REGISTERED COMPANY NUMBER: 07902880 (England and Wales)

Report of the Trustees and

Financial Statements For The Year Ended 31 August 2020

for

Hall Cross Academy Trust

Allotts Business Services Ltd, Statutory Auditor
Chartered Accountants
Sidings Court
Lakeside
Doncaster
South Yorkshire
DN4 5NU

Contents of the Financial Statements For The Year Ended 31 August 2020

Hall Cross Academy Trust

Reference and Administrative Details
For The Year Ended 31 August 2020

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REGISTERED OFFICE	Hall Cross Academy Thorne Road Doncaster DN1 2HY
REGISTERED COMPANY NUMBER	07902880 (England and Wales)
AUDITORS	Allotts Business Services Ltd, Statutory Auditor Chartered Accountants Sidings Court Lakeside Doncaster South Yorkshire DN4 5NU
SOLICITORS	Wrigleys Solicitors 19 Cookridge Street Leeds LS2 3AG
BANKERS	Barclays Bank plc 3 High Street Doncaster DN1 1EG

Report of the Trustees
For The Year Ended 31 August 2020

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the period 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The principal activity of the Charitable Company is the operation of Hall Cross Academy to provide education for pupils and students of a range of ability between the ages of 11-18 serving a catchment area in central Doncaster. The Academy operates from two sites at Thorne Road, Doncaster (Upper School) and St. Michael's Road, Doncaster (Lower School). This is the primary object of the Academy Trust as set out in paragraph 4 of the Articles of Association of the Company Limited by Guarantee.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal aim and activity of the Academy Trust is to advance for public benefit the provision of education in the United Kingdom. In doing so it meets the requirements of the Funding Agreement signed by the Secretary of State for Education.

We aim to raise standards of learning by providing students with the knowledge, skills and understanding that they need to make healthy, positive life and lifestyle choices; enabling them to play an active and constructive role in their school and local community.

It provides a balanced and broad curriculum and meets the requirements of the Schools Admissions Code.

Our Mission in support of all our learners:

- To develop and define a sense of identity as they move from childhood to young adulthood and to take their place in the World.
- To refine their interests academically so that they can move confidently towards identified goals.
- To be able to participate fully in an exciting community and feel valued for their contributions.
- To make sense of the World as global citizens.
- To have access to wide ranging opportunities and experiences beyond the classroom.
- To enjoy a safe, secure and positive environment, confident that the adults know them and care for them as individuals.
- To experience success and be recognised and rewarded.

We believe that we must all hold each other to account to contribute to a dignified and mutually respectful environment. The belief underpins the standards and expectations we have for everyone at the Academy.

Academic Mission

- At our core is aspiration for academic success. Building on our proud history, we offer a diverse modern curriculum, personalised to the preferences and aspirations of every learner.
- Learners are supported in their progress and in their choices by experienced and well qualified professionals to advise and guide them in their next steps.
- Our teaching aims to stimulate authentic enjoyment of learning that is resilient and cultivates life-long interests.
- Results are significantly above National Averages in key categories.
- Our teachers see themselves as part of a professional learning community, pursuing continuous innovation and improvement on behalf of the students.

Variety of Experience

We aim to be more than just a school for our young people, with excellent opportunities for enrichment and personal development. Our dedicated staff provide many opportunities for participation beyond the classroom, including:-

- A wide range of high quality sporting activities and teams
- Creative, presentation and performance opportunities
- Leadership development and taking responsibility
- Work related learning and enterprise
- Curriculum and extra-curricular trips and visits
- Community and charity involvement
- Global citizenship and links with international schools

OBJECTIVES AND ACTIVITIES

Collaboration
Students are encouraged to work collaboratively, to identify their strengths as team contributors, cultivating:
- Mutual respect and support
- Personal confidence
- Skills to express oneself and ideas appropriately
- The ability to represent diverse viewpoints
- A culture of caring

Happy and Successful
- We believe that when we share in the celebration of individuals' success, we are all elevated and feel pride in ourselves and the school. Everyone participates in celebrations and awards events.
- We promise to see each person as an individual and allow them to shine and to feel valued for who they are, recognising whatever skills and talents they possess.

Objectives, Strategies and Activities
The Trustees recognise that equal opportunities should be an integral part of good practice within the workplace.

Our aim is an Academy which provides an atmosphere for learning based on equal opportunities for all and which incorporates the multi-cultural nature of the school and society:

- To give all students equal access to the whole curriculum and amenities of the school in order to achieve their full potential.
- To help pupils to understand the world in which they live and its cultural diversity.
- To prevent pupils being stereotyped or discriminated against in any way - by race, religion, gender or disability.
- To increase staff awareness of all aspects of equal opportunities and associated under-achievement.
- To involve all staff and all pupils in the effective implementation of the Equal Opportunities policy.

Public Benefit
The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy Trust's aims and objectives and in planning its future activities.

The key public benefit delivered by the Trust is the provision of a high quality of education to its students. The Academy seeks to provide the cultural, physical, spiritual as well as academic development of students.

The Academy is used heavily as a resource by the local community. Both sites are frequently used by community groups ranging from swimming clubs and churches to theatre groups, conferences and meetings. The Academy's lettings policy provides discounted rates for community groups.

STRATEGIC REPORT

Achievement and Performance

Coronavirus
Since we heard rumours of schools closing in the middle of March we kept abreast of the ever changing circumstances.

With governor support we initiated a round of screening for Covid-19 to reassure both students and staff that they were safe to be in school. This had the added benefit that our sick bays were not inundated with students claiming to be ill, it also gave parents the reassurance that their children didn't necessarily need collecting from school.

At the same time the executive leadership met to discuss forward planning in case of school closure, all the time not knowing that the school would eventually close. Between us we were able to ensure that as much ground was covered as possible in a short space of time.

Initially we decided to remove or condense mock exams to give students as much time with their subjects, at the time the exams were still scheduled to take place, at the same time teachers worked with students to ensure that they were familiar with google classroom to enable them to work from home should the need arise. Teachers were also provided with training to upskill them on this learning platform.

The IT department began to reconfigure the school Chromebooks to allow disadvantaged students to borrow them for use at home. We also began the process of RAG rating all students in terms of vulnerability. This enabled us to plan home visits and phone calls to ensure that no students were left at risk. The year managers phoned these students regularly to ensure that they were all well. At all times we kept parents informed with text links to website letters, all of which could be viewed on the website.

When the school closure was announced and the important news that exams were to be cancelled, we worked on two fronts, one to ensure that the Y13 and Y11's were able to leave school with some semblance of occasion, many were not only worried about their exams but also the shock that within days they were to leave a building for good and the community that most hold very dear. We also had to ensure that the remaining year groups would be reassured that home learning would be able to take place.

In terms of exams, we were notified very early that these would be cancelled with information about how they were to be administered following in the coming weeks.

Following the closure of the school, all staff set up google classroom to enable work to be set on a daily basis for students, the Head of the Departments monitored the quality of this. In many cases the schemes of work were adapted to enable the work to be done more easily. Parents were also given an email link to the line managers of every department to enable them to contact us should they be unhappy about the quality of the work. The only complaints we received were about students having too much work, and some parents struggling to keep their children at their desks. We also contacted the parents of students who weren't engaging to encourage them to do so. This is likely to present the biggest challenge when we return, as in general, those students who are less advantaged may have fallen even further behind their peers. We have planned the best way to enable them to catch up.

Since closure the school was open every day for a small number of students, whose parents are keyworkers, the Leadership Team manned the building. During this time, we also loaned out over 150 laptops to students without IT hardware and in one case a 'dongle' to a family without the internet.

Key Performance Indicators

Academic results

With the exams having been cancelled there was no immediate announcement about how results were to be awarded. Some of the exam boards began to start chasing schools for course work evidence, for applicable subjects. They realised very quickly that this was unfeasible due to their previously published June deadlines, as was the idea of asking schools to collate past mock exams as evidence in other subjects. The boards eventually came to the only obvious conclusion that they would have to trust the professionals who teach the students.

All students in every subject were awarded a grade which was sent to the exam boards at the end of May. In addition, we have had to rank students in every grade boundary for every subject. For example, in Maths the 15 students awarded a grade 9 have been ranked from 1 to 15. This allowed exam boards to reduce grades where they felt schools had been overly generous.

After entering the grades, we compared the nominal performance this year against last and challenged departments where there had been large improvements. We are comfortable that the grades awarded are the ones that the students could have achieved, if they had continued to make the progress that they were evidencing. It was down to the individual exam boards for each subject to moderate the grades.

STRATEGIC REPORT

Achievement and Performance – continued

Academic results - continued

It is important to note that the school's results will not be collected centrally by the DfE this year. There will not be any performance data published and Ofsted will not be given any data and will use the 2019 data set in any visits to schools next year.

In terms of sixth formers going on to University, grades were awarded in the same way as GCSE. Universities were left with the challenge of too many students, this was especially true of the 'red brick' universities who over offer places on the assumption that not all students meet the grade criteria.

Finally, all students received their grades in the normal way, and any appeals were made via the school to the exam boards, as normally happens. This year however the DfE announced that any students who were unhappy with their grades will be able to re-sit in the autumn. Normally this is just English and Maths GCSE. The results days were 13th August - A level and 20th August - GCSE, as always governors were welcome to take part. On the 20th we also enrolled the new sixth form, clearly if students have met the grade criteria they were admitted on their chosen courses. We expect greater numbers this year because of potential grade inflation. However, we created a timetable that can cope with approximately 300 students. As always we will ensure that students who can't make the jump between GSCE and A level are catered for in the autumn term.

In the period leading up to 31st August 2020 the following were achieved:

Key Stage 4
- Progress 8 score of 0.53
- Progress 8 score - English 0.29
- Progress 8 score - Maths 0.70
- Progress 8 score - Ebacc suite 0.38
- Progress 8 score - Open suite 0.65
- 52.5% achieving a good pass in English and Maths (grade 5 or above)
- 73% achieving a pass in English and Maths (grade 4 or above)
- 61.9% achieved a Good pass (grade 5 or above) in English
- 84.2% achieved a pass (grade 4 or above) in English
- 60.8% achieved a Good pass (grade 5 or above) in Maths
- 77% achieved a pass (grade 4 or above) in Maths

Key Stage 5
- 41.2 APS per entry (equivalent B grade average)
- 40.7% A*-A
- 66.9% A*-B
- 91.8% A*-C
- 100% A*-E
- 0.3 Academic L3VA
- 0.73 Vocational L3VA

STRATEGIC REPORT

Achievement and Performance – continued

Duke of Edinburgh Award Scheme - DoE
The Duke of Edinburgh Award is an exciting opportunity which we offer to all students across Key Stages 4 and 5. In Year 10 students begin their Bronze Award, culminating with a 2-day expedition in the Peak District. In Year 12 students begin their Gold Award, which requires a 4-night expedition. Previous Gold expeditions have been in areas such as the Yorkshire Dales, the North Pennines and even as far as Malawi. These Awards give students key opportunities to build many vital skills such as team building, resilience and problem solving as well as broadening students' experiences. Unfortunately, due to Covid-19, school closure and social distancing, the expeditions weren't possible this academic year. However, students put hard work into their Volunteering, Skill and Physical sections 'behind the scenes' even during lockdown and all students will be given the opportunity to complete their expeditions in the following academic year before moving on to their next steps in education.

Trips & Visits
Students took part in a wide ranging number of trips, visits and activities prior to the lockdown period, which put a halt to any further trips from March 2020 onwards. A selection of the trips, visits and activities that took place are:

- PE ski trip to Bormio, Italy with KS3 students
- Sherwood Pines, Nottinghamshire
- Geography trip to Castle Head Field Study Centre
- Sports visit to the Queen Elizabeth Olympic Park in London
- University trips to York and Loughborough
- Several PA theatre trips
- Yorkshire Sculpture Park

In total students experienced 28 day visits and 2 residential trips between September 2019 and March 2020.

Performing Arts
The Academy is pleased to continue to invest in Performing Arts, as a key signature of excellence and opportunity. The ICA-Perform identity and brand continues to broaden the curriculum offer in and around the normal school day. This academic year has seen the academy fund the involvement of two companies in The National Theatre Connections Festival. Alongside the usual upper school company, a second student company was set up to take part in the festival. This was an all-boys Key Stage 3 company created as a result of some focused workshopping around using literacy and the arts to engage boys. Both companies received positive feedback from their National Theatre Associate Directors following their home performance but lockdown sadly meant that the regional festival at CAST did not go ahead. However, our partnership with CAST remains strong supporting a number of our students with work experience placements and hosting our initial Year 12 enrichment programme.

The ICA-Perform whole school production of Sister Act was highly successful providing students with experience of working with professional set, costume and technical resources as a result of enhanced investment. Experiences such as these support our students in preparation for post-16/18 study including two students successfully gaining places at Backstage Academy. Although the Head of Performing Arts has relinquished his SLE role, he and the team continue to represent the academy and offer support, training and guidance to colleagues across the region including exam board training and subject specialist days. The team continue to represent Hall Cross and all Doncaster secondary schools on the Doncaster Cultural Education Partnership and as a member of the board for Doncaster Music Education Hub. The usual planned Arts TeachMeets that the academy leads on are on hold until next year. We continue our valued partnership with The National Theatre who brought their school's tour of The Curious Incident of the Dog in the Night-Time for the second year along with their associated CPD coordinated by the Academy. The Academy also co-leads on the South Yorkshire Dance hub in partnership with Horizon CC.

The Academy has continued to support a cohort of students as part of the Better Learners, Better Workers - Cultural Ambassadors programme. Some of these students have successfully completed their Bronze Arts Award and they are going to now work towards their Silver - a GCSE equivalent qualification, whilst some are half way through their Silver award. Some Post-16 students have successfully completed their Gold Arts Award Qualification which is equivalent to 16 UCAS points and this is now a formalised enrichment offer across the Academy.

Although paused due to global events, the Academy is in its next application round of Artsmark and continues to retain its Gold Artsmark Award status, still the only secondary setting in the locale to hold this. Plans are underway to reapply and aim for the Platinum level recognition and draw on broader expertise from other departments across the Academy whilst continuing to be outward looking.

STRATEGIC REPORT

Achievement and Performance – continued

Rewards
At Hall Cross Academy we place great emphasis on the importance of helping our students develop personal and social skills, leadership skills and a desire to help others in our school community. Our Rewards System is one way in which we celebrate students' achievements in these areas.

By helping at school events, taking part in sporting activities, competitions, concerts, organising activities, mentoring younger students, achieving excellence or making great improvement, students can be awarded certificates and gift vouchers.

The prize giving capped off another successful year of the rewards system and included the following:

- 43,894 points were awarded to students.
- 4,245 rewards were distributed that students bought using their points, ranging from sports equipment, stationery, chocolate and calculators.
- 670 students earned bronze badges.
- 218 students received silver badges.
- 208 students were awarded gold badges.
- 3 students were awarded 300 pts Badges

We hold an annual whole school awards evening, termly achievement reward assemblies for each year group and a graduation ceremony for Year 7s for our Hall Cross Baccalaureate programme.

Sport
Sport and Physical Education form an integral and highly valued part of school life at Hall Cross Academy.

Across the academic year 2019/20, the Academy has sought to broaden our learners experience through the provision of an extensive extra-curricular programme. A significant proportion of our student community have engaged in weekly extra-curricular activity through a range of clubs that take place both at lunchtime and after school.

This year our team of specialist staff and coaches led a busy schedule of training sessions and fixtures across the winter season. We entered regional and national competitions in disciplines including hockey, rugby, football, netball, indoor athletics, Cross Country, badminton, table tennis and basketball. We also established a range of community club partnerships that further enhanced student experience. This involved students accessing; top class facilities and coaches, tickets to live sporting events and selection as flag bearers for their National team.

For those students who have a keen interest in pursuing coaching and officiating, we offered a thriving Leadership Academy. Sports leaders and ambassadors received accreditation for developing their leadership skills and supporting the delivery of sporting events across the Academy and District.

Linacre Institute
The Linacre Institute supports some of our most able students in securing offers from the most competitive universities in the UK and abroad. Last year nine Year 13 students won places on the programme and those students went on to achieve fantastic offers from world leading universities including Oxbridge. One student was also supported by the charity in securing a full scholarship to a top US college. Linacre continue to support Hall Cross with training and updates on supporting our most able students, including a free conference for staff who manage our early applications. We look forward to welcoming the charity into the academy in November in order to recruit the next group of students.

Enterprise
Mental strength and well-being was a priority and many of the Council presented their ideas to Mr Swain, who fully supported the idea of the Upper Site having a student run 'well-being' room. This was to work alongside the 'Trailblazer' mental health programme that saw external support council workers offering their services to students who needed advice and guidance on improving their mental strength and resilience. This project will be revisited and relaunched.

STRATEGIC REPORT

Achievement and Performance – continued

Enterprise

Alongside this the Student Council were asked for representatives to be health ambassadors to work with Mr Swain and the DBHT to carve career pathways across health and social work with a particular view to offering work experience to interested sixth formers. Opportunities were made available for Hall Cross students to be involved in the flu jab campaign, role play scenarios, careers fair for Year 8 and training videos for bedside issues, with more future projects like this in the pipeline.

Social media has played a significant part in helping the Student Council advertise these projects. Twitter and Instagram accounts have allowed messages and reminders to be regularly shared; such as encouraging students to respond to the 'Student well-being survey' during lockdown.

These projects, along with food reviews, single use plastic and Student Council leadership elections were this year's discussion points.

Capital Developments

During the period under review, the school completed the following projects:
- Rebranding at Upper and Lower
- New lift installed at Upper
- New consumer boards fitted at both sites
- Mag lock fitted to 6th form entry gate at Upper for safeguarding
- Mag locks fitted to pedestrian entry gates at Lower for safeguarding
- New safeguarding fencing and gates at Upper, with mag locked pedestrian gate
- New car parking area created at Lower
- New air conditioning unit fitted in IT classroom at Upper
- Boys toilets (Leadership corridor) toilets have been refurbished at Upper
- New pumps (within the heating system) fitted at Lower
- New fire muster points at Lower
- New external door at Upper
- Resurfacing of playground at Lower
- Wall removed between offices at Lower to create a removal room
- Extension to hall at Lower to create a new canteen area
- Conversion of Café 3 to a Drama room
- Replacement of heating distribution pipework at Upper
- Second phase of a roofing project at Upper which saw one third of the schools' roofs being refurbished
- Refurbishment of swimming pool, including new ceiling, lighting, extraction and shower heads
- New secure Reception at Upper
- Refurbishment of the Gym and Fitness Suite at Upper
- New vehicular sliding gates at Lower
- Refurbishment of two classrooms in Christ Church House at Upper, including new ceilings
- New outside seating on both sites due to Covid-19
- New goal posts and gym equipment at Lower
- New media centre at Upper
- Continued investment in IT systems
- New LED lighting fitted in specific areas on both sites
- Re-decoration of corridors and numerous teaching rooms throughout the School

Key Financial Performance Indicators

The Academy acknowledges that its ability to continue to provide students with the continuing advancement of education is reliant upon the agreed public funding levels, distributed to the Academy in the form of a General Annual Grant (GAG).

The Academy accepts that its planned level of expenditure must not exceed its known income now and the future forecast income. In doing so it pays due regard to the high proportion of costs based on salaries and any forces influencing rising wage costs.

STRATEGIC REPORT

Going Concern

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

Promoting the Success of the Academy

Under section 172(1)(a) to (f) of the Companies Act 2006, the Board of Trustees must act in a way most likely to promote the success of the Academy, and in doing so must have regard to:

- the likely consequences of any decision in the long term
- the interests of the Academy's employees
- the need to foster the Academy's business relationships with suppliers, customers and others
- the impact of the Academy's operations on the community and the environment
- the desirability of the Academy maintaining a reputation for high standards of business conduct
- the need to act fairly as between members of the Academy

FINANCIAL REVIEW

Covid-19 presented us with some challenges to present a balanced budget. We undoubtedly saved some monies in areas such as department capitation, utilities, supply staffing, admin costs and transport. However, this was outweighed by the loss of income from school meals and lettings. To compensate for this, we furloughed our catering staff.

The total costs that we have incurred as a result of Covid-19 to 31 August 2020 is £22,003.

A claim to the DfE was submitted in July for £12,728. This was to cover additional, Covid related costs in continuing school operations between March and July 2020, please see breakdown below:
- Premises - £3,216
- Free School Meals - £3,948
- Additional cleaning - £3,424
- Other costs - £2,140

Most of the Academy's income is obtained from the Department for Education (DfE) in the form of recurrent grant, the use of which is restricted to particular purposes and included within the Funding Agreement between the Secretary of State for Education and Hall Cross Academy Trust.

The grants received from the DfE group during the period ended 31 August 2020 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Academy also receives grants for fixed assets from the DfE group. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2019) and the Academies Accounts Direction 2019 - 2020, such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the period ended 31 August 2020 the Academy received income of £11,321K (2019: £10,901K) from the DfE group in respect of General Annual Grant and other government grants, and £417K (2019: £1,019K) in the form of capital and maintenance grants. It also generated its own income of £686K (2019: £1,207K).

Total expenditure for the period amounted to £12,820K (2019: £13,189K) which included £767K (2019: £740K) of depreciation.

The net deficit for the period before actuarial movements arising from the Local Government Pension Scheme was £396K (2019: net deficit £62K).

FINANCIAL REVIEW

At 31 August 2020 the net book value of fixed assets was £15,389K and movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the students of the Academy.

The Academy held total fund balances at 31 August 2020 of £8,725K (2019: £9,359K) comprising a surplus of £342K on restricted general funds, a surplus of £783K on unrestricted general funds and £15,472K on the fixed asset funds. The Local Government Pension Scheme (LGPS) was in deficit by £7,872K at the year end.

Reserves Policy

The Board of Trustees reviews the reserve levels of the Academy Trust annually at the year-end and as a part of its budget planning process. This review encompasses the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves. Trustees determine what the level of uncommitted reserves should be. The aim is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

As a part of its monitoring of in-year financial performance the Board of Trustees reviews the forecast impact on reserves and considers this as a part of its medium term financial planning. During 2020 the Board of Trustees planned to establish a reasonable level of restricted general reserves at the year-end in order to enable it to both manage unforeseen emergencies and also to enable planned use over the medium term to lessen any budget shortfalls.

As at 31 August 2020 the Academy Trust held total general funds (restricted and unrestricted) of £1,125K which it plans to use in part as a component of that medium term financial plan.

Under Accounting Standard FRS102 it is necessary to charge projected deficits on the Local Government Pension Scheme that is provided for our non-teaching staff to a specific restricted reserve. As at 31 August 2020 the deficit on this reserve amounted to £7,872K. However, this pension liability does not present the Academy Trust with a current liquidity problem as any necessary increase in employer pension contributions will be over a period of years as calculated by the scheme actuary.

The fixed asset fund represents the net book value of fixed assets plus unspent capital grants less unpaid capital creditors. This fund can only be realised from the sale of the fixed assets.

The DfE expects academy trusts to use their allocated funding for the full benefit of their current pupils. Therefore, it is important that, if the trust has a substantial surplus, a clear plan is in place for how it will be used to benefit their pupils. To that end, budget forecasts are sent to the ESFA to declare any unspent funds expected to be carried forward at the end of the financial year. The ESFA will verify the sums of unspent funds when it checks the trust's accounts and highlight and report, to the relevant DfE Boards, any cases where it has serious concerns about a long-term substantial surplus with no clear plans for use.

Reserves are the resources the Academy has or can make available to spend for any or all of the Academy's purposes once it has met its commitments and covered its other planned expenditure. More specifically, reserves are incomes which become available to the Academy and are to be spent at the trustees' discretion in furtherance of any of the Academy's objectives.

Fundamentally reserve funds allow the organisation to survive periods where income may be adversely affected, giving time to explore other funding options or development of new or changed services which might be funded.

Investment Policy

The Trustees have resolved to invest any funds available in a short term and low risk bank deposit account.

FINANCIAL REVIEW

Management, Monitoring and Review

On-going fund management will be the responsibility of the Business Manager. Monitoring of reserves will be continuous and the subject of a report by the Business Manager to the Finance and Resources Committee on a termly basis.

Reserve funding is reviewed on an annual basis by the ESFA via the Academy Trust Budget Forecast Return and the annual return; together with an assessment of appropriate future reserve levels by the Business Manager, to the Finance and Resources Committee.

Principal Risks and Uncertainties

The Academy Trust has established a Risk Management Strategy and Risk Register as reported within the Statement of Internal Control. Top financial risks that it has identified and are managing include: the ever present difficulties in achieving planned increases in student numbers and inability to deliver forecast necessary savings over the medium term and maintain sustainable improvements in student performance. The Academy Trust has initiated actions in order to mitigate these risks.

Risk Management

The Trustees have assessed the major risks to which the Academy Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances. The Trustees are satisfied that systems and procedures are in place to mitigate the exposure to major risks.

The key controls used by the Academy Trust include:

- Formal agendas for Trustees' meetings.
- Detailed terms of reference for all committees
- A clear Development Plan identifying key strategic planning objectives and the resources required to achieve them.
- Comprehensive budget planning, monitoring and review.
- Clear financial delegation levels.
- Formal written policies reviewed on a regular basis.
- Performance Management and Staff Training programme.
- Clear safeguarding and vetting procedures as required by law to protect children and young people.
- Rigorous review of educational achievement to ensure continuing high standards.
- Comprehensive planning and review of admissions processes.

Financial and Risk Management Objectives and Policies

In 2013 the Academy formalised its risk management arrangements. In 2015 it both approved a Risk Management Strategy and reviewed the Strategic Risk Register. The Strategic Risk Register will be reviewed at least annually by the Trustees Finance & Resources committee.

The Risk Management Policy forms part of the Academy's internal control and governance arrangements and aims to identify the likelihood of a risk occurring, its impact and actions that are being taken to mitigate the risk.

Risks included on the Register are varied but include:-

- Strategic and Reputational
- Operational
- Compliance
- Financial

FINANCIAL REVIEW

Financial and Risk Management Objectives and Policies - continued

In addition the register records existing and proposed controls to minimise risk. The Academy also has a Data Disaster Recovery Policy in case of ICT failure. Some significant financial risks such as public and employee liability are covered by Insurance.

The Academy operates systems of internal financial control and checks and these are examined periodically by the Academy Trust's external auditors. During 2015 a number of improvements were put in place to strengthen the Academy's internal controls. The Academy regularly and closely monitors its current and projected cash/liquidity position and requirements.

The Academy also produces a Statement of Internal Control which relates to financial management and effectiveness of financial systems.

FUNDRAISING

Under the provision of the Charities (Protection and Social Investment) Act 2016 the Academy pursues the following areas in its approach to fundraising activities. As an Academy from time to time we may ask the public for money to help people in need within our society. In return for charitable donation the Academy will act in a considerate and responsible way ensuring clear transparency with the collection and payment of all charitable monies.

a) The Academy's approach to Fundraising:

Fundraising in Schools offers the child a positive opportunity for involvement in helping others by raising funds. It is important that trust is at the heart of all fundraising with school children.

The Academy made the following donations during 2019/2020:
- South Yorkshire Community Foundation - £325 (money towards helping flood victims)
- Doncaster Housing for Young People - £325
- Changing Lives - £325
- Children in Need - £291
- The Royal British Legion - £50 (poppy donation)

Not as many fundraising activities took place during the academic year of 2019/20 - this was mainly down to the Student Council discussing new fundraising ideas. The amounts above were raised through a non-uniform day and a cake bake sale. Of course the academic year finished in March and so no other events happened after this point.

b) Oversight / Working with commercial participators and professional Fundraisers: The Academy does not enter into any agreements with any commercial participator or Professional fundraisers. All fundraising activities are organised by the Academy with all appropriate risk assessments completed.

c) Conforming to recognised Standards: The Academy trust will conform to their legal duties when overseeing the Academy's fundraising activities. The Academy will adhere to six principles to help them achieve this:

- Planning effectively by ensuring that the Academy agrees sets and then monitors the Academy's overall approach to fundraising. The trustees will take into account risks, values and ethos of the Academy and relationships with the wider public.
- Supervision of fundraisers by ensuring that systems are in place to oversee charitable activities.
- Ensuring strong management of assets and resources to meet legal trustee duties.
- Compliance of laws and regulations as some of these can be detailed and complex. This covers compliance in areas such as data protection, licensing and working with commercial partners. The Academy will always refer to the Charities (Protection and Social Investment) Act 2016 for reference and compliance.
- Identifying and following any recognised standards that apply to the Academy's fundraising activities.
- Being Open and accountable by complying with statutory accounting and reporting requirements on fundraising and operating appropriate systems that demonstrate that any charitable activity is well run and effective. All fundraising events are communicated in an open and transparent way to the Academy's charity donors and supporters.

FUNDRAISING

d) Monitoring of Fundraising: The Academy Trustees through regular updates and communication are aware of the Charity's overall financial position. The Academy can demonstrate how fundraising supports its long term strategy and vision, an effective system is in place to ensure:

- The academy's sources of income are easily identifiable.
- A realistic whole school target is set in terms of fundraising.
- Any investment of the charity's money is balanced with expected income, ensuring it is an appropriate investment.
- Individual business plans and budgets are, where appropriate, drawn up for any new or significant fundraising activities.
- The progress and financial performance of charitable activities including costs and any risk are monitored.

e) Fundraising complaints: The Academy has an effective and robust procedure for dealing with complaints. The complaints procedure is accessible, open and transparent and ensures that any concerns raised by the public, supporters, donors or others are addressed in a timely and direct fashion.

The Academy seeks to protect the public, inclusive of vulnerable people, from unreasonable intrusive or persistent fundraising approaches and undue pressure to donate to fundraising/charitable events.

PLANS FOR FUTURE PERIODS

The Academy will continue striving to improve the levels of performance of its students in all areas and will continue its efforts to ensure all students are secure in their next steps on leaving the Academy with regard to employment or continuing in training or formal education. The Academy continuously strives to be at the forefront of innovation in education and we are perpetually revising our curriculum offer to suit the needs of our students.

As the Academy continues to go from strength to strength, we are better able to exploit partnerships with local schools. We are keen to further develop our partnerships with our local primary schools, to work on innovative models of delivery and share our expertise and facilities.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

Hall Cross Academy Trust and its Trustees do not act as third party custodial trustees.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust was incorporated on 9 January 2012 and opened as an Academy on 1 February 2012. The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's memorandum and articles of association are the primary governing documents of the Academy Trust.

The Trustees of Hall Cross Academy Trust also the directors of the charitable company for the purposes of company law. The Charitable Company is known as Hall Cross Academy Trust. Details of the Trustees who served throughout the year and to the date these accounts are approved are included in the Reference and Administrative Details on page 1.

Members' Liability

The liability of the members of the Academy Trust is limited. Every member of the Academy Trust undertakes to contribute such amount as may be required (not exceeding £10) to the Academy Trust's assets if it should be wound-up while he or she is a member or within one year after he or she ceases to be a member and of the costs, charges and expenses of winding-up, and for the adjustment of the rights of the contributories amongst themselves.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Trustees' Indemnities

As required by Chapter 7, Section 236 of the Companies Act, we disclose that every Trustee or other officer or auditor of the Academy Trust shall be indemnified out of the assets of the Academy Trust against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default breach of duty or breach of trust in relation to affairs of the Academy Trust.

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £1,000,000 in any one year.

Method of Recruitment and Appointment or Election of Trustees

The Academy Trust has the following capacity for Trustees:

- A minimum of two Parent Trustees which have to be elected by parents of registered pupils at the Academy.
- Staff Trustees - the Members may appoint Staff Trustees through such process as they may determine, provided that the total number of Trustees (including the Headteacher) who are employees of the Academy Trust does not exceed one third of the number of Trustees.
- Up to three Trustees can be co-opted by the Board of Trustees.
- The Headteacher (deemed Principal).
- Members can then appoint up to eight Trustees.
- Whilst additional Trustee(s) can be appointed by the Secretary of State, the Secretary of State has not exercised this right for the Hall Cross Academy Trust.

The number of Trustees shall be not less than three but shall not be subject to any maximum.

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees will depend on their existing experience. Where necessary induction will include training on educational, legal and financial matters. All new Trustees will be given the opportunity to tour the Academy and have the chance to meet with staff and students.

All Trustees are also provided with copies of key documents, such as policies, procedures, accounts, budgets, plans and other documents they need to undertake their role. Since there is expected to be only a small number of new Trustees a year, induction will be carried out informally and will be tailored specifically to the individual.

Organisational Structure

The Academy's organisational structure consists of two primary levels: the Trustees and the Senior Management Team. Below the Senior Management Team is the Middle Leaders Group which consists of Heads of Department, senior Pastoral Staff and other staff holding teaching & learning responsibility points.

The Board of Trustees' primary role is to approve the strategic direction and objectives of the Academy and monitor its progress towards those objectives. To do this effectively, the Board of Trustees has created various committees:-

- Strategic Committee - includes the Chair of Trustees, the Vice-Chair and the Chair of each Committee
- Finance and Resources Committee (meets at least three times per year)
- Standards & Progress (meets at least three times per year)
- Staffing Committee (meets at least three times per year)
- Pupil Welfare Committee (meets at least three times per year)

All of these committees report to the Full Board of Trustees which meets six times per year.

The Trustees have approved a scheme of financial delegation that allows budgetary responsibility to be delegated, through the Principal, to the lowest level. Trustees are responsible for setting general policy, approving the strategic plan, adopting and approving the annual plan and budget and making major decisions about the direction of the Academy including capital expenditure and major staff appointments.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational Structure - continued

The Senior Management Team control the Academy at an executive level, implement the policies approved by Trustees and report to Trustees through the various Committees and at the Full Board of Trustees' meetings. The Principal is the Academy Accounting Officer.

The Academy's Development Plan is reviewed annually and has established specific targets in the following areas:
- **Achievement**: the climate in the school engenders a desire to do one's best and provides the conditions for continual progress.
- **The Quality of Teaching**: teaching provides a range of stimulating and engaging learning experiences and promotes independent learning and personal growth. Teaching is always at least good and students make rapid and sustained progress.
- **Leadership**: the climate established by the school leadership is one of collective, purposeful professionalism, based on mutual respect and clearly linked to common aims.
- **The Climate for Learning:** students and staff work in a mutually tolerant, positive and safe environment which in turn elicits good responses and provides the conditions for engagement and collaboration. People are recognised for their efforts and feel valued.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Academy follows the agreed Pay Policy which is approved by the Governing Body annually and determines the pay progression and setting of pay for the Principal and other Leadership posts. With regard to the Principal the Governing Body will assign a seven point Individual School Range (ISR) having regard to the complexities and responsibilities of the post, in particular the financial and resources responsibilities, and taking into account market factors for jobs of a similar status/responsibility. Progression of the Principal up the Leadership Spine will be determined by the Chair of Governors following a successful review as advised by the Academy's School Improvement Plan. The Chair of Governors will make recommendations to the Governing Body.

Other Leadership Posts

The Governing Body will determine a 5 point pay range for all other leadership posts from within the leadership scale contained in the School Teachers' Pay and Conditions Document. The range for individual posts will be determined according to the duties and responsibilities of the post and may vary between posts. A post with a designated Vice Principal role in the absence of the Principal will be remunerated accordingly above the range for other leadership posts. The Governing Body will ensure that there is no overlap of pay points between the Principal and any other leadership post.

Trade Union Facility Time

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, where an academy trust has more than 49 full time equivalent employees throughout any 7 months within the reporting period, it must include information in Schedule 2 of the Regulations.

Relevant Union Officials

Number of Employees who were Relevant Union Officials During the Relevant Period	Full Time Equivalent Employee Number
1	1

Percentage of time spent on facility time

Percentage of Time	Number of Employees
0%	0
1-50%	1
51-99%	0
100%	0

Percentage of pay bill spent on

The cost to the academy trust was £NIL as all costs are recharged.

Hall Cross Academy Trust

Report of the Trustees
For The Year Ended 31 August 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Related Parties and other Connected Charities and Organisations

The Academy is a member of the Yorkshire Education Trust, which was a partnership of four secondary schools, used to provide additional opportunity for the staff and students of Hall Cross Academy. Two of those secondary schools have since detached themselves from this arrangement and so the Yorkshire Education Trust is dormant at the time of writing.

In addition, the Academy operates within other partnerships, including:-

- Working alongside other Doncaster secondary schools, Doncaster ITT Partnership (accredited provider) and Hull University to provide QTS and PGCE qualifications for teacher training. We are licensed to deliver School Direct and SCITT. This year we have supported fourteen trainees, four trainees from the DRAFTT's programme were appointed to full time posts in September 2020, as were two from Sheffield Hallam ITT. The bid for the 2021/22 cohort has been approved with recruitment taking place across the 2020/21 year. Going forward we are the Lead School for the Doncaster ITT Partnership.
- Working in partnership with Sheffield Hallam University to support four trainees with their teacher training programme in Maths.
- Successful alliance with Partners in Learning for Newly Qualified Teacher provision and statutory assessment. Nine NQT's successfully completed the programme.
- Hall Cross is working collaboratively as part of the Post 16 group in Doncaster, to drive through improvements in Post 16 outcomes across the borough. This activity is funded by Opportunity Area funding.

Engagement with employees (including disabled persons)

The Academy Trust is committed to ensuring equality of opportunity for all who learn and work here. We respect positively differences in race, gender, sexual orientation, ability, class and age. We strive vigorously to remove conditions which place people at a disadvantage and we actively combat bigotry.

The Academy Trust considers all applications from disabled persons, bearing in mind the aptitudes of the individuals concerned. Where an existing employee becomes disabled, every effort is made to ensure that employment with the Trust continues. The Trust's policy is to provide training, career development and opportunities for promotion, which are, as far as possible, identical to those for other employees.

The Academy Trust works with employee trade unions and professional associations and engages in consultation, as required, to ensure that all aspects of the academy affecting its employees, including financial and economic factors, are discussed, conveyed and consulted on with them.

From March 2020 the majority of staff were working from home, following school closures due to Covid-19. Throughout this period, we kept in touch with all staff through the line management structure, to monitor staff wellbeing and address any matters of concern to them. Employees are encouraged to contribute and be actively involved in the Academy's strategic direction, this continued during lockdown

AUDITOR

In so far as the Trustees are aware:

- There is no relevant audit information of which the Charitable Company's auditor is unaware.
- 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.

Allotts Business Services Ltd, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies 2006, unless the Charitable Company receives notice under section 488(1) of the Companies Act 2006.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 14 December 2020 and signed on the board's behalf by:

D Westwood - Chair

Hall Cross Academy Trust

Governance Statement
For The Year Ended 31 August 2020

Scope of Responsibility
As trustees, we acknowledge we have overall responsibility for ensuring that Hall Cross Academy Trust has an effective and appropriate system of control, financial and otherwise. However such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement of 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 the trustees has delegated the day-to-day responsibility to the Principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Hall Cross Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the statement of Trustees' responsibilities. The Board of Trustees has formally met four times during the year. Six meetings were scheduled, but due to Covid-19 only four went ahead. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings Attended	Out of a possible
D Westwood (Chair)	2	4
D Cox (resigned 17.6.2020)	3	3
T Drabble	4	4
J Foxton	4	4
P Harper	4	4
J Hewitt	4	4
T Hince	4	4
A King	4	4
S Masterman (resigned 13.12.2019)	2	2
L Parish (Vice-Chair)	2	4
S Swain	4	4
T Thorpe	4	4
A Townsend	3	4
T Abdul (resigned 16.7.2020)	2	4
R M Williams	3	4

Governance Reviews
The current members of the Trust have continued to review the membership and effectiveness of both the Full Board and the several committees. Members have been aligned to serve on a committee which better matches their specific skill set and expertise. The next review of governance will take place before 31st August 2021. During the year, the Governing Body also reviewed the terms of reference for each committee.

Governors are highly effective and heavily involved in setting the strategic direction of the school. They have a good understanding of the school's performance data and are kept well informed about strengths and weaknesses in teaching. They also make use of financial data including actual management account figures to date compared with budgets, detailed forecast for the remainder of the financial year and future years and cash flow forecasts prepared on a monthly basis which enable informed decisions to be made.

The Finance and Resources Committee is a sub-committee of the main Board of Trustees. Its purpose is:

- To assist the decision making of the Board of Trustees, by enabling more detailed consideration to be given to the best means of fulfilling the Board of Trustees' responsibility to ensure sound management of the Academy's finances and resources, including proper planning, monitoring and probity.
- To make appropriate comments and recommendations on such matters to the Board of Trustees on a regular basis.
- To refer major issues to the full Board of Trustees for ratification.

Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
A Townsend (Chair)	4	4
S Swain	4	4
T Abdul	-	4
R M Williams	4	4
Associate Members		
K Brown	4	4

Governance Statement
For The Year Ended 31 August 2020

Review of Value for Money
As Accounting Officer the Principal has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

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

- Ensuring adherence to Financial Regulations.
- Incorporating recommendations from the external reviewer and external auditor for improved management of Academy finances.
- Complying with the Scheme of Delegation and obtaining more than one quote for larger items of expenditure.
- Monitoring the needs of students and ensuring the support they received was appropriate.
- Targeted resourcing in key subject areas such as English and Maths.

The Academy regularly benchmarks financial performance against other Academy Trusts to demonstrate that the Trust provides good value for money.

The Trust has internal controls in place to ensure strict financial procedures are followed. The Executive Group receives regular budget reports which are analysed to identify areas of overspend and underspend. Regular monitoring ensures the best use of resources and prevents waste.

Covid-19 has adversely impacted on value for money, as the Trust applied the Government's guidance notes on making PPNs. The aim of this was to support suppliers at risk, ensuring business and service continuity, protect jobs and ensure suppliers were in a position to resume normal contract delivery once the lockdown eased. In complying with the guidance the Trust continued to pay suppliers that were temporarily not providing a service e.g. alternative provision for students and removal of waste.

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 Hall Cross Academy Trust for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk
The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. The Trustees have appointed Allotts Business Services Ltd, the external auditor, to perform additional checks.

The latest FRC Ethical Standard prohibits the external auditor providing internal audit services so this arrangement will be replaced for the year to 31 August 2021.

Allotts Business Services Ltd's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. On a regular basis, Allotts Business Services Ltd will report to the Finance and Resources Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and annually prepare a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The checks carried out during the year included:
- testing income
- testing accounting systems

Only one review was carried out in the year because government restrictions imposed as a result of the Covid-19 pandemic prevented further reviews being undertaken.

No material control issues were identified from the one review that was undertaken.

Review of Effectiveness
As Accounting Officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the reviewer;
- the work of the external auditor;
- the financial management and governance self-assessment process or the school resource management self-assessment tool;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of trustees on 14 December 2020 and signed on its behalf by:

D Westwood - Chair

S Swain - Accounting Officer

Statement on Regularity, Propriety and Compliance
For The Year Ended 31 August 2020

As accounting officer of Hall Cross Academy Trust I have considered my responsibility to notify the charitable company board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the charitable company, under the funding agreement in place between the charitable company and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the charitable company board of trustees are able to identify any material irregular or improper use of funds by the charitable company, or material non-compliance with the terms and conditions of funding under the charitable company's funding agreement and the Academies Financial Handbook 2019.

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.

S Swain - Accounting Officer

14 December 2020

Trustees' Responsibility Statement
For The Year Ended 31 August 2020

The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with the Annual Accounts Direction issued 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those 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 2019 to 2020;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 the 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 14 December 2020 and signed on its behalf by:

D Westwood - Chair

Report of the Independent Auditors to the Members of Hall Cross Academy Trust

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Matters on which we are required to report by exception

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

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

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

Report of the Independent Auditors to the Members of Hall Cross Academy Trust

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

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

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

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

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

E Yates

Elizabeth Yates BSc ACA (Senior Statutory Auditor)
for and on behalf of Allotts Business Services Ltd, Statutory Auditor
Chartered Accountants
Sidings Court
Lakeside
Doncaster
South Yorkshire
DN4 5NU

5 January 2021

Independent Reporting Auditor's Assurance Report on Regularity to Hall Cross Academy Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 4 September 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Hall Cross Academy Trust during the period 1 September 2019 to 31 August 2020 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 Hall Cross Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Hall Cross Academy Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Hall Cross Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Hall Cross Academy Trust's accounting officer and the reporting auditor
The accounting officer is responsible, under the requirements of Hall Cross Academy Trust's funding agreement with the Secretary of State for Education dated 31 March 2012 and the Academies Financial Handbook, extant from 1 September 2019, 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 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 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 Academies Accounts Direction 2019 to 2020 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

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

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 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Allotts Business Services Ltd

Reporting Accountant
Elizabeth Yates BSc ACA (Senior Statutory Auditor)
for and on behalf of Allotts Business Services Ltd, Statutory Auditor
Chartered Accountants
Sidings Court
Lakeside
Doncaster
South Yorkshire
DN4 5NU

5 January 2021

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
For The Year Ended 31 August 2020

	Notes	Unrestricted fund £'000	Restricted funds £'000	Fixed Asset fund £'000	2020 Total funds £'000	2019 Total funds £'000
INCOME AND ENDOWMENTS FROM						
Donations and capital grants	3	-	-	417	417	1,019
Charitable activities						
Funding for the academy's educational operations	4	-	11,760	-	11,760	11,477
Other trading activities	5	178	63	-	241	623
Investment income	6	6	-	-	6	8
Total		184	11,823	417	12,424	13,127
EXPENDITURE ON						
Charitable activities						
Academy's educational operations	8	118	11,935	767	12,820	13,189
NET INCOME/(EXPENDITURE)		66	(112)	(350)	(396)	(62)
Transfers between funds	20	-	(290)	290	-	-
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit schemes	21	-	(238)	-	(238)	(2,392)
Net movement in funds		66	(640)	(60)	(634)	(2,454)
RECONCILIATION OF FUNDS						
Total funds brought forward		717	(6,890)	15,532	9,359	11,813
TOTAL FUNDS CARRIED FORWARD		783	(7,530)	15,472	8,725	9,359

The notes form part of these financial statements

Balance Sheet
31 August 2020

	Notes	2020 £'000	2019 £'000
FIXED ASSETS			
Tangible assets	13	15,389	15,135
CURRENT ASSETS			
Stocks	14	6	8
Debtors	15	239	1,155
Cash at bank		1,747	1,464
		1,992	2,627
CREDITORS			
Amounts falling due within one year	16	(784)	(1,173)
NET CURRENT ASSETS		1,208	1,454
TOTAL ASSETS LESS CURRENT LIABILITIES		16,597	16,589
PENSION LIABILITY	21	(7,872)	(7,230)
NET ASSETS		8,725	9,359
FUNDS	20		
Unrestricted funds:			
General fund		783	717
Restricted funds:			
Fixed Asset fund		15,472	15,532
General fund		342	340
Pension reserve		(7,872)	(7,230)
		7,942	8,642
TOTAL FUNDS		8,725	9,359

The financial statements were approved by the Board of Trustees and authorised for issue on 14 December 2020 and were signed on its behalf by:

D Westwood - Chair

Hall Cross Academy Trust

Cash Flow Statement
For The Year Ended 31 August 2020

	Notes	2020 £'000	2019 £'000
Cash flows from operating activities			
Cash generated from operations	1	507	251
Net cash provided by operating activities		507	251
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,370)	(268)
Capital grants received		1,140	296
Interest received		6	8
Net cash (used in) / provided by investing activities		(224)	36
Change in cash and cash equivalents in the reporting period		283	287
Cash and cash equivalents at the beginning of the reporting period		1,464	1,177
Cash and cash equivalents at the end of the reporting period		1,747	1,464

The notes form part of these financial statements

Notes to the Cash Flow Statement
For The Year Ended 31 August 2020

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £'000	2019 £'000
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(396)	(62)
Adjustments for:		
Depreciation charges	767	740
Capital grants	(417)	(1,019)
Interest received	(6)	(8)
Pension scheme finance costs	126	112
Pension scheme cost less contributions	278	460
Decrease in stocks	2	-
Decrease/(increase) in debtors	193	(99)
(Decrease)/increase in creditors	(40)	127
Net cash provided by operations	507	251

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.19 £'000	Cash flow £'000	At 31.8.20 £'000
Net cash			
Cash at bank and in hand	1,464	283	1,747
	1,464	283	1,747
Total	1,464	283	1,747

Notes to the Financial Statements
For The Year Ended 31 August 2020

1. **STATEMENT OF ACCOUNTING POLICIES**

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

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements
The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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), Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2019 to 2020 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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

Income
All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

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

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

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

Donations
Donations are recognised on a receivable basis (where there are no performance related conditions), where it is probable that the income will be received and the amount can be measured reliably.

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.

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

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

continued...

2. **ACCOUNTING POLICIES - continued**

Donated fixed assets
The Academy's land and buildings are on a 125 year lease from Doncaster Metropolitan Borough Council. No premium was paid and the rent is one peppercorn. The building was valued on conversion at depreciated replacement cost and is depreciated over the remainder of its expected life. Land was valued at the market value and is depreciated over the length of the lease.

Other fixed assets transferred on conversion were valued at original cost less depreciation to the date of conversion.

Expenditure
Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

All resources expended are inclusive of irrecoverable VAT.

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

Governance costs
These include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

Tangible fixed assets
Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. 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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy.

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

Leasehold land	over 125 years, being the length of the lease
Inherited buildings	over 29 years, being the remainder of the life of the buildings
Leasehold improvements	over the remaining lease term
Fixtures, fittings and equipment	over 5 years
Computer equipment	over 3 years
Motor vehicles	over 5 years

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

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.

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 15. Prepayments are not financial instruments.

continued...

2. ACCOUNTING POLICIES - continued

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 16. 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.

Stocks
Unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

Taxation
The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

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

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

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

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

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

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

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

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.

continued...

2. ACCOUNTING POLICIES - continued

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.

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

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in the Pension and Similar Obligations note, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. DONATIONS AND CAPITAL GRANTS

	Unrestricted funds £'000	Restricted funds £'000	2020 Total funds £'000	2019 Total funds £'000
Grants	-	417	417	1,019

Grants received, included in the above, are as follows:

	2020 £'000	2019 £'000
Capital grants from DfE/ESFA	41	1,004
Capital grants from Local Authority	376	15
	417	1,019

4. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £'000	Restricted funds £'000	2020 Total funds £'000	2019 Total funds £'000
Grants	-	11,321	11,321	10,901
Catering income	-	330	330	407
Trips	-	109	109	169
	-	11,760	11,760	11,477

continued...

4. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS - continued

An analysis of grants received is given below:

	Unrestricted funds £'000	Restricted funds £'000	2020 Total funds £'000	2019 Total funds £'000
DfE/ESFA revenue grant				
General Annual Grant(GAG)	-	10,078	10,078	10,130
Other DfE/ESFA Grants	-	962	962	540
	-	11,040	11,040	10,670
	-			
Other government grant				
Local authority grants	-	205	205	231
Exceptional government funding				
Coronavirus Job Retention Scheme grants	-	65	65	-
Coronavirus exceptional support	-	11	11	-
	-	11,321	11,321	10,901

The academy trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "exceptional government funding".

-The funding received for coronavirus exceptional support covers £11k of premises, free school meal, cleaning and other costs. These costs are included in notes 7 and 8 as appropriate.

- The academy furloughed some of its catering staff under the government's CJRS. The funding received of £65k relates to staff costs in respect of 20 staff which are included within note 10 as appropriate.

5. OTHER TRADING ACTIVITIES

	Unrestricted funds £'000	Restricted funds £'000	2020 Total funds £'000	2019 Total funds £'000
Hire of facilities	35	-	35	94
Other events and activities	2	-	2	98
Books, uniforms etc	-	4	4	3
Sundry income	141	59	200	428
	178	63	241	623

6. INVESTMENT INCOME

	Unrestricted funds £'000	Restricted funds £'000	2020 Total funds £'000	2019 Total funds £'000
Interest	6	-	6	8

continued...

7. EXPENDITURE

	Non-pay expenditure			2020	2019
	Staff costs	Premises	Other costs	Total	Total
	£'000	£'000	£'000	£'000	£'000
Charitable activities					
Academy's educational operations					
Direct costs	8,374	553	775	9,702	9,680
Allocated support costs	1,847	601	670	3,118	3,509
	10,221	1,154	1,445	12,820	13,189

Net income/(expenditure) is stated after charging/(crediting):

	2020	2019
	£'000	£'000
Auditors' remuneration	11	9
Auditors' remuneration for non-audit work	3	3
Depreciation - owned assets	767	740
Operating leases	54	111

8. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds	Restricted funds	2020 Total funds	2019 Total funds
	£'000	£'000	£'000	£'000
Direct costs	1	9,701	9,702	9,680
Support costs	117	3,001	3,118	3,509
	118	12,702	12,820	13,189

	2020 Total	2019 Total
	£'000	£'000
Analysis of support costs		
Support staff costs	1,847	2,093
Premises costs	601	662
Other support costs	656	743
Governance costs	14	11
Total support costs	3,118	3,509

9. TRUSTEES' REMUNERATION AND BENEFITS

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

Mr S Swain (Principal and trustee from 01/09/2019)
Remuneration £95,000 - £100,000
Employer's pension contributions £20,000 - £25,000

Mr A King (staff trustee)
Remuneration £20,000 - £25,000 (2019: £20,000 - £25,000)
Employer's pension contributions £0 - £5,000 (2019: £0 - £5,000)

Ms J Hewitt (staff trustee from 01/09/2019)
Remuneration £20,000 - £25,000
Employer's pension contributions £5,000 - £10,000

continued...

9. TRUSTEES' REMUNERATION AND BENEFITS - continued

Trustees' expenses

During the year ended 31 August 2020, travel and subsistence expenses amounting to £17 (2019 - £118) were reimbursed or paid directly to one trustee (2019 - 1) who worked for the school.

Other transactions

Other related party transactions involving the trustees are set out in the Related Party Disclosures note.

10. STAFF

a) Staff costs

	2020 £'000	2019 £'000
Wages and salaries	7,270	7,494
Social security costs	725	732
Operating costs of defined benefit pension schemes	2,105	1,900
	10,100	10,126
Agency staff costs	53	83
Staff restructuring costs	68	77
	10,221	10,286

Staff restructuring costs comprise:

	2020 £'000	2019 £'000
Redundancy Payments	33	50
Severance Payments	35	27
	68	77

b) Non-statutory / non contractual staff severance payments
Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £35,404 (2019: £27,114). Individually, the payments were: £10,222, £6,844, £5,241, £4,620, £4,000, £2,510, £1,000 and £967.

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

	2020	2019
Teachers and educational support	188	196
Administration and support	70	78
Management	7	10
	265	284

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

	2020	2019
£60,001 - £70,000	3	4
£70,001 - £80,000	2	1
£90,001 - £100,000	1	-
£100,001 - £110,000	-	1
	6	6

continued...

10. STAFF - continued

e) Key management personnel
The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £651,669 (2019 £771,276).

11. 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 for the period ended 31 August 2020 was not separately identifiable (2019: not separately identifiable). The cost of this insurance is included in the total insurance cost.

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £'000	Restricted funds £'000	Fixed Asset fund £'000	Total funds £'000
INCOME AND ENDOWMENTS FROM				
Donations and capital grants	-	-	1,019	1,019
Charitable activities				
Funding for the academy's educational operations	-	11,477	-	11,477
Other trading activities	226	397	-	623
Investment income	8	-	-	8
Total	234	11,874	1,019	13,127
EXPENDITURE ON				
Charitable activities				
Academy's educational operations	160	12,289	740	13,189
NET INCOME/(EXPENDITURE)	74	(415)	279	(62)
Other recognised gains/(losses)				
Actuarial gains/(losses) on defined benefit schemes	-	(2,392)	-	(2,392)
Net movement in funds	74	(2,807)	279	(2,454)
RECONCILIATION OF FUNDS				
Total funds brought forward	643	(4,083)	15,253	11,813
TOTAL FUNDS CARRIED FORWARD	717	(6,890)	15,532	9,359

continued...

13. TANGIBLE FIXED ASSETS

	Leasehold land and buildings £'000	Improvements to property £'000	Furniture & fixtures £'000
COST			
At 1 September 2019	17,987	1,256	2,864
Additions	-	937	48
Disposals	-	-	-
At 31 August 2020	17,987	2,193	2,912
DEPRECIATION			
At 1 September 2019	4,194	97	2,731
Charge for year	553	100	68
Eliminated on disposal	-	-	-
At 31 August 2020	4,747	197	2,799
NET BOOK VALUE			
At 31 August 2020	13,240	1,996	113
At 31 August 2019	13,793	1,159	133

	Motor vehicles £'000	Computer equipment £'000	Totals £'000
COST			
At 1 September 2019	4	1,010	23,121
Additions	-	36	1,021
Disposals	(4)	-	(4)
At 31 August 2020	-	1,046	24,138
DEPRECIATION			
At 1 September 2019	4	960	7,986
Charge for year	-	46	767
Eliminated on disposal	(4)	-	(4)
At 31 August 2020	-	1,006	8,749
NET BOOK VALUE			
At 31 August 2020	-	40	15,389
At 31 August 2019	-	50	15,135

14. STOCKS

	2020 £'000	2019 £'000
Catering	4	5
Clothing	2	3
	6	8

continued...

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£'000	£'000
Trade debtors	-	53
VAT recoverable	73	176
Prepayments and accrued income	166	926
	239	1,155

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£'000	£'000
Trade creditors	279	788
Taxation and social security	169	173
Other creditors	224	143
Accruals and deferred income	112	69
	784	1,173

	2020	2019
Deferred income	£'000	£'000
Deferred Income at 1 September 2019	28	62
Resources deferred in the year	-	28
Amounts released from previous years	(28)	(62)
Deferred Income at 31 August 2020	-	28

At the balance sheet date the academy trust was not holding any funds received in advance.

17. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2020	2019
	£'000	£'000
Within one year	54	110
Between one and five years	75	291
In more than five years	-	174
	129	575

18. MEMBERS' LIABILITY

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

continued...

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2020 are represented by:

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total Funds £'000
Tangible fixed assets	-	-	15,389	15,389
Current assets	783	1,083	126	1,992
Current liabilities	-	(741)	(43)	(784)
Pension scheme liability	-	(7,872)	-	(7,872)
Total net assets	783	(7,530)	15,472	8,725

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

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total Funds £'000
Tangible fixed assets	-	-	15,135	15,135
Current assets	719	1,118	790	2,627
Current liabilities	(2)	(778)	(393)	(1,173)
Pension scheme liability	-	(7,230)	-	(7,230)
Total net assets	717	(6,890)	15,532	9,359

20. MOVEMENT IN FUNDS

	Balance 01.09.19 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance 31.08.20 £000
Restricted general funds					
General annual grant (GAG)	340	10,078	(9,799)	(290)	329
Pupil Premium	-	406	(393)	-	13
Other ESFA	-	556	(556)	-	-
Other grants	-	281	(281)	-	-
Other revenue	-	502	(502)	-	-
Pension reserve	(7,230)	-	(404)	(238)	(7,872)
	(6,890)	11,823	(11,935)	(528)	(7,530)
Restricted fixed asset funds					
Assets inherited on conversion	13,880	-	(588)	-	13,292
DfE/ESFA grants	1,630	417	(130)	-	1,917
Capital expenditure from GAG	22	-	(49)	290	263
	15,532	417	(767)	290	15,472
Total restricted funds	8,642	12,240	(12,702)	(238)	7,942
Unrestricted funds	717	184	(118)	-	783
Total funds	9,359	12,424	(12,820)	(238)	8,725

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

The restricted fixed assets funds represent the net book values of donated fixed assets and assets purchased from ESFA and other government grants, which have to be held for the continuing use of the academy, along with unspent grants for capital purposes.

The balance on restricted general funds represents the balance of unspent grants and other revenue to be spent in future periods, including unspent General Annual Grant.

continued...

20. MOVEMENT IN FUNDS - continued

The balance on unrestricted funds represents the unspent surplus from the local authority on conversion and unspent surpluses from other unrestricted activities.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2020.

Comparative information in respect of the preceding period as follows:

	Balance 01.09.18 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance 31.08.19 £000
Restricted general funds					
General annual grant (GAG)	88	10,130	(9,878)	-	340
Pupil Premium	-	411	(411)	-	-
Other ESFA	11	129	(140)	-	-
Other grants	18	122	(140)	-	-
Other revenue	24	851	(875)	-	-
Central Learning Centre (CLC)	42	231	(273)	-	-
Pension reserve	(4,266)	-	(572)	(2,392)	(7,230)
	(4,083)	11,874	(12,289)	(2,392)	(6,890)
Restricted fixed asset funds					
Assets inherited on conversion	14,468	-	(588)	-	13,880
DfE/ESFA grants	737	1,019	(126)	-	1,630
Capital expenditure from GAG	48	-	(26)	-	22
	15,253	1,019	(740)	-	15,532
Total restricted funds	11,170	12,893	(13,029)	(2,392)	8,642
Unrestricted funds	643	234	(160)	-	717
Total funds	11,813	13,127	(13,189)	(2,392)	9,359

21. PENSION AND SIMILAR OBLIGATIONS

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by The South Yorkshire Pension Fund. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £192,831 were payable to the schemes at 31 August 2020 (2019: £143,435) and are included within creditors

Teachers' pension scheme
Introduction
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.

continued...

21. 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 latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £1,269,372 (2019: £871,593).

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

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

Local government pension scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £531,000 (2019:£560,000), of which employer's contributions totalled £430,000 (2019:£445,000) and employees' contributions totalled £101,000 (2019: £115,000). The agreed contribution rates for future years are 17.1% 2020/21 for employers and between 5.5% and 12.5% for employees depending on scale rate.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of 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.

The scheme is in deficit and the academy trust has paid an additional £154,634 deficit funding into the scheme during the year ended 31 August 2020 and has entered into an agreement to make additional contributions into the scheme of approximately £158,000 for the year to 31 March 2021 of which £65,833 has been paid.

The amounts recognised in the Balance Sheet are as follows:

	Defined benefit pension plans	
	2020	2019
	£'000	£'000
Present value of funded obligations	(15,200)	(14,570)
Fair value of plan assets	7,328	7,340
	(7,872)	(7,230)
Present value of unfunded obligations	-	-
Deficit	(7,872)	(7,230)
Net liability	(7,872)	(7,230)

continued...

21. PENSION AND SIMILAR OBLIGATIONS - continued

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

	Defined benefit pension plans 2020 £'000	2019 £'000
Current service cost	690	578
Net interest from net defined benefit asset/liability	126	112
Past service cost	10	319
Administration expenses	8	8
	834	1,017
Actual return on plan assets	(13)	503

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

	Defined benefit pension plans 2020 £'000	2019 £'000
Opening at 1 September	14,570	10,775
Current service cost	690	578
Past service cost	10	319
Employee contributions	101	115
Interest cost	259	299
Actuarial (gain) / loss	6	2,708
Benefits paid	(436)	(224)
	15,200	14,570

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

	Defined benefit pension plans 2020 £'000	2019 £'000
Opening at 1 September	7,340	6,509
Employer contributions	430	445
Employee contributions	101	115
Actuarial gain / (loss)	(232)	316
Benefits paid	(436)	(224)
Administrative expenses	(8)	(8)
Interest on plan assets	133	187
	7,328	7,340

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans 2020 £'000	2019 £'000
Actuarial gains/(losses)	(238)	(2,392)
	(238)	(2,392)

continued...

21. PENSION AND SIMILAR OBLIGATIONS - continued

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

	Defined benefit pension plans 2020 £'000	Defined benefit pension plans 2019 £'000
Equities	3,473	3,838
Property	616	639
Government Bonds	1,077	1,050
Other Bonds	645	536
Cash	264	235
Other	1,253	1,042
	7,328	7,340

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2020	2019
Discount rate for scheme liabilities	1.80%	1.80%
Rate of increase in salaries	3.65%	3.35%
Rate of CPI inflation	2.40%	2.10%
Rate of increase for pensions in payment/inflation	2.50%	2.20%

Sensitivity Analysis

The sensitivities regarding the principal assumptions to measure the scheme liabilities are set out below:

	£000 Central	**£000** +0.1% pa discount rate	**£000** +0.1% pa inflation	**£000** 0.1% pa pay growth	**£000** 1 year increase in life expectancy
Liabilities	15,200	14,906	15,500	15,242	15,642
Assets	(7,328)	(7,328)	(7,328)	(7,328)	(7,328)
Deficit / (Surplus)	7,872	7,578	8,172	7,914	8,314
Projected Service Cost for next year	706	689	725	706	729
Projected Net Interest Cost for next year	137	140	143	138	145

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

	At 31 August 2020	At 31 August 2019
Retiring today		
Males	22.4	23.1
Females	25.2	25.9
Retiring in 20 years		
Males	23.9	25.3
Females	27.1	28.3

continued...

22. CONTINGENT LIABILITIES

Contingent liabilities £NIL (2019: NIL).

23. CAPITAL COMMITMENTS

	2020	2019
	£'000	£'000
Contracted but not provided for in the financial statements	128	596

24. RELATED PARTY DISCLOSURES

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

Expenditure Related Party Transactions

The daughter of the former chair of trustees (resigned 17 June 2020), Mr D Cox, is employed by the academy and is paid within the normal pay scale for the role undertaken and receives no special treatment as a result of her relationship to a trustee. The chair was not involved in the decision making process regarding appointment.

The daughter of the partner of the Principal, Mr S Swain, is employed by the academy and is paid within the normal pay scale for the role undertaken and receives no special treatment as a result of her relationship to a trustee. The Principal was not involved in the decision making process regarding appointment.

No other related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 10.

25. LEGAL FORM

The trust is a private limited company incorporated in England and Wales and limited by guarantee. Its registered office is Hall Cross Academy, Thorne Road, Doncaster, DN1 2HY. Its principal activity is education.

26. AGENCY ARRANGEMENTS

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2020 the trust received £59,165 (2019: £57,789) and disbursed £29,298 (2019: £57,789) from the fund. The balance carried forward in creditors at 31 August 2020 is £29,867.

Hall Cross Academy Trust

Year Ended 31 August 2020

Audit Findings Report

allotts

chartered accountants

Contents

Hall Cross Academy Trust
Audit Findings Report - Year Ended 31 August 2020

1. Introduction

The purpose of this report is to set out significant matters which came to our attention during the course of our work in connection with the audit of the financial statements and the independent reporting accountant's assurance report on regularity for the year ended 31 August 2020.

The report forms part of the ongoing communication we are required to have under International Standards on Auditing (UK and Ireland). Its content is prescribed by the Academy Financial Handbook and auditing standards, and includes:

- The auditor's approach to the audit
- Areas covered by the audit
- The auditor's findings, including any significant concerns, if arising, including ratings of the importance / risk
- Audit recommendations
- The academy trust's response to the auditor's recommendations including timescale for action
- The status of any audit recommendations from the previous year

In the context of the above, we as auditors are required to report significant findings from the audit, which include:

- The auditor's views about significant qualitative aspects of the academy trust's accounting practices, including accounting policies, accounting estimates and financial statement disclosures
- Significant difficulties, if any, encountered during the audit
- Significant matters, if any, arising from the audit that were discussed, or subject to correspondence with management
- Written representations the auditor is requesting
- Other matters, if any, arising that, in the auditor's professional judgement, are significant to the oversight of the financial reporting process

We also report to you any significant deficiencies in internal control identified during our audit and any other deficiencies, which, in our professional judgement are of sufficient importance to merit your attention.

The matters included in this report have been discussed with the academy trust's management during the audit.

1.1. Use of this report

The report is prepared solely for the confidential use of the academy trust and relates only to those matters which came to our attention as part of our normal audit and assurance report procedures which are principally designed to enable us to form an audit opinion on the financial statements and an assurance opinion on regularity.

Our work was not carried out for the purpose of expressing an opinion on the effectiveness of internal control, is not designed to test all internal controls or identify all areas of control weakness and should not be relied upon to disclose errors or irregularities which are not material in relation to the financial statements or regularity report. It is prepared solely for the use of the Board of Trustees of the academy trust and should not be communicated in whole or in part to any third party and we accept no responsibility to any party who places reliance on it.

1.2. Acknowledgements

We would like to take this opportunity to thank all staff we met during our audit for their co-operation and assistance.

2. Overall Objective

Our work is designed to consider whether:

- the financial statements of the academy trust give a true and fair view of the state of the academy trust's affairs at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- the financial statements have been properly prepared in accordance with the ESFA Accounts Direction, the Companies Act 2006 and UK Generally Accepted Accounting Practice;
- the information given in the Report of Trustees is consistent with the financial statements; and
- anything has come to our attention which suggests in all material respects the expenditure disbursed and the income received has not been applied to the purposes intended by Parliament and the financial transactions do not confirm to the authorities which govern them.

2.1. Audit approach

Our overall audit approach is risk based and our detailed approach to individual components of the financial statements is derived from the results of our risk assessment on each area.

Our objective is to obtain sufficient appropriate evidence in order to form an audit opinion on the financial statements which have been prepared by management. Our audit plan is tailored to ensure that we carry out the minimum amount of audit work required to achieve our objective. The level of detail of our testing depends on the risks identified and the relative complexity of individual audit areas. This ensures that we concentrate our audit work on the areas identified as being of the highest risk of material misstatement and our work in lower risk areas is proportionately lower. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities, which are set out in our letter of engagement.

2.2 Approach to regularity assurance

Our work is a limited assurance engagement as defined in our engagement letter. The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity. A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion. Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy trust's income and expenditure.

2.3 Materiality

Audit materiality on the financial statements as a whole relates to the level at which misstatements or omissions individually or in aggregate would affect the decisions of users of the financial statements, and the financial statements would no longer show a true and fair view.

The assessment of what is material is a matter of professional judgement and includes consideration of both the amount (quantity) and the nature (quality) of misstatements.

In carrying out an audit, we are concerned that accounts as presented show a true and fair view. Truth and fairness does not imply absolute accuracy but rather that the accounts reasonably state the affairs of the entity and do not contain any significant inaccuracies.

2. Overall Objective (continued)

Certain items within a set of accounts, such as trustees' emoluments or loans, must be legally disclosed and therefore in this context materiality would not be relevant.

Similarly, certain transactions or balances including issues of irregularity or propriety, may reasonably be expected to influence the decisions of users at a lower level and we determine this level accordingly.

3. Strategy and areas covered

3.1. Overall audit strategy

Our overall audit strategy included:

- discussions with management and reviewing interim figures, the budget return and Responsible Officer reports to update our understanding of the academy trust, to identify any changes and identify areas of higher risk;
- reviewing the design and implementation of internal control systems affecting the areas of the financial statements identified as higher risk;
- carrying out risk assessment procedures to assess the overall audit risk and risk on individual audit areas
- using the risk assessment to plan and develop an appropriate audit plan and procedures
- substantive testing, along with observation, enquiry and walk through tests of systems to confirm that the systems and controls as advised to us are operating effectively and as stated
- verifying any material balance sheet figures
- performing analytical review of income and expenditure
- confirming that the financial statements had been prepared in accordance with the Academies Accounts Direction 2019 to 2020 in all material respects

3.2. Regularity work

Our work on regularity included:

- enquiry of officers of the academy trust
- review and testing of income and expenditure for compliance with the funding and other agreements, the Academies Financial Handbook and the academy trust's system of controls
- examination of relevant documents
- review of the activities carried out by the academy trust
- review of the delegated authorities set out in the Academies Financial Handbook
- a review of governance, as set out in the Academies Accounts Direction 2019 to 2020

3.3. Higher risk areas identified at the planning stage

The following areas were identified as high risk at the audit planning stage and our audit approach concentrated on these areas accordingly:

- Income recognition – under ISA 240 there is a presumed risk that income may be misstated due to incorrect revenue recognition
- Management override – under ISA 240 there is a presumed risk of the management override of controls in all entities
- Catering income- there is a higher risk of misstatement when handling cash
- Related parties - specific controls and disclosures are required in this area. There is a risk that accounting procedures may treat related party transactions in the same way as other transactions hence the additional requirements could be overlooked.
- Impact of COVID-19 – to what extent the governance and control arrangements and operations of the academy trust were impacted by COVID-19.

4. Audit summary

Our audit work is substantially complete subject to the matters set out below:

- receipt of the signed letters of representation
- completion of the subsequent events review

We anticipate issuing an unmodified audit opinion on the financial statements and an unqualified assurance report on regularity.

We have not identified any additional areas of risk, following our fieldwork, other than those matters identified at the planning stage and detailed in section 5.1.

We have identified deficiencies in internal controls as confirmed in section 5.2.1. Section 5.2.2 includes an update on the status of previous recommendations.

We have identified issues with regularity and these are detailed in section 5.2.3 Section 5.2.4 includes an update on the status of previous recommendations.

As previously advised, we consider that the potential threats to our auditor independence, and any safeguards adopted are as follows:

- Preparation of the statutory financial statements and audit work carried out by the same team. The safeguards adopted to counter any management or self-review threats arising are approval of any adjustments by informed management and an independent ethics review carried out by a senior member of staff independent of the audit team.

- Acting as internal and external auditors. The safeguard adopted is that we use separate teams.

Included in the appendices to this report are:

- details of the adjustments made to the trial balance figures to arrive at the figures in the final accounts, presented as a surplus reconciliation (Appendix 1)
- a summary of the unadjusted misstatements identified during audit testing (Appendix 2)
- our views on the significant qualitative aspects of the academy trust's accounting practices (Appendix 3)
- draft letters of representation for the audit and regularity assignment (Appendix 4)

5. Key findings

5.1. Matters identified at the planning stage

	Issue identified	Notes
1	Income recognition	• General Annual Grant (GAG) and other ESFA income included in the financial statements was successfully agreed to final funding confirmation from the ESFA. • Management confirmed that there is no ESFA clawback in respect of pupil numbers. We confirmed that pupil numbers are within the range where no clawback would be expected. • Accrued / deferred income had been correctly provided where income is for a period other than the year ended 31 August. • Non-recurrent grant income and other material sources of income were agreed to offer letters and contracts to ensure correctly recognised in the period. • A sample of prepayments, accrued and deferred income have been tested to contracts or other relevant documentation. No material issues have been noted re the recognition of income.
2	Management override	• We have carried out tests of observation and enquiry and walkthrough tests of systems and controls, as well as checking the adherence to control procedures when carrying out substantive testing. • We reviewed the nominal ledger for large and unusual items including journal entries. • Accounting estimates, judgements and assumptions were reviewed. No indication of management override of controls or manipulation of items in the financial statements was noted.
3	Catering	• We reviewed and tested the controls over catering income and as well as performing a proof in total of catering income. No material issues have been noted in respect of controls over catering.
4	Impact of COVID-19 on operations	• We reviewed expenditure during the lockdown period for compliance with financial regulations. • We discussed control and governance arrangements with management and trustees. • We tested COVID-19 income and expenditure. • We considered the effect on going concern. No material issues have been noted regarding the impact of COVID-19 on the trusts governance and control arrangements and operations.
5	Related parties	• Register of business Interests were reviewed to identify potential related parties. • Income and expenditure were scrutinised in comparison to declared interests. • Application of appropriate declarations and procedures for related party transactions were considered. • Board minutes were reviewed for any declared interests. No significant non-compliance with procedures were noted.

5.2. Matters identified during the fieldwork

Our work is not designed to test all internal controls or identify all areas of control weakness and should not be relied upon to disclose errors or irregularities which are not material in relation to the financial statements or regularity report. Our report relates only to those matters which came to our attention as part of our normal audit and assurance report procedures which are principally designed to enable us to form an audit opinion on the financial statements and an assurance opinion on regularity.

Grading structure

For each recommendation we have assigned a grading of High, Medium or Low priority depending on the importance or risk of the issue as explained below:

Priority	Classification
High	A high priority issue that must be addressed immediately
Medium	An important issue which should be addressed soon.
Low	Issues that relate to minor control deficiencies that should be addressed within an agreed timescale, or an advisory issue for consideration.

5.2.1. Internal controls – Audit

1	**Employment Contracts**	
	Observations • It was noted that signed contracts of employment were not available for all members of staff. The majority of contracts seen during our audit work were found to be unsigned. **Implications** • It is a legal requirement that staff have written terms and conditions of employment. Terms and conditions of employment may be disputed leading to unnecessary legal costs in the future.	**Recommendations** • It should be ensured that personnel files are up-to-date and that each employee has a signed contract of employment. **Priority : LOW**
	Management Response	**Timescale: 31 December 2020**
	All appointments made in 2019/20 are ratified by signed contracts of employment. This point has been brought forward from previous years and we have made every effort to resolve it. We have reviewed each personnel file to identify what information was missing and made contact with the Local Authority to obtain the required information. The LA staff have been working from home since March 2020 due to Covid-19 and as a result haven't been able to provide us with the contractual documentation that we've asked for (and should have been provided as part of the TUPE process).	

2	**Fixed asset register**	
	Observations • It was noted that the fixed asset register had not been kept up to date in the year ended 31 August 2020. **Implications** • This has resulted in full and accurate accounting records not being kept to support the annual accounts. This is not in compliance with Section 1.30 of the Academies Financial Handbook - 'Ensuring the academy trust's property and assets are under the trustees' control and measures exist to prevent losses or misuse' and Section 4.1 of the Handbook- 'The academy trust must maintain adequate accounting records'.	**Recommendations** • It should be ensured that the fixed asset register is kept up to date and agrees to the accounting records. **Priority : MEDIUM**
	Management Response	**Timescale: 31 December 2020**
	The fixed asset register was fully up to date in June 2020 when our Finance Manager began a long term absence, due to sickness. It wasn't further updated until year end as a direct consequence of her absence and workload capacity within the team. The register is now fully updated.	

5.2.2. Status of previous recommendations - Audit

3	**Employment Contracts**	
	Observations • It was noted that signed contracts of employment were not available for all members of staff. **Implications** • It is a legal requirement that staff have written terms and conditions of employment. Terms and conditions of employment may be disputed leading to unnecessary legal costs in the future.	**Recommendations** • It should be ensured that personnel files are up-to-date and that each employee has a signed contract of employment. **Priority : LOW**
	Management Response	**Timescale: 31 December 2016**
	• The Academy is still awaiting information from Doncaster MBC with regard to some catering and cleaning staff who were subject to The Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE 2006). We will remind Doncaster MBC of their obligation in this regard.	
	Update 2017	
	There are no signed copies of contracts for employees previously employed by the Local Authority. Copies of the contracts have been seen and are letter headed by DMBC. The Trust has however copies of signed TUPE confirmation forms, from when employees transferred over from conversion. Signed contracts of new members of staff since February 2012 are kept by the Trust.	
	Update 2018	
	No change.	
	Update 2019	
	No change – Downgraded to low as the number of employees affected reduces	
	Update 2020	
	No change – see 5.2.1 for comment	

5.2.3. Issues and recommendations - Regularity

1	**Purchase of alcohol**	
	Observation • It was noted that alcohol was purchased during the year totalling £216.52 for reasons of hospitality and gifts. **Implications** • This is irregular spending and poor use of funds and not in compliance with Section 5.5 of the Academies Financial Handbook relating to 'Novel, Contentious and Repercussive Transactions'.	**Recommendation** • It should be ensured that alcohol is not purchased by the academy in compliance with the Academies' Financial Handbook. **Priority: HIGH**
	Management Response	**Timescale: 31 December 2020**
	This point is duly noted and no alcohol regardless of the price will be purchased by the school in the future. This has been the case since the publication of the Academies Financial Handbook on 1 September 2020.	

2	**Declaration of interest**	
	Observation • It was noted that for 2 trustees their declarations of interest were not published on the academy's website. **Implications** • This threatens the transparency of the governing body and is not compliant with section 2.48 of the Academies Financial Handbook relating to 'Being transparent about your governance'.	**Recommendation** • It should be ensured that all declarations of interest forms are published on the website in compliance with the Academies' Financial Handbook. **Priority: MEDIUM**
	Management Response	**Timescale: 31 December 2020**
	These two trustees were technically appointed on 16 August 2020, although this wasn't ratified by the Full Board until 21 September 2020. Their appointment date fell in the schools' summer holidays and as such their Declaration of Interest forms were uploaded to the website retrospectively when school re opened.	

<table>
<tr><td>3</td><td colspan="2">Members</td></tr>
<tr><td></td><td>Observation
• It was noted that 4 out of the 5 members are also trustees.

Implications
• This threatens the objectivity of the members and is not compliant with section 1.5 of the Academies Financial Handbook stating ‘there should be significant separation between the individuals who are members and those who are trustees’.</td><td>Recommendation
• It should be ensured that new members are elected so that the majority are non-trustees as advised in the Academies Financial Handbook.

Priority: MEDIUM</td></tr>
<tr><td></td><td>Management Response</td><td>Timescale: 31 December 2020</td></tr>
<tr><td></td><td colspan="2">The Academy have appointed one Member in 2019/20 who is not a Trustee. Every effort was made to appoint a further Member, but the interview was postponed due to Covid-19. Whilst this doesn't fully meet the preferred situation of the Department, it does improve the range of perspectives and ensures members can take decisions via special resolutions without requiring unanimity. It also creates a degree of separation between the individual who is a Member and those who are Trustees.

The Structure of Members will appear as an agenda item at the next Full Board meeting on 14 December 2020.</td></tr>
</table>

5.2.4. Status of previous recommendations – Regularity

1	**Members**	
	Observation • The academy had only three members during the year and these members were also trustees. In addition the changes during the year were not notified to Companies House within the required time of 14 days from the date of change. **Implications** • The Academies Financial Handbook (AFH) states that 'the Department's strong preference is for trusts to have at least five members as this provides a more diverse range of perspectives and ensures members can take decisions via special resolution without requiring unanimity.' • The AFH also states that there should be a degree of separation between the individuals who are members and those who are trustees. The Department's strong preference is for a majority of members to be independent of the board of trustees. • The trust did not fully comply with its filing obligations to Companies House.	**Recommendation** • We recommend the trust review the composition of its membership and trustees in accordance with the AFH guidelines. • Submissions are made to Companies House within the required timeframe prescribed by Companies House. **Priority: Medium**
	Management Response	**Timescale: 31 December 2019**
	The Academy will look to appoint two additional Members, who will not be Trustees. Whilst this doesn't fully meet the preferred situation of the Department, it does go some way toward establishing a diverse range of perspectives and ensures members can take decisions via special resolutions without requiring unanimity. It will also create a degree of separation between the individuals who are members and those who are trustees. It is felt that completely changing the structure of the board of trustees and members at a time when we are considering our options in relation to becoming part of a MAT is not advisable at the current time. The Appointment of Additional Members will appear as an agenda item at the next Full Board meeting on 9 December 2019.	
	Update 2020	
	A new member was appointed on 18/06/20 and 2 further members were appointed on 06/07/20. 2 members served the full term and 1 member resigned on 20/11/20. The majority of members are trustees as noted in 5.2.3 above. For 2 new trustees, Companies House was not notified of the change within the required time of 14 days.	

Appendix 1 – Surplus/Deficit reconciliation

Set out below are the identified audit misstatements and other items that have been adjusted in the financial statements, showing a reconciliation between the surplus/deficit per the trial balance presented for audit and that reported in the final draft of the financial statements

	£'000
Surplus per Academy trial balance	938
Adjustments:	
Movement in accrued income	(732)
Movement in deferred income	12
Movement in accruals	(37)
Movement in prepayments	48
Movement in stock	(2)
Additional creditors	(42)
Changes to capitalised items	29
Depreciation charge adjustment	(206)
LGPS FRS102 adjustment – staff costs	(404)
LGPS FRS102 adjustment – actuarial loss	(238)
Deficit per Statutory financial statements	(634)

Appendix 2 – Unadjusted misstatements

There are no unadjusted identified audit misstatements above the level of "clearly trivial".

Appendix 3 – Other findings from the audit

3.1 Views on significant qualitative aspects of accounting practice and financial reporting

Accounting policies
We have reviewed the accounting policies selected and operated. The academy trust has followed the standard policies common to most academy trusts and set out in the Academy Accounts Direction. No significant issues have been identified.

Accounting estimates and judgements
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, and the areas of judgement critical to the academy trust's financial statements are noted below.

Local Government Pension Scheme (LGPS)
Details of the major assumptions used by the actuary in his calculations are shown in the Pension and Similar Obligations note in the accounts.

We have considered these assumptions and judgements and no significant issues have been identified.

Going Concern
The trustees' assessment of going concern is set out in the Accounting Policies note in the accounts.

We have considered this assessment and no significant issues have been identified.

Financial Statement Disclosures

We have nothing to report in respect of disclosures, as they are in line with the Academy Accounts Direction 2019/20.

3.2 Significant difficulties encountered during the audit

The initial trial balance provided by the academy had not been updated for the previous year's closing adjustments and the fixed asset register had not been updated or reconciled to the accounting system. These issues together with undertaking the audit remotely because of government restrictions from the Covid-19 pandemic caused a delay in the completion of the work to the original timetable.

3.3 Significant matters arising from the audit that were discussed, or subject to correspondence with management

No other matters noted.

3.4 Other matters significant to the oversight of the financial reporting process

No other matters noted.

Appendix 4 – Draft letter of representation – Audit

Allotts Business Services Ltd
Chartered Accountants
Registered Auditors
Sidings Court
Lakeside
DONCASTER
DN4 5NU

Dear Sirs

The following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience such as we consider necessary in connection with your audit of the academy trust's financial statements and, as relevant, your assurance engagement on regularity for the year ended 31 August 2020. These enquiries have included inspection of supporting documentation where appropriate and are sufficient to satisfy ourselves that we can make each of the following representations. All representations are made to the best of our knowledge and belief.

General

1 We have fulfilled our responsibilities as trustees as set out in the terms of your engagement letter dated 4 September 2017 under the Companies Act 2006 for preparing financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), for being satisfied that they give a true and fair view and for making accurate representations to you.

2 All the transactions undertaken by the academy trust have been properly reflected and recorded in the accounting records.

3 All the accounting records have been made available to you for the purpose of your audit and regularity assurance engagement. We have provided you with unrestricted access to all appropriate persons within the academy trust, and with all other records and related information requested, including minutes of all management and trustee meetings and correspondence with the Education and Skills Funding Agency, Department for Education and the Charity Commission.

4 The financial statements are free of material misstatements, including omissions.

5 The effects of uncorrected misstatements are immaterial both individually and in total. In particular, we confirm that the financial statements should not be amended for the misstatements set out in Appendix 2 of your Audit Findings Report.

Internal control and fraud

6 We acknowledge our responsibility for the design, implementation and maintenance of internal control systems to prevent and detect fraud and error and which conform to the requirements both of propriety and good financial management. We have disclosed to you the results of our risk assessment that the financial statements may be misstated as a result of fraud.

7 We have disclosed to you all instances of known or suspected fraud affecting the entity involving management, employees who have a significant role in internal control or others that could have a material effect on the financial statements.

8 We have also disclosed to you all information in relation to allegations of fraud or suspected fraud affecting the entity's financial statements communicated by current or former employees, analysts, regulators or others.

Assets and liabilities

9 The academy trust has satisfactory title to all assets and there are no liens or encumbrances on the academy trust's assets, except for those that are disclosed in the notes to the financial statements.

10 All actual liabilities, contingent liabilities and guarantees given to third parties have been recorded or disclosed as appropriate.

11 We have no plans or intentions that may materially alter the carrying value and where relevant the fair value measurements or classification of assets and liabilities reflected in the financial statements.

Accounting estimates

12 Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.

Loans and arrangements

13 The academy trust has not granted any advances or credits to, or made guarantees on behalf of directors other than those disclosed in the financial statements.

Legal claims

14 We have disclosed to you all claims in connection with litigation that have been, or are expected to be, received and such matters, as appropriate, have been properly accounted for, and disclosed in, the financial statements.

Law and regulations

15 We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.

Related parties

16 Related party relationships and transactions comply with the academy trust's financial regulations, relevant requirements of the Academies Financial Handbook and have been appropriately accounted for and disclosed in the financial statements. We have disclosed to you all relevant information concerning such relationships and transactions and are not aware of any other matters which require disclosure in order to comply with the requirements and guidance set out in the Companies Act 2006, the Charities SORP 2019 and the relevant Academies Accounts Direction issued by the Education and Skills Funding Agency.

Subsequent events

17 All events subsequent to the date of the financial statements which require adjustment or disclosure have been properly accounted for and disclosed.

Going concern

18 We believe that the academy trust's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the academy trust's needs. We have considered a period of twelve months from the date of approval of the financial statements. t We believe no further disclosures relating to the academy trust's ability to continue as a going concern need to be made in the financial statements.

Grants and donations

19 Grants made by the Department of Education and Education & Skills Funding Agency have been applied for the purposes intended and the Accounting Officer has ensured regular and proper use and value for money of monies received from government.

20 All other grants, donations and other income, the receipt of which is subject to specific terms or conditions, have been notified to you. There have been no breaches of terms or conditions in the application of such income.

21 We confirm our previous request that the adjustments set out in appendix 1 of your Audit Findings Report be reflected in the financial statements.

We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware.

We confirm that so far as we are aware, there is no relevant other information needed by you in connection with preparing your reporting accountant's assurance report on regularity of which you are unaware.

Each trustee has taken all the steps that he/she ought to have taken as a trustee in order to make themself aware of any relevant audit/other information and to establish that you are aware of that information.

Yours faithfully

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D Westwood – Chair of Trustees

Signed on behalf of the board of trustees

14 December 2020

Appendix 4 – Draft letter of representation – Regularity

Allotts Business Services Ltd
Chartered Accountants
Registered Auditors
Sidings Court
Lakeside
DONCASTER
DN4 5NU

Dear Sirs

The following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience such as I consider necessary in connection with your assurance report on regularity to Hall Cross Academy Trust and the Education and Skills Funding Agency (ESFA) for the year ended 31 August 2020. These enquiries have included inspection of supporting documentation where appropriate and are sufficient to satisfy me that I can make each of the following representations. All representations are made to the best of my knowledge and belief.

General

1 I have fulfilled my responsibilities as accounting officer under the requirements of the funding agreement between Hall Cross Academy Trust and the Secretary of State for Education dated 1 February 2012 and the Academies Financial Handbook 2019.

2 I acknowledge my personal responsibility to Parliament for the regularity and propriety of the public finances for which I am answerable; for the keeping of proper accounts; for effective internal controls; for prudent and economical administration; for the avoidance of waste and extravagance; for achieving value for money; and for the efficient and effective use of all the resources in my charge.

3 I acknowledge my responsibility to notify the governing body and the ESFA of any instances of material irregularity or impropriety, or non-compliance with the terms of the academy trust's funding agreement and have had due regard to the requirements of the Academies Financial Handbook 2019 in performing this duty.

4 Any instances of material irregularity, impropriety, or non-compliance discovered to date have been notified to the governing body and the ESFA.

5 Significant matters of which you should be aware have been brought to your attention including any instances of irregularity, impropriety or non-compliance with laws and regulations specific to the academy trust's authorising framework.

6 Full and free access has been granted to the all records, correspondence, information and explanations that you have considered necessary to enable you to perform your work.

Yours faithfully

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Accounting Officer – Mr S Swain

14 December 2020