

REGISTERED COMPANY NUMBER: 07791933 (England and Wales)

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2019
FOR**

THE HART SCHOOLS TRUST LIMITED

Wags LLP t/a Wagstaffs
Chartered Accountants and Statutory Auditors
Richmond House
Walkern Road
Stevenage
Hertfordshire
SG1 3QP

THE HART SCHOOLS TRUST LIMITED
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FOR THE YEAR ENDED 31ST AUGUST 2019

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THE HART SCHOOLS TRUST LIMITED

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31ST AUGUST 2019**

MEMBERS

J Glasman
K Davies
A B Simmons

TRUSTEES

A B Simmons (Chair)
G Cleverdon
K Davies (Vice-Chair)
J J E Ellam
M C J Lewis (Managing Director & Accounting Officer)
S Marshman (appointed 1/10/18)
V Parsey
G Phillips (resigned 21/5/19)
J Winterbone

KEY MANAGEMENT PERSONNEL

M C J Lewis (Managing Director, Hart Schools Trust & Headteacher, Thomas Alleyne Academy)
L Young (Headteacher, Roebuck Academy)
M Cook (Deputy Headteacher, Thomas Alleyne Academy)
A Mari (Deputy Headteacher, Roebuck Academy)

COMPANY SECRETARY

R M Dale

REGISTERED OFFICE

The Thomas Alleyne Academy
High Street
Stevenage
Hertfordshire
SG1 3BE

REGISTERED COMPANY NUMBER

07791933 (England and Wales)

THE HART SCHOOLS TRUST LIMITED
REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31ST AUGUST 2019

AUDITORS

Wags LLP t/a Wagstaffs
Chartered Accountants and Statutory Auditors
Richmond House
Walkern Road
Stevenage
Hertfordshire
SG1 3QP

SOLICITORS

Eversheds LLP
Kett House
1 Station Road
Cambridge
Cambridgeshire
CB1 2JY

Howes Percival LLP
Terrington House
13/15 Hills Road
Cambridge
Cambridgeshire
CB2 1NL

BANKERS

Barclays Bank Plc
86 Town Centre
Hatfield
Hertfordshire
AL10 0JP

INTERNAL AUDITORS

Alan Euinton Consultancy Limited
Ace House
1 Blackhill Lane
Pulloxhill
Bedfordshire
MK45 5HQ

THE HART SCHOOLS TRUST LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST AUGUST 2019

The Trustees present their report and audited financial statements of the charity for the year ended 31st August 2019. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice (the Charities SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) and the Academies Accounts Direction issued by the Education and Skills Funding Agency (ESFA).

The Trust operates one primary and one secondary academy in Stevenage, Hertfordshire. Its academies have a combined pupil capacity of 1,360 and had a roll of 1,190 on 31 July 2019

STRUCTURE, GOVERNANCE AND MANAGEMENT

CONSTITUTION

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

The names of those serving as Trustees of the charity during the year ended 31 August 2019 and to the date these accounts are approved are listed on page 1. The trustees of the Hart Schools Trust are also the directors of the charitable company for the purposes of company law.

MEMBERS' LIABILITY

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

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

TRUSTEES' INDEMNITIES

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

METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

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

THE HART SCHOOLS TRUST LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST AUGUST 2019

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

INDUCTION AND DEVELOPMENT

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

RECRUITMENT OF DIRECTORS/TRUSTEES AND LOCAL GOVERNORS

Trust Directors are appointed by the Members of the Trust.

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

ORGANISATIONAL STRUCTURE

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

During the period ended 31st August 2019, the Trust supported two schools:

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

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

The Managing Director acts as the Trust's Accounting Officer.

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

- **Effective.** Decisions are taken by the right people, based on accurate evidence and relevant knowledge, in pursuit of the Trust's strategic goals and deliver the intended outcomes for students.
 - **Efficient.** The decision-making process is timely and harnesses the cost benefits of a group of schools operating within the Trust (and of the Trust's connections with North Hertfordshire College).
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THE HART SCHOOLS TRUST LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST AUGUST 2019

- **Simple.** The level of decision-making for specific matters is clearly understood by everyone involved.
- **Consistent.** Decisions made at different levels of the Trust are appropriate for the part of the Trust concerned but consistent with the Trust's overall strategy and policy framework.

The Board of Trustees:

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

ARRANGEMENTS FOR SETTING PAY AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

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

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

The Managing Director was appointed on a spot salary plus a performance bonus. This is subject to annual review by the Trust Board who use benchmark information (including national pay scales for maintained school headteachers and published information about Academy Trust Principal/CEO remuneration) to inform their decision.

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

THE HART SCHOOLS TRUST LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST AUGUST 2019

TRADE UNION FACILITY TIME

Relevant union officials

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

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Total cost of facility time	£0
Total pay bill	£4,682,137
Percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) × 100	0%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) × 100	0%
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RELATED PARTIES AND OTHER CONNECTED CHARITIES AND ORGANISATIONS

The Trust's Sponsor is North Hertfordshire College Further Education Corporation (which trades as the Hart Learning Group).

The Trust receives support from the Hart Learning Group's corporate service functions on the basis of a service level agreement whose quality and value for money is regularly reviewed by the Trust Board.

THE HART SCHOOLS TRUST LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST AUGUST 2019

OBJECTIVES AND ACTIVITIES

OBJECTS AND AIMS

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

OBJECTIVES, STRATEGIES AND ACTIVITIES

The main objectives of the Trust are summarised below:

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

PUBLIC BENEFIT

The principal activity of the Trust is to advance for the public benefit, education in the United Kingdom, by establishing and developing schools offering a broad curriculum.

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

The Trustees believe that our mission is consistent with the guidance on providing public benefit. Students are drawn from the local community and provision is made to support those who are disadvantaged.

THE HART SCHOOLS TRUST LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST AUGUST 2019

In delivering our mission, we provide the following identifiable public benefits:

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

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

ACHIEVEMENT AND PERFORMANCE

PRIMARY - ROEBUCK ACADEMY

- In 2018/19, there was a significant level of in-year pupil movement, and an increase in the number of pupils with special needs on the roll. Finding support for such pupils is increasingly difficult because of the limited availability of funding and specialist provision. The school works with parents to access the right support to meet each child's needs.
- In-year transfers are disruptive for the children affected and require careful management by the school to help them integrate and learn the school's values.
- Early Years Foundation Stage (EYFS) profile data showed a combined result of 76% Early Learning Goal (ELG). Although this is 1% lower than in 2018, results remain above the 2018 national average of 71.5%.
- The gap between boys' and girls' performance has reduced to 11% (2 children). This is significantly lower than last year when the gap was 26.7%. The national gender gap for 2018/19 was 13.5%.
- At the end of 2018/19, Key Stage 1 outcomes were all above the national average and almost all showed progress from 2017/18. At 80%, Reading outcomes were 5% higher than the national average and Writing (77%) 7% higher. Maths (78%) and Science (88%) were 1% and 5% higher than the national average respectively.
- Key Stage 2 outcomes were at or around the national average, except for spelling, punctuation and grammar (SPAG) (69%) which was 9% below. This had the effect of reducing the combined RWM score to 59%, 6% below the national average.
- Attendance was good at 95% and in line with the national average.

THE HART SCHOOLS TRUST LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST AUGUST 2019

SECONDARY - THOMAS ALLEYNE ACADEMY

- The school experienced some student mobility during the year, with a net loss of eight students, including some moving out of the area, some to other Stevenage schools and some to elective home education. In the latter case, decisions were linked with attendance challenges for the individuals affected. In all cases, the school offered significant support for attendance and does not encourage any family to decide to electively home educate.
- Attendance at the year-end was 94.1%, which we anticipate will be above the Hertfordshire average.

KEY STAGE 4 (GCSE)

- 64% of students achieved a standard pass in English and Maths (grade 4+) which is up by 2% on last year. The target was 62%.
- 38% of students achieved a good pass in English and Maths (grade 5+). This is a 1% increase on last year. The target was 35%.
- Maths achieved 44.2% grades 5-9 and 63% grades 4-9.
- English achieved 53% grades 5-9 and 73% grades 4-9 when the best grade from language or literature is taken for the measure.
- 60.3% of students achieved two science grades at grade 4+; in 2017/18 this was 53%.
- Grade 9s were achieved in each of the following subjects: English, Biology, Chemistry, Physics, Geography, Maths, English Lit, & French. 10 Distinction* grades were also achieved in Sport Studies.
- The gap for our pupil premium students widened to -0.8 in 2019 (2017/18: -0.2).
- Progress 8 data used by government to measure the performance of secondary schools nationally declined to -0.58 (2017/18: -0.26). This was a better outcome than had been expected of this group of students, which included some individuals with health and welfare challenges that reduced their levels of attendance and exam participation.

A-LEVEL

- On entry, the cohort of 25 had an average GCSE points score of 33.54.
- The A*-E grades pass rate was 94.3%. One entry achieved a grade A. 80% of two-year A level Subjects achieved a pass rate better than the national average.
- The average points score per entry fell to 21.5 (2018: 26.87, 2017: 28.54, 2016: 20.68 and the average grade per entry fell slightly to D+ (2018: C-, 2017: C, 2016: D).
- A*-B grades were 19% (2018 = 30%, 2017 = 34%).
- Overall, 27% of grades met or exceeded indicator grades.
- All students are expected to progress to their chosen destinations.

THE HART SCHOOLS TRUST LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST AUGUST 2019

SCHOOL RECRUITMENT IN 2018/19

The number of pupils in each year is shown below.

Thomas Alleyne Academy (TAA) PAN = 180			Roebuck Academy (RA) PAN = 60 YR to Y2		
Year Group	July 2018	July 2019	Year Group	July 2018	July 2019
			Nursery	30	30
7	177	178	Reception	60	45
8	166	166	1	57	60
9	162	156	2	56	60
10	143	157	3	30	56
11	155	134	4	30	28
12	28	38	5	30	30
13	31	25	6	31	29
Total	862	854	Total	324	336

For September 2019, pupil numbers at both schools have risen to 384 at Roebuck and 885 at TAA and early indications for the pupil intake in September 2020 are that both schools will be full.

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.

FINANCIAL REVIEW

SUMMARY

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

THE HART SCHOOLS TRUST LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST AUGUST 2019

Income and Expenditure

Total income received in the accounting period to 31st August 2019 amounted to £6,846,602. These amounts and associated expenditure are shown between restricted funds and unrestricted funds in the statement of financial activities. Net outgoing resources for the period were £1,159,369.

RESERVES POLICY

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

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

PRINCIPAL RISKS AND UNCERTAINTIES

The directors have assessed the major risks to which the Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Trust and its schools, and its finances. Directors have implemented systems to assess risks that the schools face, especially in operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and financial control. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) to minimise risk. Where significant financial risk remains, they have arranged adequate insurance cover through the government-provided Risk Protection Arrangement.

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

The principal risks are:

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

INVESTMENT POLICY

The cash balances currently held are due to grants received for the construction of the school, these are held for a relatively short period of time and would be called upon quickly, so cash is not currently invested in any long-term account.

FUNDRAISING

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

THE HART SCHOOLS TRUST LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST AUGUST 2019

PLANS FOR FUTURE PERIODS

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

- Adding value to schools and their students is far more important than growing the Trust. We would rather work with fewer schools but ensure that our support has real impact.
- School improvement and curriculum collaboration between the Trust and its sponsor should be the key focus for the relationship, not simply the provision of shared services.
- Our strong preference is to expand through tightly defined geographic clusters, rather than by embracing new schools from across a wider area. This approach will enable us to add more value, and foster more impactful collaboration within the Trust and between the schools, North Hertfordshire College and Hart Learning & Development Ltd.
- We have thus focussed discussions on schools in the Stevenage area. We have been keen to talk to both primary and secondary schools, given the improvements we believe we can deliver by better integrating and managing transition between Key Stages.

Progress towards achieving these goals is described in detail in other sections of the Financial Statements. This section highlights areas in which the Trust carried out its activities for the public benefit during the year in furtherance of its objects and its mission.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

There are no such funds.

AUDITOR

Insofar as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 5 December 2019 and signed on its behalf by:



Andrew Simmons, Chair and Trustee
5 December 2019

THE HART SCHOOLS TRUST LIMITED

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31ST AUGUST 2019

The following statement is provided to enable readers of this annual report and accounts to obtain a better understanding of the Trust's governance and legal structure. It covers the period from 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

The Trustees recognise that, as a body entrusted with both public and private funds, they have a particular duty to observe the highest standards of corporate governance at all times and so endeavour to conduct their business:

- in accordance with the seven principles described by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership);
- Having due regard to the UK Corporate Governance Code 2014 insofar as it is applicable to the education sector.

We have not adopted and so do not apply the UK Corporate Governance Code. However, we have reported on our Corporate Governance arrangements by drawing upon best practice, including those aspects of the UK Corporate Governance Code we consider relevant to the education sector and best practice.

The Trust is an exempt charity within the meaning of Part 3 of the Charities Act 2011. The Directors, who are also the Trustees for the purposes of the Charities Act 2011, confirm that they have had due regard for the Charity Commission's guidance on public benefit and that the required statements appear elsewhere in these financial statements.

GOVERNING COMMITTEES

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

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

In 2018/19, the Board focussed on:

- Improving student outcomes, including attendance and behavior.
 - Developing curriculum plans and standards at both schools that support aspiration and encourage student progress and that are aligned with the new Education Inspection Framework (EIF).
 - Holding conversations with other potential converting schools.
 - Ensuring that the Trust remained financially sustainable.
 - Addressing challenges in managing the ageing estate at the Thomas Alleyne Academy.
-

THE HART SCHOOLS TRUST LIMITED

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31ST AUGUST 2019

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

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

North Hertfordshire College
Cambridge Road
Hitchin, SG4 0JD

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

MEMBERS

The Trust's Articles of Association provide that there shall be up to five Members of the Company:

- North Hertfordshire College Further Education Corporation (the Trust's Sponsor) – clause 4.1.1;
- Up to two people appointed by the Trust's Sponsor – clause 4.1.2;
- One person appointed by the secretary of State for Education (should he or she decide to make such an appointment – clause 4.1.3);
- The Chair of the Trust Board – clause 4.1.4.

Members serve until they resign or otherwise become unfit to remain in office. During the period ended 31 August 2018, the Members of the Company were:

Name	Appointed under clause	Role	Appointed	Resigned
David Chalk	4.1.1	Chair of North Hertfordshire College Further Education Corporation	04/12/2017	31/12/2018
Judy Glasman	4.1.2	Sponsor appointment		
Kit Davies	4.1.2	Sponsor appointment	30/11/17	
Andrew Simmons	4.1.4	Chair of the Trust Board		

The Secretary of State for Education has not chosen to appoint a Member under clause 4.1.3 of the Trust's Articles.

THE HART SCHOOLS TRUST LIMITED
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31ST AUGUST 2019

THE TRUST BOARD

All governors can take independent professional advice about their duties at the Group's expense and have access to the Company Secretary, who is responsible to the Board for ensuring compliance with all applicable procedures and regulations. The appointment, evaluation and removal of the Company Secretary are matters for the Board as a whole.

The members who served on the Board during the year and up to the date of signature of this report are listed in the table below.

Name	Role	Appointed	Term of office	Resigned	Board Meetings attended	Other committees supported
G Cleverdon	Audit Chair	25/09/2016	4 years		5/7	
K Davies	Vice-chair Sponsor Chief Executive	20/11/2017	Ex officio		7/7	
J J E Ellam	Chair, TAA LGB	10/02/2016	4 years		6/7	Audit
M C J Lewis	Managing Director		Ex officio		7/7	TAA LGB Roebuck LGB
S Marshman	Chair, Roebuck LGB	01/07/2017	4 years		3/7	
V Parsey		01/04/2016	4 years		4/7	
G Phillips		10/02/2016	4 years	21/05/2019	5/5	
A B Simmons	Chair	05/10/2016	4 years		7/7	Search
J Winterbone		03/03/2016	4 years		4/7	

Agendas, papers and reports are issued in good time before Board meetings. Briefings are also given on an ad-hoc basis.

The Board has a strong and independent non-executive majority and no individual or group dominates decision-making. The Board considers that each of its non-executive members is independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement. Finally, there is a clear division of responsibility between the roles of the Chair of the Board and the Accounting Officer.

THE HART SCHOOLS TRUST LIMITED
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31ST AUGUST 2019

The Board met six times in 2018/19 in addition to holding an Annual General Meeting. Attendance for the year was 78.69% (2017/18: 81.67%).

The Board is supported by two Committees (Audit and Search, the latter a joint committee with the Hart Learning Group) and active local governing bodies for its schools. Each has Terms of Reference and meets as required (normally twice in each term).

APPOINTMENTS TO THE BOARD

Any new appointments to the Board are a matter for consideration by the Board as a whole. The Board has a Search Committee comprising up to five members responsible for selecting candidates for the Board's consideration. The Board is responsible for ensuring that appropriate training is provided for Governors. One Trustee resigned during the year, as he had been invited to serve on the local governing body for the Thomas Alleyne Academy.

No Trustees were appointed during the year.

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

AUDIT COMMITTEE

The Audit Committee is made up of four non-executive members of the Board (neither the Chair nor Accounting Officer are members) and one member of a LGB with relevant skills.

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

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

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

Management is responsible for the implementation of agreed recommendations and internal audit undertake periodic follow up reviews to ensure such recommendations have been implemented.

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

The Audit Committee met three times in 2018/19. Attendance for the year was 93.33% (2017/18: 85.71%).

THE HART SCHOOLS TRUST LIMITED
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31ST AUGUST 2019

SEARCH COMMITTEE

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

The Committee did not meet in 2018/19.

LOCAL GOVERNING BODIES

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

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

Chairs of local governing bodies are appointed as Trustees and serve on the Trust Board ensuring that there is a clear link between the Trust and LGB.

The Roebuck Academy

The local governing body (LGB) for this primary academy is made up of up to 13 members, including the headteacher and up to three elected parent governors.

In 2018/19, the LGB took particular interest in the development of a new knowledge-based curriculum intended to enhance pupils' learning and meet the needs of the new Ofsted inspection framework. This included the creation by staff of Mastery statements and Knowledge Organisers across the curriculum.

The LGB monitored the operation of the school including wrap-around provision shared with another local primary school as well as how the estate was managed. Local governors were kept informed about the school's financial position.

During 2018/19, one local governor stepped down at the end of her term of office. Two parent local governors were elected, and one local governor was appointed by the Hart Schools Trust.

The LGB met five times in 2018/19. Attendance was 84.19% (2017/18: 86.11%).

The Thomas Alleyne Academy

The LGB for this secondary academy is made up of up to 13 members, including the headteacher and up to three elected parent governors. There is an historic association with Trinity College, Cambridge, and one governor is nominated by the College. In 2018/19, there was also one co-opted governor.

THE HART SCHOOLS TRUST LIMITED
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31ST AUGUST 2019

In 2018/19, the LGB took particular interest in the development of a new knowledge-based curriculum intended to enhance pupils' learning and meet the needs of the new Ofsted inspection framework. This included the creation by staff of Mastery statements and Knowledge Organisers across the curriculum. The school seeks to encourage students to Aim High and has values that reflect this which the governors reviewed and endorsed.

The LGB monitored the operation of the school including the management of premises that are historic but in need of significant investment and the growing need to support students with anxiety, mental health and other personal and pastoral needs. Local governors were kept informed about the school's financial position.

The school expected to be inspected by Ofsted during the academic year 2018/19, but in the event, the inspection team did not arrive until part way through the autumn term 2019/20. Local governors met the inspectors and demonstrated that they knew the school well, provided rigorous challenge to the school leadership and ensured strong and effective governance.

During 2018/19, two local governors stepped down, one parent governor at the end of his term of office and the Trinity College governor for work-related reasons. Two parent governors were elected and one local governor was appointed by the Hart Schools Trust. At the start of the 2019/20 academic year, a new Trinity College governor joined the LGB.

The LGB met six times in 2018/19. Attendance was 87.30% (2017/18: 88.14%).

INTERNAL CONTROL

Scope of Responsibility

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

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

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 ongoing process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place for the whole of the year ended 31 August 2019 and up to the date of approval of the annual report and financial statements.

THE HART SCHOOLS TRUST LIMITED
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31ST AUGUST 2019

Capacity to handle risk

The Board has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls implemented to mitigate those risks. The Board is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks that has been in place for the period ending 31 August 2019 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Board.

The risk and control framework

The system of internal control is based on a framework of regular management information, administration procedures, including the segregation of duties, and a system of delegation and accountability. In particular, it includes:

- A robust approach to setting revenue and cost budgets for the forthcoming year, with final budgets agreed by Board.
- Targets to measure financial and other performance
- Regular finance reports at Board meetings, detailing year-to-date performance, and forecast outturn for the year plus any upside opportunities and downside risks.
- A clear link between finance and individual performance management, with clear finance objectives embedded in individual budget holders' personal objectives for the year.
- The increased deployment of formal project management approaches.
- Clearly defined capital investment guidance and controls.
- Independent internal audit conducted by experienced individual with high levels of risk management and audit expertise.

These arrangements can provide only reasonable and not absolute assurance that assets are safeguarded, transactions are authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely period.

Review of effectiveness

As Accounting Officer, the Managing Director is responsible for reviewing the effectiveness of the system of internal control. The Managing Director's review of the effectiveness of the system of internal control is informed by:

- The reports of the Audit Committee.
 - The work of the internal auditor.
 - The work of managers within the Trust and central service provision who have responsibility for the development and maintenance of the internal control framework.
 - Comments made by the financial statements auditors and the funding auditors in their management letters and other reports.
-

THE HART SCHOOLS TRUST LIMITED
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31ST AUGUST 2019

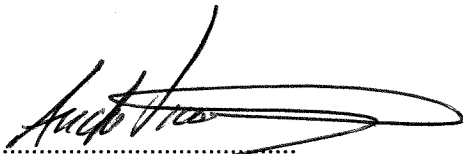
The Audit Committee has considered an assurance map identifying where independent sources of assurance can be used to inform its consideration of risk and control. These include independent reviews of Safeguarding, Health and Safety, teaching and learning quality, governance, data protection and school and Trust websites.

An independent auditor undertakes a financial controls audit annually and recommendations made are followed-up.

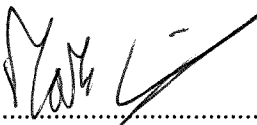
The Senior Management Team receives reports setting out key performance and risk indicators and considers possible control issues brought to their attention by early warning mechanisms, which are embedded within the departments and reinforced by risk awareness training. The Senior Management Team and Audit Committee also receive regular reports from internal audit and other sources of assurance, which include recommendations for improvement. The Audit Committee's role in this area is confined to a high-level review of the arrangements for internal control. The Board's business agenda includes a regular item for consideration of risk and control and receives reports thereon from the Senior Management Team and the Audit Committee. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception.

Based on the advice of the Audit Committee and the Managing Director, the Board is of the opinion that the Trust has an adequate and effective framework for governance, risk management and control and has fulfilled its statutory responsibility for "the effective and efficient use of resources, the solvency of the institution and the body and the safeguarding of their assets".

Approved by order of the members of the Board on 5 December 2019 and signed on its behalf by:



.....
A B Simmons - Chair



.....
M C J Lewis - Accounting Officer

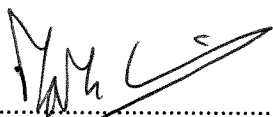
THE HART SCHOOLS TRUST LIMITED

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31ST AUGUST 2019**

As accounting officer of The Hart Schools Trust Limited 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 2018.

I confirm that I and the charitable company Board of Trustees are able to identify any material irregular or improper use of all 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 2018.

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



.....
M C J Lewis - Accounting Officer

Date: 5 December 2019

THE HART SCHOOLS TRUST LIMITED

STATEMENT OF TRUSTEES RESPONSIBILITIES FOR THE YEAR ENDED 31ST AUGUST 2019

The Trustees (who act as governors of The Hart Schools Trust Limited and 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 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

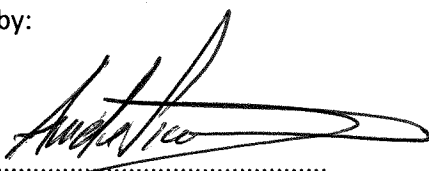
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements 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.

In so far as the Trustees are aware:

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

Approved by order of the members of the Board of Trustees on 5 December 2019 and signed on its behalf by:


.....
A B Simmons – Chair

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE HART SCHOOLS TRUST LIMITED**

Opinion

We have audited the financial statements of The Hart Schools Trust Limited (the 'charitable company') for the year ended 31st August 2019 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows 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) and the Accounts Direction 2018 to 2019 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 31st August 2019 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 2015 and Academies Accounts Direction 2018 to 2019.

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.

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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE HART SCHOOLS TRUST LIMITED**

Other information

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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE HART SCHOOLS TRUST LIMITED**

Our responsibilities for the audit of the financial statements

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

Use of our report

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



M R Hubbocks FCA (Senior Statutory Auditor)
for and on behalf of Wags LLP t/a Wagstaffs
Chartered Accountants and Statutory Auditors
Richmond House
Walkern Road
Stevenage
Hertfordshire SG1 3QP

Date: 5th DECEMBER 2014

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
THE HART SCHOOLS TRUST LIMITED AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Hart Schools Trust Limited during the period 1st September 2018 to 31st August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of The Hart Schools Trust Limited's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Hart Schools Trust Limited's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1st September 2018, 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 2018 to 2019. 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 1st September 2018 to 31st August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 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.

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
THE HART SCHOOLS TRUST LIMITED AND THE EDUCATION AND SKILLS FUNDING AGENCY**

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 1st September 2018 to 31st August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Wags LLP t/a Wagstaffs
Richmond House
Walkern Road
Stevenage
Hertfordshire SG1 3QP

Date: 5th DECEMBER 2019

THE HART SCHOOLS TRUST LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST AUGUST 2019

	Notes	General Unrestricted fund £	General Restricted funds £	Restricted fixed asset funds £	FRS 102 Pension £	2019 Total funds £	2018 Total funds £
INCOMING RESOURCES FROM							
Donations and capital grants	4	-	53,781	-	-	53,781	-
Charitable activities							
Funding for the academy's educational operations	5	281,969	6,452,852	-	-	6,734,821	6,094,795
Expected return on pension scheme assets		-	-	-	58,000	58,000	45,000
Total		281,969	6,506,633	-	58,000	6,846,602	6,139,795
EXPENDITURE ON							
Charitable activities							
Academy trust educational operations	6	239,884	6,236,400	701,687	-	7,177,971	6,678,897
Other charitable expenditure	8	-	9,000	-	370,000	379,000	363,000
Total		239,884	6,245,400	701,687	370,000	7,556,971	7,041,897
NET INCOME/(EXPENDITURE)		42,085	261,233	(701,687)	(312,000)	(710,369)	(902,102)
Transfers between funds		-	(187,000)	-	187,000	-	-
Other recognised gains/(losses)							
Actuarial gains/losses on defined benefit schemes	20	-	-	-	(449,000)	(449,000)	257,000
Net movement in funds		42,085	74,233	(701,687)	(574,000)	(1,159,369)	(645,102)
RECONCILIATION OF FUNDS							
Total funds brought forward		33,173	113,875	28,226,952	(1,304,000)	27,070,000	27,715,102
TOTAL FUNDS CARRIED FORWARD	19	75,258	188,108	27,525,265	(1,878,000)	25,910,631	27,070,000

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

THE HART SCHOOLS TRUST LIMITED (REGISTERED NUMBER: 07791933)

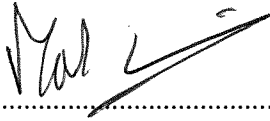
STATEMENT OF FINANCIAL POSITION
AT 31ST AUGUST 2019

	Notes	2019 £	2018 £
FIXED ASSETS			
Tangible assets	12	28,007,789	28,694,771
CURRENT ASSETS			
Stocks	13	1,200	1,358
Debtors	14	188,956	196,982
Cash at bank and in hand		287,896	189,744
		478,052	388,084
CREDITORS			
Amounts falling due within one year	15	(697,210)	(708,855)
NET CURRENT ASSETS/(LIABILITIES)		(219,158)	(320,771)
TOTAL ASSETS LESS CURRENT LIABILITIES		27,788,631	28,374,000
PENSION LIABILITY	20	(1,878,000)	(1,304,000)
NET ASSETS		25,910,631	27,070,000
FUNDS	19		
Unrestricted general fund		75,258	33,173
Restricted funds:			
Restricted general fund		188,108	113,875
Restricted pension fund		(1,878,000)	(1,304,000)
Restricted fixed asset fund		27,525,265	28,226,952
		25,835,373	27,036,827
TOTAL FUNDS		25,910,631	27,070,000

The notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION - CONTINUED
AT 31ST AUGUST 2019

The financial statements were approved by the Board of Trustees on 5 December 2019 and were signed on its behalf by:



.....
M C J Lewis - Managing Director & Accounting Officer

The notes form part of these financial statements

THE HART SCHOOLS TRUST LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST AUGUST 2019

	Notes	2019 £	2018 £
Cash flows from operating activities:			
Cash generated from operations	1	<u>155,860</u>	<u>382,413</u>
Net cash provided by (used in) operating activities		<u>155,860</u>	<u>382,413</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		<u>(57,708)</u>	<u>(318,208)</u>
Net cash provided by (used in) investing activities		<u>(57,708)</u>	<u>(318,208)</u>
<hr/>			
Change in cash and cash equivalents in the reporting period		98,152	64,205
Cash and cash equivalents at the beginning of the reporting period	2	<u>189,744</u>	<u>125,539</u>
Cash and cash equivalents at the end of the reporting period	2	<u>287,896</u>	<u>189,744</u>

The notes form part of these financial statements

THE HART SCHOOLS TRUST LIMITED

NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST AUGUST 2019

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2019	2018
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(710,369)	(902,102)
Adjustments for:		
Depreciation	744,690	724,846
Decrease/(increase) in stocks	158	(241)
Decrease/(increase) in debtors	8,026	(7,108)
(Decrease)/increase in creditors	(11,645)	427,018
Difference between pension charge and cash contributions	<u>125,000</u>	<u>140,000</u>
Net cash provided by (used in) operating activities	<u><u>155,860</u></u>	<u><u>382,413</u></u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2019	2018
	£	£
Cash in hand	1,030	200
Notice deposits (less than 3 months)	<u>286,866</u>	<u>189,544</u>
Total cash and cash equivalents	<u><u>287,896</u></u>	<u><u>189,744</u></u>

THE HART SCHOOLS TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2019

1. STATUTORY INFORMATION

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

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) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2018 to 2019 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The Hart Schools Trust Ltd meets the definition of a public benefit entity under FRS 102.

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.

THE HART SCHOOLS TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2019

2. ACCOUNTING POLICIES - continued

Critical accounting judgements and key sources of estimation uncertainty

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, 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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. 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.

Incoming resources

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

Grants

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

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

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

Donations

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

THE HART SCHOOLS TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2019

2. ACCOUNTING POLICIES - continued

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.

Resources expended

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

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.

All resources expended are inclusive of irrecoverable VAT.

Tangible fixed assets

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

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

Plant and machinery - between 3 - 5 years straight line

Land & buildings - 50 years straight line

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.

THE HART SCHOOLS TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2019

2. ACCOUNTING POLICIES - continued

Liabilities

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

Provisions

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

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

Leased Assets

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

Financial Instruments

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

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

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

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

Stock

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

THE HART SCHOOLS TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2019

2. ACCOUNTING POLICIES - continued

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

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

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

Restricted 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.

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.

Teachers' Pension Scheme

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.

Local Government Pension Scheme

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 HART SCHOOLS TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2019

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits (cont)

Local Government Pension Scheme (cont)

The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

3. GENERAL ANNUAL GRANT

Under the funding agreement with the Secretary of State, the academy trust was subject to limits at 31 August 2019 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The academy trust has not exceeded these limits during the year ended 31 August 2019.

4. DONATIONS AND CAPITAL GRANTS

	2019	2018
	£	£
Capital grants	<u>53,781</u>	<u>-</u>

The income from donations and capital grants was £53,781 (2018 : £Nil) all of which was restricted.

THE HART SCHOOLS TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2019

5. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	2019 Total funds £	2018 Total funds £
EFA Grants	-	6,124,469	6,124,469	5,534,490
Special educational projects	-	89,484	89,484	99,891
Other income from the academy trust's educational operations	281,969	238,899	520,868	460,414
	<u>281,969</u>	<u>6,452,852</u>	<u>6,734,821</u>	<u>6,094,795</u>

The income from charitable activities was £6,734,821 (2018: £6,094,795) of which £281,969 was unrestricted (2018: £210,513).

6. EXPENDITURE

	Direct costs (note 7) £	Support costs (note 7) £	2019 Total £	2018 Total £
Academies educational Operations	<u>5,363,897</u>	<u>1,814,074</u>	<u>7,177,971</u>	<u>6,678,897</u>

Analysis of expenditure by academy

	Teaching and educational support costs £	Other support staff costs £	Other costs £	2019 Total £	2018 Total £
Thomas Alleyne Academy	3,154,577	456,342	1,622,247	5,233,166	4,902,607
Roebuck Academy	980,403	90,815	592,872	1,664,090	1,512,349
	<u>4,134,980</u>	<u>547,157</u>	<u>2,215,119</u>	<u>6,897,256</u>	<u>6,414,956</u>
Central service charge	-	-	280,715	280,715	263,941
	<u>4,134,980</u>	<u>547,157</u>	<u>2,495,834</u>	<u>7,177,971</u>	<u>6,678,897</u>

THE HART SCHOOLS TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2019

6. EXPENDITURE - continued

Net resources are stated after charging/(crediting):

	2019	2018
	£	£
Auditor's remuneration	9,000	9,000
Depreciation - owned assets	<u>744,690</u>	<u>724,846</u>

7. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

Direct costs	2019	2018
	£	£
Teaching and educational support staff costs	4,134,980	3,854,080
Depreciation on buildings, fixtures, fittings and equipment	744,690	724,846
Books, apparatus and stationery	47,859	41,320
Examination fees	65,571	92,785
Other direct costs	<u>370,797</u>	<u>355,240</u>
	<u>5,363,897</u>	<u>5,068,271</u>

Allocated support costs

	2019	2018
	£	£
Support staff costs	547,157	474,795
Maintenance of premises and equipment	387,544	284,896
Rates and utilities	180,985	200,896
Transport	8,636	6,525
Technology costs	50,590	54,737
Indirect employee expenses	10,884	654
Other support costs	<u>628,278</u>	<u>588,123</u>
	<u>1,814,074</u>	<u>1,610,626</u>

The expenditure on charitable activities was £7,177,971 (2018: £6,678,897) of which £239,884 was unrestricted (2018: £201,357), £6,245,400 restricted (2018: £5,775,853) and £701,687 (2018: £701,687) restricted fixed assets.

THE HART SCHOOLS TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2019

8. OTHER CHARITABLE EXPENDITURE

	Unrestricted funds £	Restricted funds £	2019 Total funds £	2018 Total funds £
Current service cost	-	271,000	271,000	273,000
Past service cost	-	3,000	3,000	-
Interest cost	-	96,000	96,000	81,000
Auditors remuneration	-	9,000	9,000	9,000
	<u>-</u>	<u>379,000</u>	<u>379,000</u>	<u>363,000</u>

Other charitable expenditure was £379,000 (2018: £363,000) of which £9,000 was restricted (2018: £9,000) and £370,000 (2018 : £354,000) was FRS 102 pension.

9. TRUSTEES' REMUNERATION AND BENEFITS

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

M Lewis (Executive Principal and Trustee):

Remuneration - £100,001 - £105,000 (2018: £100,001 - £105,000)

Employer's pension contributions paid - £10,000 - £15,000 (2018: £10,000 - £15,000)

Trustees' expenses

During the year ended 31 August 2019, travel and subsistence expenses totalling £568 were paid to 1 trustee (2018: £343 to 1 trustee).

THE HART SCHOOLS TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2019

10. STAFF COSTS

	2019	2018	
	£	£	
Wages and salaries	3,402,860	3,090,293	
Social security costs	288,136	341,127	
Pension costs	<u>443,984</u>	<u>422,660</u>	
	4,134,980	3,854,080	
Support staff costs	<u>547,157</u>		474,71
	<u><u>4,682,137</u></u>	<u><u>4,328,875</u></u>	

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

	2019	2018
Teachers	71	72
Administration and support	74	66
Management	<u>2</u>	<u>2</u>
	<u><u>147</u></u>	<u><u>140</u></u>

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

	2019	2018
£60,001 - £70,000	2	2
£100,001 - £110,000	<u>1</u>	<u>1</u>
	<u><u>3</u></u>	<u><u>3</u></u>

Non statutory / non-contractual staff severance payments

During the year the staff restructuring costs and non-contractual staff severance payments totalled £Nil (2018: £Nil).

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 and employer national insurance contributions) received by key management personnel for their services to the academy trust was £345,818 (2018: £289,403).

THE HART SCHOOLS TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2019

11. TRUSTEES' AND OFFICERS' INSURANCE

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

12. TANGIBLE FIXED ASSETS

	Inherited assets £	Land and buildings £	Fixtures and fittings £	Computer equipment £	Totals £
Cost					
At 1st September 2018	28,989,000	1,282,469	400,633	29,251	30,701,353
Additions	-	23,950	33,758	-	57,708
At 31st August 2019	<u>28,989,000</u>	<u>1,306,419</u>	<u>434,391</u>	<u>29,251</u>	<u>30,759,061</u>
Depreciation					
At 1st September 2018	1,712,400	51,393	223,867	18,922	2,006,582
Charge for year	579,780	25,650	131,958	7,302	744,690
At 31st August 2019	<u>2,292,180</u>	<u>77,043</u>	<u>355,825</u>	<u>26,224</u>	<u>2,751,272</u>
Net book value					
At 31st August 2019	<u>26,696,820</u>	<u>1,229,376</u>	<u>78,566</u>	<u>3,027</u>	<u>28,007,789</u>
At 31st August 2018	<u>27,276,600</u>	<u>1,231,076</u>	<u>176,766</u>	<u>10,329</u>	<u>28,694,771</u>

Land and buildings represent long leasehold assets only (2018: long leasehold only).

13. STOCKS

	2019	2018
	£	£
Clothing	<u>1,200</u>	<u>1,358</u>

THE HART SCHOOLS TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2019

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade debtors	6,283	5,127
Other debtors	-	5,970
VAT recoverable	50,819	20,696
Prepayments and accrued income	<u>131,854</u>	<u>165,189</u>
	<u>188,956</u>	<u>196,982</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade creditors	184,155	170,354
Social security and other taxes	92,000	84,748
Other creditors	82,046	73,424
Accruals and deferred income *	<u>339,009</u>	<u>380,329</u>
	<u>697,210</u>	<u>708,855</u>

*Deferred income is comprised of the below:

	2019	2018
	£	£
Deferred income at 1 September 2018	213,952	145,128
Released from previous years	(213,952)	(145,128)
Resources deferred in the year	<u>221,738</u>	<u>213,952</u>
Deferred Income at 31 August 2019	<u>221,738</u>	<u>213,952</u>

THE HART SCHOOLS TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2019

16. LEASING AGREEMENTS

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

	2019	2018
	£	£
Within one year	39,533	31,612
Between one and five years	119,066	109,102
In more than five years	<u>63,280</u>	<u>85,910</u>
	<u>221,879</u>	<u>226,624</u>

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

17. MEMBERS' LIABILITY

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

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund	Restricted funds	2019 Total funds
	£	£	£
Fixed assets	-	28,007,789	28,007,789
Current assets	109,179	368,873	478,052
Current liabilities	(33,921)	(663,289)	(697,210)
Pension liability	-	<u>(1,878,000)</u>	<u>(1,878,000)</u>
	<u>75,258</u>	<u>25,835,373</u>	<u>25,910,631</u>

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

	Unrestricted fund	Restricted funds	2018 Total funds
		£	£
Fixed assets	-	28,694,771	28,694,771
Current assets	33,173	354,911	388,084
Current liabilities	-	(708,855)	(708,855)
Pension liability	-	<u>(1,304,000)</u>	<u>(1,304,000)</u>
	<u>33,173</u>	<u>27,036,827</u>	<u>27,070,000</u>

THE HART SCHOOLS TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2019

19. MOVEMENT IN FUNDS

	Balance at 1 September 2018 £	Incoming resources £	Resources expended £	Gains, Losses and Transfers £	Balance at 31 August 2019 £
Restricted general funds					
General Annual Grant (GAG)	63,061	5,467,152	(5,204,510)	(187,000)	138,703
Pupil Premium	50,814	323,178	(324,587)	-	49,405
Other grants and other income	-	716,303	(716,303)	-	-
	113,875	6,506,633	(6,245,400)	(187,000)	188,108
Restricted pension fund	(1,304,000)	58,000	(370,000)	(262,000)	(1,878,000)
Restricted fixed asset fund					
Transfer on conversion	27,276,600	-	(579,780)	-	26,696,820
DfE capital grants	950,352	-	(121,907)	-	828,445
Capital expenditure from GAG	-	-	-	-	-
	28,226,952	-	(701,687)	-	27,525,265
Total restricted funds	27,036,827	6,564,633	(7,317,087)	(449,000)	25,835,373
Unrestricted funds					
General funds	33,173	281,969	(239,884)	-	75,258
Designated funds	-	-	-	-	-
Total unrestricted funds	33,173	281,969	(239,884)	-	75,258
Total funds	27,070,000	6,846,602	(7,556,971)	(449,000)	25,910,631

THE HART SCHOOLS TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2019

19. MOVEMENT IN FUNDS - continued

Comparatives for movements in funds

	Balance at 1 September 2017 £	Incoming resources £	Resources expended £	Gains, Losses and Transfers £	Balance at 31 August 2018 £
Restricted general funds					
General Annual Grant (GAG)	137,020	4,915,129	(4,820,088)	(169,000)	63,061
Pupil Premium	46,426	290,718	(286,330)	-	50,814
Other grants	-	678,435	(678,435)	-	-
	183,446	5,884,282	(5,784,853)	(169,000)	113,875
Restricted pension fund	(1,421,000)	45,000	(354,000)	426,000	(1,304,000)
Restricted fixed asset fund					
Transfer on conversion	27,856,380	-	(579,780)	-	27,276,600
DfE capital grants	1,072,259	-	(121,907)	-	950,352
Capital expenditure from GAG	-	-	-	-	-
	28,928,639	-	(701,687)	-	28,226,952
Total restricted funds	27,691,085	5,929,282	(6,840,540)	257,000	27,036,827
Unrestricted funds					
General funds	24,017	210,513	(201,357)	-	33,173
Designated funds	-	-	-	-	-
Total unrestricted funds	24,017	210,513	(201,357)	-	33,173
Total funds	27,715,102	6,139,795	(7,041,897)	257,000	27,070,000

THE HART SCHOOLS TRUST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2019**

19. MOVEMENT IN FUNDS - continued

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

Restricted general funds

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

Pension reserve

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

Restricted fixed asset fund

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

Analysis of fund balances by Academy

Fund balances at 31 August 2019 were allocated as follows:

	General funds £	Restricted fixed asset fund £	Pension liability £	Total 2019 £	Total 2018 £
Thomas Alleyne Academy	107,002	17,817,745	(1,342,000)	16,582,747	17,442,624
Roebuck Academy	<u>156,364</u>	<u>9,707,520</u>	<u>(536,000)</u>	<u>9,327,884</u>	<u>9,627,376</u>
Total	<u>263,366</u>	<u>27,525,265</u>	<u>(1,878,000)</u>	<u>25,910,631</u>	<u>27,070,000</u>

20. 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 Hertfordshire County Council. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

Contributions amounting to £82,228 were payable to the schemes at 31 August 2019 (2018: £72,327) and are included within creditors.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2019

20. PENSION AND SIMILAR OBLIGATIONS

- continued

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 full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. 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 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

The TPS valuation for 2012 determined an employer rate of 16.48%, which was payable from September 2015. The net valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 September 2019.

The employer's pension costs paid to TPS in the period amounted to £443,984 (2018: £422,661).

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

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

THE HART SCHOOLS TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2019

20. PENSION AND SIMILAR OBLIGATIONS
- continued

Local government pension scheme

The Local Government Pension Scheme (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 2019 was £236,000 (2018: £209,000), of which employer's contributions totalled £187,000 (2018: £169,000) and employees' contributions totalled £49,000 (2018: £40,000). The agreed contribution rates for future years are 25.3% for employers and 6.5% for employees.

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

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

	2019	2018
Retiring today		
Males	21.5	22.5
Females	23.7	24.9
Retiring in 20 years		
Males	22.3	24.1
Females	25.0	26.7

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	2019	2018
	£	£
Fair value of plan assets	<u>2,373,000</u>	<u>1,997,000</u>
Present value of liabilities	<u>(4,251,000)</u>	<u>(3,301,000)</u>
Net asset	<u>(1,878,000)</u>	<u>(1,304,000)</u>

THE HART SCHOOLS TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2019

20. PENSION AND SIMILAR OBLIGATIONS
- continued

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

	Defined benefit pension plans	
	2019	2018
	£	£
Current service cost	271,000	273,000
Past service cost	3,000	-
Interest income	(58,000)	(45,000)
Interest cost	96,000	81,000
	<u>312,000</u>	<u>309,000</u>
Actual return on plan assets	<u>179,000</u>	<u>98,000</u>

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

	Defined benefit pension plans	
	2019	2018
	£	£
Defined benefit obligation	3,301,000	3,147,000
Current service cost	271,000	273,000
Past service cost	3,000	-
Contributions by scheme participants	49,000	40,000
Interest cost	96,000	81,000
Actuarial losses/(gains)	570,000	(204,000)
Benefits paid	(39,000)	(36,000)
	<u>4,251,000</u>	<u>3,301,000</u>

THE HART SCHOOLS TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2019

20. PENSION AND SIMILAR OBLIGATIONS
- continued

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

	Defined benefit pension plans	
	2019	2018
	£	£
Fair value of scheme assets	1,997,000	1,726,000
Contributions by employer	187,000	169,000
Contributions by scheme participants	49,000	40,000
Expected return	58,000	45,000
Actuarial gains/(losses)	121,000	53,000
Benefits paid	(39,000)	(36,000)
	<u>2,373,000</u>	<u>1,997,000</u>

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

	Defined benefit pension plans	
	2019	2018
	£	£
Actuarial gains/(losses)	(449,000)	257,000
	<u>(449,000)</u>	<u>257,000</u>

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

	Defined benefit pension plans	
	2019	2018
	£	£
Equities	1,163,000	1,058,000
Bonds	925,000	699,000
Property	190,000	160,000
Cash	95,000	80,000
	<u>2,373,000</u>	<u>1,997,000</u>

THE HART SCHOOLS TRUST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2019**

20. PENSION AND SIMILAR OBLIGATIONS
- continued

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

	2019	2018
Rate of increase in salaries	2.4%	2.5%
Rate of increase for pensions in payment	2.3%	2.4%
Discount rate for scheme liabilities	1.8%	2.8%
Inflation assumption (CPI)50	2.3%	2.4%
Commutation of pensions lump sums (pre April 2008)	50%	50%
Commutation of pensions lump sums (post April 2008)	75%	75%

21. CAPITAL COMMITMENTS

	2019	2018
	£	£
Contracted but not provided for in the financial statements	<u> -</u>	<u> 23,950</u>

22. RELATED PARTY DISCLOSURES

During the year The Hart Schools Trust Limited made sales to North Hertfordshire College amounting to £105,000 (2018: £107,931). The Trust also made purchases for goods and services amounting to £280,751 (2018: £319,149) from North Hertfordshire College. Included within debtors falling due within one year is £Nil (2018: £5,970) due from the North Hertfordshire College.

North Hertfordshire College is deemed a related party on the basis of it being the Sponsor of the Trust.

All related party transactions took place on a cost basis and in accordance with the requirements of the Academies Financial Handbook (effective September 2018).

THE HART SCHOOLS TRUST LIMITED

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST AUGUST 2019**

	2019	2018
	£	£
INCOME AND ENDOWMENTS		
Donations and capital grants		
Capital grants	53,781	-
Charitable activities		
EFA Grants	6,124,469	5,534,490
Special educational projects	89,484	99,891
Other income from the academy trust's educational operations	520,868	460,414
	6,734,821	6,094,795
Expected return on pension scheme assets		
Expected return on pension scheme assets	58,000	45,000
Total incoming resources	6,846,602	6,139,795
EXPENDITURE		
Charitable activities		
Wages	4,238,153	3,906,214
Pensions	443,984	422,661
Services and supplies	922,525	873,643
Examination fees	65,571	92,785
Other direct costs	6,397	3,318
Telephone	6,375	7,689
Printing, postage and stationery	47,859	41,320
Advertising	1,298	1,183
Recruitment costs	10,884	654
Travel costs	8,636	6,525
Computer expenses	50,590	54,737
Repairs and renewals	387,544	284,896
Training costs	32,285	25,509
Utilities	180,985	200,896
Insurance	26,838	24,194
Legal and professional fees	3,357	7,827
Depreciation on land and buildings	25,650	20,404
Depreciation on fixtures, fittings & equipment	131,958	114,912
Depreciation on computer equipment	7,302	9,750
Depreciation of inherited fixed assets	579,780	579,780
	7,177,971	6,678,897

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THE HART SCHOOLS TRUST LIMITED

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST AUGUST 2019

	2019 £	2018 £
Other charitable expenditure		
Interest on pension scheme liabilities	370,000	354,000
Auditors remuneration	9,000	9,000
	<hr/>	<hr/>
Total resources expended	7,556,971	7,041,897
	<hr/>	<hr/>
Net expenditure	<u>(710,369)</u>	<u>(902,102)</u>

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