u>189,910</u>	<u>35,576</u>	<u>3,523,138</u>
Depreciation					
At 1 September 2021 (as restated)	414,005	185,436	91,513	4,000	694,954
Charge for the year	47,485	9,258	21,306	593	78,642
On disposals	-	-	-	(4,000)	(4,000)
At 31 August 2022	<u>461,490</u>	<u>194,694</u>	<u>112,819</u>	<u>593</u>	<u>769,596</u>
Net book value					
At 31 August 2022	<u>2,614,353</u>	<u>27,115</u>	<u>77,091</u>	<u>34,983</u>	<u>2,753,542</u>
At 31 August 2021 (as restated)	<u>2,658,313</u>	<u>34,597</u>	<u>29,939</u>	<u>-</u>	<u>2,722,849</u>

A prior year adjustment has been posted in relation to the Land & Buildings cost and depreciation brought forwards. Details of this adjustment can be found in note 16.

14. Debtors

	2022 £	2021 £
Due within one year		
Other debtors	1,424	-
Prepayments and accrued income	45,502	47,260
Tax recoverable	16,301	8,060
	<u>63,227</u>	<u>55,320</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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15. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Trade creditors	48,956	29,908
Other taxation and social security	30,333	28,119
Other creditors	33,745	33,454
Accruals and deferred income	60,134	39,512
	173,168	130,993
	2022	2021
	£	£
Deferred income at 1 September 2021	22,248	23,723
Resources deferred during the year	18,965	22,248
Amounts released from previous periods	(22,248)	(23,723)
	18,965	22,248

At the balance sheet date the academy trust was holding funds of £18,965 for Universal Infant Free School Meals that was received in advance of the 2022/23 academic year.

16. Prior year adjustments

The land and buildings for Hayes School were valued on 31 August 2012 with a fair value of £2,699,794. Of this amount, land was valued at £698,058 and buildings were valued at £2,001,916.

The cost included in the accounts at 31 August 2012 was an insurance value totalling £6,264,602, with depreciation charged on both the land and buildings at 50 years straight line since. We have therefore posted a prior year adjustment to correct the brought forward position at 1 September 2020 to include the land and buildings on conversion at fair value less depreciation on the buildings at 50 years straight line and no depreciation charged on freehold land.

We have also corrected the depreciation charge for the year ended 31 August 2021 from £132,739 to £47,485.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

17. Statement of funds

	As restated Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
Designated funds						
School improvement	40,100	-	-	90,000	-	130,100
General funds						
Free reserves	190,061	97,428	-	(90,000)	-	197,489
Nursery	38,184	126,104	(164,288)	-	-	-
Purchase of Fixed Assets	61,758	-	-	(61,758)	-	-
	290,003	223,532	(164,288)	(151,758)	-	197,489
Total Unrestricted funds	330,103	223,532	(164,288)	(61,758)	-	327,589
Restricted general funds						
General Annual Grant (GAG)	151,670	1,729,679	(1,589,389)	(76,914)	-	215,046
High Needs	-	73,093	(73,093)	-	-	-
Pupil Premium	-	211,500	(211,500)	-	-	-
UIFSM	-	31,961	(31,961)	-	-	-
Covid FSM Income	-	29,355	(29,355)	-	-	-
Other DfE/ESFA grants	24,657	137,479	(162,136)	-	-	-
Pension reserve	(2,064,000)	-	(278,000)	-	1,953,000	(389,000)
	(1,887,673)	2,213,067	(2,375,434)	(76,914)	1,953,000	(173,954)

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

	As restated Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Restricted fixed asset funds						
Transfer on conversion	2,339,629	-	(40,038)	-	-	2,299,591
Purchased from GAG and other restricted funds	180,430	-	(11,808)	158,672	-	327,294
DFE/ESFA Capital Grants	126,661	-	(24,096)	-	-	102,565
Donated Fixed Assets	16,451	8,115	(2,700)	-	-	21,866
Unspent Capital	9,353	8,702	-	-	-	18,055
Ringfenced IT spend from GAG	20,000	-	-	(20,000)	-	-
	<u>2,692,524</u>	<u>16,817</u>	<u>(78,642)</u>	<u>138,672</u>	<u>-</u>	<u>2,769,371</u>
Total Restricted funds	<u>804,851</u>	<u>2,229,884</u>	<u>(2,454,076)</u>	<u>61,758</u>	<u>1,953,000</u>	<u>2,595,417</u>
Total funds	<u>1,134,954</u>	<u>2,453,416</u>	<u>(2,618,364)</u>	<u>-</u>	<u>1,953,000</u>	<u>2,923,006</u>

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

Designated Funds

The Academy originally designated £46,400 towards potential works and school improvements that need attention over the next 5 years. An additional £90,000 has been designated in the 2021/22 year and £130,100 of this is unspent at the year end.

Purchase of fixed Assets

The Purchase of Fixed Assets fund represents the net book value of fixed assets purchased using unrestricted funds.

Nursery Funding

Nursery Funding is made up of Local Authority funded grants, as well as fees received for unfunded children and is to be used for the general running costs of the nursery.

General Annual Grant

Income from the ESFA which is to be used for the normal running costs of the Academy, including education and support costs.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

17. Statement of funds (continued)

High Needs

Funding received by the Local Authority to fund further support for students with additional needs.

Pupil Premium

Pupil premium represents funding received from the ESFA for children that qualify for free school meals to enable the Academy to address the current underlying inequalities between those children and their wealthier peers.

UFSM

This funding was received in order to ensure children that meet the criteria have access to free school meals.

Covid-19 Free School Meals

This relates to Covid-19 Free School Meal funding vouchers received from the Local Authority to cover costs for children who are entitled to free school meals during the pandemic.

Other restricted funds

This relates to smaller, restricted grants received in the year such as the Academic mentoring Grant, Covid-19 Recovery Premium, PE & Sports Grant and School Led Tutoring Grant.

Pension reserve

This represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme. This is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an academy.

Fixed assets transferred on conversion

This represents the buildings and equipment donated to the School from the Local Authority on conversion to an Academy.

Fixed assets purchased from GAG and unrestricted funds

This fund includes transfers from the GAG restricted fund for capital related expenditure.

DfE/ESFA Capital Grants

These funds are received for direct expenditure on fixed asset projects. The fixed asset fund balance at the year end represents the NBV of assets and any unspent grant amount.

Unspent capital

This represents the unspent DfE Income carried forward to future periods which has been split out of DfE/ESFA Capital Grants.

Ringfenced IT spend from GAG

This represents GAG funds that have been ringfenced to be spent on IT equipment.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2022.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

17. Statement of funds (continued)

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

	<i>As restated Balance at 1 September 2020 £</i>	<i>Income £</i>	<i>As restated Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2021 £</i>
Unrestricted funds						
Designated funds						
School Improvement	46,400	-	-	(6,300)	-	40,100
General funds						
Free Reserves	144,197	37,588	(32,891)	41,167	-	190,061
Nursery	38,184	99,402	(99,402)	-	-	38,184
Purchase of Fixed Assets	59,625	-	(1,347)	3,480	-	61,758
Voluntary Unrestricted	38,347	-	-	(38,347)	-	-
	280,353	136,990	(133,640)	6,300	-	290,003
Total Unrestricted funds	326,753	136,990	(133,640)	-	-	330,103
Restricted general funds						
General Annual Grant (GAG)	120,806	1,634,860	(1,583,996)	(20,000)	-	151,670
High Needs	-	54,699	(54,699)	-	-	-
Pupil Premium	-	201,728	(201,728)	-	-	-
UIFSM	-	41,006	(41,006)	-	-	-
Other restricted	-	3,843	(3,843)	-	-	-
Donations	-	3,084	(3,084)	-	-	-
PE Grant	-	19,550	(12,120)	-	-	7,430
Rates	-	5,683	(5,683)	-	-	-
Pay and Pension	-	78,787	(78,787)	-	-	-
Individual PP Income	-	12,057	(9,648)	-	-	2,409
Catch Up Premium	-	31,440	(14,832)	(1,790)	-	14,818
Covid FSM Income	-	33,151	(33,151)	-	-	-

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17. Statement of funds (continued)

	<i>As restated Balance at 1 September 2020 £</i>	<i>Income £</i>	<i>As restated Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2021 £</i>
Pension reserve	(1,689,000)	-	(201,000)	-	(174,000)	(2,064,000)
	<u>(1,568,194)</u>	<u>2,119,888</u>	<u>(2,243,577)</u>	<u>(21,790)</u>	<u>(174,000)</u>	<u>(1,887,673)</u>
Restricted fixed asset funds						
Transfer on conversion	2,379,669	-	(40,040)	-	-	2,339,629
Purchased from GAG and other restricted funds	183,184	-	(4,544)	1,790	-	180,430
DFE/ESFA Capital Grants	105,609	10,340	(12,174)	22,886	-	126,661
Donated Fixed Assets	-	22,464	(6,013)	-	-	16,451
Unspent Capital	32,239	-	-	(22,886)	-	9,353
Ringfenced IT spend from GAG	-	-	-	20,000	-	20,000
	<u>2,700,701</u>	<u>32,804</u>	<u>(62,771)</u>	<u>21,790</u>	<u>-</u>	<u>2,692,524</u>
Total Restricted funds	<u>1,132,507</u>	<u>2,152,692</u>	<u>(2,306,348)</u>	<u>-</u>	<u>(174,000)</u>	<u>804,851</u>
Total funds	<u>1,459,260</u>	<u>2,289,682</u>	<u>(2,439,988)</u>	<u>-</u>	<u>(174,000)</u>	<u>1,134,954</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	2,753,542	2,753,542
Current assets	590,757	125,046	15,829	731,632
Creditors due within one year	(173,168)	-	-	(173,168)
Provisions for liabilities and charges	-	(389,000)	-	(389,000)
Difference	(90,000)	90,000	-	-
Total	327,589	(173,954)	2,769,371	2,923,006

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	As restated Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	61,758	-	2,661,091	2,722,849
Current assets	268,345	307,320	31,433	607,098
Creditors due within one year	-	(130,993)	-	(130,993)
Provisions for liabilities and charges	-	(2,064,000)	-	(2,064,000)
Total	330,103	(1,887,673)	2,692,524	1,134,954

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

	2022 £	As restated 2021 £
Net expenditure for the year (as per Statement of financial activities)	(164,948)	(150,306)
Adjustments for:		
Depreciation	78,642	64,118
Capital grants from DfE and other capital income	(16,817)	(10,340)
Interest receivable	(880)	-
Defined benefit pension scheme cost less contributions payable	245,000	174,000
Defined benefit pension scheme finance cost	33,000	27,000
Increase in debtors	(7,907)	(10,046)
Increase in creditors	22,008	20,348
Net cash provided by operating activities	188,098	114,774

20. Cash flows from investing activities

	2022 £	2021 £
Dividends, interest and rents from investments	880	-
Purchase of tangible fixed assets	(81,054)	(60,960)
Capital grants from DfE Group	8,702	10,340
Net cash used in investing activities	(71,472)	(50,620)

21. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand and at bank	668,405	551,779
Total cash and cash equivalents	668,405	551,779

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

22. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	551,778	116,627	668,405
	<u>551,778</u>	<u>116,627</u>	<u>668,405</u>

23. Pension commitments

The Academy'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 Devon County Council. Both are multi-employer defined benefit schemes.

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

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

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

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

23. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

The next valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the year amounted to £288,162 (2021 - £200,029).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Academy has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy 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 2022 was £138,000 (2021 - £152,000), of which employer's contributions totalled £108,000 (2021 - £119,000) and employees' contributions totalled £30,000 (2021 - £33,000). The agreed contribution rates for future years are 17.6 per cent for employers and 12.5 per cent for employees.

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

23. Pension commitments (continued)

Principal actuarial assumptions

	2022	2021
	%	%
Rate of increase in salaries	3.9	3.9
Rate of increase for pensions in payment/inflation	2.9	2.9
Discount rate for scheme liabilities	4.25	1.65
Inflation assumption (CPI)	2.9	2.9

The UK is currently experiencing a period of high inflation. As the deferred pensioner and pensioner obligations in the LGPS are increased each April in line with the previous September's rate of CPI, the high level of inflation is expected to lead to a high Pension Increase Order being applied in April 2023. Therefore, the actuary has adjusted the CPI assumption to reflect the likely significant inflationary increase to LGPS benefits in April 2023. Although not yet confirmed by government, the annual increase is due to be based on the level of CPI increases between September 2021 and September 2022, which has been estimated to be 9.5%. As a result, within the standard CPI assumption derivation, the actuary has allowed for a year 1 CPI figure of 9.5%.

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

	2022	2021
	Years	Years
<i>Retiring today</i>		
Males	21.7	22.7
Females	22.9	24.0
<i>Retiring in 20 years</i>		
Males	23.0	24.0
Females	24.3	25.4

Sensitivity analysis

	2022	2021
	£000	£000
Discount rate +0.1%	(111)	(98)
Discount rate -0.1%	120	100
Mortality assumption - 1 year increase	119	144
Mortality assumption - 1 year decrease	(111)	(139)
CPI rate +0.1%	120	94
CPI rate -0.1%	(111)	(92)

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**NOTES TO THE FINANCIAL STATEMENTS
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23. Pension commitments (continued)

Share of scheme assets

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

	At 31 August 2022 £	At 31 August 2021 £
Equities	906,000	1,037,000
Gilts	-	213,000
Corporate bonds	340,000	31,000
Property and infrastructure	297,000	212,000
Cash	25,000	10,000
Target return portfolio	142,000	154,000
Total market value of assets	1,710,000	1,657,000

The actual return on scheme assets was £(60,000) (2021 - £269,000).

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

	2022 £	2021 £
Current service cost	(312,000)	(293,000)
Past service cost	(40,000)	-
Interest income	28,000	20,000
Interest cost	(61,000)	(46,000)
Administrative expenses	(1,000)	(1,000)
Total amount recognised in the Statement of financial activities	(386,000)	(320,000)

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**NOTES TO THE FINANCIAL STATEMENTS
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23. Pension commitments (continued)

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

	2022 £	2021 £
At 1 September	3,721,000	2,973,000
Current service cost	312,000	293,000
Interest cost	61,000	47,000
Employee contributions	30,000	33,000
Actuarial (gains)/losses	(2,041,000)	422,000
Benefits paid	(24,000)	(47,000)
Past service costs	40,000	-
At 31 August	2,099,000	3,721,000

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

	2022 £	2021 £
At 1 September	1,657,000	1,284,000
Interest income	28,000	21,000
Actuarial (losses)/gains	(88,000)	248,000
Employer contributions	108,000	119,000
Employee contributions	30,000	33,000
Benefits paid	(24,000)	(47,000)
Administration expenses	(1,000)	(1,000)
At 31 August	1,710,000	1,657,000

24. Operating lease commitments

At 31 August 2022 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	2021 £
Not later than 1 year	2,498	2,542
Later than 1 year and not later than 5 years	1,680	2,018
	4,178	4,560

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NOTES TO THE FINANCIAL STATEMENTS
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25. Members' liability

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

26. Related party transactions

Owing to the nature of the Academy 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 Academy Trust 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's financial regulations and normal procurement procedures relating to connected and related party transactions.

The Academy Trust paid for services from RKM Decor during the year totalling £1,300. There were no amounts outstanding at 31 August 2022. RKM Decor is a company in which the son of A Grant (School Business Manager) has a majority interest.