

REGISTERED COMPANY NUMBER: 07902880 (England and Wales)

**Report of the Trustees and
Financial Statements For The Year Ended 31 August 2022
for
Hall Cross Academy Trust**



Allen, West and Foster Limited, Statutory Auditor
Chartered Accountants
Omega Court
364-366 Cemetery Road
Sheffield
S11 8FT

 **Allen, West
& Foster**
CHARTERED ACCOUNTANTS

Hall Cross Academy Trust

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For The Year Ended 31 August 2022

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Hall Cross Academy Trust

Reference and Administrative Details
For The Year Ended 31 August 2022

MEMBERS

J Foxtton
RM Williams
T Drabble
D Westwood
A Cope
A Henshaw

TRUSTEES

D Westwood (Chair)
SJ Swain (Principal and Accounting Officer)
J Foxtton (resigned 20.7.2022)
RM Williams
A Townsend
T Drabble (resigned 23.7.2022)
V Heaton (appointed 19.4.2022)
K Kelly (appointed 6.12.2021)
A King (Staff Trustee) (resigned 7.12.2021)
J Hewitt (Staff Trustee)
T Thorpe
L Parish (Vice Chair & Parent Trustee)
P Harper (Parent Trustee)
J Tuffrey (Parent Trustee)
C George (Parent Trustee)
M Slater
M Stead (Staff Trustee) (appointed 19.4.2022)
D Williams (Vice Chair)

COMPANY SECRETARY

K Brown

SENIOR MANAGEMENT TEAM

SJ Swain (Principal and Accounting Officer)
S Forsythe (Senior Vice Principal)
N Watts (Vice Principal)
J Harris (Assistant Principal)
T Goodchild (Assistant Principal)
G Massarella-Burton (Assistant Principal)
K Miles (Assistant Principal)
C Oliver (Assistant Principal)
K Brown (Business Manager & Chief Financial Officer)

ASSOCIATE LEADERSHIP TEAM

P Bradbury (resigned 22.4.2022)
A McGuire (appointed 1.3.2022)
N Parker (appointed 1.3.2022)

Hall Cross Academy Trust
Reference and Administrative Details
For The Year Ended 31 August 2022

REGISTERED OFFICE

Hall Cross Academy
Thorne Road Doncaster
DN12HY

REGISTERED COMPANY NUMBER

07902880 (England and Wales)

AUDITORS

Allen, West and Foster Limited, Statutory Auditor
Chartered Accountants
Omega Court
364-366 Cemetery Road
Sheffield
S11 8FT

SOLICITORS

Wrigleys Solicitors
19 Cookridge Street
Leeds
LS2 3AG

BANKERS

Lloyds Bank
55 High Street
Doncaster
DN1 1BH

Hall Cross Academy Trust
Report of the Trustees
For The Year Ended 31 August 2022

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the period 1 September 2021 to 31 August 2022. 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 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

Hall Cross Academy Trust
Report of the Trustees
For The Year Ended 31 August 2022

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 to be 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 competitive rates for community groups.

Hall Cross Academy Trust
Report of the Trustees
For The Year Ended 31 August 2022

STRATEGIC REPORT

Achievement and Performance

With the return to proper exams this year, we have been delighted with student outcomes. Both GCSE and A-Level, we have achieved the best results that the school has seen for a number of years.

It is rewarding to see that the hard work put in by departments to fine tune their teaching and learning and curriculum has paid dividends in this years' results.

This success has also transformed into greater Sixth Form numbers, which have returned to 2019 levels.

Key Performance Indicators

Academic results

In the period leading up to 31 August 2022 the following were achieved:

Key Stage 4

Progress 8 score of 0.39
Attainment 8 score of 50.5
Progress 8 score - English 0.26
Progress 8 score - Maths 0.55
Progress 8 score - Ebacc suite 0.35
Progress 8 score - Open suite 0.40
55% achieving a good pass in English and Maths (grade 5 or above)

Key Stage 5

40.1 APS per entry (equivalent B grade average)
35 % A*-A
68.5 % A*-8
91% A*-C
99% A*-E

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 Norway and 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 ongoing restrictions, the awards weren't run in 2020/2021. However, we were able to offer the Bronze award to Year 11 in 2021/2022. The Year 11 students completed their Bronze expedition in the Peak District after a practice expedition around the Cusworth/Sprotbrough area of Doncaster. After finishing their expeditions, many of these students also completed their skills, volunteering and physical sections of their award and went on to receive their Bronze certificate and badge. For the academic year of 2022/23 Years 10 11 will get the opportunity to complete their Bronze award.

Trips and Visits

A selection of the trips, visits and activities that took place are:

- Year 7 trip to Whiteley Woods
- Two cinema trips
- Darwin's Discovery Day for Geography
- Five Geography field trips
- Art trip to Yorkshire Sculpture Park
- ADT trip to the Aircraft Museum
- SEND visit to the College
- ADT trip to the Knit and Stitch show
- Six PA theatre trips
- Two extra-curricular bowling trip
- PE taster day at The Dome
- Sixth form trip to What Career? Live
- Language trip to the Frida Kahlo Exhibition

Hall Cross Academy Trust
Report of the Trustees
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STRATEGIC REPORT

Achievement and Performance - continued

- Maths trip to The Deep
- Year 10 Careers Fair
- PE Ambassadors Training Day
- Sixth form Job Fair at Sheffield University
- Six University trips
- Dance trip to CAPA College
- Two trips to Old Trafford
- Maths Inspiration Show
- Bronze Duke of Edinburgh
- Netball Superleague
- History trip to Bletchley Park
- Two trips to Alton Towers
- Cleethorpes trip
- ADT trip to Danum Gallery
- Science Big Bang Fair
- Sixth form UCAS Discovery Exhibition
- Food trip to York Chocolate Story
- We Care into the Future Careers trip
- UKESF Girls in Electronics Science trip
- PA trip to Lionheart Pride
- History trip to the Jorvik Centre
- Engineering Extravaganza for Science
- Dance tour
- ADT trip to Sandall Beat Woods
- Languages Movida lunch trip
- PA Stage Invasion
- SEND Post 16 provision visits
- History Battlefields residential
- PE residentials to Malvern College, Wimbledon, and The Nest
- U19 Hockey Festival

In total, students experienced 60 day and 6 residential visits in 2021/22.

Performing Arts

The academy continues to support an enhanced offer in Performing Arts through its ICA-Perform identity. This year has seen a return to normality in terms of the broad offer of experiences following the last two years.

ICA-Perform has continued its partnership with The Royal National Theatre. This partnership has included Delante Detras Theatre Company's continued participation in the Connections festival with Chatback. This followed their success last year that resulted in the company's production of Crusaders being filmed by Chocolate Productions as one of the ten selected performances from across the country. Additionally, we welcomed The National's touring production of Jekyll and Hyde inviting three other partner schools to watch alongside our own students, continuing the department's outreach and community work as a beacon of the arts within the region. Our partnership with The National has enabled us to be involved in their new Speak Up programme. This is a three-year commitment in the first instance, fully funded as a result of the Opportunity Area, that enables young people to work with arts practitioners to help them find their voice. Planning is underway on this with delivery beginning in September and the ambition is to engage students who do not traditionally engage with the arts.

The ICA-Perform whole school production of Addams Family was highly successful providing students with experience of working with professional set, costume, and technical resources as a result of enhanced investment. Two ex-students who are working professionally in the industry, returned to help us with the technical side of the production, sharing their knowledge with younger students and providing them with guidance on how to progress in the field of technical theatre.

Hall Cross Academy Trust
Report of the Trustees
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STRATEGIC REPORT

Achievement and Performance - continued

Our broad offer has included several other performance experiences and a whole range of workshop opportunities and interactions with organisations and FE/HE institutions, too numerous to mention here that enhance the experience for our learners. Of note though, we are in the planning stages for the reintroduction of our Next Steps Conference where HE and alternative providers are invited into Hall Cross to discuss pathways into the arts and offer workshops. We also continue to offer the Arts Award as an enrichment qualification helping to top-up students UCAS points with 100% success again. Almost all of our students continued their studies in the arts post-18.

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 enhanced by the head of department's experience working for AQA as an examiner and moderator. The team continue to represent Hall Cross and all Doncaster secondary schools as board members for the Doncaster Cultural Education Partnership and Doncaster Music Education Hub. Consequently, we are able to shape the landscape for arts in Doncaster and ensure that our students have first and enhanced access to a range of experiences.

Rewards

At Hall Cross Academy we place great emphasis on the importance of helping our students develop into rounded individuals by placing emphasis on 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 all of 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. Students are awarded points in lessons and at regular intervals throughout the year after tracking periods.

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

- 47,843 points were awarded to students.
- 3,345 rewards were distributed that students bought using their points, ranging from sports equipment, stationery, chocolate, and calculators.
- 843 students earned bronze badges.
- 288 students received silver badges.
- 60 students were awarded gold badges.

In addition to this, students were given termly awards for effort and achievement across the curriculum and end of the year principal's awards for outstanding contributions to the life of the school.

Sport

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

Across the academic year 2021/22, the Academy has sought to broaden our learners' experience through the provision of an extra-curricular programme. After the Covid-19 restrictions were lifted we were able to offer students a full winter and summer extra-curricular programme with a significant proportion of our student community engaging in a range of clubs that take place both at lunchtime and after school. There are now more Hall Cross Learners regularly participating in extracurricular activities than prior to Covid-19 and this was recognised through the School Games Mark Bronze Award.

Students were given a number of opportunities to gain experience in a broad sporting offer, playing fixtures against schools both locally and nationally. This included two football residentials to Norwich City Football Club and Ellesmere College and a hockey residential tour to Bath. We were also able to offer students a number of super curricular trips to Wimbledon, Leeds Beckett University, a Super League netball fixture at the EIS and an England Women's European Football fixture at Old Trafford.

Our Leadership Academy was a development priority with 47 students completing their Level 1 Sports Leadership Award at KS3 and KS4; four of these students became South Yorkshire School Games Ambassadors. Throughout the year our leaders have taken various opportunities to develop their leadership skills leading at the Trust Games, Primary Olympics, and Key Stage 3 sports day. They have also spent time in primary schools to deliver sport specific sessions.

In addition, we have broadened our range of academic pathways, introducing the BTEC Sport and Exercise Science Extended Diploma to our existing KS5 offer.

Hall Cross Academy Trust
Report of the Trustees
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STRATEGIC REPORT

Achievement and Performance - continued

Linacre Institute

The Linacre Institute supports some of our ablest students in securing offers from the most competitive universities in the UK and abroad. Last year fifteen Year 13 students won places on the programme and those students went on to achieve fantastic offers from world leading universities for subjects including Mathematics, Theoretical Physics, Aerospace Engineering and Philosophy, Politics and Engineering. One student was also successful in gaining a place to study Natural Sciences at Cambridge, while others secured places at Durham and Kings 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. The 2022 intake had 16 students who were successful in their applications for the Linacre programme.

Student Council

This year the Lower School Student Council saw Heads of Year being democratically elected by their peers. This proved to be quite a successful approach in ensuring six heads of Years 7 - 9 were very ably supported by other candidates who put themselves forward for election and be part of the Lower school Student Council leadership team. With weekly meetings this leadership team were given the opportunity of leading a project to assist the Doncaster and Bassetlaw Teaching Hospitals in making infographics on important figures in medical history. This work will eventually be displayed outside rooms in the new Research, Education and Innovation Hub accessed by many DBTH students.

Other Lower school leadership projects included campaigning for more water fountains, continuing to present assemblies linked to the Academy's CARE focus and creating a Student Council newsletter titled Achievement.

The newly appointed sixth form leadership team aimed to work on improving the communication of how important issues such as mental health support were being shared with the Academy's students (Be Okay); how reducing plastic bottle usage, recycling and the planting of over 300 sapling trees at the Lower school site can all help the environment (Be Green); and that the Student Council are representative of the whole student body - in that the SC consisted of 8 disadvantaged, 6 English as an additional language, 2 SEND students and several students who are LGBT. This made sure that there were divergent views representative of the range of opinions held by all the students of the school. The Student Council feel immensely proud to have such diversity and are always seeking to increase this (Be You).

As is an annual tradition the sixth form leadership team helped to lead the Academy's memorial service to commemorate fallen soldiers. This was an extremely important duty that was performed, both in educating students about the importance of those who sacrificed their lives for our country, but also in respecting those who were at our school and fought alongside those who fell.

Finally, again the food bank campaign was run resulting in one of the biggest donations the Academy has ever made. Another fundraising event was a non-uniform day that raised money for important causes such as the Brathay Trust.

Hall Cross Academy Trust
Report of the Trustees
For The Year Ended 31 August 2022

STRATEGIC REPORT

Achievement and Performance - continued

Capital Developments

During the period under review, the school completed the following projects:

- US refurb of old 6th form lobby office into science office (re-decoration and furniture/IT)
- US Dance Studio heating fans installation
- US - Maths/English Heating Pump Replacements
- LS - SEN internal remodel (South Block) incl. install of new ext. aluminium doors
- LS - Library Refurb and creation of 'reading emporium' adjoining (new floor, new furniture and re-decoration)
- LS - Main Hall parquet restoration
- LS - Quad canopy installation
- US - New Dance Studio Floor and dwarf wall installation
- LS - 5no classroom refurb (flooring tiles, ceiling tiles, re-decoration, chairs, tables, blinds, storage)
- LS/US - Fixed Cafe barriers w/ branding to each canteen
- US - Main Driveway resurfacing
- US - Remodel of PC3 in RC3 IT Suite
- LS - Install of palisade fence maintenance compound
- LS - Install of extension to student bike storage rails by 50%

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.

Hall Cross Academy Trust
Report of the Trustees
For The Year Ended 31 August 2022

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 between members of the Academy

FINANCIAL REVIEW

Most of the Academy's income is obtained from the Department for Education (DfE) in the form of a 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 2022 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 2021 - 2022, 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 2022 the Academy received income of £12,138K (2021: £11,309K) from the DfE group in respect of General Annual Grant and other government grants, and £398K (2021: £491K) in the form of capital and maintenance grants. It also generated its own income of £330K (2021: £533K).

Total expenditure for the period amounted to £13,018K (2021: £12,902K) which included £873K (2021: £797K) of depreciation.

The net deficit for the period before actuarial movements arising from the Local Government Pension Scheme was £100K (2021: net deficit £569K).

At 31 August 2022 the net book value of fixed assets was £15,636K 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 2022 of £14,265K (2021: £8,341K) comprising a surplus of £NIL on restricted general funds, a surplus of £995K on unrestricted general funds and £15,636K on the fixed asset funds. The Local Government Pension Scheme (LGPS) was in deficit by £2,366K at the year end.

Hall Cross Academy Trust
Report of the Trustees
For The Year Ended 31 August 2022

FINANCIAL REVIEW - continued

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 2022 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 of 31 August 2022, the Academy Trust held total general funds (restricted and unrestricted) of £995K 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 of 31 August 2022, the deficit on this reserve amounted to £2,366K. 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.

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 Premises 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 Premises 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.

Hall Cross Academy Trust
Report of the Trustees
For The Year Ended 31 August 2022

FINANCIAL REVIEW - continued

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 and in 2015 it approved the Strategic Risk Register. The Strategic Risk Register will be reviewed at least annually by the Trustees Finance and Premises committee.

Risks included on the Register are varied but include:

- Strategic and Reputational
- Operational
- Compliance
- Financial

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.

Hall Cross Academy Trust
Report of the Trustees
For The Year Ended 31 August 2022

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 2021/2022:

- Food Bank Fundraising - £605.57
- The Brathy Trust - £1,000
- The Royal British Legion - £287.86 (poppy donation)

The Student Council limited their fundraising activities to just a couple of non-uniform days. To overcome the barriers of handling cash parents, staff and students were encouraged to donate via ParentPay. This has proven to be quite a successful venture and will be utilised and promoted as the way forwards for future fundraising activities.

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 consider 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.

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.

Hall Cross Academy Trust
Report of the Trustees
For The Year Ended 31 August 2022

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 are 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.

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 unlimited indemnity.

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 Hall Cross Academy Trust.

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

Hall Cross Academy Trust
Report of the Trustees
For The Year Ended 31 August 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT - continued

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 and 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:

- Finance and Premises Committee (meets at least three times per year)
- Curriculum and Performance Committee (meets at least three times per year)
- 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.

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 considering 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.

Hall Cross Academy Trust
Report of the Trustees
For The Year Ended 31 August 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT - continued

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. Sheffield Hallam University, Manchester Metropolitan University, The Educate Group and Coventry University. We are licensed to deliver School Direct and SCITT. This year we have supported eighteen trainees; four trainees from the DRAFTT's programme were appointed to full time posts in September 2022, as was one from Coventry University.
- Currently for the 2022/23 cohort we have 9 trainee teachers for placement one and a further 7 trainees for placement two. This year we will work in partnership with Sheffield Hallam University to offer placements for non-teaching staff. Five students are due to start in October.
- Successful alliance with Education Exchange/UCL for Early Career provision and statutory assessment. The Academy has eight ECT's in their first year of induction and eight ECT's in their second year of induction for the 2022/23 cohort.
- 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.

Employees are encouraged to contribute and be actively involved in the Academy's strategic direction.

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.

Allen, West and Foster Limited, 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 12 December 2022 and signed on the board's behalf by:



D Westwood – Chair

Hall Cross Academy Trust
Governance Statement
For The Year Ended 31 August 2022

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

Trustee	Meetings Attended	Out of a possible
D Westwood (Chair)	4	6
T Drabble	5	6
J Foxtton	6	6
P Harper	5	6
J Hewitt	6	6
A King	2	2
L Parish (Vice-Chair)	3	6
S Swain	6	6
T Thorpe	5	6
A Townsend	2	6
RM Williams	6	6
J Tuffrey	6	6
C George	6	6
D Williams (Vice-Chair)	6	6
M Slater	5	6
K Kelly	4	5
V Heaton	2	2
M Stead	2	2

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 2022. 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 Premises 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.

Hall Cross Academy Trust
Governance Statement
For The Year Ended 31 August 2022

Attendance at meetings during the year was as follows:

	Meetings attended	Out of a possible
Trustee		
A Townsend (Chair)	4	4
S Swain	3	4
R Williams	3	4
J Tuffrey	4	4
K Kelly	2	2
M Stead	1	1
L Parish	0	4
Associate Members		
K Brown	4	4

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.

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 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The 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 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

Hall Cross Academy Trust
Governance Statement
For The Year Ended 31 August 2022

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 Premises 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 decided to buy-in an internal audit service from Forrester Boyd Chartered Accountants.

Forrester Boyd Chartered Accountants role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. On a regular basis, Forrester Boyd Chartered Accountants will report to the Finance and Premises 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:

- bank and procurement
- income and high-level controls
- wages and asset controls

No material control issues were identified from the reviews that were 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 Premises 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 12 December 2022 and signed on its behalf by:



D Westwood – Chair



S Swain - Accounting Officer

Hall Cross Academy Trust

Statement on Regularity, Propriety and Compliance
For The Year Ended 31 August 2022

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 2021.

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 2021.

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



S Swain - Accounting Officer

12 December 2022

Hall Cross Academy Trust
Statement of Trustees' Responsibilities
For The Year Ended 31 August 2022

The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with the Academies 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 2021 to 2022;
- 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 12 December 2022 and signed on its behalf by:



D Westwood - Chair

Independent Auditor's Report 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 2022 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 2021 to 2022 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 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 2021 to 2022 issued by the Education and Skills Funding Agency.

Basis for opinion

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

**Independent Auditor's Report to the Members of
Hall Cross Academy Trust**

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.

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.

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

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

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

Audit risks identified

- the nature of the industry and sector, control environment and business performance;
- results of our enquiries of management, about their own identification and assessment of the risks of irregularities;
- any matters we identified having made enquiries about the documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of noncompliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in relation to income recognition, banking procedures and segregation of duties. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, UK Corporate Governance Code and local tax legislation.

**Independent Auditor's Report to the Members of
Hall Cross Academy Trust**

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

Audit response to risks identified

As a result of performing the above, we identified income recognition, management override and detection and disclosure of related party transactions as key audit matters related to the potential risk of fraud. In order to mitigate the risk identified, enquiries were made of key management personnel as to the processes surrounding the recording of transactions and recognition of income, including agreement to remittance advices and grant agreements. The declaration of business and other interests of the trustees were reviewed to ensure that these were up to date and enquiries made as to the existence of related party transactions which required disclosure.

In addressing the risk of fraud through management override of controls, our procedures included reviewing and testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business. It was clear from review of accounting records that there had been no management override of controls and that each transaction had been correctly and properly recorded as appropriate.

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

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.



Stephen Allen ACA FCCA (Senior Statutory Auditor)
For and on behalf of Allen, West and Foster Limited, Statutory Auditor
Chartered Accountants
Omega Court, 364-366 Cemetery Road
Sheffield S11 8FT

12 December 2022

**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 16 April 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Hall Cross Academy Trust during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to 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 2021, for ensuring that expenditure disbursed, and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed, and income received during the period 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by 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 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Reporting Accountant
Stephen Allen ACA FCCA (Senior Statutory Auditor)
for and on behalf of Allen, West and Foster Ltd Chartered Accountants, Statutory Auditor
Omega Court, 364-366 Cemetery Road, Sheffield S11 8FT

12 December 2022

Hall Cross Academy Trust
Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
For The Year Ended 31 August 2022

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Fixed Asset Fund £'000	2022 Total Funds £'000	2021 Total Funds £'000
INCOME AND ENDOWMENTS FROM						
Donations and capital grants	3	-	-	398	398	496
Charitable activities						
Funding for the academy's education operations	4	-	12,209	-	12,209	11,625
Other trading activities	5	246	10	-	256	193
Investment income	6	3	-	-	3	19
Total		249	12,219	398	12,866	12,333
EXPENDITURE ON Charitable education						
Academy's educational operations	8	112	12,055	851	13,018	12,902
NET INCOME/(EXPENDITURE)		137	164	(453)	(152)	(569)
Transfer between funds	20	(20)	(670)	690	-	-
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit scheme	21	-	6,076	-	6,076	185
Net movement in funds		117	5,570	237	5,924	(384)
RECONCILIATION OF FUNDS						
Total funds brought forward		878	(7,936)	15,399	8,341	8,725
TOTAL FUNDS CARRIED FORWARD		995	(2,366)	15,636	14,265	8,341

Hall Cross Academy Trust

Balance Sheet
31 August 2022

	Notes	2022 £'000	2021 £'000
FIXED ASSETS			
Tangible assets	13	15,636	15,399
CURRENT ASSETS			
Stocks	14	2	4
Debtors	15	348	257
Cash at Bank		1,717	1,519
		<u>2,067</u>	<u>1,780</u>
CREDITORS			
Amounts falling due within one year	16	(1,072)	(751)
NET CURRENT ASSETS		<u>995</u>	<u>1,029</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		16,631	16,428
PENSION LIABILITY	21	<u>(2,366)</u>	<u>(8,087)</u>
NET ASSETS		<u>14,265</u>	<u>8,341</u>
FUNDS	20		
Unrestricted funds:			
General fund		995	878
Restricted funds:			
Fixed asset fund		15,636	15,399
General fund		-	151
Pension reserve		<u>(2,366)</u>	<u>(8,087)</u>
TOTAL FUNDS		<u>14,265</u>	<u>8,341</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 12 December 2022 and were signed on its behalf by:



D Westwood – Chair

The notes form part of these financial statements

Hall Cross Academy Trust

Cash Flow Statement
For The Year Ended 31 August 2022

	Notes	2022 £'000	2021 £'000
Cash flows from operating activities			
Cash generated from operations	1	886	85
Net cash provided by operating activities		<u>886</u>	<u>85</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,110)	(823)
Proceeds on disposal of tangible fixed assets		21	
Capital grants received		398	491
Interest received		<u>3</u>	<u>19</u>
Net cash (used in)/ provided by investing activities		<u>(688)</u>	<u>(313)</u>
Change in cash and cash equivalent in the reporting period		198	(228)
Cash and Cash equivalent at the beginning of the reporting period		<u>1,519</u>	<u>1,747</u>
Cash and Cash equivalents at the end of the reporting period		<u>1,717</u>	<u>1,519</u>

The notes form part of these financial statements

Hall Cross Academy Trust

Notes to the Cash Flow Statement
For The Year Ended 31 August 2022

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

	2022 £'000	2021 £'000
Net expenditure for the reporting period (as per the statement of Financial Activities)	(152)	(569)
Adjustments for:		
Depreciation charges	873	797
Capital grants	(398)	(491)
Loss/(profit) on disposal of fixed assets	(21)	14
Interest received	(3)	(19)
Pension scheme finance costs	139	138
Pension scheme cost less contributions	216	262
Decrease in stocks	2	2
Decrease/(increase) in debtors	(91)	(18)
(Decrease)/increase in creditors	321	(31)
Net cash provided by operations	886	85

2. ANALYSIS OF CHANGE IN NET FUNDS

	At 1.9.21 £'000	Cash flow £'000	At 31.8.22
Net cash			
Cash at bank and in hand	1,519	198	1,717
Total	1,519	198	1,717

The notes form part of these financial statements

Hall Cross Academy Trust
Notes to the Financial Statements
For The Year Ended 31 August 2022

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 2021 to 2022 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.

Hall Cross Academy Trust
Notes to the Financial Statements
For The Year Ended 31 August 2022

ACCOUNTING POLICIES - continued

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.

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.

Hall Cross Academy Trust

Notes to the Financial Statements For The Year Ended 31 August 2022

ACCOUNTING POLICIES - continued

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.

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 instrument's disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Stock

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.

Hall Cross Academy Trust
Notes to the Financial Statements
For The Year Ended 31 August 2022

ACCOUNTING POLICIES - continued

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

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

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.

Hall Cross Academy Trust

Notes to the Financial Statements
For The Year Ended 31 August 2022

ACCOUNTING POLICIES - continued

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 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. DONATIONS AND CAPITAL GRANTS

	Unrestricted Funds £'000	Restricted Funds £'000	2022 Total Funds £'000	2021 Total Funds £'000
Capital grants	-	398	398	491
Other donations	-	-	-	5
	-	398	398	496

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

	2022 £'000	2021 £'000
Capital grants from DfE/ESFA	398	347
Capital grants from local authority	-	144
	398	491

4. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATION

	Unrestricted Funds £'000	Restricted Funds £'000	2022 Total Funds £'000	2021 Total Funds £'000
Grants	-	12,138	12,138	11,309
Catering income	-	-	-	312
Trips	-	71	71	4
	-	12,209	12,209	11,625

Hall Cross Academy Trust

**Notes to the Financial Statements
For The Year Ended 31 August 2022**

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

An analysis of grants received is given below:

	Unrestricted Funds £'000	Restricted Funds £'000	2022 Total Funds £'000	2021 Total Funds £'000
DfE/ESFA revenue grant				
General Annual Grant (GAG)	-	10,820	10,820	9,963
Other DfE/ESFA Grants				
FSM	-			27
Pupil Premium	-	405	405	384
Rates reclaim	-	117	117	-
Teachers pay grant	-	32	32	130
Teachers pensions employer contribution grant	-	90	90	368
Others	-	358	358	115
	-	11,822	11,822	10,987
Other government grants				
Local authority grants	-	304	304	248
Exceptional government funding				
Coronavirus Job Retention Scheme grants	-	-	-	20
Coronavirus exceptional support	-	-	-	-
Covid testing grant	-	12	12	54
	-	12,138	12,138	11,309

The academy trust has been eligible to claim additional funding in the 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 covid testing covers £12k of premises, cleaning, staff 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 in 2021. The funding received in that year of £20k relates to staff costs in respect of 20 staff which were included within note 10 as appropriate. No furlough income was received in the current financial year.

5. OTHER TRADING ACTIVITIES

	Unrestricted Funds £'000	Restricted Funds £'000	2022 Total Funds £'000	2021 Total Funds £'000
Hire of facilities	99	-	99	16
Other events and activities	-	-	-	-
Books, uniforms etc	-	3	3	11
Sundry income	147	7	154	166
	246	10	256	193

6. INVESTMENT INCOME

	Unrestricted Funds £'000	Restricted Funds £'000	2022 Total Funds £'000	2021 Total Funds £'000
Interest	3	-	3	19

Hall Cross Academy Trust

**Notes to the Financial Statements
For The Year Ended 31 August 2022**

7. EXPENDITURE

	Non-pay expenditure			2022 Total £'000	2021 Total £'000
	Staff Costs £'000	Premises £'000	Other costs £'000		
Charitable activities					
Academy's educational operations					
Direct costs	9,261	735	844	10,840	10,307
Allocated support costs	854	944	380	2,178	2,595
	10,115	1,679	1,224	13,018	12,902

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

	2022 £'000	2021 £'000
Auditors' remuneration	8	8
Auditors' remuneration for non-audit work	3	1
Depreciation – owned assets	873	797
Operating leases	71	65

8. CHARITABLE ACTIVITIES – ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted Funds £'000	Restricted Funds £'000	2022 Total Funds £'000	2021 Total Funds £'000
	Direct costs	-	10,840	10,840
Support costs	112	2,066	2,178	2,595
	112	12,906	13,018	12,902

	2022 £'000	2021 £'000
Analysis of support costs		
Support staff costs	854	1,276
Premises costs	944	766
Other support costs	370	542
Governance costs	10	11
Total support costs	2,178	2,595

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)

Remuneration £105,000 - £110,000
Employer's pension contributions £25,000 - £30,000

Mr. A King (staff trustee) (resigned 7.12.2021)

Remuneration £5,000 - £10,000
Employer's pension contributions £0 - £5,000

Ms. J Hewitt (staff trustee)

Remuneration £30,000 – £35,000
Employer's pension contributions £5,000 - £10,000

Ms. M Stead (staff trustee) (appointed 19.4.2022)

Remuneration £35,000 – £40,000
Employer's pension contributions £5,000 - £10,000

Hall Cross Academy Trust
Notes to the Financial Statements
For The Year Ended 31 August 2022

9. TRUSTEES' REMUNERATION AND BENEFITS - continued

Trustees' expenses

During the year ended 31 August 2022, travel and subsistence expenses amounting to £Nil (2021 - £Nil) were reimbursed or paid directly to the trustees 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

	2022	2021
	£'000	£'000
Wages and salaries	7,330	7,369
Social security costs	745	713
Operating costs of defined benefit pension scheme	1,932	2,155
	<u>10,007</u>	<u>10,237</u>
Agency staff costs	41	12
Staff restructuring costs	67	2
	<u>10,115</u>	<u>10,251</u>

Staff restructuring costs comprise:

	2022	2021
	£'000	£'000
Redundancy payments	-	-
Severance payments	67	2
	<u>67</u>	<u>2</u>

b) Non-statutory / non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totaling £55,287 (2021: £1,980). Individually, the payments were: £20,000, £12,787, £10,000, £6,500, £3,000, and £3,000.

c) Staff numbers

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

	2022	2021
Teachers and educational support	190	187
Administration and support	27	67
Management	7	8
	<u>224</u>	<u>265</u>

d) Higher paid staff

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

	2022	2021
£60,000 - £70,000	5	5
£70,001 - £80,000	1	2
£80,001 - £90,000	1	-
£100,000 - £110,000	1	1
	<u>8</u>	<u>8</u>

Hall Cross Academy Trust
Notes to the Financial Statements
For The Year Ended 31 August 2022

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 £772,163 (2021 £798,973).

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 2022 was not separately identifiable (2021: not separately identifiable). The cost of this insurance is included in the total insurance cost.

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds £'000	Restricted Funds £'000	Fixed Asset Fund £'000	2021 Total Funds £'000
INCOME AND ENDOWMENTS FROM				
Donations and capital grants	5	-	491	496
Charitable activities				
Funding for the academy's education operations	-	11,625	-	11,625
Other trading activities	176	17	-	193
Investment income	19	-	-	19
Total	<u>200</u>	<u>11,642</u>	<u>491</u>	<u>12,333</u>
EXPENDITURE ON Charitable education				
Academy's educational operations	105	11,986	811	12,902
NET INCOME/(EXPENDITURE)	<u>95</u>	<u>(344)</u>	<u>(320)</u>	<u>(569)</u>
Transfer between funds		<u>(247)</u>	<u>247</u>	<u>-</u>
Other recognised gains/(losses)				
Actuarial gains/(losses) on defined benefit scheme	-	185	-	185
Net movement in funds	95	(406)	(73)	(384)
RECONCILIATION OF FUNDS				
Total funds brought forward	<u>783</u>	<u>(7,530)</u>	<u>15,472</u>	<u>8,725</u>
TOTAL FUNDS CARRIED FORWARD	<u>878</u>	<u>(7,936)</u>	<u>15,399</u>	<u>8,341</u>

Hall Cross Academy Trust

**Notes to the Financial Statements
For The Year Ended 31 August 2022**

13. TANGIBLE FIXED ASSETS

	Leasehold land and buildings £'000	Improvements to property £'000	Furniture & fixtures £'000
COST			
At 1 September 2021	17,987	2,864	2,837
Additions	-	922	51
Disposals	-	-	(6)
At 31 August 2022	<u>17,987</u>	<u>3,786</u>	<u>2,882</u>
DEPRECIATION			
At 1 September 2021	5,300	330	2,732
Charge for year	553	182	52
Eliminated on disposal	-	-	(6)
At 31 August 2022	<u>5,853</u>	<u>512</u>	<u>2,778</u>
NET BOOK VALUE			
At 31 August 2022	<u>12,134</u>	<u>3,274</u>	<u>104</u>
At 31 August 2021	<u>12,687</u>	<u>2,534</u>	<u>105</u>

	Computer equipment £'000	Totals £'000
COST		
At 1 September 2021	1,132	24,820
Additions	137	1,110
Disposals	(42)	(48)
At 31 August 2022	<u>1,227</u>	<u>25,882</u>
DEPRECIATION		
At 1 September 2021	1,059	9,421
Charge for year	86	873
Eliminated on disposal	(42)	(48)
At 31 August 2022	<u>1,103</u>	<u>10,246</u>
NET BOOK VALUE		
At 31 August 2022	<u>124</u>	<u>15,636</u>
At 31 August 2021	<u>73</u>	<u>15,399</u>

14. STOCKS

	2022 £'000	2021 £'000
Catering	-	-
Clothing	2	4
	<u>2</u>	<u>4</u>

Hall Cross Academy Trust
Notes to the Financial Statements
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15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£'000	£'000
Trade debtors	33	4
VAT recoverable	138	95
Prepayments and accrued income	177	158
	<u>348</u>	<u>257</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£'000	£'000
Trade creditors	342	211
Taxation and social security	191	178
Other creditors	291	264
Accruals and deferred income	248	98
	<u>1,072</u>	<u>751</u>

	2022	2021
	£'000	£'000
Deferred income		
Deferred income at 1 September 2021	3	-
Resources deferred in the year	(3)	3
Amounts released from previous years	10	-
Deferred income at 31 August 2022	<u>10</u>	<u>3</u>

At the balance sheet date, the academy trust held £10,343 (2021: £3,332) received in advance in relation to trips which were yet to proceed.

17. LEASING AGREEMENTS

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

	2022	2021
	£'000	£'000
Withing one year	33	26
Between one and five years	8	53
In more than five years	-	-
	<u>41</u>	<u>79</u>

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.

Hall Cross Academy Trust
Notes to the Financial Statements
For The Year Ended 31 August 2022

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Fixed Asset Fund £'000	Total Funds £'000
Tangible fixed assets	-	-	15,636	15,636
Current assets	995	1,072	-	2,067
Current liabilities	-	(1,072)	-	(1,072)
Pension scheme liability	-	(2,366)	-	(2,366)
Total net assets	995	(2,366)	15,636	14,265

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

	Unrestricted Funds £'000	Restricted Funds £'000	Fixed Asset Fund £'000	Total Funds £'000
Tangible fixed assets	-	-	15,399	15,399
Current assets	878	902	-	1,780
Current liabilities	-	(751)	-	(751)
Pension scheme liability	-	(8,087)	-	(8,087)
Total net assets	878	(7,936)	15,399	8,341

20. MOVEMENT IN FUNDS

	Balance 01.09.21 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance 31.08.22
Restricted general funds					
General annual grant (GAG)	148	10,818	(10,403)	(563)	-
Pupil premium	3	405	(408)	-	-
Other ESFA	-	610	(503)	(107)	-
Other grants	-	304	(304)	-	-
Other revenue	-	82	(82)	-	-
Pension reserve	(8,087)	-	(355)	6,076	(2,366)
	(7,936)	12,219	(12,055)	5,406	(2,366)
Restricted fixed asset funds					
Assets inherited on conversion	12,690	-	(568)	-	12,122
DfE/ESFA grants	2,282	398	(118)	-	2,562
Capital expenditure from GAG	427	-	(165)	690	952
	15,399	398	(851)	690	15,636
Total restricted funds	7,463	12,617	(12,906)	6,096	13,270
Unrestricted funds	878	249	(112)	(20)	995
Total funds	8,341	12,866	(13,018)	6,076	14,265

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.

Hall Cross Academy Trust

Notes to the Financial Statements
For The Year Ended 31 August 2022

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 2022.

Comparative information in respect of the preceding period as follows:

	Balance 01.09.20 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance 31.08.21
Restricted general funds					
General annual grant (GAG)	329	9,962	(9,745)	(398)	148
Pupil premium	13	384	(394)	-	3
Other ESFA	-	694	(694)	-	-
Other grants	-	248	(248)	-	-
Other revenue	-	354	(505)	151	-
Pension reserve	(7,872)	-	(400)	185	(8,087)
	<u>(7,530)</u>	<u>11,642</u>	<u>(11,986)</u>	<u>(62)</u>	<u>(7,936)</u>
Restricted fixed asset funds					
Assets inherited on conversion	13,292	-	(602)	-	12,690
DfE/ESFA grants	1,917	491	(125)	-	2,282
Capital expenditure from GAG	263	-	(84)	247	427
	<u>15,472</u>	<u>491</u>	<u>(811)</u>	<u>247</u>	<u>15,399</u>
Total restricted funds	<u>7,942</u>	<u>12,133</u>	<u>(12,797)</u>	<u>185</u>	<u>7,463</u>
Unrestricted funds	<u>783</u>	<u>200</u>	<u>(105)</u>	<u>-</u>	<u>878</u>
Total funds	<u>8,725</u>	<u>12,333</u>	<u>(12,902)</u>	<u>185</u>	<u>8,341</u>

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 £190,103 were payable to the schemes at 31 August 2022 (2021: £204,470) 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.

Hall Cross Academy Trust

Notes to the Financial Statements For The Year Ended 31 August 2022

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 earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

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

The employer's pension costs paid to TPS in the period amounted to £1,317,614 (2021: £1,317,772).

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 2022 was £498,000 (2021: £583,000), of which employer's contributions totaled £415,000 (2021: £479,000) and employees' contributions totaled £83,000 (2021: £104,000). The agreed contribution rates for future years are 18.2% 2021/22 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 £163,291 deficit funding into the scheme during the year ended 31 August 2022 and has entered into an agreement to make additional contributions into the scheme of approximately £165,600 for the year to 31 March 2023 of which £55,108 has been paid.

The amounts recognised in the Balance Sheet are as follows:

	2022	2021
	£'000	£'000
Present value of funded obligations	(11,446)	(17,091)
Fair value of plan assets	9,080	9,004
Present value of unfunded obligations	(2,366)	(8,087)
Deficit	(2,366)	(8,087)
Net Liability	(2,366)	(8,087)

Hall Cross Academy Trust

**Notes to the Financial Statements
For The Year Ended 31 August 2022**

21. PENSION AND SIMILAR OBLIGATIONS - continued

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

	Defined benefit pension plans	
	2022	2021
	£'000	£'000
Current service cost	631	732
Net interest from net defined benefit asset/liability	139	138
Past service cost	-	-
Administration expenses	-	9
	<u>770</u>	<u>879</u>
Actual return on plan assets	(154)	1,349

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

	Defined benefit pension plans	
	2022	2021
	£'000	£'000
Opening at 1 September 2021	17,091	15,200
Current service costs	631	732
Past service costs	-	-
Employee contributions	83	104
Interest cost	294	273
Actuarial (gain)/ Loss	(6,385)	1,029
Benefit paid	(268)	(247)
	<u>11,446</u>	<u>17,091</u>

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

	Defined benefit pension plans	
	2022	2021
	£'000	£'000
Opening at 1 September 2021	9,004	7,328
Employer contributions	415	479
Employee contributions	83	104
Actuarial (gain)/ Loss	(309)	1,214
Benefit paid	(268)	(247)
Administrative expenses	-	(9)
Interest on plan assets	155	135
	<u>9,080</u>	<u>9,004</u>

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

	Defined benefit pension plans	
	2022	2021
	£'000	£'000
Actuarial gains/ (losses)	<u>6,076</u>	<u>185</u>
	<u>6,076</u>	<u>185</u>

Hall Cross Academy Trust
Notes to the Financial Statements
For The Year Ended 31 August 2022

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	
	2022	2021
	£'000	£'000
Equities	6,356	6,213
Property	1,816	1,891
Bonds	817	810
Cash	91	90
	9,080	9,004

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

	Defined benefit pension plans	
	2022	2021
Discount rate for scheme liabilities	4.25%	1.70%
Rate of increase in salaries	4.20%	3.95%
Pension increase rate (CPI)	3.20%	2.80%

Sensitivity Analysis

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

Change in assumptions at 31 August 2022:	Approximate % increase to Defined Benefit Obligation	Approximate monetary amount (£000)
0.1% decrease in Real Discount Rate	2%	231
1 year increase in member life expectancy	4%	458
0.1% increase in the Salary Increase Rate	0%	38
0.1% increase in the Pension Increase Rate (CPI)	2%	194

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

	Defined benefit pension plans	
	2022	2021
Retiring today		
Males	22.6	22.5
Females	25.4	25.3
Retiring in 20 years		
Males	24.1	24.0
Females	27.3	27.2

Hall Cross Academy Trust
Notes to the Financial Statements
For The Year Ended 31 August 2022

22. CONTINGENT LIABILITIES

Contingent liabilities £NIL (2021: £NIL).

23. CAPITAL COMMITMENTS

	2022	2021
	£'000	£'000
Contracted but not provided for in the financial statements	Nil	114

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.

No 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.

25. AGENCY ARRANGEMENTS

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2022 the trust received £54,309 (2021: £53,139) and disbursed £11,683 (2021: £22,397) from the fund. The balance carried forward in creditors at 31 August 2022 is £102,605.