

Hull Collaborative Academy Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2021

Forrester Boyd Robson Limited
Kingfisher Court
Plaxton Bridge Road
Woodmansey
Beverley
HU17 0RT

Hull Collaborative Academy Trust

Contents

Reference and Administrative Details	1 to 2
Trustees' Report	3 to 23
Governance Statement	24 to 28
Statement of Regularity, Propriety and Compliance	29
Statement of Trustees' Responsibilities	30
Independent Auditor's Report on the Financial Statements to the Members of Hull Collaborative Academy Trust	31 to 34
Independent Reporting Accountant's Assurance Report on Regularity to Hull Collaborative Academy Trust and the Education and Skills Funding Agency	35 to 36
Statement of Financial Activities for the year ended 31 August 2021 (including Income and Expenditure Account)	37 to 38
Balance Sheet as at 31 August 2021	39
Statement of Cash Flows for the year ended 31 August 2021	40
Notes to the Financial Statements	41 to 69

Hull Collaborative Academy Trust

Reference and Administrative Details

Members

Mr G D Wilson
Mr N Richardson
Mr A Storr
Mr D Hall
Mrs E A Wilson (appointed 27 September 2021)

Trustees (Directors)

Mr G D Wilson, (*) (National Leader of Governance)
Mrs E M Macdonald OBE, (*) (#)
Mrs E A Wilson, (*) (National Leader of Governance) (resigned 27 September 2021)
Mrs C Hough, (*)
Mr M Mathias, (#)
Mr C J Huscroft, (Chair) (*) (#)
Mrs P Winn, (#)
Mr C Ryan, (*) (resigned 16 December 2020)
Ms N Tomlinson, (#) (resigned 17 February 2021)
Mrs J Harris (appointed 10 December 2020 and resigned 30 June 2021)
Mrs J Edwards, (*) (appointed 12 September 2021)
Mr P Lakin, (#) (appointed 12 September 2021)
Miss L Winn (appointed 12 September 2021)
Mrs C O'Connell (appointed 12 September 2021)

(*) members of the finance and general purposes committee

(#) members of the audit committee

Hull Collaborative Academy Trust

Reference and Administrative Details (continued)

Company Secretary	Mr T Horne
Senior Management Team	Mrs E Macdonald, Chief Executive Officer/Founding Headteacher/Accounting Officer Mrs K Beal, Deputy Chief Executive Officer/Founding Headteacher Mrs C Mudd, Founding Headteacher Mrs M Milner, Founding Headteacher Mr D Marks, Head of School Improvement Mrs V Nolan, Chief Financial Officer
Principal and Registered Office	Dorchester Primary School Dorchester Road Hull HU7 6AH
Company Registration Number	08542806
Auditors	Forrester Boyd Robson Limited Kingfisher Court Plaxton Bridge Road Woodmansey Beverley HU17 0RT
Bankers	Lloyds Bank Plc 25 Gresham Street London EC2V 7HN
Solicitors	Wrigleys Solicitors LLP 19 Cookridge Street Leeds LS2 3AG

Hull Collaborative Academy Trust

Trustees' Report for the Year Ended 31 August 2021

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2021. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The Trust operates 14 primary academies, 1 secondary academy and an Initial Teachers' Training for pupils from nursery to 16 serving a catchment area in the Hull and Yorkshire region. Its academies have a roll of 5,974 in the school census of October 2019.

Structure, governance and management

Constitution

The Academy Trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The company registration number is 08542806.

The Board act as the Trustees for the charitable activities of Hull Collaborative Academy Trust and are also the Directors of the charitable company for the purposes of company law. The charitable company is known as Hull Collaborative Academy Trust (HCAT).

Details of the Trustees who served throughout the year except as noted are included in the Reference and Administrative Details on page 1.

The Academy Trust operations have not changed during the reporting period and are:

- Bellfield Primary School (P)
- Collingwood Primary School (P)
- Dorchester Primary School (P)
- Eastfield Primary School (P)
- Gilberdyke Primary School (P)
- Longhill Primary School (P)
- Pearson Primary School (P)
- Hull SCITT (School Centred Initial Teacher Training) (T)
- Stockwell Primary Academy (P)
- Sutton Park Primary School (P)
- The Marvell College (S)
- Thoresby Primary School (P)
- Wansbeck Primary School (P)
- Westcott Primary School (P)
- Wheeler Primary School (P)
- Withernsea Primary School (P)

(P) = primary school

(S) = secondary school

(T) = teachers' training

Members' liability

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

Trustees' indemnities

The Academy through its Articles has indemnified its Trustees to the fullest extent permissible by law. During the period the Academy also purchased and maintained liability insurance for its Trustees. The insurance is unlimited.

Hull Collaborative Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Method of recruitment and appointment or election of Trustees

The Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Academy Trust shall have the following Trustees being not less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum.

The members may appoint up to 18 Trustees.

The members may appoint Staff Trustees through such process as they may determine, provided that the total number of Trustees who are employees of the Academy does not exceed one third of the total number of Trustees.

The CEO has chosen to formally be appointed a Trustee from 25 June 2020 to ensure certain committees are quorate. Prior to this date the CEO was treated for all purposes as being an ex officio Trustee.

The Secretary of State may also appoint additional Trustees if he feels it appropriate and ultimately has the power to in effect take over the Governance of the Academy. The Secretary of State has not appointed any additional Trustees.

The Trustees appointed have been carefully selected to establish a broad, diverse, and effective skill set with a particular focus on leadership and strategic business development. All Trustees are members of the board with some who are also members of local governing bodies within our academies. New Trustees are identified after a skills audit of existing Trustees is conducted to identify areas of weakness. All prospective Trustees go through a rigorous and robust selection process to ensure that the board is constantly self-improving and effective challenge takes place.

Policies and procedures adopted for the induction and training of Trustees

The training and induction provided to new Trustees will depend on their existing experience and the Skills Audit to ensure that all essential skills are covered by the Board and training provided as required. All training needs are coordinated by the professional clerking service. All new Trustees will meet with the CEO and given a tour of the Academies and the chance to meet with staff and students. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents they need to undertake their role as a Trustee. As there are normally only one or two new Trustees a year, induction is specifically tailored to the individual.

New Trustees are provided with the Articles of Association and Governance Handbook; they are also required to sign the NGA (National Governors Association) Code of Conduct. Their attention is also drawn to the Nolan Principles and the standards required in public life.

Collective and individual training needs are regularly reviewed. There is a designated lead to coordinate training for Trustees.

Hull Collaborative Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Organisational structure

There are four layers of corporate governance:

- The Members
- The Board of Trustees
- Senior Management Team
- Individual Academy Senior Leadership Teams

The aim of this structure is to ensure that decisions are made with appropriate involvement at the right level. The Members retain control over the direction of the Academy Trust and appointment of trustees.

The Trustees have responsibility for strategy and the oversight of the day-to-day management and operation of the Trust as carried out by the senior management team. The Trust has various Committees to support all obligations and responsibilities outlined in The Academies Financial Handbook. The Trustees are responsible for shaping general policy; setting an annual budget plan aligned to the agreed Trust priorities; monitoring the Trust by use of results and budgets; managing risk and providing assurance; capital expenditure; making major decisions about the Leadership of the Trust and Trust appointments.

The Senior Management Team is to provide day-to-day management of the Trust and includes the CEO and Founding Heads as well as the School Improvement Team, Strategic Business Manager, Chief Financial Officer, HR Lead, Safeguarding Lead, and the Emotional Wellbeing Lead. They are responsible for the operational aspects of running the Trust including the authorisation of spending within agreed budgets and according to delegated authorities and the appointment of staff.

The Chief Executive Office is the Accounting Officer.

School Stakeholder Groups are committees established by the Trustees to provide support and challenge in relation to defined aspects of the work of the secondary school and the SCITT.

Parent / community engagement events are held twice-yearly to capture the views of parents and key community representatives.

The Headteachers' Partnership Board provides feedback on Trust policies.

The HCAT School Council is a means of seeking the views of pupils / students.

The specific roles of members, trustees, school stakeholder groups and headteachers are defined in the Scheme of Delegation. The responsibilities of Trust committees, the Headteachers' Partnership board and HCAT School Council are set out in the Committee Terms of Reference.

As the Trust continues to evolve and to ensure that the committees are fit for purpose the Trustees have operated seven committees for 2020/21. These committees have Trustees (with appropriate skills) as voting members.

- Audit & Risk Assurance
- Business Development
- Capital Allocations
- Finance
- Operations
- Pay
- School Improvement

Hull Collaborative Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Arrangements for setting pay and remuneration of key management personnel

The key management personnel identified within the Trust are the Senior Leadership Team as referenced on page 2. The Trust has established a pay committee comprising of Trustees who are not employees of the Trust to determine the pay ranges for these key positions, in line with any national guidance on executive salary setting, level of responsibility, local context and challenge, any available benchmarking information and current market conditions for competitive recruitment. This includes making decisions in relation to Headteachers' pay. Benchmarking is undertaken annually against local and similar sized Trusts.

Performance management of all the Headteachers' is undertaken by an external, independent moderator who provides recommendations for the pay committee and includes a review of the annual objectives. This is to ensure transparency and impartiality. This independent moderation is made by the CEO of the South Pennines Academies Trust.

Hull Collaborative Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Relevant union officials

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

Percentage of time spent on facility time

Percentage of time

Number of employees

0%

-

0

-

51%-99%

-

100%

1

Percentage of pay bill spent on facility time

2021

Provide the total cost of facility time

22,177

Provide the total pay bill

29,698,382

Paid trade union activities

2021

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) x 100

0.08%

Trustees should refer to Statutory Instrument 2017 No. 328, The Trade Union Facility Time Publication Requirements Regulations 2017 for calculation details.

Hull Collaborative Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Connected organisations, including related party relationships

Hull Collaborative Academy Trust works in partnership with a range of organisations to benefit and enhance the provision and support offered to schools within its Trust. The Trust continues to work with all potential feeder primary schools in the local area.

Trustees are drawn from the local community, and from time to time it is possible that the Trust will enter transactions with organisations in which a Trustee has an interest. All such transactions are reflected in the Trusts' Register of Business Interests. These are duly considered by the Trust on a regular basis to ensure that all such transactions are in line with the Academies Financial Handbook guidelines.

These partnerships include:

Hull SCITT (School Centred Initial Teacher Training)

Hull SCITT is part of Hull Collaborative Academy Trust and operates as a school with delegated responsibility to the SCITT Director. Hull SCITT also works in partnership with St Cuthbert's Roman Catholic Academy Trust to train and accredit their primary and secondary teachers.

Hull Centre for Restorative Practice

Offering bespoke training in Restorative Practice and family group conferencing to all academies within the Trust. This is at cost to the Trust.

Hull and East Riding Local Authorities

The organisation works in partnership to offer school to school support outside of the Academy Trust. The Trust has selected representatives on a variety of committees and boards across the authority. HCAT also purchases certain services from the local authorities for example catering which exceed £1million.

Hull Collaborative Teaching School (HCTS)

The Trust is in partnership with NCCAT to provide this local training and works with over 60 schools to provide high quality training and support for their needs. HCTS provided NQT and RQT training for the Trust and other schools in the area. Some resources of HCTS have been absorbed by the Vantage Teaching School Hub.

Hull University

The Trust works with Hull University to provide the Post Graduate Certificate in Education (PGCE) element of the SCITT Training programme.

St Cuthbert's Roman Catholic Academy Trust

The partnership with St Mary's College has impacted on a range of schools and academies through joint school to school support and SLE development. St Mary's is the Key partner in Hull Collaborative Academy Trust's sponsorship of The Marvell College. The Trust works with St Cuthbert's to share costs on certain support services on several local, regional, and national initiatives. St Mary's College had executive leadership over The Marvell College since 2013 which was judged 'Good' during its last Ofsted inspection. This leadership overview ceased on 31 August 2021.

Edukos Trust (was Swanland Education Trust)

The CEO is a Trustee of HCAT, and our CEO is a Trustee of Edukos Trust.

Hull Collaborative Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Engagement with suppliers, customers and others in a business relationship with the trust

The Trust continues to develop its relationships with key suppliers, it has been made difficult by the current crisis but telephone, Zoom, Teams and a limited number of face-to-face meetings has made this possible. The Trust maintains a list of contracts and a full list of suppliers in our financial system.

It is important that our business relationships are beneficial to both sides and lines of communication are maintained to maximise the value to the organisation. Time spent with suppliers can help to increase the use of their service whilst ensuring for example purchased software is further developed for the advantage of the Trust.

The local community is a beneficiary of the Trust, please refer to the Public Benefit section of the Trustee Report on page 11 for more details. The Trust's impact on the environment is referred to in the Streamlined Energy and Carbon Reporting section on pages 21 to 22 and our commitment to maintain the Trust's reputation for high standards can be seen throughout the Trustees' report.

Engagement with employees (including disabled persons)

Our employees are our greatest assets, and the Trust invests a significant proportion of our resources in developing this resource. With Children First our staff are our first line in delivering the Trust vision.

Our SCITT brings in new teachers into the Trust and we encourage our staff to continue to develop throughout their careers.

The Trust holds a Trust conference for all teaching staff annually to start the year. The current pandemic has meant this has been held virtually and has been focussed on specific issues affecting all schools. This is an opportunity for the key themes for the Trust to be cascaded and a check in at the start of a new academic year.

We continue to utilise the HCAT Shared space (Office365) across all schools, accessed via our website, which contains latest news and provides access to several resources for staff. Alongside Zoom/Teams has proved invaluable in keeping in touch with staff.

The Trust formed a wellbeing group during 2019/20 with the objective of helping all our staff and ensuring the well-being of our staff during unusual times. We have circulated several wellbeing surveys to better understand the concerns of our staff and plan ways of reassuring them. The sub-groups with areas of work were established but due to the pandemic will be regenerated during Autumn 2021. We encourage our staff to undertake training and actively seek opportunities to utilise the apprenticeship levy.

Hull Collaborative Academy Trust is committed to the equality of opportunity for all employees (including those with a disability) from recruitment, this continues through to training opportunities and in their further career development. The Trust adopted the Local Authorities model policy on conversion, and this has been supplemented by individual school level policies.

Employment of disabled persons

Hull Collaborative Academy Trust is committed to the equality of opportunity for all employees (including those with a disability) from recruitment. This continues through to training opportunities and in their further career development. The Trust adopted the Local Authorities model policy on conversion and this has been supplemented by individual school level policies.

Description of employee consultation

As a Restorative organisation Hull Collaborative Academy Trust follows the principle that all changes affecting staff, children and family involves due process and for staff to feel part of a community that does things with, rather than to people. Schools conduct daily circle check ins to allow for open discussion of school and Trust matters.

Hull Collaborative Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Objectives and activities

Objectives and aims

The principal activity of Hull Collaborative Academy Trust is to provide the highest quality education for all children within our schools, our ethos is 'Children First'. The Trust strives to ensure that every child within the Trust receives high quality teaching and learning opportunities. Our schools also lay the foundations of character building to prepare children for life and encourage social mobility. In addition, the Trust strives to offer wide reaching support to other schools through sponsorship and school to school support.

The Trust has a strong moral purpose, its values are based on Restorative Practice which builds community with our staff, children, and families. Staff and schools are given high challenge and high support to provide the best environment for education and wellbeing for the whole community, as well as developing leadership and teamwork for themselves. The Trust believes that it is important to ensure the families of children should be part of this community and a dedicated family support team is available to provide outreach to families, to engage them in supporting the best outcomes for their children.

Members of the Senior Management Team meet fortnightly to review the progress of each school in the Trust. Schools share their self-evaluation, performance data, school improvement and staff development activities and arrange and facilitate dissemination of good practice across the Trust. Any issues arising are risk assessed by the group and an agreed way forward is devised and implemented.

During the current pandemic the Trust had weekly Central team meetings and School Head teacher meetings via Zoom. Schools have established support groups for staff via Zoom, thereby minimising the amount of physical contact. Trustee meetings have also been conducted by Zoom. There has been a return to normality in 2021/22 with more Trustee meetings conducted in person.

Staff have developed the HCAT Signature with five key pillars that define the Trust and the values that underpin our Trust community and the education we offer to our children:

- Restorative Behaviours
- Academic Readiness
- Character Building
- Socially and Emotionally secure
- Wider experiences

Objectives, strategies and activities

Hull Collaborative Academy Trust was formed to provide the best possible education for Children in Hull and Yorkshire. It also intends to provide a local solution to sponsorship so schools in difficulty can access a local sponsor. The Academy Trust in partnership with the teaching school (HCTS) also offered school to school support and high quality CPD (Continuing Professional Development) for local schools, NQT (Newly Qualified Teachers), RQT (Recently Qualified Teachers) and leadership programmes. There is a high focus on developing quality teachers for the city and developing staff and leaders through the Trusts Hull SCITT with around 30 teachers being trained per year.

As an approved sponsor of schools, the Trust looks to support and improve schools as part of the Trust ethos. The Trust seeks to collaborate with more schools to the benefit of the strength of the Trust and for the children who we educate. The Trust is open to approaches from other schools to join the Trust and is in the process of collaborating with further schools in Hull and Yorkshire.

The Trust facilitates joint CPD in the form of conferences, training sessions and network groups allowing all schools in the Trust to access the best training. The numbers of participants allow us to engage world class speakers and trainers that individually we would be unable to finance. It also allows us to offer other schools in the area high quality learning opportunities for their staff.

Hull Collaborative Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Shared resources across the Trust in terms of staffing and contracts also benefit all schools. The School Improvement team have been instrumental in supporting schools remote learning offer during the pandemic. They have helped schools maintain a line of sight on continuing school improvement through curriculum development training linked to changing national agenda such as validated phonic schemes.

All the Senior Leadership Team support the Trust and schools as ongoing, sustainable, businesses ensuring all schools have access to expertise that normally would be beyond the reach of an individual school.

Centralisation of certain key services in relation to finance, HR, payroll, IT, and capital projects including procurement are firmly established and have seen major improvements to service quality, financial control, and viability.

The Trust continues to search for best value for its procurement and services.

The Trust has operated a shared service model with St Cuthbert's for Shared Staff Safeguarding. The safeguarding lead also offers her high-quality service to other local schools as an SLA ensuring a high proportion of children in Hull benefit from her expertise.

The Trust Board and its Committees must meet regularly enough to discharge their responsibilities under their Articles of Association, Funding Agreement, and the Academies Financial Handbook, to ensure robust governance and effective financial management arrangements. Board meetings take place at least three times a year and Finance Committee meets at least six times a year, with the Audit Committee meeting three times a year. Business is only conducted when the Board or Committee is quorate.

The Strategic Business Manager and Chief Financial Officer support the Trust and schools as ongoing, sustainable, businesses. In addition, central staff such as the Trust Emotional Wellbeing Lead, Safeguarding Lead, Human Resources, Payroll, Health & Safety and Estates Team ensures all schools have access to expertise that normally would be beyond the reach of an individual school.

Public benefit

The Academy Trust provides educational services to all children in the local area. The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance provided by the Charity Commission.

As an all-inclusive Academy Trust promoting educational activities and community use of its facilities the Trustees believe this meets the Public Benefit test as required under Charity Law. The main public benefit delivered by the Trust is the maintenance and development of a high-quality education to all pupils in its care. It is the Trustees aim to provide outstanding teaching and learning opportunities in all schools within the Trust.

Hull Collaborative Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Strategic Report

Achievements and performance

Ofsted Inspections:

Dorchester Primary received a Section 8 Ofsted inspection in July 2021 receiving a judgement confirming that the school continues to be "Good".

Pupils numbers

These continue to grow across the Trust.

	Census Autumn 2020	Census Autumn 2019
Bellfield	214	216
Collingwood	297	288
Dorchester	290	306
Eastfield	627	625
Gilberdyke	212	218
Longhill	356	361
Pearson	195	200
Stockwell	342	334
Sutton Park	349	351
The Marvell College	1,183	1,124
Thoresby	497	511
Wansbeck	220	210
Westcott	303	294
Wheeler	403	414
Withernsea	486	487
	<hr/> 5,974 <hr/>	<hr/> 5,939 <hr/>

Hull Collaborative Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Key financial performance indicators

Outcomes

Outcomes at The Marvell College have continued to improve over time despite the impact of COVID on the school and its community.

		2017	2018	2019	2020	2021
		Actual	Actual	Actual	Awarded	TAG
P8	Overall	0.17	-0.15	-0.20	0.08	0.18
	ENG	-0.06	-0.27	-0.18	-0.05	0.14
	MA	-0.03	-0.09	-0.56	-0.16	0.03
	EBAC	-0.08	-0.18	-0.34	-0.03	0.00
	OPEN	0.73	-0.08	0.44	0.44	0.47
A8	Overall	43.69	42.18	43.94	43.94	44.18
	ENG	8.96	9.94	9.27	9.27	9.53
	MA	7.96	8.20	7.92	7.92	8.22
	EBAC	10.77	11.79	12.09	12.09	12.04
	OPEN	16.01	13.25	14.39	14.39	14.39

Hull Collaborative Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Year 1 Phonics Screening

Year 1 Phonics pass

Academy	Number of pupils in total (Including those not taking the test)	2020 Pass % All pupils	2019 Pass % All pupils	Pass % Boys	Pass % Girls	Pass % Disadvantage
Bellfield	31	94%	81%	100%	89%	71%
Collingwood	40	83%	72%	76%	89%	84%
Dorchester	43	72%	79%	67%	77%	63%
Eastfield	88	89%	84%	90%	87%	80%
Gilberdyke	28	82%	86%	80%	88%	83%
Longhill	46	80%	72%	77%	85%	69%
Pearson	26	73%	90%	59%	100%	70%
Sutton Park	45	82%	81%	88%	81%	59%
Stockwell	42	50%	72%	52%	47%	46%
Thoresby	75	70%	84%	72%	68%	82%
Wansbeck	28	68%	77%	43%	100%	60%
Westcott	44	91%	90%	85%	100%	92%
Wheeler	61	75%	64%	65%	87%	56%
Withernsea	68	69%	40%	77%	46%	64%
HCAT		79%				

Despite the difficulties around delivering phonics during the pandemic schools have delivered effective catch-up programmes to ensure that any potential regression was limited. As a result, 71% of schools at least maintained or improved outcomes in phonics compared to previous pre pandemic years.

*due to COVID, the children who were part of the Year 1 screening were in fact in Autumn term Year 2

Hull Collaborative Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Key Stage 1 Attainment

Assessments at the end of KS1 taken from across the trust show some variance in the impact the pandemic has had on pupil's outcomes. As a result of rigorous catch-up programmes and well delivered remote learning, regression in academic outcomes has been limited approximately 8% lower than pre pandemic.

2021 Assessment	Reading	Writing	Maths
	Expected +		
Bellfield	84	81	84
Collingwood	58	56	61
Dorchester	64	53	69
Eastfield	80	72	81
Pearson	59	55	59
Sutton Park	76	65	76
Thoresby	74	68	75
Wansbeck	72	62	72
Wheeler	66	50	60
Westcott	79	64	76
Gilberdyke	72	59	62
Longhill	71	71	71
Stockwell	50	41	55
Withernsea	57	52	61

Hull Collaborative Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Key Stage 2 SATs

Expected + Academy	Reading	Writing	Maths
Bellfield	93	86	86
Collingwood	71	66	71
Dorchester	62	60	62
Eastfield	88	88	89
Pearson	75	75	75
Sutton Park	72	70	78
Thoresby	81	79	78
Wansbeck**	86	75	82
Wheeler**	78	75	75
Westcott**	84	82	87
Gilberdyke**	90	77	81
Longhill	88	79	82
Stockwell	67	62	73
Withernsea	64	60	61

Assessments at the end of KS2 show that outcomes have continued to be favourable when compared to historical national data. As a result of rigorous catch-up programmes and well delivered remote learning, regression in academic outcomes has been limited approximately 7% lower than pre pandemic however a proportion of schools improved their attainment despite the barriers COVID brought.

Hull Collaborative Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

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.

The Trustees consider that the Trust is a going concern. The 3 - 5 year forecasts have been considered by the Board and all academies presented a balanced budget for the upcoming financial year 2021/2022. The Trust is careful to include contingencies in the budget process including pay increases, pay increments, pension contributions and inflation.

The Trust continue to review all its service level agreements as they expire, and consider better value by working with suppliers to consolidate accounts and achieve economies of scale and better value for money. The Trust operates effectively within its finance policy and scheme of delegation ensuring no unnecessary expenditure is incurred.

Working budgets are maintained and updated regularly including monthly to the financial system for comparison. Any variances are investigated as they arise and monthly management accounts are discussed with the Trustees. The Trust pools its reserves in order to protect its activities by providing a financial comfort against an unpredictable environment and to ensure sufficient provision for future capital procurement and to safeguard future cash flow requirements. The Trust's level of reserves is predicted to increase over the next three years to provide more robust comfort levels, having experienced a dip in reserves in recent years. Cash flow is not considered an issue.

Promoting the success of the Academy Trust

HCAT is a successful Trust, all Schools that have been judged by Ofsted to the year-end whilst part of the Trust have been good and above. Our results in Primary schools have ensured we are at the top of progress for our children including those who are disadvantaged. Our results and reputation ensure that our schools remain popular, and the Restorative culture ensures children and families would recommend HCAT schools to others. This also means we can attract the best staff and retention of staff is high.

The Trust would in a normal year have a continuous release of good news to the local press this year it has been limited by COVID-19 as well as much of our marketing activity.

During the current financial year, Withernsea Primary School moved into their new KS1 building on site built by the DfE costing £4.8m, whilst part of the original school was demolished. This was an exciting time for the school and the Trust and especially for the local community.

The catering function was taken in-house for most of our primaries during the year with uptake on the meals by pupils increasing, thereby ensuring our pupils can enjoy a good quality meal every day.

Hull Collaborative Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Financial review

Most of the Academy's income is obtained from the DfE in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the period ended 31 August 2021 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the period ended 31 August 2021 total expenditure of £42,252,615 was not covered by the recurrent grant funding from the DfE together with other incoming resources of £38,206,997 (excluding capital grants, donated assets and transfer of existing academies). The excess of expenditure over income (excluding capital grants and inherited assets) for the period was £4,045,618. This excess includes depreciation charges, accounting adjustments in relation to tangible fixed assets, of £1,660,297 and FRS 102 pension cost adjustments, in relation to the LGPS liability of £2,363,000. If the depreciation charges and FRS 102 pension cost adjustments were added back to the excess figure of £4,045,618, the Trust made a deficit of £22,321.

At 31 August 2021 the net book value of fixed assets was £62,728,283 and movements in tangible and intangible fixed assets are shown in notes 12 and 13 within the financial statements.

The Academy's associate staff are entitled to membership of the Local Government Pension Scheme. The Academy's share of the Scheme's assets is currently assessed to be less than its liabilities in the Scheme, and consequently the Academy balance sheet shows a net liability of £27,408,000.

During 2018/19 the Trustees adopted a new policy for those employees who have reached their lifetime allowance. In keeping with other private and public sector bodies, staff can opt out of the appropriate pension scheme and at no additional cost to the Trust, they are paid this as an additional allowance, this is reported as part of their total emoluments.

Hull Collaborative Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Reserves policy

The Trustees regularly review the reserve levels of the Trust. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees have reviewed the Trust's income and expenditure and the future cashflows, requiring a minimum cash balance of £2,000,000 to minimise the financial risk of the Trust being unable to pay the debts as they fall due, and to maximise the educational benefit of the Trust funding and other income.

A breakdown of the funds at 31 August 2021 is as follows:

	£
Unrestricted general fund	1,341,626
Restricted general fund	(1,399,126)
Restricted fixed asset fund	63,621,076
Restricted pension fund	(27,408,000)
Total funds	<u>36,155,576</u>

The Trust is carrying a net deficit of £27,408,000 (2020: £19,373,000) on the pension reserve deficit due to future pension liabilities exceeding the current value of assets held. Over time this will be brought back into balance through the payment of monthly pension contributions, based on a percentage of gross salaries, into the East Riding Pension Fund, which includes an element to address the deficit position.

Investment policy

The Trust currently invests its 'surplus' cash in treasury deposits for a maximum of 42 days.

Principal risks and uncertainties

The system of internal control is designed to manage risk to a reasonable level rather than eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide a reasonable level 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 the Trust's 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 Trust for the year 2020/21, and up to the date of approval of the annual report and financial statements.

Key risks:

The Trust view risk management as an integral part of good corporate governance and consider the key risks most likely to arise in the following areas:

- Sustaining and improving the delivery of high-quality education to pupils specifically in view of COVID-19
- Safeguarding pupils, employees, and all other persons to whom the Trust has a duty of care
- Maintaining effective control of public funds and maintaining cost base in response to increasing teacher pay and pension rates with no certainty of central funding
- Protecting property including buildings, equipment, vehicles and all other assets and resources
- Compliance with statutory obligations, policy, and financial procedures
- Maintaining the positive reputation of the Trust
- The age of the estate and the capital investment required in the future compared to the capital grant funding received through government funding (School Condition Allocation)
- Declining primary admissions
- Succession planning for key senior leadership posts

Hull Collaborative Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Managing risks:

To effectively manage these risks, the Board and Audit Committee are accountable for overseeing the implementation of the Risk Management Plan. This is done by;

- The Audit Committee meets three times a year.
- The Accounting Officer is responsible for embedding a culture of risk management across the Trust that encourages the identification and management of risk, reporting regularly to the Audit Committee on regularity, propriety, and value for money.
- Providing an internal scrutiny programme and framework for recording, reviewing, and reporting on potential risks and associated actions with follow up mechanism in place. The framework is traffic lighted to identify the level of risk.
- Use of external reviewers for internal scrutiny complying with the Academies Financial Handbook.
- Reinforcing the importance of effective risk management by offering training, good practice, and other support.

Strategic risks are identified and recorded in the Trust's Risk Register and graded as high, medium, or low using the traffic light system. These risks are reviewed regularly, and the Trustees assess the major risks and uncertainties to which the Trust is exposed. The key strategic risks are reviewed and actions to mitigate each risk are identified and reasonable assurance is discussed. Schools have also undertaken a risk assessment process with any key risks being escalated to the board. We are Every has continued to be used during the period for its extensive online training package with continued focus on COVID awareness, infection prevention and disease control, and fraud.

The Trust's principal risks and uncertainties concern the global COVID-19 pandemic, the future funding of education, the funding for High Needs and the impact all of these will have on the Trust's finances.

Financial and risk management objectives and policies

The Trust has basic financial instruments. These are bank balances, trade debtors, other debtors, accrued income, trade creditors and accruals. These arise through the normal trading activities of the Trust. The Trustees have assessed and implemented several systems to assess and mitigate risks that the Trust faces, especially in operational areas – specifically in relation to teaching, HR management and financial control. We have introduced systems, including operational procedures and internal financial controls to minimise risk. Where significant financial risks remain, they have reviewed insurance cover to ensure adequate. The Trust has an effective system of internal financial controls. Key risks have been identified below:

- Staff recruitment and retention: pro-active use of Schools Direct programmes in secondary and the continued development and training of our future teachers using the SCITT is central to ensuring the Trust maintains high quality flow of new staff. Expansion of the Trust creates further opportunities, and our CPD and internal development programme means that we continue to train and nurture our future leaders.
- Pupil numbers: there are concerns about the decline in primary school numbers on roll due to the local housing strategy and the general demographic.
- Age of the estate: HCAT is an established trust and receives annual guaranteed capital funding through the Schools Condition Allocation of approximately £720,000. This helps with the planning for the asset management of the Trust estate; however, we have some significant aging buildings that require significant investment.
- COVID-19: unplanned and unprecedented, this global pandemic has continued to impact on all aspects of running the Trust this year, with staffing absence, additional cleaning costs, cleaning staff and PPE including premises adaptations. The Finance Committee have continued to be updated to ensure that governance is robust during these continued challenging times.

Hull Collaborative Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Risk management

The Trustees have a duty to identify and review the risks to which the charity is exposed the Trust Risk Matrix is reviewed by the Audit Committee and key strategic risks are reviewed and actions to mitigate each risk are identified and reasonable assurance is discussed. Schools have also undertaken a risk assessment process with any key risks being escalated to the board.

The Trust also continues to review its financial procedures to ensure appropriate controls are in place to provide reasonable assurance against fraud and error with the PS Financials package helping to achieve this. The Trust changed its budgeting software (IMP) in 2019/20 to develop longer term planning and forecast of financial risk. The Trust continues to use and develop We Are Every which is a risk and compliance management system. We Are Every has also been used during lockdown for its extensive online training package with staff undertaking training at home in such areas as Covid Awareness and Infection prevention and disease control. Over 95% of Staff have completed Fire Awareness in Education and GDPR Essentials.

The Trustees believe that the principal risks and uncertainties in connection with providing the educational services the Academy is able to offer are:

- maintaining the level of pupil numbers which in turn provides the educational funding required in order to achieve its objectives whilst managing its cost base.
- maintaining the quality of the education provided and continuous improvement of its schools in order to advance the level of achievement within its catchment area.

The policies of the Academy are structured with the following objectives in mind;

- to enable the Academy to continue as a going concern to achieve the aims and objectives set out in its governing document.
- to promote the Academy's work as an educational establishment within the community it serves and to continue to improve the services it offers.

Further risks are contained within the Trust Risk register and are reviewed at each relevant committee meeting and with oversight from the Trusts Audit Committee.

Fundraising

The Trust undertakes limited fundraising activities throughout the school year. Schools undertake traditional fundraising such as school fairs and summer fairs. Schools also raise money for other charities throughout the year which helps our children appreciate that others need help as well. There have been no complaints about fundraising activity this year.

Some of our primary schools have active Parent Teach Associations which follow national guidelines.

Furthermore, each Academy within the Trust is encouraged to fundraise for approved good causes.

Hull Collaborative Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period 01 September 2020 to 31 August 2021	2021	2020
Energy consumption used to calculate emissions (kWh)	8,336,000	7,295,582
Energy consumption break down (kWh)		
Gas	5,345,365	4,509,535
Electricity	2,130,413	2,065,714
Transport fuel	19,343	23,965
Biomass	840,879	696,368
Scope 1 emissions in metric tonnes CO2e		
Owned transport - mini-buses	1.30	1.50
Gas consumption	979.10	829.20
Total scope 1	980.40	830.70
Scope 2 emissions in metric tonnes CO2e		
Purchased electricity	452.40	481.60
Scope 3 emissions in metric tonnes CO2e		
Business travel in employee owned vehicles	3.40	4.30
Total gross emissions in metric tonnes CO2e	1436.20	1316.60
Intensity ratio		
Tonnes CO2e per pupil	0.24	0.21

Quantification and Reporting Methodology:

The 2019 UK Government Environmental Reporting Guidelines and the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) were followed. The 2021 UK Government GHG Conversion Factors for Company Reporting were used in emission calculations. The report has been reviewed independently by Briar Consulting Engineers Limited.

The electricity, gas and biomass consumption were compiled from invoice records. Transport usage was calculated from fuel purchase records for minibuses and mileage expense claims for grey fleet. Generally gross calorific values were used except for grey fleet mileage and biomass energy calculations as per Government GHG Conversion Factors.

The associated emissions are divided into mandatory and voluntary emissions according to the 2018 Regulations, then further divided into the combustion of fuels and the operation of facilities (scope 1), indirect emissions from purchased electricity (scope 2) and further indirect emissions that occur because of Trust activities (scope 3).

Intensity measurement

Two intensity ratios are reported showing emissions (tCO2e) per pupil and per square meter floor area. Emissions per pupil is the recommended ratio for the sector for consistency and comparability and pupil numbers are based on the Autumn census of the respective year. Emissions per square meter floor area is reported to reflect the energy efficiency of the buildings, which are the source of most emissions.

Hull Collaborative Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Measures taken to improve energy efficiency

Energy efficiency has been hampered this year due to COVID-19 and the need to maintain fresh airflow throughout the buildings, especially during colder months when the heating has also been on. Nevertheless, the Trust continued to monitor energy use closely at each of the schools this year and have been working with suppliers to improving metering arrangements. This will assist with identifying opportunities for improvement going forward.

Plans for future periods

The key aims and objectives set for the next reporting period remain the same as those stated in this report. The full centralisation of the finance function will be completed at the start of the next academic year. This will strengthen internal control procedures and our centralised procurement function improving our buying power. The main financial challenges are COVID-19, increased pay and pension costs, the age of our school estate and declining admissions in the primary phase.

We have been working closely with a primary school in North Yorkshire who hopefully will be joining the HCAT family from 1 December 2021. The Trust has a robust due diligence procedure in place to ensure that any academies joining the Trust will have a positive impact on the Trust, and the outcomes for pupils within it.

The expectation is that Hull Collaborative Academy Trust will continue to grow in school numbers during 2021/22 and beyond, as the Governments academisation programme continues, this growth will be managed and sustainable and consider the school improvement capacity of the Trust. We are looking (at the Direction of the RSC Regional Schools Commissioner) at schools further afield than the East Riding but within collaboration distance.

It is expected that a balanced mix of existing and new academies, (sponsored and non-sponsored) will look for a Local Multi Academy Trust to join and Hull Collaborative Academy Trust has positioned itself to provide an experienced and excellent choice for schools to join.

Auditor

Insofar as the Trustees are aware:

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

The trustees' report, incorporating a Strategic Report, was approved by order of the members of the Board of Trustees on 7 December 2021 and signed on its behalf by:



Mr C J Huscroft
Trustee

Hull Collaborative Academy Trust

Governance Statement

Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to Mrs E M Macdonald OBE, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Hull Collaborative Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees was to formally meet 4 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr M Mathias	4	4
Mrs E A Wilson	2	4
Mrs C Hough	3	4
Mr C J Huscroft	4	4
Mr G D Wilson	4	4
Mrs P Winn	4	4
Mr C Ryan	1	1
Mrs E M Macdonald OBE	4	4
Mrs J Harris	1	1
Ms N Tomlinson	1	1

Effective oversight of funds

Whilst the full board meets less than six times a year, the Trustees sit on various delegated committees which meet more regularly including Audit & Risk Assurance, Finance, Capital Allocations, Business Development, Pay, School Improvement and Operations. All these committees report to the full board, and Trustees are drawn from the full board to sit on these committees. We also issue management accounts monthly to all the Trustees to ensure oversight is maintained. Because of the continued pandemic in 2020/21 the Trust has had to operate via Zoom meetings.

Covid-19 impact on Governance arrangements

Meetings have been held virtually using Zoom, and we have continued to use Adobe sign for authorisation of key documents, thereby ensuring the decision process has not been affected in any way. We continued to hold weekly Head meetings and weekly senior management team meetings via zoom so that business could continue unaffected.

Hull Collaborative Academy Trust

Governance Statement (continued)

The Finance and General Purposes Committee is a sub-committee of the main Board of Trustees. Its purpose is to monitor closely the financial performance of the Academy Trust and to review all policies and practices relating to these areas.

Trustee	Meetings attended	Out of a possible
Mrs E A Wilson	4	6
Mr G D Wilson	6	6
Mrs C Hough	3	6
Mr C J Huscroft	2	6
Mrs E M Macdonald OBE	6	6
Mr C Ryan	1	2

The Audit Committee is a sub-committee of the main Board of Trustees. Its purpose is to assess internal review and external audit reports and reports to the Board of Trustees. Its remit covers Health and Safety, Safeguarding and Risk Management, including financial risk where applicable. Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr M Mathias	3	3
Mr C J Huscroft	2	2
Mrs P Winn	2	3
Ms N Tomlinson	2	2
Mrs E M Macdonald OBE	3	3

Review of value for money

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

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

- The centralisation of services continues. This is being conducted in a sustainable and measured manner. Further opportunities to bring services in-house are being explored and will be implemented during 2021/22. As the Trust grows, these savings should increase, with the fixed costs being shared across a greater number of schools.
- The Trust continues move to more robust management information systems to minimise the resources needed at the centre to ensure good governance and oversight at a Trust level and within individual academies.
- Central procurement of software, renegotiation of SIMS services has yielded savings this year, other negotiations as a Trust have yielded between 2-20% savings. The Trust has this year brought all Microsoft Licencing under one umbrella so as of 2020/21 we can negotiate for all schools in the Trust.

Hull Collaborative Academy Trust

Governance Statement (continued)

As the School Capital Allocation monies have increased, the tendering of multiple projects has become difficult for the in-house team. We have engaged the services of a professional surveyors and management team Eddisons they have helped deliver several successful tenders and projects even during lockdown.

A new ICT contract was negotiated using the professional services of Moxton this yielded significant savings as well as service improvements. The new contractor XMA have already set about improving the IT infrastructure at The Marvell College to make it fit for the future needs of staff and pupils.

The Trust brought energy (power & gas) under one broker last year. As part of their remit, they have helped secure a 3-year fixed energy deal while prices were very low after a mild winter; a new less expensive meter reading service which has the added benefit of half hourly electricity meter readings for all schools so schools can better understand their energy usage and take steps to control.

- The Trust uses Buying for Schools as a starting point for all procurement. It has accessed for example the Risk Protection Arrangement, Multifunction Device framework, Crescent Purchasing Consortium, and the Crown Commercial Services Technology Catalogue during 2020/21 and expects to extend the use of the services highlighted by Buying For Schools to obtain best value through benchmarking and procurement.

- Payments and invoices are being processed centrally for most of the schools and will continue to be centralised over the next 12 months.

- Catering for the primaries was brought in-house from 1st April 2021 for most of our primaries, with Withernsea joining in May 2021 and Gilberdyke from 1st September 2021. This has led to savings within the first six months, despite having to rebrand and employ the staff under TUPE. The benefits have been seen with more pupils now having a school lunch than previously. It has also meant we can control the meals provided and ensure consistency across all our schools. The catering staff are considered part of the HCAT family and by promoting 'kitchen of the month' we are seeing some rising stars within our catering team.

The Trust has also appointed a PFI (Private Finance Initiative) specialist to better understand our expenditure on The Marvell College and to ensure the Trust is getting best value services for the significant costs involved.

The Trust adhered to the PPN 02/20 and 04/20 issued by the Government in relation to payments of suppliers during the COVID-19 pandemic.

During the year the Trust has continued to support suppliers during the pandemic, including support for the external catering purchased by The Marvell College due to the negative impact on the number of meals being taken up by students, this was in the form of financial support as the school continued to receive its funding. The external provision of catering for the primary schools prior to being taken in-house was also supported where the number of meals taken was far less than usual.

Overall, COVID-19 did not impact adversely on the Trust's ability to secure value for money, however the impact has been felt in increased costs especially on the capital projects and securing equipment / parts for the projects conducted during the summer holidays.

COVID-19 Impacts

During 2020, it was clear that it was going to be an unusual year, with the onset of the global pandemic and the first period of lockdown in March 2020. The focus of the Trust's operations was to build on the online platform to ensure a COVID-19 secure environment whilst continue to deliver high-quality education for our children online and our children of key workers and vulnerable students. As the Trust already had cloud solutions for many of the centralised functions including finance and payroll, the impact was minimal. This has continued to be developed during the current financial period, with more use of Office365 and online platforms. Several schools have moved over to SIMS Hosted and this move will continue during 2021/22 so that schools' data is accessible remotely.

Hull Collaborative Academy Trust

Governance Statement (continued)

The free school meals system is still being utilised and for holidays and half term periods to provide electronic vouchers to those parents eligible.

As part of the steps taken to fight the spread of coronavirus, the government announced that all tests due to take place in primary schools in England in summer 2021 would be cancelled, which means that no national, regional, or local data for any primary school assessments for 2019/20 or 2020/21 academic year is available.

From a secondary school perspective, no examinations were completed in Summer 2021 at any Key Stage or in any qualification, resulting in Centre Assessed Grades (CAGs) which should reflect the students' projects outcomes based on available data, but that it must be consistent with each school's performance across the curriculum over time. This has been challenging for schools, and in particular staff. The Marvell College undertook a robust process to establish the grades for submission to exam boards. A range of evidence was considered, and a tiered moderation was conducted to ensure consistency and potential bias.

The Marvell College as a secondary school received funding for the mass testing programme and for the number of lateral flow test completed by the staff and pupils which was utilised to bring in external support to perform the mass testing. The COVID funding provided by the government has been utilised to cover costs incurred in provision of PPE, additional premises costs (with respect to additional cleaning and utilities) and the purchase of additional IT equipment. The provision of laptops and routers provided by the government and Hull City Council assisted the teaching and learning during the lockdown periods, and this was supplemented locally by private companies providing laptops to help pupils remain engaged in educating during the pandemic.

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 academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Hull Collaborative Academy Trust for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ending 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

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

The Board of Trustees has decided to buy-in an internal audit service from Southgates Education.

Hull Collaborative Academy Trust

Governance Statement (continued)

The role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. In particular the checks carried out in the current period included:

- testing of payroll controls
- testing of procurement and purchase controls through to payment
- testing of credit card controls

On a regular basis, the reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees's financial responsibilities.

There were no material control or other issues reported by the internal auditor to date.

Review of effectiveness

As Accounting Officer, Mrs E M Macdonald OBE has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

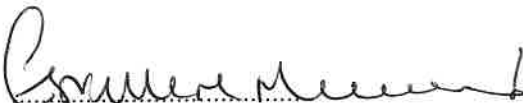
- the work of Southgates Education as internal auditor and the work of the external auditor;
- the financial management and governance self assessment process;
- the work of the senior management team within the academy trust who have responsibility for the development and maintenance of the internal control framework.

During the year the Trust was also reviewed by the Capital Advisor provided by the DfE voluntarily and received a favourable report as to the processes and procedures used for managing the School Condition Allocation funding, its use of GEMS (Good Estate management) and the Trusts Estates Strategy.

The Trust was invited to have a Schools Resource Management Advisor (SRMA) visit in February 2020, which was delayed due to the pandemic, this was rescheduled during 2021 and whilst we have discussed the draft final report and the implications therein, we have yet to receive the final report.

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

Approved by order of the members of the Board of Trustees on 7 December 2021 and signed on its behalf by:



Mrs E M Macdonald OBE
Trustee



Mr C J Huscroft
Trustee

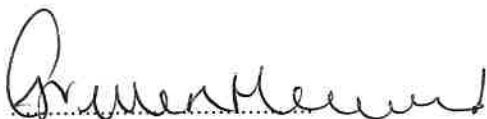
Hull Collaborative Academy Trust

Statement of Regularity, Propriety and Compliance

As Accounting Officer of Hull Collaborative Academy Trust I have considered my responsibility to notify the academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2020.

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.



Mrs E M Macdonald OBE
Accounting officer

7 December 2021

Hull Collaborative Academy Trust

Statement of Trustees' Responsibilities

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

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

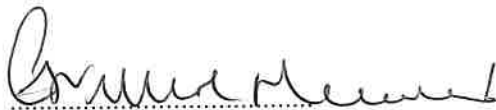
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA/DfE have been applied for the purposes intended.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board on 7 December 2021 and signed on its behalf by:



Mrs E M Macdonald OBE
Trustee



Mr C J Huscroft
Trustee

Hull Collaborative Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Hull Collaborative Academy Trust

Opinion

We have audited the financial statements of Hull Collaborative Academy Trust (the 'Academy') for the year ended 31 August 2021, which comprise the Statement of Financial Activities for the year ended 31 August 2021 (including Income and Expenditure Account), Balance Sheet as at 31 August 2021, Statement of Cash Flows for the year ended 31 August 2021, 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 and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2021 and of its results for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information (covers the Reference and Administrative Details, the Trustees' Report and Strategic Report and the Governance Statement)

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Auditor's Report thereon. Other information includes the Trustees' report (incorporating the Strategic Report and the Directors' Report), the Governance Statement, and the Accounting Officer's Statement. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Hull Collaborative Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Hull Collaborative Academy Trust (continued)

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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 [set out on page 30], the Trustees (who are also the directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Hull Collaborative Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Hull Collaborative Academy Trust (continued)

Using our knowledge of the charitable company and the industry in which it operates, we identified the principal risks of non-compliance with laws and regulations and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities SORP 2019, the Academies Financial Handbook 2020 to 2021 issued by the ESFA, the Academies Accounts Direction 2021 issued by the ESFA and UK Tax legislation. We assessed the susceptibility of the company's financial statements to material misstatement by considering the controls the company has established to address risks identified and how the directors monitor these controls and by evaluating the opportunity to commit fraud.

Our audit procedures included the following;

- testing management override controls including journal testing and reviewing accounting estimates for reasonableness
- enquiries of management and the company's solicitors of actual and potential litigation claims
- reviewing legal and professional fees for any potential litigation claims
- identification of key laws and regulations central to the academies operations and review of compliance with such laws including a review of the Academy Trust Handbook 2020
- enquiries of management including fraud and associated risks
- discussions with management, including consideration of known or suspected instances of non-compliance
- challenging assumptions and judgements made within significant accounting estimates and judgements such as depreciation and the local government pension scheme liability
- testing focussing on the areas of the financial statements most susceptible to material error including completeness of income and review to ensure correct matching revenue and costs
- testing of income, bank, purchases and payroll, systems and controls and providing conclusions on the regularity of samples chosen

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Academy's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Academy's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Academy to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Hull Collaborative Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Hull Collaborative Academy Trust (continued)

Use of our report

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



Michael Beckett BA FCA (Senior Statutory Auditor)

For and on behalf of Forrester Boyd Robson Limited, Statutory Auditor

Kingfisher Court
Plaxton Bridge Road
Woodmansey
Beverley
HU17 0RT

Date: 20/12/2021

Hull Collaborative Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to Hull Collaborative Academy Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 1 September 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Hull Collaborative Academy Trust during the period 1 September 2020 to 31 August 2021 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 Hull Collaborative Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to Hull Collaborative Academy Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Hull Collaborative Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the Board of Trustee's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of the Board of Trustees's funding agreement with the Secretary of State for Education dated 27 June 2013 and the Academies Financial Handbook extant from 1 September 2020, 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 2020 to 2021 issued by the Education and Skills Funding Agency. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year from 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Evaluating the systems and control environment;
- Assessing the risk of irregularity, impropriety and non-compliance;
- Confirming that the activities of the Academy Trust are in keeping with the Academy's framework and the charitable objectives, and obtaining representations from the Accounting Officer and other Key Management Personnel.

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 year from 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Hull Collaborative Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to Hull Collaborative Academy Trust and the Education and Skills Funding Agency (continued)

Forrester Boyd Robson Limited

Michael Beckett BA FCA

For and on behalf of Forrester Boyd Robson Limited, Chartered Accountants

Kingfisher Court
Plaxton Bridge Road
Woodmansey
Beverley
HU17 0RT

Date: *20/12/2021*

Hull Collaborative Academy Trust

Statement of Financial Activities for the Year Ended 31 August 2021 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2020/21 Total £
Income and endowments from:					
Donations and capital grants	2	78,246	-	6,058,502	6,136,748
Other trading activities	4	1,609,939	343,413	-	1,953,352
Investments	5	504	-	-	504
<i>Charitable activities:</i>					
Funding for the Academy Trust's educational operations	3	-	36,174,895	-	36,174,895
Total		1,688,689	36,518,308	6,058,502	44,265,499
Expenditure on:					
<i>Charitable activities:</i>					
Academy Trust educational operations	7	75,580	40,352,678	1,824,357	42,252,615
Net income/(expenditure)		1,613,109	(3,834,370)	4,234,145	2,012,884
Transfers between funds		(1,698,264)	775,275	922,989	-
Other recognised gains and losses					
Profit/(loss) of disposal of tangible fixed assets		-	-	(1,572,593)	(1,572,593)
Actuarial gains on defined benefit pension schemes	27	-	(5,672,000)	-	(5,672,000)
Net movement in (deficit)/funds		(85,155)	(8,731,095)	3,584,541	(5,231,709)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2020		1,426,781	(20,076,031)	60,252,985	41,603,735
Total funds/(deficit) carried forward at 31 August 2021		1,341,626	(28,807,126)	63,837,526	36,372,026

Hull Collaborative Academy Trust

Statement of Financial Activities for the Year Ended 31 August 2020 (including Income and Expenditure Account)


	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2020 £
Income and endowments from:					
Donations and capital grants	2	125,706	-	1,080,651	1,206,357
<i>Charitable activities:</i>					
Funding for the Academy Trust's educational operations	3	-	33,933,743	-	33,933,743
Other trading activities	4	1,012,781	271,195	-	1,283,976
Investments	5	15,214	-	-	15,214
Total		1,153,701	34,204,938	1,080,651	36,439,290
Expenditure on:					
<i>Charitable activities:</i>					
Academy Trust educational operations	7	113,292	37,701,849	1,660,595	39,475,736
Net income/(expenditure)		1,040,409	(3,496,911)	(579,944)	(3,036,446)
Transfers between funds		(1,380,132)	933,055	447,077	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	27	-	(1,773,000)	-	(1,773,000)
Net movement in deficit		(339,723)	(4,336,856)	(132,867)	(4,809,446)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2019		1,766,504	(15,739,175)	60,385,852	46,413,181
Total funds/(deficit) carried forward at 31 August 2020		1,426,781	(20,076,031)	60,252,985	41,603,735

Hull Collaborative Academy Trust

(Registration number: 08542806)
Balance Sheet as at 31 August 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	12	3,387	5,079
Tangible assets	13	<u>62,724,896</u>	<u>59,504,100</u>
		<u>62,728,283</u>	<u>59,509,179</u>
Current assets			
Debtors	14	1,326,721	1,423,474
Cash at bank and in hand		<u>3,683,665</u>	<u>3,414,697</u>
		5,010,386	4,838,171
Creditors: Amounts falling due within one year	15	<u>(3,958,643)</u>	<u>(3,370,615)</u>
Net current assets		<u>1,051,743</u>	<u>1,467,556</u>
Total assets less current liabilities		<u>63,780,026</u>	<u>60,976,735</u>
Net assets excluding pension liability		63,780,026	60,976,735
Pension scheme liability	27	<u>(27,408,000)</u>	<u>(19,373,000)</u>
Net assets including pension liability		<u>36,372,026</u>	<u>41,603,735</u>
Funds of the Academy:			
Restricted funds			
Restricted general fund		(1,399,126)	(703,031)
Restricted fixed asset fund		63,837,526	60,252,985
Restricted pension fund		<u>(27,408,000)</u>	<u>(19,373,000)</u>
		35,030,400	40,176,954
Unrestricted funds			
Unrestricted general fund		<u>1,341,626</u>	<u>1,426,781</u>
Total funds		<u>36,372,026</u>	<u>41,603,735</u>

The financial statements on pages 37 to 69 were approved by the Trustees, and authorised for issue on 7 December 2021 and signed on their behalf by:


Mr C J Huscroft
Trustee

Hull Collaborative Academy Trust

Statement of Cash Flows for the year ended 31 August 2021

	Note	2021 £	2020 £
Net cash inflow/(outflow) from operating activities	20	5,802,616	(136,363)
Returns on investments and servicing of finance	21	504	15,214
Capital expenditure and financial investment	22	<u>(5,534,152)</u>	<u>(739,305)</u>
Increase/(decrease) in cash in the year	24	<u>268,968</u>	<u>(860,454)</u>

Hull Collaborative Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021

1 Accounting policies

General information

The multi Academy Trust is a private company limited by guarantee incorporated in England and Wales and the company registration number is 08542806.

The address of its registered office is:
Dorchester Primary School
Dorchester Road
Hull
HU7 6AH

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

Basis of preparation

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The financial statements are prepared in sterling which is the functional currency of the company and have been rounded to the nearest pound.

Hull Collaborative Academy Trust 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 Trustees consider that the Trust is a going concern. The 3 - 5 year forecasts have been considered by the Board and all academies presented a balanced budget for the upcoming financial year 2021/2022. The Trust is careful to include contingencies in the budget process including pay increases, pay increments, pension contributions and inflation.

The Trust continue to review all its service level agreements as they expire, and consider better value by working with suppliers to consolidate accounts and achieve economies of scale and better value for money. The Trust operates effectively within its finance policy and scheme of delegation ensuring no unnecessary expenditure is incurred.

Working budgets are maintained and updated regularly including monthly to the financial system for comparison. Any variances are investigated as they arise and monthly management accounts are discussed with the Trustees. The Trust pools its reserves in order to protect its activities by providing a financial comfort against an unpredictable environment and to ensure sufficient provision for future capital procurement and to safeguard future cash flow requirements. The Trust's level of reserves is predicted to increase over the next three years to provide more robust comfort levels, having experienced a dip in reserves in recent years. Cash flow is not considered an issue.

Hull Collaborative Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Income

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 spent on capital projects in line with the terms and conditions of the grant. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

Other grants from government agencies and other bodies are recognised in the period in which they are receivable to the extent the conditions of funding have been met. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received the income is accrued.

Sponsorship income

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

Donations

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

Other income

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

Donated goods, facilities and services

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

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

Hull Collaborative Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Donated fixed assets

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

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. The Trust charges a Central Service Contribution to pay for financial and legal services. It also includes executive time from the founding heads and the central services team which includes the School Improvement Team, Strategic Business Manager, Emotional Wellbeing Officer, Administration Support, Safeguarding Lead, Health and Safety, HR, and Payroll.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

This includes all expenditure incurred by the Academy Trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Redundancy/termination payments

The redundancy/termination payments are recognised in the accounts when they are incurred. The redundancy/termination payments have been disclosed separately in the staff costs note within the notes to the accounts.

Charitable activities

These are costs incurred on the Academy Trust's educational operations, including support costs and costs relating to the governance of the Academy Trust apportioned to charitable activities.

Intangible fixed assets

Intangible assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment. Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Asset class

Website

Amortisation method and rate

Straight line over 3 years

Hull Collaborative Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Tangible fixed assets

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold and leasehold land, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

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.

Asset class	Depreciation method and rate
Freehold land	0%
Long leasehold land	Over the residual period of the 125 year lease
Freehold buildings	2% on a straight line basis
Long leasehold buildings	2% on a straight line basis
Building improvements	2% - 10% on a straight line basis
Computer equipment	25% on a reducing balance basis
Furniture and equipment	25% on a straight line basis
Motor vehicles	25% on a straight line basis

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.

Hull Collaborative Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Private finance initiative

The Marvell College building was built under a private finance initiative ("PFI") agreement by Kingston Upon Hull City Council.

When the school converted to an academy the agreement was legally amended to take account of the change in circumstances. For the length of the agreement Kingston Upon Hull City Council undertake to fund the payments under the PFI agreement. The proportion of the cost that relates to the operation and maintenance of the building is charged to Hull Collaborative Academy Trust by Kingston Upon Hull City Council on a monthly basis, and is re-calculated annually. The proportion of the cost that relates to the capital and finance costs payments under the agreement is charged to Hull Collaborative Academy Trust by Kingston Upon Hull City Council, however Hull Collaborative Academy Trust receive equivalent funding each year from the Education and Skills Funding Agency (ESFA) to cover the capital and finance costs payments in their entirety.

The income received from the ESFA for the PFI contribution is included in the Statement of Financial Activities under 'Funding for the Academy Trust's educational operations'. The expenditure incurred is included in the Statement of Financial Activities under 'Academy Ttrust educational operations'.

The private finance liability remains with Kingston Upon Hull City Council and, therefore, the governors have decided to treat the payments to Kingston Upon Hull City Council as if they were made under an operating lease agreement.

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. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

Taxation

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

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

Hull Collaborative Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Pension benefits

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

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

Fund accounting

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/donor and include grants from the Department for Education Group.

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. 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.

Hull Collaborative Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

2 Donations and capital grants

	Unrestricted funds £	Restricted fixed asset funds £	2020/21 Total £	2019/20 Total £
Educational trips and visits	31,551	-	31,551	59,841
Capital grants	-	989,997	989,997	830,651
Other donations	46,695	-	46,695	65,865
Donated fixed assets	-	5,068,505	5,068,505	250,000
	<u>78,246</u>	<u>6,058,502</u>	<u>6,136,748</u>	<u>1,206,357</u>

The income from donations and capital grants was £6,136,748 (2020: £1,206,357) which was allocated between the funds as follows; £78,246 unrestricted funds (2020: £125,706), £Nil restricted funds (2020: £Nil), £6,058,502 restricted fixed asset funds (2020: £1,080,651) and £Nil endowment funds (2020: £Nil).

3 Funding for the Academy Trust's educational operations

	Restricted funds £	2020/21 Total £	2019/20 Total £
DfE/ESFA revenue grants			
Teacher Pay and Pension Grants	1,272,351	1,272,351	1,252,951
Pupil Premium	2,687,960	2,687,960	2,661,671
UIFSM	562,338	562,338	540,475
Other ESFA Funding	548,897	548,897	530,047
General Annual Grant	<u>28,028,547</u>	<u>28,028,547</u>	<u>26,497,324</u>
	<u>33,100,093</u>	<u>33,100,093</u>	<u>31,482,468</u>
Other government grants			
Local Authority Funding	2,534,006	2,534,006	2,304,647
Other Government Grants	-	-	6,968
	<u>2,534,006</u>	<u>2,534,006</u>	<u>2,311,615</u>
Non-government grants and other income			
NCTL	-	-	45,000
Covid-19 additional funding (DfE/ESFA)			
Other DfE/ESFA COVID-19 funding	63,076	63,076	94,660
Catch-up premium	<u>477,720</u>	<u>477,720</u>	-
	<u>540,796</u>	<u>540,796</u>	<u>94,660</u>
Total grants	<u>36,174,895</u>	<u>36,174,895</u>	<u>33,933,743</u>

Hull Collaborative Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

3 Funding for the Academy Trust's educational operations (continued)

The funding for educational operations was £36,174,895 (2020: £33,933,743) which was allocated between the funds as follows; £Nil unrestricted funds (2020: £Nil), £36,174,895 restricted funds (2020: £33,933,743), £Nil restricted fixed asset funds (2020: £Nil) and £Nil endowment funds (2020: £Nil).

4 Other trading activities

	Unrestricted funds £	Restricted funds £	2020/21 Total £	2019/20 Total £
Hire of facilities	73,680	-	73,680	52,390
Catering income	493,978	-	493,978	105,988
Recharges and reimbursements	125,140	-	125,140	123,462
Other sales	917,141	343,413	1,260,554	1,002,136
	<u>1,609,939</u>	<u>343,413</u>	<u>1,953,352</u>	<u>1,283,976</u>

The income from other trading activities was £1,953,352 (2020: £1,283,976) which was allocated between the funds as follows; £1,609,939 unrestricted funds (2020: £1,012,781), £343,413 restricted funds (2020: £271,195), £Nil restricted fixed asset funds (2020: £Nil) and £Nil endowment funds (2020: £Nil).

5 Investment income

	Unrestricted funds £	2020/21 Total £	2019/20 Total £
Bank Interest	504	504	15,214

The income from other trading activities was £504 (2020: £15,214) which was allocated between the funds as follows; £504 unrestricted funds (2020: £15,214), £Nil restricted funds (2020: £Nil), £Nil restricted fixed asset funds (2020: £Nil) and £Nil endowment funds (2020: £Nil).

6 Expenditure

	Staff costs £	Premises £	Other costs £	Total 2021 £	Total 2020 £
Academy's educational operations					
Direct costs	18,920,572	1,356,786	1,205,683	21,483,041	19,205,395
Allocated support costs	<u>13,070,049</u>	<u>3,123,114</u>	<u>4,576,411</u>	<u>20,769,574</u>	<u>20,270,341</u>
	<u>31,990,621</u>	<u>4,479,900</u>	<u>5,782,094</u>	<u>42,252,615</u>	<u>39,475,736</u>

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Operating leases - PFI payments	1,387,658	1,364,254
Operating leases - other leases	100,893	74,513
Fees payable to auditor - audit	26,500	26,850
- other audit services	8,800	8,750
Amortisation	1,692	2,532
Depreciation	<u>1,658,605</u>	<u>1,586,413</u>

Hull Collaborative Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

7 Charitable activities

		Total 2021 £	Total 2020 £
Direct costs - educational operations		21,483,041	19,205,395
Support costs - educational operations		<u>20,769,574</u>	<u>20,270,341</u>
		<u>42,252,615</u>	<u>39,475,736</u>
	Educational operations £	Total 2021 £	Total 2020 £
Analysis of support costs			
Support staff costs	13,070,049	13,070,049	13,069,325
Depreciation	375,661	375,661	257,391
Technology costs	594,257	594,257	510,502
Premises costs	2,747,453	2,747,453	2,657,276
Other support costs	<u>3,982,154</u>	<u>3,982,154</u>	<u>3,775,847</u>
Total support costs	<u>20,769,574</u>	<u>20,769,574</u>	<u>20,270,341</u>

8 Staff

Staff costs

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	22,837,834	20,911,105
Social security costs	2,170,193	1,944,632
Pension costs	<u>6,683,799</u>	<u>5,948,045</u>
	31,691,826	28,803,782
Supply staff costs	275,239	912,673
Staff restructuring costs	<u>23,556</u>	<u>154,890</u>
	<u>31,990,621</u>	<u>29,871,345</u>
	2021 £	2020 £
Staff restructuring costs comprise:		
Redundancy payments	10,296	123,428
Severance payments	<u>13,260</u>	<u>31,462</u>
	<u>23,556</u>	<u>154,890</u>

The staff restructuring costs are statutory and contractual.

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £13,260 (2020: £31,462). Individually, the payments were: £13,260.

Hull Collaborative Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

8 Staff (continued)

Staff numbers

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

	2020/21 No	2019/20 No
Charitable Activities		
Management	7	6
Teachers	396	366
Administration and support	573	554
	<u>976</u>	<u>926</u>

Higher paid staff

The number of employees whose emoluments exceeded £60,000 was:

	2021 No	2020 No
£60,001 - £70,000	10	10
£70,001 - £80,000	8	6
£80,001 - £90,000	3	3
£90,001 - £100,000	2	-
£100,001 - £110,000	2	4
£110,001 - £120,000	2	-
£170,001 - £180,000	-	1
£180,001 - £190,000	1	-
£190,001 - £200,000	-	1
£200,001 - £210,000	1	-
	<u>1</u>	<u>-</u>

The above disclosure is based on a remuneration for a 12 month period.

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 national insurance contributions and employer pension contributions) received by key management personnel for their services to the Academy Trust was £985,397 (2020: £898,517).

Highest paid director

In respect of the highest paid director:

	2021 £
Remuneration	<u>203,994</u>

Hull Collaborative Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

9 Central services

The Academy Trust has provided the following central services to its academies during the year:

The Trust charges a Central Service Contribution to pay for financial and legal services. It also includes executive time from the founding heads and the central services team which includes the School Improvement Team, Strategic Business Manager, Emotional Wellbeing Officer, Administration Support, Safeguarding Lead, Health and Safety, HR, and Payroll.

The academy trust charges for these services on the following basis:

During this year the Academy Trust agreed that each school funded and agreed proportionate amount comparable to their GAG income.

6.5% if a sponsored school, to allow for the greater support
5.5% for all other schools

The actual amounts charged during the year were as follows:

	2020/21	2019/20
	£	£
Bellfield Primary School	48,888	46,358
Collingwood Primary School	75,744	73,242
Dorchester Primary School	78,624	73,501
Eastfield Primary School	128,904	122,824
Gilberdyke Primary School	54,636	51,787
Longhill Primary School	91,464	88,309
The Marvell College	165,096	145,815
Pearson Primary School	53,136	52,417
SCITT	206,779	25,000
Stockwell Primary School	85,584	81,651
Sutton Park Primary School	77,928	75,081
Thoresby Primary School	114,540	105,445
Wansbeck Primary School	65,856	64,259
Westcott Primary School	72,324	66,491
Wheeler Primary School	119,460	110,319
Withernsea Primary School	114,372	122,465
	<u>1,553,335</u>	<u>1,304,964</u>

Hull Collaborative Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

10 Related party transactions - trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their role as Trustees.

Mrs E M Macdonald OBE (CEO):

Remuneration: £200,000 - £205,000 (2020 - £190,000 - £195,000)

Employer's pension contributions: £Nil (2020 - £Nil)

During the year ended 31 August 2021, travel and subsistence expenses totalling £Nil (2020 - £Nil) were reimbursed or paid directly to nil Trustees (2020 - nil).

Other related party transactions involving the Trustees are set out in note 28.

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 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.

12 Intangible fixed assets

	Intangible assets £	Total £
Cost		
At 1 September 2020	22,284	22,284
At 31 August 2021	22,284	22,284
Amortisation		
At 1 September 2020	17,205	17,205
Charge for the year	1,692	1,692
At 31 August 2021	18,897	18,897
Net book value		
At 31 August 2021	3,387	3,387
At 31 August 2020	5,079	5,079

Hull Collaborative Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

13 Tangible fixed assets

	Freehold land and buildings £	Leasehold land and buildings £	Furniture and equipment £	Computer equipment £	Leasehold improvements £	Motor vehicles £	Total £
Cost							
At 1 September 2020	27,695,860	32,299,734	565,664	1,000,223	3,713,325	27,896	65,302,702
Additions	-	-	14,281	576,372	1,153,591	-	1,744,244
Inherited assets	-	4,779,905	-	-	-	-	4,779,905
Disposals	-	(1,669,717)	-	-	-	-	(1,669,717)
At 31 August 2021	<u>27,695,860</u>	<u>35,409,922</u>	<u>579,945</u>	<u>1,576,595</u>	<u>4,866,916</u>	<u>27,896</u>	<u>70,157,134</u>
Depreciation							
At 1 September 2020	2,132,247	2,141,381	348,783	592,886	569,362	13,948	5,798,607
Charge for the year	530,201	579,506	93,881	181,687	338,506	6,974	1,730,755
Eliminated on disposals	-	(97,124)	-	-	-	-	(97,124)
At 31 August 2021	<u>2,662,448</u>	<u>2,623,763</u>	<u>442,664</u>	<u>774,573</u>	<u>907,868</u>	<u>20,922</u>	<u>7,432,238</u>
Net book value							
At 31 August 2021	<u>25,033,412</u>	<u>32,786,159</u>	<u>137,281</u>	<u>802,022</u>	<u>3,959,048</u>	<u>6,974</u>	<u>62,724,896</u>
At 31 August 2020	<u>25,563,613</u>	<u>30,158,353</u>	<u>216,881</u>	<u>407,337</u>	<u>3,143,963</u>	<u>13,948</u>	<u>59,504,095</u>

Hull Collaborative Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

13 Tangible fixed assets (continued)

Included within leasehold land and buildings is £32,786,159 (2020: £30,158,353) relating to long leasehold land and buildings.

The leasehold land and buildings at Bellfield Primary was revalued to £1,751,558 in the period ended 31 August 2016 per a valuation in March 2016 provided by Hull City Council.

The leasehold land and buildings at Collingwood Primary was revalued to £1,867,402 in the period ended 31 August 2016 per a valuation in March 2016 provided by Hull City Council.

The leasehold land and buildings at Dorchester Primary was revalued to £2,174,017 in the period ended 31 August 2016 per a valuation in March 2016 provided by Hull City Council.

The leasehold land at Eastfield Primary was revalued to £1,480,922 in the period ended 31 August 2016 per a valuation in March 2016 provided by Hull City Council.

During the period ended 31 August 2016 the donated building was replaced with a new building and was assessed to have a new value of £5,400,000 per an estimation by the ESFA.

The leasehold land and buildings at Gilberdyke Primary was donated to the Trust at a value of £3,059,000 in the period ended 31 August 2017 per a valuation in March 2017 provided by the local authority.

The leasehold land and buildings at Longhill Primary was transferred to the Trust at a value of £4,259,987 in the period ended 31 August 2017 per depreciated cost recognised in the period ended 30 June 2017 Financial Statements for Longhill Primary School.

The freehold land at The Marvell College was donated to the Trust at a value of £25,073,920 in the period ended 31 August 2017 per a valuation in March 2016 provided by Hull City Council.

The freehold land and buildings at Pearson Primary was revalued to £2,621,940 in the period ended 31 August 2016 per a valuation in March 2016 provided by Hull City Council.

The leasehold land and buildings at Stockwell Primary was transferred to the Trust at a value of £1,395,376 in the period ended 31 August 2018 per depreciated cost recognised in the period ended 30 September 2017 Financial Statements for Sentamu Academy Learning Trust.

The leasehold land and buildings at Sutton Park Primary was revalued to £1,797,878 in the period ended 31 August 2016 per a valuation in March 2016 provided by Hull City Council.

The leasehold land and buildings at Thoresby Primary was revalued to £1,493,105 in the period ended 31 August 2016 per a valuation in March 2016 provided by Hull City Council.

The leasehold land and buildings at Wansbeck Primary was revalued to £1,808,180 in the period ended 31 August 2016 per a valuation in March 2016 provided by Hull City Council.

The leasehold land and buildings at Wheeler Primary was revalued to £1,541,840 in the period ended 31 August 2016 per a valuation in March 2016 provided by Hull City Council.

The leasehold land and buildings at Withernsea Primary was transferred to the Trust at a value of £4,270,470 in the period ended 31 August 2019 per depreciated cost recognised in the period ended 31 August 2018 Financial Statements for Withernsea Primary School.

During the period ended 31 August 2021 one of the donated buildings was replaced with a new building and was assessed to have a new value of £4,779,905 per an estimation by the ESFA.

Hull Collaborative Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

13 Tangible fixed assets (continued)

There is a formal lease in place with the local authority for 125 years for all the land and buildings (with the exception of Pearson Primary and The Marvell College which are freehold land and buildings) at £nil rental. As the academy holds the risks and rewards of the building, the asset has been included on the basis of substance over legal form.

14 Debtors

	2021 £	2020 £
Trade debtors	109,638	106,847
VAT recoverable	318,274	301,218
Other debtors	48,723	-
Prepayments	291,131	372,800
Accrued grant and other income	558,955	642,609
	<u>1,326,721</u>	<u>1,423,474</u>

15 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	1,481,089	1,370,929
Other taxation and social security	519,021	467,777
Other creditors	87,913	27,534
Accruals	922,552	602,509
Deferred income	406,870	412,006
Pension scheme creditor	541,198	489,860
	<u>3,958,643</u>	<u>3,370,615</u>

Deferred income

	2021 £	2020 £
Deferred income at 1 September 2020	412,006	442,872
Resources deferred in the period	406,870	412,006
Amounts released from previous periods	<u>(412,006)</u>	<u>(442,872)</u>
Deferred income at 31 August 2021	<u>406,870</u>	<u>412,006</u>

Deferred income relates to Universal Free School Meal funding received in July 2021, rates relief claim funding received in advance for the period September 2021 to March 2022, trip income relating to trips taken post year end and bursary payments owing at the year end.

Hull Collaborative Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

16 Funds

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	(703,031)	28,028,547	(29,499,917)	775,275	(1,399,126)
Other Dfe/ESFA grants	-	548,897	(548,897)	-	-
Teacher Pay and Pension Grants	-	1,272,351	(1,272,351)	-	-
Covid 19 catch-up premium	-	477,720	(477,720)	-	-
Covid 19 other funding	-	63,076	(63,076)	-	-
UIFSM	-	562,338	(562,338)	-	-
Pupil Premium	-	2,687,960	(2,687,960)	-	-
Local Authority Funding	-	2,534,006	(2,534,006)	-	-
Other Grants	-	343,413	(343,413)	-	-
	<u>(703,031)</u>	<u>36,518,308</u>	<u>(37,989,678)</u>	<u>775,275</u>	<u>(1,399,126)</u>
Restricted fixed asset funds					
Capital grants and expenditure from GAG	8,525,653	989,997	(676,282)	922,989	9,762,357
Donated Assets from Local Authority/ESFA	36,460,063	4,779,905	(747,574)	-	40,492,394
Transfer of Assets from existing academies into the Trust	15,267,269	-	(328,351)	(1,572,593)	13,366,325
Donated assets from DfE	-	288,600	(72,150)	-	216,450
	<u>60,252,985</u>	<u>6,058,502</u>	<u>(1,824,357)</u>	<u>(649,604)</u>	<u>63,837,526</u>
Restricted pension funds					
Pension reserve (inc Transfer of Liabilities from existing academies into the Trust)	<u>(19,373,000)</u>	<u>-</u>	<u>(2,363,000)</u>	<u>(5,672,000)</u>	<u>(27,408,000)</u>
Total restricted funds	40,176,954	42,576,810	(42,177,035)	(5,546,329)	35,030,400
Unrestricted funds					
Unrestricted general funds	<u>1,426,781</u>	<u>1,688,689</u>	<u>(75,580)</u>	<u>(1,698,264)</u>	<u>1,341,626</u>
Total funds	<u><u>41,603,735</u></u>	<u><u>44,265,499</u></u>	<u><u>(42,252,615)</u></u>	<u><u>(7,244,593)</u></u>	<u><u>36,372,026</u></u>

Hull Collaborative Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

16 Funds (continued)

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

	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	(104,175)	26,497,324	(28,029,235)	933,055	(703,031)
Other Dfe/ESFA grants	-	530,047	(530,047)	-	-
Teacher Pay and Pension Grants	-	1,252,951	(1,252,951)	-	-
Covid 19 other funding	-	94,660	(94,660)	-	-
Other Government Grants	-	6,968	(6,968)	-	-
NCTL	-	45,000	(45,000)	-	-
UIFSM	-	540,475	(540,475)	-	-
Pupil Premium	-	2,661,671	(2,661,671)	-	-
Local Authority Funding	-	2,304,647	(2,304,647)	-	-
Other Grants	-	271,195	(271,195)	-	-
	<u>(104,175)</u>	<u>34,204,938</u>	<u>(35,736,849)</u>	<u>933,055</u>	<u>(703,031)</u>
Restricted fixed asset funds					
Capital grants and expenditure from GAG	7,834,349	830,651	(586,424)	447,077	8,525,653
Donated Assets from Local Authority/ESFA	36,932,637	250,000	(722,574)	-	36,460,063
Transfer of Assets from existing academies into the Trust	<u>15,618,866</u>	<u>-</u>	<u>(351,597)</u>	<u>-</u>	<u>15,267,269</u>
	60,385,852	1,080,651	(1,660,595)	447,077	60,252,985
Restricted pension funds					
Pension reserve (inc Transfer of Liabilities from existing academies into the Trust)	<u>(15,635,000)</u>	<u>-</u>	<u>(1,965,000)</u>	<u>(1,773,000)</u>	<u>(19,373,000)</u>
Total restricted funds	44,646,677	35,285,589	(39,362,444)	(392,868)	40,176,954
Unrestricted funds					
Unrestricted general funds	<u>1,766,504</u>	<u>1,153,701</u>	<u>(113,292)</u>	<u>(1,380,132)</u>	<u>1,426,781</u>
Total funds	<u>46,413,181</u>	<u>36,439,290</u>	<u>(39,475,736)</u>	<u>(1,773,000)</u>	<u>41,603,735</u>

Hull Collaborative Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

16 Funds (continued)

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

General Annual Grant (GAG) must be used for the normal running costs of the Academy.

SEN funding is provided for the provision of services for children with special educational needs.

Pupil Premium Grant, which may be spent for the educational benefit of pupils registered at that school, or for the benefit of pupils registered at other schools; and on community facilities i.e. services whose provision furthers any charitable purpose for the benefit of pupils registered at other schools; and on community facilities i.e. services whose provision furthers any charitable purpose for the benefit of pupils at the school or their families, or people who live or work in the locality in which the school is situated. The grant does not have to be completely spent by schools in the financial year.

Devolved capital allocated direct by the DfE must be spent on capital purposes.

Capital expenditure from GAG income is made up of any fixed assets purchased during the year and the expense is the depreciation relating to those additions.

Restricted General Funds are made up of various revenue grants which are defrayed throughout the year on specific educational needs. The Academy Trust was not subject to a limit on GAG carry forward.

Restricted Fixed Asset Funds represent reserves of the charity that are specifically designated for capital. Inherited assets are principally the land and buildings from the former school.

Transfer from General Annual Grant to Restricted Fixed Asset Fund is the result of General Annual Grant money being spent on capital expenditure.

Restricted Pension Funds represent the LGPS pension deficit.

During the year to 31 August 2021 a transfer from Unrestricted Funds of £922,989 to Restricted Fixed Asset Funds is the result of Unrestricted Funds being spent on capital.

During the year to 31 August 2021 a transfer from Unrestricted Funds of £775,275 to Restricted General Funds was made to cover the Restricted General Fund deficit. This is calculated on a school by school basis, however Collingwood Primary School, Eastfield Primary School, Gilberdyke Primary School, Pearson Primary School, Sutton Park Primary School, Wansbeck Primary School, Westcott Primary School, Wheeler Primary School and Central did not hold enough Unrestricted Funds to cover the Restricted General Fund deficit, resulting in an overall Restricted General Funds deficit of £1,399,126.

During the year to 31 August 2020 a transfer from Unrestricted Funds of £447,077 to Restricted Fixed Asset Funds is the result of Unrestricted Funds being spent on capital.

During the year to 31 August 2020 a transfer from Unrestricted Funds of £933,055 to Restricted General Funds was made to cover the Restricted General Fund deficit. This is calculated on a school by school basis, however Collingwood Primary School, Eastfield Primary School, Gilberdyke Primary School, Thoresby Primary School, Wansbeck Primary School, Westcott Primary School, Wheeler Primary School and Central did not hold enough Unrestricted Funds to cover the Restricted General Fund deficit, resulting in an overall Restricted General Funds deficit of £703,031.

Hull Collaborative Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

16 Funds (continued)

Analysis of academies by fund balance

Fund balances at 31 August 2021 were allocated as follows:

	2021 £	2020 £
Bellfield Primary School	116,974	171,921
Collingwood Primary School	(79,030)	(40,034)
Dorchester Primary School	140,105	273,632
Eastfield Primary School	(151,900)	(191,577)
Gilberdyke Primary School	(159,010)	(107,301)
Longhill Primary School	752,459	787,243
The Marvell College	5,178	102,126
Pearson Primary School	(89,922)	180,900
Hull SCITT	190,965	181,783
Stockwell Primary School	57,950	18,560
Sutton Park Primary School	(63,524)	26,753
Thoresby Primary School	34,604	(28,498)
Wansbeck Primary School	(84,462)	(26,537)
Westcott Primary School	(196,305)	(191,164)
Wheeler Primary School	(247,179)	(176,381)
Withernsea Primary School	328,548	326,937
Central services	<u>(612,951)</u>	<u>(584,613)</u>
Total before fixed assets and pension reserve	(57,500)	723,750
Restricted fixed asset fund	63,837,526	60,252,985
Pension reserve	<u>(27,408,000)</u>	<u>(19,373,000)</u>
Total	<u>36,372,026</u>	<u>41,603,735</u>

Hull Collaborative Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

16 Funds (continued)

Collingwood Primary School is carrying a net deficit of £79,030 on these funds because:

The school continues to incur additional cleaning and catering costs whilst also supporting more high needs children which is not funded directly by the Local Authority.

The Trust is taking the following action to return the academy to surplus:

The school and Trust continue to review all costs to see where savings can be made through better procurement or reviewing staffing costs. This is expected to take another two years to return to a balanced budget.

Eastfield Primary School is carrying a net deficit of £151,900 on these funds because:

The school continues to incur additional cleaning and catering costs, coupled with the increased need for staffing resources for High Needs children that are not funded by the Local Authority.

The Trust is taking the following action to return the academy to surplus:

The school and Trust continue to review all costs to see where savings can be made through better procurement or reviewing staffing costs. This is expected to take another three years to return to a balanced budget.

Gilberdyke Primary School is carrying a net deficit of £159,010 on these funds because:

The school continues to be affected by the lagged pupil numbers affecting funding whilst continuing to incur additional cleaning and catering costs due to the pandemic.

The Trust is taking the following action to return the academy to surplus:

The school and Trust continue to review all costs to see where savings can be made through better procurement or reviewing staffing costs. This is expected to take another three years to return to a balanced budget.

Pearson Primary School is carrying a net deficit of £89,922 on these funds because:

The school continues to incur additional cleaning and catering costs, coupled with the increased need for staffing resources for High Needs children that are not funded by the Local Authority.

The Trust is taking the following action to return the academy to surplus:

The school and Trust continue to review all costs to see where savings can be made through better procurement or reviewing staffing costs. This is expected to take three years to return to a balanced budget.

Hull Collaborative Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

16 Funds (continued)

Sutton Park Primary School is carrying a net deficit of £63,524 on these funds because:

The school continues to incur additional cleaning and catering costs, coupled with the increased need for staffing resources for High Needs children that are not funded by the Local Authority. The staffing costs have included a restructure during the year with additional costs incurred during the current year.

The Trust is taking the following action to return the academy to surplus:

The school and Trust continue to review all costs to see where savings can be made through better procurement or reviewing staffing costs. This is expected to take two years to return to a balanced budget.

Wansbeck Primary School is carrying a net deficit of £84,462 on these funds because:

The school continues to incur additional cleaning and catering costs, coupled with the increased need for staffing resources for High Needs children that are not funded by the Local Authority.

The Trust is taking the following action to return the academy to surplus:

The school and Trust continue to review all costs to see where savings can be made through better procurement or reviewing staffing costs. This is expected to take another three years to return to a balanced budget.

Westcott Primary School is carrying a net deficit of £196,305 on these funds because:

The school continues to incur additional cleaning and catering costs whilst also supporting more high needs children which is not funded directly by the Local Authority.

The Trust is taking the following action to return the academy to surplus:

The school and Trust continue to review all costs to see where savings can be made through better procurement or reviewing staffing costs. This is expected to take another five years to return to a balanced budget.

Wheeler Primary School is carrying a net deficit of £247,179 on these funds because:

The school was significantly impacted by the reduced operation of the nursery during the pandemic, resulting in a loss of self-generating income whilst still incurring staffing costs.

The Trust is taking the following action to return the academy to surplus:

The school and Trust continue to review all costs to see where savings can be made through better procurement or reviewing staffing costs. This is expected to take another three years to return to a balanced budget.

Central Services is carrying a net deficit of £612,951 on these funds because:

There has been little movement in the last period due to the pandemic as the behaviour provision effectively ceased. It was decided to close of our behaviour dedicated provisions during the year and have successfully redeployed staff. .

The Trust is taking the following action to return central services to surplus:

A balanced budget has been set for the forthcoming year, retaining the one behaviour provision, which continues to be of significant benefits to those children utilising the provision, ensuring we are fully inclusive for all our children. As a Trust we have a significant proportion of children with additional needs and to ensure that their needs are met whilst we wait for the Local Authority to complete their EHCP and provide some funding, we are required to support those children usually through additional staffing costs.

Hull Collaborative Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

16 Funds (continued)

Analysis of academies by cost

Expenditure incurred by each academy during the year (excluding depreciation/amortisation of £1,732,447 and including central service contributions of £1,553,335) was as follows:

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £	Other Costs (excluding Depreciation) £	Total 2021 £	Total 2020 £
Bellfield Primary School	532,650	475,819	32,284	262,989	1,303,742	1,135,419
Collingwood Primary School	1,008,399	490,468	56,995	329,488	1,885,350	1,774,869
Dorchester Primary School	1,000,093	916,714	45,813	368,174	2,330,794	2,246,308
Eastfield Primary School	1,382,352	1,053,774	50,968	535,280	3,022,374	3,005,316
Gilberdyke Primary School	646,733	375,869	13,054	165,403	1,201,059	1,223,933
Longhill Primary School	1,274,228	514,041	41,390	417,198	2,246,857	1,996,074
The Marvell College	4,061,852	1,799,877	392,839	2,686,576	8,941,144	8,174,334
Pearson Primary School	636,717	508,589	55,516	234,572	1,435,394	1,270,782
Hull SCITT	66,242	86,999	-	230,659	383,900	311,295
Stockwell Primary School	982,478	757,254	43,585	398,778	2,182,095	2,108,195
Sutton Park Primary School	1,061,612	558,131	12,804	313,206	1,945,753	1,870,306
Thoresby Primary School	1,438,625	645,352	49,814	455,570	2,589,361	2,397,980
Wansbeck Primary School	935,191	543,933	35,507	256,844	1,771,475	1,576,203
Westcott Primary School	724,505	399,597	31,884	243,662	1,399,648	1,314,421
Wheeler Primary School	1,082,037	1,411,619	35,127	352,888	2,881,671	2,773,868
Withernsea Primary School	1,483,453	1,015,699	82,180	378,191	2,959,523	3,083,415
Central services	603,405	1,516,314	-	(79,690)	2,040,029	1,624,059
Academy Trust	<u>18,920,572</u>	<u>13,070,049</u>	<u>979,760</u>	<u>7,549,788</u>	<u>40,520,169</u>	<u>37,886,777</u>

Hull Collaborative Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

17 Analysis of net assets between funds

Fund balances at 31 August 2021 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Intangible fixed assets	-	-	-	-
Tangible fixed assets	-	-	3,387	3,387
Current assets	-	-	62,508,446	62,508,446
Current liabilities	1,341,626	2,559,517	1,109,243	5,010,386
Pension scheme liability	-	(3,958,643)	-	(3,958,643)
	-	(27,408,000)	-	(27,408,000)
Total net assets	<u>1,341,626</u>	<u>(28,807,126)</u>	<u>63,621,076</u>	<u>36,155,576</u>

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

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Intangible fixed assets	-	-	-	-
Tangible fixed assets	-	-	5,079	5,079
Current assets	-	-	59,504,100	59,504,100
Current liabilities	1,426,781	2,667,584	743,806	4,838,171
Pension scheme liability	-	(3,370,615)	-	(3,370,615)
	-	(19,373,000)	-	(19,373,000)
Total net assets	<u>1,426,781</u>	<u>(20,076,031)</u>	<u>60,252,985</u>	<u>41,603,735</u>

18 Capital commitments

Contracted for, but not provided in the financial statements

2021 £	2020 £
<u>374,428</u>	<u>54,914</u>

The above capital commitments relate to the acquisition of tangible fixed assets.

Hull Collaborative Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

19 Commitments under operating leases

Operating leases

At 31 August 2021 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2021 £	2020 £
Amounts due within one year	92,532	60,235
Amounts due between one and five years	88,634	53,382
	<u>181,166</u>	<u>113,617</u>

Private finance initiative commitments

In relation to the private finance initiative (PFI) Hull Collaborative Academy Trust (in particular reference to The Marvell College) is committed to making the following payments to Kingston Upon Hull City Council over the remaining term of the PFI agreement (assuming an annual increase of 1.03%):

	2021 £	2020 £
Amounts due within one year	1,387,597	1,389,711
Amounts due within one and five years	4,249,133	4,255,607
Amounts due over five years	15,145,350	16,772,517
	<u>20,782,080</u>	<u>22,417,835</u>

20 Reconciliation of net income/(expenditure) to net cash inflow/(outflow) from operating activities

	2021 £	2020 £
Net income/(expenditure)		
Amortisation	2,012,884	(3,036,446)
Depreciation	1,692	2,532
Donated capital and capital grants	1,730,755	1,586,423
Interest receivable	(989,997)	(830,651)
FRS 102 net interest on defined benefit pension scheme	(504)	(15,214)
FRS 102 cost less contributions payable on defined benefit pension scheme	346,000	313,000
Decrease/(increase) in debtors	2,017,000	1,652,000
Increase in creditors	96,753	(280,610)
Decrease/(Increase) in stock	588,033	472,499
	<u>-</u>	<u>104</u>
Net cash inflow/(outflow) from operating activities	<u>5,802,616</u>	<u>(136,363)</u>

21 Cash flows from financing activities

	2021 £	2020 £
Investments	504	15,214
Net cash provided by financing activities	<u>504</u>	<u>15,214</u>

Hull Collaborative Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

22 Cash flows from investing activities

	2021 £	2020 £
Purchase of tangible fixed assets	(1,744,244)	(1,319,956)
Capital funding received from sponsors and others	989,997	830,651
Inherited assets	(4,779,905)	(250,000)
Net cash used in investing activities	<u>(5,534,152)</u>	<u>(739,305)</u>

23 Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand and at bank	3,683,665	3,414,697
Total cash and cash equivalents	<u>3,683,665</u>	<u>3,414,697</u>

24 Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash	3,414,697	268,968	3,683,665
Total	<u>3,414,697</u>	<u>268,968</u>	<u>3,683,665</u>

25 Contingent liabilities

During the period of the funding agreement, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the Academy is required either to re-invest the proceeds or to repay to the Secretary of State for Education and Skills the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the funding agreement, whether as a result of the Secretary of State or the Academy serving notice, the Academy shall repay to the Secretary of State sums determined by the reference to:

- the value at that time of the Academy's site and premises and other assets held for the purpose of the Academy, and
- the extent to which expenditure incurred in providing those assets was met by payments from the Secretary of State under the funding agreement.

26 Members' liability

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

Hull Collaborative Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

27 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 East Riding Pension Fund. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £541,198 (2020 - £489,860) were payable to the schemes at 31 August and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £3,120,022 (2020: £2,632,442). 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.

Hull Collaborative Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

27 Pension and similar obligations (continued)

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £2,036,000 (2020 - £1,968,000), of which employer's contributions totalled £1,574,000 (2020 - £1,575,000) and employees' contributions totalled £462,000 (2020 - £393,000). The agreed contribution rates for future years are 19.4% for employers and 5.5 - 12.5% 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.

Principal actuarial assumptions

	2021 %	2020 %
Rate of increase in salaries	3.80	3.10
Rate of increase for pensions in payment/inflation	2.90	2.20
Discount rate for scheme liabilities	1.70	1.70

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

	2021	2020
Retiring today		
Males retiring today	21.00	20.90
Females retiring today	23.70	23.30
Retiring in 20 years		
Males retiring in 20 years	22.20	21.80
Females retiring in 20 years	25.50	24.80

Sensitivity analysis

Discount rate -0.1% (2020: -0.5%)
 Salary rate +0.1% (2020: +0.5%)
 Pension rate +0.5% (2020: +0.5%)
 Mortality assumption - 1 year increase

At 31 August 2021 £	At 31 August 2020 £
1,308,000	5,059,000
136,000	584,000
1,151,000	4,377,000
2,054,000	1,534,000

The Academy Trust's share of the assets in the scheme were:

	2021 £	2020 £
Equities	16,517,000	12,520,000
Other bonds	4,309,000	3,035,000
Property	2,633,000	2,276,000
Cash and other liquid assets	479,000	1,139,000
Total market value of assets	23,938,000	18,970,000

The actual return on scheme assets was £3,487,000 (2020 - (£677,000)).

Hull Collaborative Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

27 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2020/21 £	2019/20 £
Current service cost		
Interest cost	2,017,000	1,652,000
	346,000	313,000
Total amount recognised in the SOFA	<u>2,363,000</u>	<u>1,965,000</u>

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

	2020/21 £	2019/20 £
At start of period		
Current service cost	38,343,000	33,798,000
Interest cost	3,582,000	3,168,000
Employee contributions	681,000	673,000
Actuarial (gain)/loss	462,000	393,000
Benefits paid	8,824,000	736,000
Past service cost	(555,000)	(484,000)
	9,000	59,000
At 31 August	<u>51,346,000</u>	<u>38,343,000</u>

Changes in the fair value of academy's share of scheme assets:

	2020/21 £	2019/20 £
At start of period		
Interest income	18,970,000	18,163,000
Actuarial gain/(loss)	335,000	360,000
Employer contributions	3,152,000	(1,037,000)
Employee contributions	1,574,000	1,575,000
Benefits paid	462,000	393,000
	(555,000)	(484,000)
At 31 August	<u>23,938,000</u>	<u>18,970,000</u>

28 Related party transactions

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

Hull Collaborative Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

28 Related party transactions (continued)

Expenditure related party transactions

During the year the academy made the following related party transactions:

Hull Collaborative Teaching School

(A company in which E Macdonald is a Director)

During the year the Trust purchased services amounting to £32,042 (2020: £31,784) from Hull Collaborative Teaching School Limited.

In entering into the transaction the Academy Trust has complied with the requirements of the Academies Financial Handbook 2020.

At the balance sheet date the amount due to Hull Collaborative Teaching School was £Nil (2020 - £Nil).

Hull Centre for Restorative Practice

(A company in which E Macdonald is a Director)

During the year the Trust purchased services amounting to £2,375 (2020: £8,653) from Hull Centre for Restorative Practice Limited.

In entering into the transaction the Academy Trust has complied with the requirements of the Academies Financial Handbook 2020.

At the balance sheet date the amount due to Hull Centre for Restorative Practice was £Nil (2020 - £Nil).

Income related party transactions

During the year the academy made the following related party transactions:

Hull Collaborative Teaching School

(A company in which E Macdonald is a Director)

During the year the Trust recharged services amounting to £1,926 (2020: £46,400) to Hull Collaborative Teaching School Limited.

At the balance sheet date the amount due from Hull Collaborative Teaching School was £8,158 (2020: £52,357).

K Horne

K Horne, daughter of T Horne, company secretary and Strategic School Business Manager, is employed by the Academy Trust as a teacher. K Horne's appointment was made in open competition and T Horne was not involved in the decision making process regarding appointment. K Horne is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship.

R Lutkin

R Lutkin, daughter of K Beal, Deputy CEO, is employed by the Academy Trust as a teacher. R Lutkin's appointment was made in open competition and K Beal was not involved in the decision making process regarding appointment. R Lutkin is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship.

F Marks

F Marks, spouse of D Marks, Head of School Improvement, is employed by the Academy Trust as a Director of Reading. F Marks' appointment was made in open competition and D Marks was not involved in the decision making process regarding appointment. F Marks is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship.

C Williams

C Williams, daughter of E Macdonald, CEO, is employed by the Academy Trust as a teacher. C Williams received £17,537 (2020 - £12,038) during the year as an employee of the Trust. C Williams is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a Director.