

# **The Hart Schools Trust Ltd**

## **Annual Report and Financial Statements**

31 August 2024

Company Limited by Guarantee  
Registration Number  
07791933 (England and Wales)

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## Reference and administrative information

<b>Members</b>	Kit Davies Judy Glasman Andrew B Simmons
<b>Trustees</b>	Hilary Clifford Kit Davies Jonathan J E Ellam Paul Extance Socrates Karidis Louise Lee Mark C J Lewis Vicky Parsey Sahreen Siddiqui Andrew B Simmons (until 30 April 2024) Helen Stanton-Tonner
<b>Company Secretary</b>	Robert Dale
<b>Key Management Personnel</b> Chief Executive, Hart Schools Trust and Headteacher, the Thomas Alleyne Academy Headteacher, the Roebuck Academy Chief Finance Officer	Mark Lewis Andy Mari Andrew McLeod
<b>Company name</b>	The Hart Schools Trust Ltd
<b>Company registration number</b>	07791933 (England and Wales)
<b>Auditor</b>	Buzzacott LLP 130 Wood Street London EC2V 6DL
<b>Registered office</b>	The Thomas Alleyne Academy High Street Stevenage Hertfordshire SG1 3BE
<b>Bankers</b>	Barclays Bank plc 86 Town Centre Hatfield, Herts AL10 0JP

## Reference and administrative information

**Solicitors** Eversheds LLP  
Kett House,  
1 Station Road  
Cambridge  
CB1 2JY

**Internal auditors** HFL Education  
1St Floor West,  
Abel Smith House,  
Gunnels Wood Road,  
Stevenage  
SG1 2ST

## **Trustees' report** Year to 31 August 2024

The Trustees present their report and audited financial statements of the charity for the year ended 31 August 2024. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice (the Charities SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Academies Accounts Direction issued by the Education and Skills Funding Agency (ESFA).

The Trust operates one primary and one secondary academy in Stevenage, Hertfordshire. Its academies have a combined pupil capacity of 1,500 and had a roll of 1,468 on 31 August 2024 (31 August 2023: 1,432). The combined roll in September 2024 is 1,447.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Constitution**

The Trust is a company limited by guarantee and an exempt charity with no share capital (registration no 07791933). The charitable company's Memorandum and Articles of Association are the primary governing documents of the Trust. The Trust's charitable regulator is the ESFA.

The names of those serving as Trustees of the charity during the year ended 31 August 2024 and to the date these accounts are approved are listed on page 1. The trustees of the Hart Schools Trust are also the directors of the charitable company for the purposes of company law.

#### **Members' Liability**

Members of the charitable company are nominated either by the Hart Learning Group (the Trust's Sponsor) or by the Secretary of State for Education. The names of the Members of the Company are shown on page 1 together, where appropriate, with their dates of appointment and/or resignation.

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.

#### **Trustees' Indemnities**

The government's Risk Protection Arrangement provides indemnities for Trustees in accordance with the Companies Act 2006.

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

The Articles of Association require the Members of the charitable company to appoint at least five directors to be responsible for the statutory and constitutional affairs of the charitable company and the management of the schools under its care.

The Directors of the charitable company are directors for the purposes of the Companies Act 2006 and Trustees for the purposes of charity legislation.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT** (continued)

### **Method of Recruitment and Appointment or Election of Trustees** (continued)

The Directors' term of office is four years, although this time limit does not apply to the Trust's Chief Executive or the Chief Executive Officer of the sponsor. Any Director may be re-appointed or re-elected three times so that the maximum possible total time in office as a director (except for the Trust's Chief Executive) is 12 years.

### **Induction and Development**

Training and induction provided for new Directors will depend on their existing experience. Where necessary induction will provide training on charity and educational legal and financial matters. All new Directors will be given a tour of the Schools and the chance to meet staff and students. All Directors are given copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Directors. As there are not many new directors in a year, induction tends to be done informally and is tailored specifically to the individual.

### **Recruitment of Directors/Trustees and local governors**

Trust Directors are appointed by the Members of the Trust.

Appointments of parent and staff governors to individual LGBs are made by election, with a secret ballot if there are more applicants than vacancies. The number of staff and parent governors required for LGBs is set out in the Terms of Reference for LGBs.

### **Organisational Structure**

The Trust works closely with the Hart Learning Group (the trading name for North Hertfordshire College Further Education Corporation) which is the Trust's Sponsor.

During the period ended 31 August 2024, the Trust supported two schools:

- ◆ The Thomas Alleyne Academy, Stevenage.
- ◆ The Roebuck Academy, Stevenage.

Each school has its own headteacher and senior leadership team, supported by a local governing body (LGB) including governors drawn from the parent body, local community and school staff, chaired by a Trustee or experienced governor.

The Chief Executive acts as the Trust's Accounting Officer and is also headteacher of Thomas Alleyne Academy.

The Trust has a Scheme of Delegation that identifies which decisions are retained by the Board of Trustees, which are delegated to the CEO and headteachers and which to the local governing bodies. The Scheme seeks to be:

- ◆ Effective. Decisions are taken by the right people, based on accurate evidence and relevant knowledge, in pursuit of the Trust's strategic goals and deliver the intended outcomes for students.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT** (continued)

### **Organisational Structure** (continued)

- ◆ Efficient. The decision-making process is timely and harnesses the cost benefits of a group of schools operating within the Trust (and of the Trust's connections with North Hertfordshire College).
- ◆ Simple. The level of decision-making for specific matters is clearly understood by everyone involved.
- ◆ Consistent. Decisions made at different levels of the Trust are appropriate for the part of the Trust concerned but consistent with the Trust's overall strategy and policy framework.

The Board of Trustees:

- ◆ Remains accountable overall to the Members (and to the relevant statutory authorities) for the operations of the Trust and the delivery of its objectives.
- ◆ Appoints the Headteachers of the schools and monitors their performance.
- ◆ Appoints a person as Chief Executive of the Trust and delegates to him/her some or all of their duties of oversight of individual school Headteachers or delegates the functions of this role to the Chair of the Trust.
- ◆ Appoints Local Governing Bodies to oversee the implementation of the Trust's strategy and policies in ways that are appropriate to each school and that takes account of the views of students and their parents and carers.

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

All Trustees are volunteers and do not receive remuneration for acting as Trustees. The Chief Executive is remunerated for his role as Chief Executive and as Headteacher of the Thomas Alleyne Academy.

Key Management Personnel are considered to be the headteachers and deputy headteachers of the Trust's two schools.

The Chief Executive and key management personnel are appointed on salaries within a band similar to and benchmarked against national pay-scales for maintained school senior leaders. Progression within the salary ranges depends upon performance in the relevant year. Performance assessment is carried out through review meetings with the Chief Executive with the performance evaluation reported to the Trust Board.

**STRUCTURE, GOVERNANCE AND MANAGEMENT** (continued)

**Trade union facility time**

**Relevant union officials**

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
1	0.2

Percentage of time	Number of employees
0%	Nil
1%-50%	1
51%-99%	Nil
100%	Nil

**Percentage of pay bill spent on facility time**

Provide the total cost of facility time	£13,007
Provide the total pay bill	£7,433,361
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) × 100	0.17%

**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) × 100	0%
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**Related Parties and other Connected Charities and Organisations**

The Trust's sponsor is North Hertfordshire College Further Education Corporation ("the Corporation") which also trades as the Hart Learning Group. The Corporation is established under the Further and Higher Education Act 1992 and is an exempt charity regulated by the Education and Skills Funding Agency (ESFA) on behalf of the Secretary of State for Education.

The Trust receives support from the Hart Learning Group's corporate service functions on the basis of a service level agreement whose quality and value for money is regularly reviewed by the Trust Board. The current agreement covers the three years 2021/22, 2022/23 and 2023/24.

Requirements in the 2023/24 Academy Trust Handbook for securing prior consent from the Education and Skills Funding Agency (ESFA) for Related Party Transactions changed the position from previous years; consent was not required in respect of "contracts and other agreements for the supply of goods or services to a trust by ... colleges, ... which are sponsors of the academy trust". That is the position in this case.



## **STRUCTURE, GOVERNANCE AND MANAGEMENT** (continued)

### **Related Parties and other Connected Charities and Organisations** (continued)

Trustees continue to believe that the agreement represents good value for money having benchmarked it against similar agreements for central service costs adopted by other Trusts using independent analysis of information in the public domain.

The Trust also works with the Hart Learning Group to share expertise and best practice for example by collaborating on safeguarding training and sharing best practice, working together on curriculum planning and delivery and using college staff where appropriate to support staff training and development. Both the Trust and the Corporation have a strong interest in working with local employers to enhance curriculum delivery and assist with the understanding of post-16 pathways and the provision of independent advice and guidance for students. A partnership with Airbus to operate a STEM centre in Stevenage aimed at enthusing young learners supports the Trust's interest in science education. In 2023/24, this work included participation in a project run by the Group but funded by Mission 44 to develop opportunities for disadvantaged young people to enhance their skills in STEM subjects, primarily Maths.

There are no other charities/companies/organisations with which the Trust co-operates in the pursuit of its charitable objects.

## **OBJECTIVES AND ACTIVITIES**

### **Objects and Aims**

The Trust's principal object and activity is to provide education for pupils of different abilities between the ages of 4 and 19.

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

The main objectives of the Trust are summarised below:

- ◆ to ensure that every child enjoys the same high-quality education in terms of resourcing, tuition and care;
- ◆ to raise the standard of educational achievements of all pupils;
- ◆ to improve the effectiveness of its schools by keeping the curriculum and organisational structure under continual review;
- ◆ to provide value for money for the funds expended;
- ◆ to comply with all appropriate statutory and curriculum requirements;
- ◆ to maintain close links with industry and commerce; and
- ◆ to conduct the schools' business in accordance with the highest standards of integrity, probity and openness.

## **OBJECTIVES AND ACTIVITIES** (continued)

### **Public Benefit**

In setting and reviewing strategic objectives, the Trustees have paid due regard to the Charity Commission's guidance on public benefit and particularly to its supplementary guidance on the advancement of education. This requires that all organisations wishing to be recognised as charities must show, explicitly, that their aims are for public benefit.

Trustees believe their mission is consistent with the guidance on providing public benefit. Students are drawn from the local community and provision is made to support those who are disadvantaged. In delivering our mission, we provide identifiable public benefits:

- ◆ Good teaching, learning and assessment for young people.
- ◆ Strong working relationships with local businesses, who actively support and engage with the courses we deliver for our students – including through the provision of high-quality work experience placements.
- ◆ Excellent support to help students consider and secure progression opportunities across the full range of academic and vocational routes.
- ◆ Wider pastoral care for students, underpinned by strong working relationships with relevant partner organisations across the public sector.

The way in which we deliver such benefits is described throughout this report.

## **ACHIEVEMENT AND PERFORMANCE**

The Trust's schools have continued to pursue improvements in student progress and achievement, including priorities given at TAA to Reading and Oracy, as well as maintaining a focus on attendance and support for student mental health needs.

### **Primary**

#### ***Roebuck Academy***

- ◆ Across all year-groups, the attendance level in 2023/24 was 93.9% (2022/23: 93.1%) just below national average data.
- ◆ Key Stage 2 results showed a fall against 2022/23 results. 55% (2022/23: 57%) of children achieved age related expectations in reading, writing and mathematics combined, compared to a national average of 61%.
- ◆ 72% of children achieved Age-related Expectations (ARE) in Maths (2022/23: 72%), with 17% at Greater Depth (2022/23: 25%).
- ◆ 75% achieved ARE in reading (2022/23: 67%), with 12% at Greater Depth (2022/23: 26%).
- ◆ 67% achieved ARE in grammar, punctuation and spelling (2022/23: 69%), with 18% at Greater Depth (2022/23: 23%).

## **ACHIEVEMENT AND PERFORMANCE** (continued)

### **Primary** (continued)

#### ***Roebuck Academy*** (continued)

- ◆ Year 1 achieved a 85% pass rate for phonics (2022/23: 75%).
- ◆ At the Early Years Foundation Stage (EYFS) 63.3% of pupils achieved a good level of development (GLD) (2022/23: 67%).

### **Secondary**

#### ***Thomas Alleyne Academy***

- ◆ Across all year-groups, the attendance level in 2023/24 was 91.9% (2022/23: 91.9%) which was above national average data.
- ◆ Our reading recovery programme (Thinking Reading and Reading Fluency) has had a significant impact on identified students.

#### ***Key Stage 4 (GCSE)***

- ◆ Current evidence shows that pupils are achieving well.
- ◆ At GCSE, overall progress is at 0.05, compared with -0.04 in 2023 and up from -0.58 in 2019 (the last exam series before the pandemic) and positive for the first time ever. Maths, science, humanities and EBACC elements achieved a positive progress score. The English element has significantly improved as a result of carefully targeted actions this year.
- ◆ 50% of students achieved grade 5 and above in English and Maths in 2024, up from 41% in 2023. 67.4% of students achieved a standard pass (grade 4 or above) in English and Maths, which is an improvement from 2023 when the figure was 62.7%, and Sisra shows the average to be 65.5%.
- ◆ The progress of students with EHCPs and SEND has improved significantly since our last inspection.
- ◆ We have also closed the gap between our pupil premium and non pupil premium students. Pupil premium progress improved by 0.4 in 2024.

#### ***A-Level***

- ◆ A-Level students secured an average grade of C (the same as in 2023) with positive destination data for the cohort.
- ◆ Destination data shows that students are ready for the next stage of education, employment or training. They are well supported and prepared for the next stage.

**ACHIEVEMENT AND PERFORMANCE** (continued)

**School recruitment in 2023/24**

The number of pupils in each year is shown below.

Thomas Alleyne Academy (TAA) PAN = 180			Roebuck Academy (RA) PAN = 60 YR to Y2		
Year Group	July 2023	July 2024	Year Group	July 2023	July 2024
			Nursery	46	42
7	179	181	Reception	59	60
8	174	179	1	60	60
9	180	178	2	58	59
10	176	178	3	58	59
11	165	174	4	60	59
12	61	63	5	60	60
13	30	56	6	61	60
<b>Total</b>	<b>965</b>	<b>1,009</b>	<b>Total</b>	<b>462</b>	<b>459</b>
<b>Combined Total</b>				<b>1,432</b>	<b>1,468</b>

For September 2024, pupil numbers at both schools have dropped slightly to 448 at Roebuck and 999 at TAA (a Trust total of 1,447). This mainly reflects a fall in Nursery numbers, resulting from a wider fall in the number of young children of nursery age in the Stevenage area, and a slightly lower entry into Y12.

**Going Concern**

***The Trustees' assessment of 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.

***Supporting documentation***

To make this assessment for the preparation of the financial statements of the academy trust for the year-ended 31 August 2024, Trustees considered the following evidence:

- ◆ Trust Board papers throughout 2023/24 which include budget papers for 2024/25 as well as three year I&E and cash forecasts out to 31/8/2027.

The Trust has increased rolls at both schools over the past three years and demographic data in the Hertfordshire area suggests that there will continue to be an increase in secondary age pupils beyond the forecast period.

## **ACHIEVEMENT AND PERFORMANCE** (continued)

### **Going Concern** (continued)

#### ***Supporting documentation*** (continued)

Both schools are considered by Ofsted to be Good with the most recent inspection of the Thomas Alleyne Academy conducted in October 2019 [Update once the October 2024 report is published] and the Roebuck Academy in September 2021. They continue to have a good reputation for the quality of teaching and learning and have generally high attendance and good behaviour. Both have active and engaged local governing bodies which have been considered by Ofsted to provide Good leadership.

Because of the Education and Skills Funding Agency's lagged funding model, core funding is secure for 2025/26.

Neither school currently depends significantly upon external income; this was advantageous during the COVID-19 emergency when such income was significantly restricted. However, it limits the opportunities for growing non-core revenue to supplement core funding.

It is unlikely that either school will be able to increase pupil intake beyond the Pupil Admission Numbers (PANs) for TAA of 180 and for Roebuck of 60. Over the forecast period, there is one remaining area for potential revenue growth; the TAA sixth form. In 2023/24, this exceeded 100 learners and the position remained the same at the start of 2024/25. However, in the medium term, we anticipate a decline in pupil numbers at Roebuck because of a general fall in the number of primary age children in the Stevenage area. Ultimately, this will also affect TAA, but beyond the forecasting period. The Board has included assumptions in future budget forecasts that include such a decline in pupil numbers.

Cash-flow forecasting shows a rising trend over the forecast period. There are no significant concerns that cash outgoings could not be met as they arose.

In making their assessment, the trustees have considered a period of not less than one year from the date of approval of the financial statements, i.e. at least to 31 December 2025.

#### ***Processes and controls***

The Trustees consider that the academy trust's process and controls are sufficiently robust for them to make informed decisions as to its current financial position, and its ability to react to possible adverse funding situations.

**ACHIEVEMENT AND PERFORMANCE** (continued)

**Financial position and forecast**

***Financial position***

In making their assessment of going concern, the Trustees have considered the current financial position and available reserves of the academy trust, in particular:

Cash balance at 31/08/2024 (at bank and in hand including capital)	£1,034,412 (TAA) £509,392 (Roebuck)
Available revenue reserves	£528,673 (TAA) £307,958 (Roebuck)
Reserves policy	<i>In 2022/23, the Trustees have actively sought to rebuild operating reserves, following a period of elevated capital investment. The aim is to achieve a reserves level equivalent to two months' operating expenditure. This is not expected to be achieved before 2023/24.</i>

***Key assumptions***

We consider the following to be the most significant assumptions and uncertainties within the forecast period:

- ◆ Roebuck will see a modest decline in pupil numbers entering Reception from September 2025 reflecting wider demographic data in the Stevenage area.
- ◆ TAA will continue to recruit student numbers at the same level as in 2023/24.
- ◆ non-pay inflation will be no more than 3% in 2024/25.
- ◆ a national pay award for teachers will be no more than 3% in 2024/25.

In making their assessment of going concern, the Trustees have considered the range of possible outcomes, as well as mitigating actions which could be taken by the academy trust. The Trustees have considered whether there are any realistic scenarios within 12 months of approving the financial statements that could impact the going concern assessment, which they need to make the reader of the annual accounts aware of.

The Trustees have concluded that they have not identified any realistic scenarios that could impact the going concern assessment of which they need to make the reader of the accounts aware.

## **ACHIEVEMENT AND PERFORMANCE** (continued)

### **Conclusion**

The Trustees have considered the going concern basis of preparation of the academy trusts financial statements. Based on these considerations, the Trustees have concluded that:

- ◆ The going concern basis of preparation of the financial statements is appropriate;
- ◆ there are no material uncertainties in connection with the going concern basis of preparation of the financial statements; and
- ◆ the disclosures within the financial statements regarding going concern are adequate.

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.

### **FINANCIAL REVIEW**

The Trust managed to increase its reserves during 2023/24 despite continuing to undertake investment in its estate and had a strong cash position at the year-end. Nevertheless, there were ongoing cost pressures during the year from inflation, which only started to moderate significantly by summer 2024. Public spending constraints remain tight, although the government opted to fully fund the pay award for 2024/25, which had not been anticipated.

Student mental health and behaviour needs continued to rise, and local specialist support services had very little capacity, which meant that the schools' pastoral teams have faced significant pressure. However, both schools have so far managed the situation without unduly affecting the financial position in-year.

In the medium term, demographic data suggests that there will be a decline in the number of children of school age in the Stevenage area into the 2030s and this is now being factored into future plans.

### **Summary**

The Trust operates within strict financial constraints, with income almost entirely derived from funding per pupil provided by the ESFA. Careful management of costs is essential in order to ensure the Trust continues to be financially sustainable.

### **Income and expenditure**

Total income received in the accounting period to 31 August 2024 amounted to £10,226,336.

These amounts and associated expenditure are shown between restricted funds and unrestricted funds in the statement of financial activities. Net outgoing resources for the period were £2,665.

Because pupil numbers continued to rise at both schools, there was further year-on-year revenue growth from 2022/23 to 2023/24. However, Roebuck Academy reached capacity in 2021/22 against its PAN of 60 and the Thomas Alleyne Academy is routinely close to its PAN of 180. The expectation is that primary numbers will decline during the forecast period in line with local demographic data, and this assumption has been applied to future forecasts.

## **ACHIEVEMENT AND PERFORMANCE** (continued)

### **Income and expenditure** (continued)

Roebuck Academy operates wrap-around provision (Buccaneers) for children of Roebuck parents only. This has continued to be valued by the community and continued to operate at or near capacity during 2023/24 despite a modest increase in charges from January 2024. A budget surplus was generated during the year, but the increasing cost of living crisis may affect revenue in future years as families are forced to reduce discretionary spending.

### **Reserves policy**

The policy of the directors is to maintain a level of reserves that will be adequate to provide a stable base for the continuing operation of the Trust whilst ensuring that excessive funds are not accumulated. Over the next two years, the directors aim to have accumulated suitable reserves in order to meet two months' budgeted academy expenditure.

Through a combination of future government funding and financial support from sponsors, the directors are satisfied that the company's reserves will be sufficient for these purposes.

## **PRINCIPAL RISKS AND UNCERTAINTIES**

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

The directors have implemented systems to assess risks that the schools face, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school 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 school grounds) and internal financial controls (see below) in order to minimise risk. They have implemented a programme of works to maintain and enhance the quality and condition of the estate and to ensure learners, staff and visitors are healthy and safe on site. Where significant financial risk still remains they have ensured they have adequate insurance cover through the government-provided Risk Protection Arrangement (RPA).

As reported in 2022/23, student absence has necessarily remained a high priority for both schools, and the approach adopted has enabled both to deliver attendance rates in 2023/24 at the national average for primary schools, and above the national average for secondary schools. This continues to be a risk and priority for 2024/25.

Student behaviour is a concern for a small minority of learners; this also remains a risk and priority for 2024/25.

The Trust has put in place mitigations against the high threat environment in respect of cyber security.

The Trust has an effective system of internal financial controls and this is explained in more detail in the following statement. Work will continue to improve the management of risks within the framework established by the directors.



### **PRINCIPAL RISKS AND UNCERTAINTIES** (continued)

The principal risks are:

- ◆ Achieving the right level of student recruitment and retention as income is based on student numbers. The number of students is reported to the Board on a regular basis; and
- ◆ The financial risks of running a multi-academy trust. Accounts are produced and presented to the Board, spending is adjusted according to recruitment, and shared services are used across the Trust.

### **INVESTMENT POLICY**

The cash balances currently held relate to grants received for capital investment at the schools' premises; these are held for a relatively short period of time and would be called upon quickly, so cash is not currently invested in any long-term account.

### **FUNDRAISING**

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

### **STREAMLINED ENERGY AND CARBON REPORTING**

The Trust is currently considering how it might in future be able to provide reporting in this area.

### **PLANS FOR FUTURE PERIODS**

The Trust's Strategic Plan sets key targets in the areas of teaching, value added activities and identity in order to achieve its vision. Whilst we remain keen to expand the number of schools in our trust, our strategic plan is clear:

- ◆ Adding value to schools and their students is far more important than growing the Trust.
- ◆ We would rather work with fewer schools but ensure that our support makes a real difference.
- ◆ School improvement and curriculum collaboration between the Trust and its sponsor should be the key focus for the relationship, rather than the simple provision of shared services.
- ◆ Our strong preference is to expand the trust. We will look to do this through collaboration with other local schools and trusts that share our ethos and values. We are prepared to explore growth through merger should the right opportunity arise.

Progress towards achieving these goals is described in detail in other sections of the Financial Statements.

The Trust remains confident in its ability to provide excellent leadership and support for schools in the North Hertfordshire area.

**FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

There are no such funds.

**AUDITOR**

Insofar as the trustees are aware:

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



Hilary Clifford, Chair and Trustee  
11 December 2024

### **Scope of Responsibility**

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive, as Accounting Officer, for ensuring that financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between the Hart Schools Trust Ltd 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 met six times in 2023/24 (2022/23: 6) in addition to holding an Annual General Meeting.

Attendance for the year was 88.00% (2022/23: 89.19%). Meetings took place both in-person and via videoconference facilities.

### **Conflicts of Interest**

Trustees and local governing body members are required to declare any financial and non-financial interests they may have which may conflict with their responsibilities, including those of close family members, and to keep their declarations up to date. An annual request for declarations is made, supplemented by an agenda item at each meeting of the Board or Committee, and the resulting register is published on the Trust's website.

**Governance** (continued)

Name	Role	Appointed	Term	Board Meetings attended	Other committees supported
H F Clifford	Chair, TAA LGB Chair (from 17 April 2024)	01/09/2021	4 years	7/7 (100%)	
K Davies	Vice-chair Sponsor Chief Executive	20/11/2017 <sup>1</sup>	4 years	7/7 (100%)	
J J E Ellam	Audit & Risk Chair	10/02/2016 <sup>2</sup>	4 years	6/7 (86%)	Audit & Risk
P A Extance		16/01/2023	4 years	7/7 (100%)	Audit & Risk
S Karidis		08/10/2021	4 years	7/7 (100%)	
L R Lee		01/11/2022	4 years	4/7 (57%)	
M C J Lewis	Chief Executive		Ex officio	7/7 (100%)	TAA LGB Roebuck LGB
V Parsey		01/04/2016 <sup>3</sup>	4 years	7/7 (100%)	
S Siddiqui		01/11/2022	4 years	4/7 (57%)	
A B Simmons	Chair (until 17 April 2024)	05/10/2016 <sup>4</sup>	4 years	3/5 (60%)	Search
H Stanton-Tonner		01/12/2022	4 years	7/7 (100%)	

The Board is responsible for setting policy and providing strategic direction to the business, and for monitoring and seeking assurance about progress and achievement.

As a body mainly composed of independent non-executive members, it is well-placed to bring independent judgement to bear on issues of strategy, performance, resources and standards of conduct. To help it do so, the Board receives regular and timely information about performance including regular reports on: quality assurance and improvement; student attendance, retention and attainment; safeguarding; student and business feedback; financial performance; people-related matters; and, health, safety and environmental issues.

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<sup>1</sup> Re-appointed in 2021

<sup>2</sup> Re-appointed in 2020

<sup>3</sup> Re-appointed in 2020

<sup>4</sup> Re-appointed in 2020

## **Governance statement** Year to 31 August 2024

### **Governance** (continued)

The Board uses external benchmarking (eg from national reports and from other public domain analysis) to put its data in context and to check validity. It also uses direct observation from learning walks, book scrutinies, conversations with students and staff to validate reports to the Board. As a body mainly composed of independent non-executive members, it is well-placed to bring independent judgement to bear on issues of strategy, performance, resources and standards of conduct. To help it do so, the Board receives regular and timely information about performance including regular reports on: quality assurance and improvement; student attendance, retention and attainment; safeguarding; student and business feedback; financial performance; people-related matters; and, health, safety and environmental issues.

The Board uses external benchmarking (eg from national reports and from other public domain analysis) to put its data in context and to check validity. It also uses direct observation from learning walks, book scrutinies, conversations with students and staff to validate reports to the Board.

As well as monitoring the performance of both schools and the overall financial position, the Board has been focused on its strategy for growth which it is anticipating will be fulfilled in 2024/25.

The Trust continues to be interested in supporting other local schools to make improvements in delivery, by joining the Trust, or through other relationships and hopes that some of the conversations may come to fruition in due course.

The financial position was monitored closely by the Board during the year.

### **Governance reviews**

No external review of governance was undertaken in 2023/24 but it is planned to undertake one during 2024/25.

The Trust Board undertook a self-evaluation which concluded that there was general satisfaction with the performance of the Board, the quality and reliability of information received and the issues addressed by the Board during the year. The Board also developed its risk management practice with the appointment of a Business Manager to improve the risk register and the Board is now also beginning to identify and monitor 'emerging risks'.

The Board's financial position continued to strengthen while work on the estate also continued.

Local governing bodies continue to be active and engaged and Ofsted inspections of both the Thomas Alleyne Academy and the Roebuck Academy have previously commended the strength of governor challenge and leadership.

Full minutes of all Board meetings, except those deemed confidential by the Board, are available from Robert Dale, Company Secretary at:

North Hertfordshire College Cambridge Road, Hitchin SG4 0JD

The Company Secretary maintains a register of financial and personal interests of the governors which is available for inspection at the above address.

### **Appointments to the Board**

Any new appointments to the Board are a matter for consideration by the Board as a whole. The Board has a Search Committee comprising up to five members responsible for selecting candidates for the Board's consideration. The Board is responsible for ensuring that appropriate training is provided for Governors.

No Trustees were appointed during the year.

Members of the Board are appointed for a term of office not exceeding four years but are eligible for re-appointment.

### **Audit & Risk Committee**

The Audit & Risk Committee is a sub-committee of the Board, made up of four non-executive members of the Board and its sub-committees (neither the Chair nor Accounting Officer are members).

The Committee operates in accordance with written terms of reference approved by the Committee and the Board. Its purpose is to advise the Board on the adequacy and effectiveness of the system of internal control and its arrangements for risk management, control and governance processes.

The Audit & Risk Committee meets at least termly and provides a forum for reporting by the internal and financial statements auditors, who have access to the Committee for independent discussion, without the presence of management.

The internal auditors review the systems of internal control, risk management controls and governance processes in accordance with an agreed plan and report their findings to management and the Audit & Risk Committee.

Management is responsible for addressing agreed recommendations and internal auditors undertake follow-up reviews to ensure such recommendations have been implemented.

The Audit & Risk Committee also advises the Board on the appointment of internal service providers and financial statements auditors and their remuneration for both audit and non-audit work as well as reporting annually to the Board.

The Audit & Risk Committee met four times in 2023/24 (2022/23: 4) and plans to meet four times in 2024/25. All meetings were quorate, and attendance for the year was 81% (2022/23: 94%). This was because of a member's ongoing medical treatment.

Name	Rol.	Audit Committee Meetings attended
Howard Crompton	LGB member	1/4 (25%)
Jonathan Ellam	Trustee Audit Chair	4/4 (100%)
Paul Extance	Trustee	4/4 (100)
Andy Palmer	LGB member	4/4 (100%)

### **Search Committee**

The Search Committee is a sub-committee of the Trust Board operating jointly with the Hart Learning Group Board, made up of five non-executive members of the Hart Schools Trust and Hart Learning Group Boards. It is responsible for making recommendations to the Board in respect of governor appointments, and approving processes for reviewing individual and collective effectiveness.

The Committee did not meet in 2023/24.

### **Local governing bodies**

Both Trust schools are supported by active and enthusiastic local governing bodies (LGBs) made up of parents, people from the local community with relevant skills and experience, and school staff.

LGBs operate within a Scheme of Delegation reviewed periodically by the Board. Their main focus is on the quality of teaching and learning at the academy, which is scrutinised through regular governor visits, learning walks, book and work scrutinies, conversations with pupils, discussions with linked staff, parental consultation and monitoring of performance data. In addition, the LGB provides challenge and support to the headteacher and school leaders over key aspects of the school's responsibilities such as safeguarding, health and safety and pupil outcomes. Governors also support the schools in other ways such as hearing pupils read or considering disciplinary cases.

### ***The Roebuck Academy***

The local governing body (LGB) for this primary academy is made up of up to 13 members, including the headteacher and up to three elected parent governors. It has the power to co-opt up to two additional individuals with particular skills or experience.

No governors stepped down during the year, but the Chair resigned shortly after the start of 2024/25 because of work and family pressures. A vacancy for a staff governor has been filled for 2024/25.

As well as its programme of meetings, several in-school learning walks and governor review sessions took place. The school continued to give priority to Reading and Oracy, but maintained its wider curriculum offer and governors reviewed the school's approach to Equality, Diversity and Inclusion, how it supported children on the SEND register, the implementation of the new Scheme of Work for Maths and the delivery of the Art & Design curriculum.

The proportion of pupils on the SEND register remained significant, and securing support for their needs took significant effort on the school's part, in the context of a very challenging local authority budget and a poor external assessment of its approach to SEND.

The school's sporting activity and success continued as a result of the effective deployment of Sports Premium funding and there was a wide range of other enrichment to develop pupils' cultural capital.

The Ofsted inspection report received in 2022 had confirmed that Roebuck was a Good school with a large number of strengths and in 2023/24, governors were pleased that the school remained popular with parents, had a strong local reputation and was full.

## Governance statement Year to 31 August 2024

### Local governing bodies (continued)

#### ***The Roebuck Academy (continued)***

The LGB met five times in 2023/24 (2022/23: 5). Attendance was 85.45% (2022/23: 91.67%).

Name	Role	Appointed	Stepped down	LGB Meetings attended
Hayley Cannon	Parent Governor	01/09/2022		4/5 (80.00%)
Michelle Chapman	Staff Governor <sup>1</sup>	27/09/2022		4/5 (80.00%)
Clare Elson	Staff Governor	01/11/2017		5/5 (100.00%)
Catherine Everett	Parent Governor	01/12/2020		5/5 (100.00%)
Celia Farley	Trust Governor	11/04/2018		4/5 (80.00%)
Nadia Hodges	Trust Governor; Chair (from 01/09/23)	01/05/2019	20/09/2024	2/5 (40.00%)
Alison Hollick	Parent Governor	01/03/2019		5/5 (100.00%)
Mark Lewis	Trustee	ex officio		4/5 (80.00%)
Andy Mari	Headteacher (from 01/09/23)	n/a		5/5 (100%)
Andy Palmer	Vice-chair Trust Governor	19/02/2016		5/5 (100.00%)
Victoria Upton	Trust Governor	01/07/2017		4/5 (80.00%)

#### ***The Thomas Alleyne Academy***

The LGB for this secondary academy is made up of up to 13 members, including the headteacher and up to three elected parent governors. In addition, up to two co-opted places are available. There is a historic association with Trinity College, Cambridge, and one governor is nominated by that College.

In 2023/24, one governor stepped down for work-related reasons. Vacancies for the Trinity College Governor and for a Trust Governor currently remain to be filled.

As well as its regular programme of governance meetings (a mix of in-person and on-line sessions), several in-school learning walks and governor review sessions took place.

<sup>1</sup> Reappointed as a Trust Governor from 1 September 2024



**Local governing bodies** (continued)

***The Thomas Alleyne Academy*** (continued)

This year's development plan focussed on addressing the achievement gap for under-served learners (those entitled to Pupil Premium support) with five key areas: Curriculum outcomes; Teaching; Reading; SEND; and Mission 44.

Attendance also remained a high priority for the school, and it was above the reported national average at the year-end. Nevertheless, the gap between the attendance of pupil premium and non pupil premium students remained a challenge, despite the school's efforts. The school continued to identify and remove barriers to attendance before the start of each new academic year including providing support for a second-hand school uniform shop, making telephone calls and undertaking home visits to encourage 100% attendance. Attendance is recognised by the LGB as being linked to outcomes so this will continue to be a priority.

Results at GCSE in summer 2024 were the highest ever, and the provisional Progress 8 score of 0.06 showed considerable improvement since 2019 (the suggested benchmark year) when it had been -0.58. A-level outcomes were also better than in 2019 and very similar to those achieved in 2022/23.

The LGB was also pleased that the sixth form offer remained attractive and that in September 2024, the number of students in Y12 and Y13 was c110.

The LGB met five times in 2023/24 (2022/23: 5). Attendance was 73.33% (2022/23: 77.05%).

Name	Role	Appointed	Stepped down	LGB Meetings attended
Robert Baldock	Parent Governor	14/02/2019		3/5 (60.00%)
Hilary Clifford	Chair	01/09/2021		5/5 (100.00%)
Julia Cooke	Staff Governor	01/09/2017 <sup>5</sup>		5/5 (100.00%)
Rachel Coultart	Co-opted Governor	01/04/2023		4/5 (80.00%)
Howard Crompton	Trust Governor	01/09/2017 <sup>6</sup>		3/5 (60.00%)
David Gray	Vice-chair	23/11/2017 <sup>7</sup>		4/5 80.00%
Mark Lewis	Head teacher	N/A		5/5 (100.00%)

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<sup>5</sup> Re-appointed in 2021

<sup>6</sup> Re-appointed in 2021

<sup>7</sup> Re-appointed in 2020

**Local governing bodies** (continued)

***The Thomas Alleyne Academy*** (continued)

Name	Role	Appointed	Stepped down	LGB Meetings attended
Jo Mellett	Parent Governor	14/02/2019		2/5 (40.00%)
Phil Rolt	Co-opted Governor	01/03/2023		3/5 (60.00%)
Lynsey Steadman	Staff Governor	01/09/2017 <sup>8</sup>		4/5 (80.00%)
Jenny White	Trust Governor	22/09/2017 <sup>9</sup>		1/5 (20.00%)
Stephanie Williams	Parent Governor	01/03/2023	02/08/2024	5/5 (100.00%)

**Internal control**

***Scope of Responsibility***

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

The Board has delegated the day-to-day responsibility to the Chief Executive of the Hart Schools Trust, as accounting officer, for ensuring that financial controls conform with the requirements of both propriety and good financial management in accordance with the requirements and responsibilities assigned to it in the funding agreement between the Hart Schools Trust Ltd and the Secretary of State for Education. He is also responsible for reporting to the Board any material weaknesses or breakdowns in internal control.

***Review of Value for Money***

As Accounting Officer, the Chief Executive has responsibility for ensuring that the Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received. The Accounting Officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data or by using a framework where appropriate.

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<sup>8</sup> Re-appointed in 2021

<sup>9</sup> Re-appointed in 2021

**Review of Value for Money** (continued)

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

- ◆ Enhancing the curriculum offer at post-16 and Key Stage 4 to ensure student success and retention.
- ◆ Continuing to recruit rising student numbers in both schools.
- ◆ Reviewing the curriculum resources and schemes used at Roebuck Academy
- ◆ Using support from North Hertfordshire College to ensure there was value for money in estates work across the trust.
- ◆ Using senior team expertise for traded work with external partners.
- ◆ Increasing the value of external lettings of the school premises.

**The Purpose of the System of Internal Control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place in the Hart Schools Trust for the period from 1 September 2023 to 31 August 2024 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 Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that has been in place for the period from 1 September 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

**The Risk and Control Framework**

The Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability.

**Capacity to Handle Risk** (continued)

***The Risk and Control Framework*** (continued)

In particular, it includes:

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

The Board of Trustees has decided to buy-in internal scrutiny services from a number of providers including RSM UK Audit LLP, HFL Education (formerly Herts for Learning) and the Hart Learning Group. The role of such providers includes giving advice on financial and other matters and performing a range of checks on the Trust's financial and other systems. In particular, the checks carried out in the current period included:

- ◆ Safeguarding
- ◆ Health and Safety compliance
- ◆ Teaching and Learning

On an annual basis, the internal scrutiny providers report to the Board of Trustees through the Audit & Risk committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. The Audit & Risk Committee includes within its annual report to the Board an outline of the outlining the areas reviewed, key findings, recommendations and conclusions.

During the year, internal scrutiny was carried out in respect of Key Financial Controls, Equality, Diversity and Inclusion, Health and Safety compliance, and teaching and learning.

Actions to address all of the small number of recommendations made were agreed by Management and reported to the Audit & Risk Committee which was satisfied with the proposals and will monitor implementation.

**Review of effectiveness**

As Accounting Officer, the Managing Director is responsible for reviewing the effectiveness of the system of internal control. During the year in question the Chief Executive's review has been informed by:

- ◆ The work of the Internal Auditor.
- ◆ The work of the External Auditor.
- ◆ The financial management and governance self-assessment process or the school resource management self-assessment tool
- ◆ The work of managers within the Trust and central service provision who have responsibility for the development and maintenance of the internal control framework.

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

**Conclusion**

Based on the advice of the Audit and Risk Committee and the Accounting Officer, the Board of Trustees is of the opinion that the Hart Schools Trust has an adequate and effective framework for governance, risk management and control.

Approved by order of the members of the Board of Trustees on 11 December 2024 and signed on its behalf by:




Hilary Clifford - Chair

## Statement of regularity, propriety and compliance Year to 31 August 2024

As Accounting Officer of The Hart Schools Trust Ltd I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, including for estates safety and management under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration, I have had due regard to the requirements of the Academy Trust Handbook 2023, including responsibilities for estates safety and management.

I confirm that I and the Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academy Trust Handbook 2023.

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.

A handwritten signature in black ink, appearing to read 'Mark Lewis', with a long horizontal stroke extending to the right.

Mark Lewis - Accounting Officer

Date: 11 December 2024

## Statement of Trustees' responsibilities Year to 31 August 2024

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

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

In preparing these financial statements, the trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024;
- ◆ 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; and
- ◆ 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 11 December 2024 and signed on its behalf by:



Hilary Clifford - Chair

**Independent auditor's report to the members of The Hart Schools Trust Ltd**

**Opinion**

We have audited the financial statements of The Hart Schools Trust Ltd (the 'charitable company') for the year ended 31 August 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), 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) (the Charities SORP 2019) and the Academies Accounts Direction 2023 to 2024.

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 August 2024 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006; and
- ◆ have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2023 to 2024 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of 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 charitable company'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.



**Other information**

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

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

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

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

- ◆ the information given in the Trustees' Report, which is also the directors' report for the purposes of company law and includes the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the trustees' report, which is also the directors' report for the purposes of company law and includes the strategic report, has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charitable company 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 by the charitable company, 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 or returns; or
- ◆ certain disclosures of Trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the trustees responsibilities statement, the trustees (who are also the directors 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we identified the laws and regulations applicable to the charitable company through discussions with management, and from our knowledge of the academy trust sector;
- ◆ the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit;
- ◆ we considered the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are the Companies Act 2006, the Charities SORP 2019, the Academies Accounts Direction 2023 to 2024, the Academy Trust Handbook 2023, and the academy trust's funding agreement with the ESFA as well as legislation pertaining to safeguarding in the UK;
- ◆ we understood how the charitable company is complying with those legal and regulatory frameworks by making inquiries to management and those responsible for legal, compliance and governance procedures. We corroborated our inquiries through our review of the minutes of trustees' meetings and papers provided to the trustees.

**Auditor's responsibilities for the audit of the financial statements** (continued)

- ◆ we planned and carried out a separate limited assurance engagement in respect of regularity, propriety and compliance in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by the ESFA, as set out in our separate independent reporting accountant's assurance report on regularity.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management and those charged with governance as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions;
- ◆ tested the authorisation of expenditure as part of our substantive testing thereon;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- ◆ used data analytics to identify any significant or unusual transactions and identify the rationale for them.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ agreeing financial statement disclosures to underlying supporting documentation;
- ◆ reviewing the minutes of trustees' meetings;
- ◆ enquiring of management and those charged with governance as to actual and potential litigation and claims;
- ◆ reviewing any available correspondence with Ofsted, ESFA and HMRC; and
- ◆ the work undertaken in relation to the limited assurance engagement in respect of regularity, propriety and compliance in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by the ESFA, as set out in our separate independent reporting accountant's assurance report on regularity.

**Auditor's responsibilities for the audit of the financial statements** (continued)

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. International Standards on Auditing also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

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

**Use of our report**

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



Hugh Swainson (Senior Statutory Auditor)  
For and on behalf of  
Buzzacott LLP, Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

16 December 2024

**Independent reporting accountant's assurance report on regularity to the Hart Schools Trust and the Education and Skills Funding Agency**

In accordance with the terms of our engagement letter dated 9 July 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2023 to 2024, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Hart Schools Trust Ltd during the period from 1 September 2023 to 31 August 2024 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of The Hart Schools Trust Ltd Accounting Officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of The Hart Schools Trust funding agreement with the Secretary of State for Education and the Academy Trust Handbook, extant from 1 September 2023, 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 2023 to 2024. 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 from 1 September 2023 to 31 August 2024 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.

**Approach** (continued)

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

The work undertaken to draw to our conclusion includes:

- ◆ An assessment of the risk of material irregularity and impropriety across all of the academy trust's activities;
- ◆ Further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- ◆ Consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period from 1 September 2023 to 31 August 2024 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them (please see pages 6 and 7 for further information in respect of the related party transaction with the Hart Learning Group, which sponsors the Hart Schools Trust).



Buzzacott LLP  
Chartered Accountants  
130 Wood Street  
London  
EC2V 6DL

16 December 2024

**Statement of financial activities (including income and expenditure account) Year to 31 August 2024**

	Notes	Unrestricted general funds £'000	Restricted general funds £'000	Restricted fixed assets fund £'000	<b>2024 Total funds £'000</b>	2023 Total funds £'000
<b>Income from:</b>						
Donations and capital grants	1	—	—	19,025	<b>19,025</b>	357,396
Other trading activities	3	286,913	—	—	<b>286,913</b>	274,614
Charitable activities:						
Funding for the academy's educational operations	2	—	9,856,701	—	<b>9,856,701</b>	9,135,894
Investment income		63,696	—	—	<b>63,696</b>	27,967
<b>Total</b>		<b>350,609</b>	<b>9,856,701</b>	<b>19,025</b>	<b>10,226,335</b>	<b>9,795,871</b>
<b>Expenditure on:</b>						
Charitable activities:						
Academy trust educational operations	5	392,624	9,448,578	537,468	<b>10,378,670</b>	9,609,779
<b>Total</b>		<b>392,624</b>	<b>9,448,578</b>	<b>537,468</b>	<b>10,378,670</b>	<b>9,609,779</b>
<b>Net income (expenditure)</b>		<b>(42,015)</b>	<b>408,123</b>	<b>(518,443)</b>	<b>(152,335)</b>	<b>186,092</b>
Transfers between funds	13	—	(56,694)	56,694	<b>—</b>	—
Actuarial gain on defined benefit schemes	16	—	155,000	—	<b>155,000</b>	503,000
<b>Net movement in funds</b>		<b>(42,015)</b>	<b>506,429</b>	<b>(461,749)</b>	<b>2,665</b>	<b>689,092</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		42,015	114,202	29,057,564	<b>29,213,781</b>	28,524,689
<b>Total funds carried forward</b>		<b>—</b>	<b>620,631</b>	<b>28,595,815</b>	<b>29,216,446</b>	<b>29,213,781</b>

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

The notes on pages 47 to 63 form part of these financial statements.

**Balance sheet** as at 31 August 2024

	Notes	2024 £'000	2024 £'000	2023 £'000	2023 £'000
<b>Fixed assets</b>					
Tangible assets	8		<b>28,646,815</b>		28,634,978
<b>Current assets</b>					
Debtors	9	<b>159,586</b>		655,177	
Cash at bank and in hand		<b>1,543,804</b>		1,319,112	
		<b>1,703,390</b>		1,974,289	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	10	<b>(875,256)</b>		(945,224)	
<b>Net current assets</b>			<b>828,134</b>		1,029,065
<b>Total assets less current liabilities</b>			<b>29,482,182</b>		29,664,043
Creditors: amounts falling due after more than one year	11		<b>(42,503)</b>		(27,262)
<b>Net assets excluding pension scheme liability</b>			<b>29,432,446</b>		29,636,781
<b>Pension liability</b>	16		<b>(216,000)</b>		(423,000)
<b>NET ASSETS</b>			<b>29,216,446</b>		29,213,781
<b>Funds of the academy trust</b>					
<b>Restricted income funds</b>					
Fixed asset fund	13	<b>28,595,815</b>		29,057,564	
Restricted income fund		<b>836,631</b>		537,202	
Pension reserve		<b>(216,000)</b>		(423,000)	
<b>Total restricted funds</b>		<b>29,216,446</b>			29,171,766
<b>Unrestricted funds</b>			<b>—</b>		42,015
<b>TOTAL FUNDS</b>			<b>29,216,446</b>		29,213,781

The financial statements on pages 47 to 63 were approved by the Board of Trustees and authorised for issue on 11 December 2024 and are signed on their behalf by:



Hilary Clifford  
Chair of Trustees  
The Hart Schools Trust Ltd  
Company Limited by Guarantee  
Registration Number: 07791933 (England and Wales)



## Statement of cash flows Year to 31 August 2024

	Notes	2024 £'000	2023 £'000
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	A	695,913	448,418
<b>Cash flows (used in) provided by investing activities</b>			
	C	(466,756)	12,908
<b>Cash flows used in financing activities</b>			
	B	(4,465)	(4,465)
<b>Change in cash and cash equivalents in the year</b>		<b>224,692</b>	456,860
<b>Cash and cash equivalents at 1 September 2023</b>		<b>1,319,112</b>	862,252
<b>Cash and cash equivalents at 31 August 2024</b>		<b>1,543,804</b>	1,319,112

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

	2024 £'000	2023 £'000
<b>Net (expenditure) income for the reporting period (as per the statement of financial activities)</b>	<b>(152,335)</b>	186,092
<b>Adjusted for:</b>		
Depreciation charges	537,640	512,552
Capital grants from DfE and other capital income	(19,025)	(434,868)
Interest receivable	(63,696)	(27,967)
Defined benefit pension scheme cost less contributions payable	(72,000)	44,000
Defined benefit pension scheme finance cost	20,000	37,000
Decrease (increase) in debtors	495,591	(24,924)
(Decrease) increase in creditors	(50,262)	156,533
<b>Net cash provided by operating activities</b>	<b>695,913</b>	448,418

### B. Cash flow from financing activities

	2024 £'000	2023 £'000
Repayments of borrowing	(4,465)	(4,465)
<b>Net cash used in financing activities</b>	<b>(4,465)</b>	(4,465)

### C. Cash flows from investing activities

	At 31 August 2024 £'000	At 31 August 2023 £'000
Purchase of tangible fixed assets	(549,477)	(449,927)
Dividends, interest and rents from investments	63,696	27,967
Capital grants from DfE/ESFA	19,025	434,868
<b>Net cash (used in) provided by operating activities</b>	<b>(466,756)</b>	(12,908)

**Statement of cash flows** Year to 31 August 2024

**D. Analysis of cash and cash equivalents**

	<b>At 31 August 2024 £'000</b>	At 31 August 2023 £'000
Cash in hand and at bank	<b>1,543,804</b>	1,319,112

**E. Analysis of changes in net debt**

	At 1 September 2023 £'000	Cash flows £'000	<b>At 31 August 2024 £'000</b>
Cash	1,319,112	224,692	<b>1,543,804</b>

**Statutory information**

The Hart Schools Trust Ltd is a company limited by guarantee registered in England and Wales. The company registration number, along with the registered office address, can be found within the reference and administrative details on page 1.

**Basis of preparing the financial statements**

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Report Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2023 to 2024 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The financial statements are presented in sterling and rounded to the nearest pound.

**Going concern**

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

These financial statements have been prepared on a going concern basis which the directors believe to be appropriate for the following reasons.

- ◆ Recruitment into both schools remains close to their Published Admission Number (PAN) in 2024/25; local demographics indicate that there will be no material surplus of secondary school places in the Stevenage area in the foreseeable future. However, there is a forecast decline in primary numbers which will affect secondary school intakes from the early to mid 2030s.
- ◆ Some scope for growing the sixth form at the Thomas Alleyne Academy remains.
- ◆ Both schools have been recently assessed as Good by Ofsted and have strong local reputations.
- ◆ As at 31 August 2024, HST had £1,543k cash in the bank; the three year cash flow forecast does not identify material concerns for the future position. Cash flow continues to be regularly monitored to ensure that payments are received as expected and any additional funding claims are submitted promptly.

## Principal accounting policies Year to 31 August 2024

### Going concern (continued)

- ◆ In 2023/24, HST delivered an above budget surplus which permitted each school to increase their reserves. The Trust now has a cushion against unexpected financial events which remains within the ESFA's expected range..

Further information on the Board's assessment of the use of the going concern principle is provided on pages 10 and 11.

### Critical accounting estimates and assumptions

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

The academy trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definitions, 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 values of the Local Government Pension Scheme defined benefits liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19 will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuations performed at 31 March 2023 and has been used by the actuary in valuing the pension liability at 31 August 2024.

### Income

All income is recognised when the academy trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

### Grants

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

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

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

## Principal accounting policies Year to 31 August 2024

### ***Donations***

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

### ***Other income***

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

### ***Expenditure***

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

### ***Charitable activities***

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

All expenditure is inclusive of irrecoverable VAT.

### ***Tangible fixed assets***

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

Depreciation is provided on a straight line basis on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. Depreciation is provided on land and buildings over the useful life of the building. The estimated useful lives for other assets are:

- ◆ Furniture and fittings – between 3-5 years straight line
- ◆ Computer equipment – between 3-5 years straight line
- ◆ Leasehold buildings – 50 years straight line

## Principal accounting policies Year to 31 August 2024

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

Depreciation is not provided until the first full financial period after which an asset is purchased or brought into use, as appropriate.

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.

### **Liabilities**

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

### **Provisions**

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

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

### **Leased assets**

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

### **Financial instruments**

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 12. 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 13. 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.

### **Taxation**

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

### **Fund accounting**

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder.

### **Pensions costs and other post-retirement benefits** (continued)

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

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

## Principal accounting policies Year to 31 August 2024

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet. 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.

### **Agency Arrangements**

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the academy trust does not have control over the charitable application of the funds. The academy trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid, and any balances held are disclosed in note 22.



**Notes to the financial statements** Year to 31 August 2024

**1 Donations and capital grants**

	Unrestricted funds £'000	Restricted funds £'000	Restricted fixed asset funds £'000	<b>2024 Total funds £'000</b>	2023 Total funds £
Capital grants	—	—	19,025	<b>19,025</b>	357,396
	—	—	19,025	<b>19,025</b>	357,396

	<i>Unrestricted funds £</i>	<i>Restricted funds £</i>	<i>Restricted fixed asset funds £</i>	<i>2023 Total funds £</i>
<i>Capital grants</i>	—	—	357,396	357,396
	—	—	357,396	357,396

## 2 Funding for academy's educational operations

	Unrestricted funds 2024 £	Restricted funds 2024 £	2024 Total £	2023 Total £
<b>DfE/ESFA grants</b>				
General Annual Grant (GAG)	—	7,239,904	<b>7,239,904</b>	6,862,441
16-19 Core Funding	—	478,408	<b>478,408</b>	404,414
Other DfE / ESFA grants				
. UIFSM	—	153,493	<b>153,493</b>	128,860
. Pupil Premium	—	350,492	<b>350,492</b>	374,740
. Recovery Premium	—	64,452	<b>64,452</b>	69,286
. PE and Sports Grant	—	19,520	<b>19,520</b>	—
. Teachers Pay Additional Grant	—	131,147	<b>131,147</b>	4,567
. Teachers' Pension Employers Contribution Grant	—	92,533	<b>92,533</b>	19,525
. Supplementary grant	—	—	—	232,253
Other DfE Group grants	—	283,022	<b>283,022</b>	168,108
	—	8,812,970	<b>8,812,970</b>	8,264,194
<b>Other government grants</b>				
Local Authority grants	—	709,213	<b>709,213</b>	583,397
Other income from the academy trust's educational operations				
	—	334,518	<b>334,518</b>	288,303
	—	9,856,701	<b>9,856,701</b>	9,135,894

**2 Funding for academy's educational operations (continued)**

	<i>Unrestricted funds 2023 £</i>	<i>Restricted funds 2023 £</i>	<i>2023 Total £</i>
<i>DfE/ESFA grants</i>			
<i>General Annual Grant (GAG)</i>	—	7,266,855	7,266,855
<i>Other DfE / ESFA grants</i>			
<i>. UIFSM</i>	—	128,860	128,860
<i>. Pupil Premium</i>	—	374,740	374,740
<i>. Supplementary grant</i>	—	232,253	232,253
<i>Other DfE Group grants</i>	—	192,200	192,200
	<u>—</u>	<u>8,194,908</u>	<u>8,194,908</u>
<i>Other government grants</i>			
<i>Local Authority grants</i>	—	583,397	583,397
<i>COVID-19 Additional funding (DfE/ESFA)</i>			
<i>Catch-up and recovery premium</i>	—	69,286	69,286
<i>Other DfE/ESFA COVID-19 funding</i>	—	—	—
	<u>—</u>	<u>69,286</u>	<u>69,286</u>
<i>Other income from the academy trust's educational operations</i>			
	<u>91,363</u>	<u>196,940</u>	<u>288,303</u>
	<u>91,363</u>	<u>9,044,531</u>	<u>9,135,894</u>

Notes to the financial statements Year to 31 August 2024

**3 Other trading activities**

	<b>2024 Total funds £</b>	2023 Total funds £
Trip income	<b>100,207</b>	112,587
Hire of facilities	<b>112,416</b>	101,970
Other income	<b>74,290</b>	60,057
	<b>286,913</b>	274,614

**4 Investment income**

	<b>2024 Total funds £</b>	2023 Total funds £
Interest receivable	<b>63,696</b>	27,967
	<b>63,696</b>	27,967

**5 Expenditure**

	Staff costs £	Non-pay expenditure		<b>2024 Total funds £</b>	2023 Total funds £
		Premises £	Other costs £		
Academies educational operations					
- Direct costs	6,694,951	537,468	748,312	<b>7,980,431</b>	7,195,902
- Allocated support costs	726,280	928,356	743,603	<b>2,398,239</b>	2,413,876
	<b>7,420,931</b>	<b>1,465,824</b>	<b>1,491,915</b>	<b>10,378,670</b>	9,609,778

Net expenditure for the period includes:

	<b>2024 Total funds £</b>	2023 Total funds £
Operating lease rentals	<b>22,000</b>	16,144
Depreciation – owned assets	<b>537,468</b>	512,552
Auditor's remuneration:		
. Audit	<b>14,690</b>	13,600
. Other services	<b>11,310</b>	9,410

**6 Charitable Activities – Academy’s Educational Operations**

	<b>2024 Total funds £</b>	2023 Total funds £
<b>Direct costs</b>	<b>7,980,431</b>	7,195,902
<b>Support costs</b>	<b>2,398,239</b>	2,413,876
	<b>10,378,670</b>	9,609,778
<b>Analysis of support costs</b>		
Support staff costs	<b>726,280</b>	842,251
Technology costs	<b>76,195</b>	33,200
Premises costs	<b>928,536</b>	818,136
Legal costs - other	<b>1,696</b>	—
Other support costs	<b>635,081</b>	679,284
Governance costs	<b>30,451</b>	41,005
	<b>2,398,239</b>	2,413,876

**7 Staff**

**(a) Staff costs and other employee benefits**

Staff costs during the year were:

	<b>2024 Total funds £</b>	2023 Total funds £
Wages and salaries	<b>5,542,034</b>	5,080,424
Social security costs	<b>559,690</b>	504,922
Pension costs	<b>1,211,841</b>	1,180,092
	<b>7,313,565</b>	6,795,438
Agency staff cost	<b>107,366</b>	69,600
	<b>7,420,931</b>	6,835,038

**(a) Staff costs**

The average number of persons (including senior management team) employed by the charitable company during the year was as follows:

	<b>2024 No.</b>	2023 No.
Teachers	<b>86</b>	86
Administration and support	<b>84</b>	90
Management	<b>2</b>	2
	<b>172</b>	178

**7 Staff** (continued)

**(a) Staff costs** (continued)

	<b>2024</b>	2023
	<b>FTE.</b>	FTE.
Teachers	<b>82</b>	82
Administration and support	<b>63</b>	63
Management	<b>2</b>	2
	<b>147</b>	147

**(a) Staff costs**

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

	<b>2024</b>	2023
	<b>No.</b>	No.
£60,001 - £70,000	<b>5</b>	7
£70,001 - £80,000	<b>6</b>	2
£80,001 - £90,000	<b>1</b>	—
£110,001 - £120,000	<b>1</b>	1
	<b>13</b>	10

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £321,511 (2023: £304,076).

**(b) Central services**

No central services were provided by the academy trust to its academies during the period and no central charges arose.

**(c) Related party transactions – Trustees’ remuneration and expenses**

The staff trustees only receive remuneration in respect of services they provide undertaking the roles of staff members, and not in respect of their services as trustees. Other trustees did not receive any payments. The value of trustees' remuneration was as follows:

M Lewis (Executive Principal and Trustee):

Remuneration – £115,001 - £120,000 (2023: £110,001 - £115,000)

Employer's pension contributions paid – £30,001 - £35,000 (2023: £25,001 - £30,000)

**Trustees' expenses**

During the year ended 31 August 2024, no travel and subsistence expenses totalling were paid to trustees (2023 : £nil).

Other related party transactions involving trustees are set out in note 21.

**(d) Trustees’ and officers’ insurance**

In accordance with normal commercial practice, the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £1,000,000 on any one claim and the cost of this insurance is included in the total insurance cost.

**8 Tangible fixed assets**

	Leasehold land and buildings £	Inherited assets £	Assets under construction £	Furniture and equipment £	Computer equipment £	Total £
<b>Cost</b>						
At 1 September 2023	2,637,813	28,989,000	313,122	621,689	125,381	<b>32,723,005</b>
Transfers	297,141	—	(297,141)	—	—	—
Additions	462,682	—	—	48,295	38,500	<b>549,304</b>
At 31 August 2024	<b>3,397,636</b>	<b>28,989,000</b>	<b>15,981</b>	<b>669,984</b>	<b>163,881</b>	<b>33,236,482</b>
<b>Depreciation</b>						
At 1 September 2023	230,355	3,253,320	—	504,826	63,526	<b>4,052,027</b>
Charge for the year	58,646	402,160	—	57,068	19,766	<b>537,640</b>
At 31 August 2024	<b>289,001</b>	<b>3,655,480</b>	<b>—</b>	<b>561,894</b>	<b>83,292</b>	<b>4,589,667</b>
<b>Net book value</b>						
At 31 August 2024	<b>3,108,635</b>	<b>25,333,520</b>	<b>15,981</b>	<b>108,090</b>	<b>80,569</b>	<b>28,646,815</b>
At 31 August 2023	2,407,458	25,735,680	313,122	116,863	61,855	28,634,978

**Notes to the financial statements** Year to 31 August 2024

**9 Debtors**

	2024 £	2023 £
Trade debtors	2,050	3,232
VAT recoverable	24,249	66,968
Prepayments and accrued income	133,287	584,977
	<b>159,586</b>	<b>655,177</b>

**10 Creditors: Amounts falling due within one year**

	2024 £	2023 £
Trade creditors	134,079	363,019
Social security and other taxes	130,394	123,544
CIF loan	8,497	4,021
Other creditors	154,503	132,356
Accruals and deferred income	447,783	322,284
	<b>875,256</b>	<b>945,224</b>

	2024 £	2023 £
Deferred income at 1 September 2023	137,334	197,111
Released from previous years	(137,334)	(197,111)
Resources deferred in the year	206,765	137,334
<b>Deferred income at 31 August 2024</b>	<b>207,765</b>	<b>137,334</b>

**11 Creditors: Amounts falling due after more than one year**

	2024 £	2023 £
CIF loans:		
Due between 1-2 years	14,466	8,558
Due between 2-5 years	28,037	18,704
	<b>42,503</b>	<b>27,262</b>

The Trust conducts its educational activities from land and buildings on a long term rental basis. All property leases are executed at a peppercorn rent.

**12 Member's Liability**

Each member of the company undertakes to contribute to the assets of the Trust 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.



### 13 Movement in funds

	Balance at 1 September 2023 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2024 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	537,202	7,239,904	(6,883,781)	(56,694)	<b>836,631</b>
16-19 Core Funding	—	478,408	(478,408)	—	—
Pupil premium	—	350,492	(350,492)	—	—
UIFSM	—	153,493	(153,493)	—	—
Recovery premium	—	64,452	(64,452)	—	—
Teachers Pay Additional Grant	—	131,147	(131,147)	—	—
Teachers' Pension Employers Contribution Grant	—	92,533	(92,533)	—	—
PE and Sports Grant	—	19,520	(19,520)	—	—
Other grants	—	283,022	(283,022)	—	—
Local authority grants	—	709,213	(709,213)	—	—
Other income from the academy trust's educational operations	—	334,518	(334,518)	—	—
Pension reserve	(423,000)	—	52,000	155,000	<b>(216,000)</b>
	<u>114,202</u>	<u>9,856,701</u>	<u>(9,448,578)</u>	<u>98,306</u>	<u><b>620,631</b></u>
<b>Restricted fixed assets fund</b>					
DfE/ESFA capital grants	3,123,144	19,025	(110,858)	—	<b>3,031,311</b>
Transfer on conversion	25,735,680	—	(410,260)	—	<b>25,325,420</b>
Capital expenditure from GAG	198,740	—	(16,350)	56,694	<b>239,084</b>
	<u>29,057,564</u>	<u>19,025</u>	<u>(537,468)</u>	<u>56,694</u>	<u><b>28,595,815</b></u>
<b>Total restricted funds</b>	<u>29,171,766</u>	<u>9,875,726</u>	<u>(9,986,046)</u>	<u>155,000</u>	<u><b>29,216,446</b></u>
<b>Unrestricted funds</b>					
General funds	42,015	350,609	(392,624)	—	—
<b>Total funds</b>	<u>29,213,781</u>	<u>10,226,335</u>	<u>(10,378,670)</u>	<u>155,000</u>	<u><b>29,216,446</b></u>

### 13 Movement in funds (continued)

Comparative for movements in funds:

	Balance at 1 September 2022 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2023 £
<i>Restricted general funds</i>					
General Annual Grant (GAG)	234,441	7,266,855	(6,886,622)	(77,472)	537,202
Pupil premium	—	374,740	(374,740)	—	—
UIFSM	—	128,860	(128,860)	—	—
Catch-up and recovery premium	—	69,286	(69,286)	—	—
Supplementary grant	—	232,253	(232,253)	—	—
Other DfE/COVID-19 funding	—	—	—	—	—
Other grants	—	192,200	(192,200)	—	—
Local authority grants	—	583,397	(583,397)	—	—
Other income from the academy trust's educational operations	—	196,940	(196,940)	—	—
Pension reserve	(845,000)	—	(81,000)	503,000	(423,000)
	<u>(610,559)</u>	<u>9,044,531</u>	<u>(8,745,298)</u>	<u>425,528</u>	<u>114,202</u>
<i>Restricted fixed assets fund</i>					
DfE/ESFA capital grants	2,862,340	357,396	(96,592)	—	3,123,144
Transfer on conversion	26,137,840	—	(402,160)	—	25,735,680
Capital expenditure from GAG	135,068	—	(13,800)	77,472	198,740
	<u>29,135,248</u>	<u>357,396</u>	<u>(512,552)</u>	<u>77,472</u>	<u>29,057,564</u>
<i>Total restricted funds</i>	<u>28,524,689</u>	<u>9,401,927</u>	<u>(9,257,850)</u>	<u>503,000</u>	<u>29,171,766</u>
<i>Unrestricted funds</i>					
General funds	—	393,943	(351,928)	—	42,015
<i>Total funds</i>	<u>28,524,689</u>	<u>9,795,870</u>	<u>(9,609,778)</u>	<u>503,000</u>	<u>29,213,781</u>

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

#### Restricted general funds

These grants relate to the Academy Trust's development and operational activities.

The Trust is subject to limits on the amount of General Annual Grant funds can be carried forward from one year to the next. Details of these limits are included in note 1.

#### Pension reserve

The pension reserve relates to the Academy Trust's share of the deficits of the Hertfordshire County Council Local Government Pension Scheme.

#### Restricted fixed asset fund

These grants relate to funding received from the ESFA which have been used to purchase fixed assets.

### 13 Movement in funds (continued)

#### Analysis of fund balances by Academy

Fund balances at 31 August 2024 were allocated as follows:

	2024 £	2023 £
Thomas Alleyne Academy	528,673	355,447
Roebuck Academy	307,958	223,770
Total before fixed asset and pension reserve	836,631	579,217
Fixed asset fund	28,595,815	29,057,564
Pension reserve	(216,000)	(423,000)
<b>Total</b>	<b>29,216,446</b>	<b>29,213,781</b>

#### Total cost analysis by academy

Expenditure incurred by each academy during the year was as:

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £	Other Costs (excluding Deprecia- tion) £	2024 Total £
Thomas Alleyne Academy	4,712,916	709,914	500,643	1,268,203	7,191,676
Roebuck Academy	1,874,369	123,731	194,977	461,761	2,654,839
<b>Total</b>	<b>6,587,285</b>	<b>833,646</b>	<b>695,620</b>	<b>1,729,964</b>	<b>9,846,515</b>

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £	Other Costs (excluding Deprecia- tion) £	2023 Total £
Thomas Alleyne Academy	4,343,463	565,835	458,201	1,083,485	6,450,984
Roebuck Academy	1,789,497	136,243	232,363	475,847	2,633,950
<b>Total</b>	<b>6,132,960</b>	<b>702,078</b>	<b>690,564</b>	<b>1,559,332</b>	<b>9,084,934</b>

### 14 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	2024 Total funds £
<b>Fund balances at 31 August 2024 are represented by:</b>				
Tangible fixed assets	—	—	28,646,515	28,646,515
Current assets	—	1,703,390	—	1,703,390
Current liabilities	—	(866,759)	(8,497)	(875,256)
Long term liabilities	—	—	(42,503)	(42,503)
Pension liability	—	(216,000)	—	(216,000)
	—	620,631	28,595,515	29,216,146

**14 Analysis of net assets between funds** (continued)

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

	<i>Unrestricted funds</i> £	<i>Restricted funds</i> £	<i>Restricted fixed asset funds</i> £	<i>2023 Total funds</i> £
<i>Fixed assets</i>	—	—	28,634,978	28,634,978
<i>Current assets</i>	42,015	1,478,405	453,869	1,974,289
<i>Current liabilities</i>	—	(941,203)	(4,021)	(945,224)
<i>Long term liabilities</i>	—	—	(27,262)	(27,262)
<i>Pension liability</i>	—	(423,000)	—	(423,000)
	<u>42,015</u>	<u>114,202</u>	<u>29,057,564</u>	<u>29,213,781</u>

**15 Commitments under operating leases**

***Operating leases***

At 31 August 2024, the total of the Academy's future minimum lease payments under non-cancellable operating leases as follows:

	<b>2024</b> <b>£'000</b>	2023 £'000
Amounts due within one year	<b>9,591</b>	10,138
Amounts due between two and five years inclusive	<b>27,892</b>	31,942
Amounts due after five years	<b>19,389</b>	14,973
	<u><b>56,872</b></u>	<u>57,053</u>

**16 Pension and similar obligations**

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff. Both are multi-employer defined benefit schemes.

Prior to 31 August 2024, the latest actuarial valuation of the TPS related to the period ended 31 March 2020, and that of the LGPS related to the period ended 31 March 2022.

Contributions amounting to £158,751 (2023: £133,606) were payable to the schemes at 31 August 2024 and are included within creditors.

***Teachers' Pension Scheme***

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for 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.

## 16 Pension and similar obligations (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 actuarial valuation of the TPS which applied during the year ended 31 August 2024 was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 27 October 2023. The key elements of the valuation and subsequent consultation are:

- ◆ employer contribution rates set at 28.68% 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 £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million.

The latest actuarial valuation results, as at 31 March 2020, were released in October 2024. The valuation result is due to be implemented from 1 April 2024, from this date employer contribution rates will increase to 28.68% (including a 0.08% administration levy).

The employer's pension costs paid to TPS in the period amounted to £1,283,840 (2023: £1,180,000).

A copy of the valuation report and supporting documentation is on the [Teachers' Pension Scheme website](#).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy trust is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the academy trust has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above, the information available on the scheme.

**16 Pension and similar obligations (continued)**

***Local government pension scheme***

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee administered funds. The total contribution made for the year ended 31 August 2024 was £427,000 (2023: £398,000), of which employer's contributions totalled £336,000 (2023: £314,000) and employees' contributions totalled £91,000 (2023: £84,000). The agreed contribution rate is 23.8% for employers until 31 March 2024. The current employee contribution rates are between 5.5% and 12.5%. The employee contribution rates and / or pay bands will be reviewed periodically and may change in future. This is to maintain the average contribution from employees 6.5% and to ensure the long term costs of the scheme are managed.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of an academy trust closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on the GOV.UK website.

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

Retiring today	<b>2024</b>	2023
Males	<b>21.5</b>	21.1
Females	<b>23.6</b>	24.1
Retiring in 20 years		
Males	<b>21.1</b>	21.0
Females	<b>24.9</b>	25.1

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

	<b>2024</b>	2023
	<b>£</b>	<b>£</b>
Current service cost (net of employer contributions)	<b>264,000</b>	44,000
Interest income	<b>(196,000)</b>	(141,000)
Interest cost	<b>216,000</b>	178,000
	<b>284,000</b>	81,000

**16 Pension and similar obligations (continued)**

**Valuation of the Teachers' Pension Scheme (continued)**

Changes in the present value of the defined benefit obligation are as follows:

	2024 £	2023 £
Opening defined benefit obligation	4,037,000	4,020,000
Current service cost	264,000	358,000
Contributions by scheme participants	91,000	84,000
Interest cost	216,000	178,000
Actuarial gains	(12,000)	(496,000)
Benefits paid	(111,000)	(107,000)
	<b>4,485,000</b>	<b>4,037,000</b>

Changes in the fair value of scheme assets are as follows:

	2024 £	2023 £
Opening fair value of scheme assets	3,614,000	3,175,000
Contributions by employer	336,000	314,000
Contributions by scheme participants	91,000	84,000
Expected return	196,000	141,000
Actuarial gains/(losses)	143,000	7,000
Benefits paid	(111,000)	(107,000)
	<b>4,269,000</b>	<b>3,614,000</b>

The major categories of scheme assets as amounts of total scheme assets are as follows:

	2024 £	2023 £
Equities	2,476,000	1,843,000
Bonds	1,153,000	867,000
Property	512,000	506,000
Cash	128,000	398,000
<b>Total market value of assets</b>	<b>4,269,000</b>	<b>3,614,000</b>
<b>Present value of scheme liabilities</b>		
. Funded	4,485,000	(4,037,000)
<b>Deficit in the scheme</b>	<b>(216,000)</b>	<b>(423,000)</b>

Amount recognised in the statement of financial activities	2024 £	2023 £
Current service cost (net of employee contributions)	264,000	358,000
Interest income	(196,000)	(141,000)
Interest cost	216,000	178,000
<b>Total operating charge</b>	<b>284,000</b>	<b>395,000</b>
<b>Analysis of pension finance income/(costs)</b>		
Expected return on pension scheme assets	196,000	141,000
Interest on pension liabilities	216,000	178,000
<b>Pension finance income/(costs)</b>	<b>412,000</b>	<b>319,000</b>

**16 Pension and similar obligations (continued)**

***Valuation of the Teachers' Pension Scheme (continued)***

Principal actuarial assumptions at the Statement of Financial Position date (expressed as weighted averages):

	<b>2024</b>	2023
Rate of increase in salaries	<b>3.5%</b>	3.5%
Rate of increase for pensions in payment	<b>2.7%</b>	3.0%
Discount rate for scheme liabilities	<b>5.0%</b>	5.2%
Inflation assumption (CPI)	<b>2.7%</b>	3.0%
Commutation of pensions lump sums (pre April 2008)	<b>50.00%</b>	50.00%
Commutation of pensions lump sums (post April 2008)	<b>75.00%</b>	75.00%

**17 Capital commitments**

	<b>2024</b>	2023
	<b>£</b>	<b>£</b>
Contracted but not provided for in the financial statements	<b>469,000</b>	468,602

**18 Related Party Transactions**

The Trust made purchases for goods and services amounting to £256,558 (2023: £256,698) from North Hertfordshire College. There were no amounts outstanding at the year-end (2023: none).

During the year The Hart Schools Trust Ltd made purchases for goods and services from Hart Learning & Development amounting to £45,191 (2023: £nil). North Hertfordshire College and Hart Learning Group are deemed related parties via the connection to the sponsor of the Trust. There were no amounts outstanding at the year-end (2023: none).

The Hart Learning Group provided the Trust with the services of various employees under the Group organisation, including the CEO, Group Finance Director and Finance Manager, as part of a Service Level Agreement. The total cost of this to the Trust amounted to £16,738 (2023: £16,738). This amount is included in the total amount made for purchases of goods and services above.

North Hertfordshire College (which also trades as the Hart Learning Group) is deemed a related party because it acts as the Sponsor of the Hart Schools Trust. The Hart Learning Group provides corporate service functions for the Trust via a Service Level Agreement. In entering into this transaction, the academy trust has taken steps to ensure that the requirements of the Academy Trust Handbook are met including: benchmarking the cost of the agreement against similar agreements; receiving confirmation from the Board of the Hart Learning Group that the services are provided 'at cost'; considering the quality of provision delivered by the Hart Learning Group over the preceding years; and conducting a single



### 18 Related Party Transactions (continued)

tender procurement in line with its financial regulations. It submitted information in advance to the ESFA to seek written approval but did not receive this. However, the ESFA has given no directions in respect of terminating the agreement, which lasts for three years ( 2022/23, 2023/24 and 2024/25) and taking account of the fact that the Hart Learning Group is an exempt charity with similar aims and the same regulator, Trustees still consider that the arrangement represents value for money.

No other related party transactions took place in the period of account, other than certain trustee' remuneration and expenses already disclosed in note 9.

### 19 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2024 the academy trust received £4,156 (2023: £2,266) and disbursed £4,156 (2023: £2,940) from the fund. An amount of £nil (2023: £674) is included in other creditors relating to undistributed funds that is repayable to ESFA.

### 20 Comparative information

	Notes	Unrestricted general funds £	Restricted general funds £	Restricted fixed assets fund £	2023 Total funds £
<i>Income from:</i>					
Donations and capital grants	2	—	—	357,396	357,396
Other trading activities	4	274,614	—	—	274,614
<i>Charitable activities:</i>					
Funding for the academy's educational operations	3	91,363	9,044,531	—	9,135,894
Investment income		27,967	—	—	27,967
<b>Total</b>		<b>393,944</b>	<b>9,044,531</b>	<b>357,396</b>	<b>9,795,871</b>
<i>Expenditure on:</i>					
<i>Charitable activities:</i>					
Academy trust educational operations	5	351,929	8,745,298	512,552	9,609,779
<b>Total</b>		<b>351,929</b>	<b>8,745,298</b>	<b>512,552</b>	<b>9,609,779</b>
Net income (expenditure)		42,015	299,233	(155,156)	186,092
Transfers between funds	17	—	(77,472)	77,472	—
Actuarial gain on defined benefit schemes	20	—	503,000	—	503,000
Net movement in funds		42,015	724,761	(77,684)	689,092
Reconciliation of funds					
Total funds brought forward		—	(610,559)	29,135,248	28,524,689
<b>Total funds carried forward</b>		<b>42,015</b>	<b>114,202</b>	<b>29,057,564</b>	<b>29,213,781</b>