

REGISTERED COMPANY NUMBER: 07791933 (England and Wales)

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2018
FOR
THE HART SCHOOLS TRUST LIMITED**

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

THE HART SCHOOLS TRUST LIMITED
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FOR THE YEAR ENDED 31ST AUGUST 2018

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THE HART SCHOOLS TRUST LIMITED

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31ST AUGUST 2018**

TRUSTEES	A B Simmons (Chair) G Cleverdon K Davies (appointed 6/12/17) (Vice-Chair) J J E Ellam M Hamnett (until 30/11/17) M C J Lewis (Managing Director & Accounting Officer) S Marshman (appointed 1/10/18) V Parsey G Phillips J Winterbone
COMPANY SECRETARY	R M Dale
KEY MANAGEMENT PERSONNEL	M Hamnett (Group Chief Executive to 30/11/17) K Davies (Group Chief Executive from 1/12/17) P Harte (Group Finance Director) M C J Lewis (Managing Director and Headteacher, Thomas Alleyne Academy) L Young (Headteacher, Roebuck Academy)
EXTERNAL AUDITORS	Wags LLP t/a Wagstaffs Chartered Accountants and Statutory Auditors Richmond House Walkern Road Stevenage Hertfordshire SG1 3QP
INTERNAL AUDITORS	Alan Euinton Consultancy Limited Ace House 1 Blackhill Lane Pulloxhill Bedfordshire MK45 5HQ

THE HART SCHOOLS TRUST LIMITED

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31ST AUGUST 2018**

BANKERS

Barclays Bank Plc
86 Town Centre
Hatfield
Hertfordshire
AL10 0JP

SOLICITORS

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

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

THE HART SCHOOLS TRUST LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST AUGUST 2018

The Trustees present their report and audited financial statements of the charity for the year ended 31st August 2018.

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

The names of those serving as Trustees of the charity are listed on page 1.

LEGAL STATUS

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

MISSION

The Trust's principal object and activity is to provide education for pupils of different abilities between the ages of 3 and 19.

The main objectives of the Trust are summarised below:

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

PUBLIC BENEFIT

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

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

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

THE HART SCHOOLS TRUST LIMITED
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In delivering our mission, we provide the following identifiable public benefits:

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

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

OPERATING STRUCTURE, GOVERNANCE AND MANAGEMENT

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

Trust Schools

During the period ended 31st August 2018, the Trust supported two schools:

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

Each school is supported by a local governing body (LGB) including governors drawn from the parent body, local community and school staff, chaired by a Trustee.

Central services

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

Members

Members of the charitable company are nominated either by the Hart Learning Group (the Trust's Sponsor) or by the Secretary of State for Education. The names of the Members of the Company are shown on page 12 together, where appropriate, with their dates of appointment and/or resignation.

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

Scheme of Government

In accordance with the Articles of Association the charitable company has adopted a "Scheme of Government" approved by the Secretary of State. The Scheme specifies, amongst other things, the basis for admitting students to the Academy, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the national curriculum with an emphasis science and technology and their practical applications.

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Appointment of Directors

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

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

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

Induction and Development

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

Recruitment of Directors/Trustees and local governors

Procedures governing the appointment of Directors are contained in the Articles of Association registered with Companies House. The nomination of new or additional governors is considered by the Trustees as a group.

Appointments of parent and staff governors to individual LGBs are made by election, with a secret ballot if there are more applicants than vacancies.

The number of staff and parent governors required is set out in the Terms of Reference for LGBs.

THE HART SCHOOLS TRUST LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST AUGUST 2018

STRATEGIC PLAN

The Trust's Strategic Plan sets key targets in the areas of teaching, value added activities and identity in order to achieve its vision.

Whilst the Trust is committed to growing to support other schools in our local area, we intend to do so under the following parameters:

- Adding value to schools and their students is far more important than growing the Trust. We would rather work with fewer schools but ensure that our support makes a real difference.
- School improvement and curriculum collaboration between the Trust and its sponsor should be the key focus for the relationship, rather than the simple provision of shared services.
- Our strong preference is to expand the trust through tightly defined geographic clusters, rather than by embracing new schools from across a wider area. We believe that this approach will enable us to add more value, and foster more impactful collaboration both within the Trust and between the schools, North Hertfordshire College and Hart Learning & Development Ltd.
- We have therefore focussed our discussions on schools in the Stevenage area. We have been keen to talk to both primary and secondary schools, given the improvements we believe we can deliver by better integrating and managing transition between Key Stages.

RISK MANAGEMENT

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

The directors have implemented a number of systems to assess risks that the schools face, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover.

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

THE HART SCHOOLS TRUST LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST AUGUST 2018

STRATEGIC REPORT

Achievement and performance

PRIMARY – Roebuck Academy

At the end of 2016/17, Early Years Foundation Stage (EYFS) results at Roebuck were above national average, but progress measures at Key Stage 2 put the school at risk of being assessed as ‘coasting’. For 2017/18, targets were set to improve attainment and progress, aiming to reach at least national average expectations in Reading, Writing and Maths.

2018 results at Key Stages (KS) 1 and 2 demonstrated that these objectives had been achieved, with very substantial improvements seen for Phonics tests in Y1, and Y2 outcomes in line with or above national and Hertfordshire results in 2017). The KS2 combined score for Reading, Writing and Maths progress rose by seven percentage points from 57% (2016/17) to 65% and matched the national and Hertfordshire average. At 87%, results for writing were particularly strong – well above national and county averages.

Attainment measures also showed strong evidence of improvement, with all outcomes up against 2017 results.

External moderation and support from independent advisers helped assure the local governing body and Trust that judgements made by school staff were soundly based, and cross-Trust professional interaction helps to ensure that staff have a broader base of knowledge and experience to draw on.

Attendance was broadly in line with national average performance.

At the end of the year, recruitment into the Reception class fell below expectations, in the context of a significant surplus of reception places at schools across South Stevenage. This issue will be monitored to see if this is a longer term trend, or is just a single year issue.

KEY STAGE 4 (GCSE) – Thomas Alleyne Academy

62% of students achieved a standard pass in English and Maths (grade 4+), matching our target for this year group. In addition, 37% of students achieved a good pass in English and Maths (grade 5+), slightly below the target of 35%.

72% of students taking GCSE Maths achieved a standard pass (grades 4 – 9) and 55% a good pass (grades 5 - 9).

56% of students taking GCSE English achieved grades 5-9 and 72% grades 4-9 (when the best grade from either language or literature is used).

70% of students achieved two science grades 4+. This is a significant improvement on last year when only 53% of students did so.

At least one grade 9 (the maximum possible) was achieved in each of the following subjects – English Language, English Literature, Maths, Art, Religious Studies, History and Combined Science.

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In terms of student progress, top performing subjects in 2017/18 were combined science and maths, history, and religious studies.

In 2018, the gap between progress made by students eligible for Pupil Premium funding and those not eligible was 0.2 (2016/17: 0.8).

In 2018, the gap between progress made by male and female students was almost eliminated; this year, female students had a progress score 0.1 higher than male students (2016/17: 0.9).

Progress 8 data used by government to measure the performance of secondary schools nationally has improved to -0.26 (2016/17: -0.44).

A-LEVEL – Thomas Alleyne Academy

This year's A-level cohort of 31 students had an average GCSE points score on entry of 26.6 (lower than last year's cohort - 27.4).

A*-E grades held steady year on year at 99% while the average points score per entry dipped slightly as expected to 26.87 (2017 = 28.54, 2016 = 20.68).

The average grade per entry also dipped slightly to C- (2017 = C, 2016 = D).

30% of outcomes were A*-B grades (2017 = 34%). Two A* grades were secured.

Overall 51% of grades met or exceeded indicator grades, with 20% of results exceeding indicator grades.

All students are expected to progress to their chosen destinations.

SCHOOL RECRUITMENT IN 2017/18

The number of pupils on each year is shown below:

Thomas Alleyne Academy (TAA) PAN = 180			Roebuck Academy (RA) PAN = 60 YR to Y2		
Year Group	Sep 2017	June 2018	Year Group	Sep 2017	June 2018
7	176	177	Nursery	24	30
8	164	166	Reception	60	60
9	159	162	1	60	57
10	142	143	2	59	56
11	158	155	3	30	30
12	33	28	4	30	30
13	31	31	5	29	30
Total	863	862	6	30	31
			Total	322	324

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST AUGUST 2018

Financial review

Summary

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

Income and expenditure

Total income received in the accounting period to 31st August 2018 amounted to £6,139,795. These amounts and associated expenditure are shown between restricted funds and unrestricted funds in the statement of financial activities. Net outgoing resources for the period were £7,041,897.

Investment policy

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

Reserves policy

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

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

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.

Principal risks and uncertainties

The principal risks are:

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

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Future plans

Following the successful conversion of Roebuck Academy and the significant improvement in results across both schools, the Trust feels in a position to support additional schools in the future. The priority remains adding value to the schools we serve and maintaining a tight geographic focus to our work.

Discussions are continuing with a number of schools in Stevenage and we hope to see additional members joining our Trust during 2018-19.

STRUCTURE, GOVERNANCE AND MANAGEMENT

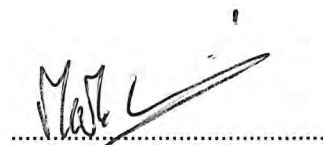
AUDITORS

The auditors, Wags LLP t/a Wagstaffs, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 5th December 2018 and signed on the board's behalf by:



.....
A B Simmons – Chair



.....
M Lewis – Accounting Officer

THE HART SCHOOLS TRUST LIMITED
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31ST AUGUST 2018

The following statement is provided to enable readers of this annual report and accounts to obtain a better understanding of the Trust's governance and legal structure. It covers the period from 1st September 2017 to 31st August 2018 and up to the date of approval of the annual report and financial statements.

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

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

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

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

GOVERNING COMMITTEES

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

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

In 2017/18, the Board focussed on:

- Improving student outcomes, including attendance and behaviour;
- Developing curriculum plans and standards at both schools that support aspiration and encourage student progress;
- Addressing the risk that the Roebuck Academy might be assessed as 'coasting';
- Holding conversations with other potential converting schools; and
- Ensuring that the Trust remained financially sustainable.

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

THE HART SCHOOLS TRUST LIMITED
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31ST AUGUST 2018

Full minutes of all Board meetings, except those deemed confidential by the Board, are available from Robert Dale, Company Secretary at:
North Hertfordshire College
Cambridge Road
Hitchin
Hertfordshire
SG4 0JD

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

MEMBERS

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

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

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

Name	Appointed under clause	Role	Appointed	Resigned
L Ceeney	4.1.1	Acting Chair of North Hertfordshire College Further Education Corporation		4/12/17
D Chalk	4.1.1	Chair of North Hertfordshire College Further Education Corporation	4/12/17	
J Glassman	4.1.2	Sponsor appointment		
M Hamnett	4.1.2	Sponsor appointment		30/11/17
K Davies	4.1.2	Sponsor appointment	30/11/17	
A B Simmons	4.1.4	Chair of the Trust Board		

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

THE HART SCHOOLS TRUST LIMITED

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31ST AUGUST 2018

THE TRUST BOARD

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

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

Name	Role	Appointed	Term of office	Resigned	Board Meetings attended	Other committees supported
G Cleverdon	Audit Chair	25/9/16	4 years		4/6	
K Davies	Vice-chair Sponsor Chief Executive	20/11/17	Ex officio		5/5	
J J E Ellam	Chair, TAA LGB	10/2/16	4 years		6/6	Audit
M Hamnett	Sponsor Chief Executive	1/3/15	Ex officio	30/11/17	0/1	
M C J Lewis	Managing Director		Ex officio		6/6	TAA LGB Roebuck LGB
S Marshman	Chair, Roebuck LGB	1/7/17	4 years		4/6	
V Parsey		1/4/16	4 years		3/6	
G Phillips		10/2/16	4 years		2/6	
A B Simmons	Chair	5/10/16	4 years		6/6	Search
J Winterbone		3/3/16	4 years		3/6	

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

THE HART SCHOOLS TRUST LIMITED
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31ST AUGUST 2018

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

The Board met six times in 2017/18 in addition to holding an Annual General Meeting. Attendance for the year was 72.2% (2016/17: 81.67%).

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

APPOINTMENTS TO THE BOARD

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

One appointment was made to the Board during the year as a result of the resignation of the Sponsor's (the Hart Learning Group) Chief Executive. The newly appointed Group Chief Executive, who had previously been the Principal of North Hertfordshire College, part of the Hart Learning Group, joined the Trust Board in November 2017:

- Kit Davies, Chief Executive and Principal, the Hart Learning Group.

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

AUDIT COMMITTEE

The Audit Committee is made up of four non-executive members of the Board and local governing bodies (neither the Chair nor Accounting Officer are members).

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

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

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

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

THE HART SCHOOLS TRUST LIMITED
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31ST AUGUST 2018

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

The Audit Committee met three times in 2017/18. Attendance for the year was 93.3% (2016/17: 85.71%).

SEARCH COMMITTEE

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

The Committee met twice in 2017/18 and attendance for the year was 90% (2016/17: 100%).

LOCAL GOVERNING BODIES

Both Trust schools are supported by active and enthusiastic local governing bodies (LGBs) made up of parents, people from the local community with relevant skills and experience, and school staff. These bodies scrutinise individual school performance in detail, paying particular attention to safeguarding, health and safety and teaching and learning quality, progress and attainment. Local governors monitor activity to ensure the schools have safe and welcoming premises, support staff recruitment, undertake learning walks and support the schools in other ways such as hearing pupils read or considering disciplinary cases.

The Roebuck LGB met six times in 2017/18 and attendance was 86.1%. The Thomas Alleyne LGB met five times in 2017/18 and attendance was 88.1%.

INTERNAL CONTROL

Scope of Responsibility

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

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

THE HART SCHOOLS TRUST LIMITED
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31ST AUGUST 2018

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place for the whole of the year ended 31st August 2018 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls implemented to mitigate those risks. The Board is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks that has been in place for the period ending 31st August 2018 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Board.

The risk and control framework

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

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

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

THE HART SCHOOLS TRUST LIMITED
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31ST AUGUST 2018

Review of effectiveness

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

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

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

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

Going concern

The Trust is dependent on Government funding for the sector to support its operations. The Trust's forecasts and financial projections including cash flow support from its sponsor indicate that it will be able to operate for the foreseeable future.

Accordingly, the Group has a reasonable expectation that it has adequate resources to continue in operational existence for the foreseeable future, and for this reason will continue to adopt the going concern basis in the preparation of its Financial Statements.

Approved by order of the members of the board of trustees on 5th December 2018 and signed on its behalf by:



.....
A B Simmons - Chair



.....
M Lewis - Accounting Officer

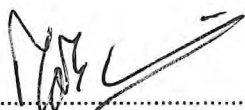
THE HART SCHOOLS TRUST LIMITED

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31ST AUGUST 2018**

As accounting officer of The Hart Schools Trust Limited I have considered my responsibility to notify the charitable company board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the charitable company, under the funding agreement in place between the charitable company and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

I confirm that I and the charitable company board of trustees are able to identify any material irregular or improper use of all funds by the charitable company, or material non-compliance with the terms and conditions of funding under the charitable company's funding agreement and the Academies Financial Handbook 2017.

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



.....
M Lewis - Accounting Officer

Date: 5th December 2018

THE HART SCHOOLS TRUST LIMITED
STATEMENT OF TRUSTEES RESPONSIBILITIES
FOR THE YEAR ENDED 31ST AUGUST 2018

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.


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

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

In so far as the trustees are aware:

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

Approved by order of the members of the board of trustees on 5th December 2018 and signed on its behalf
by:


.....
M Lewis – Accounting Officer

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

Opinion

We have audited the financial statements of The Hart Schools Trust Limited (the 'charitable company') for the year ended 31st August 2018 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st August 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2017 to 2018.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Other information

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, 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.

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

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

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

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

Use of our report

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



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

Date:10th DECEMBER 2018

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

In accordance with the terms of our engagement and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Hart Schools Trust Limited during the period 1st September 2017 to 31st August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of The Hart Schools Trust Limited's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1st September 2017, 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 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1st September 2017 to 31st August 2018 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2017 to 2018 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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


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

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

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

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1st September 2017 to 31st August 2018 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

A handwritten signature in black ink, appearing to read 'Wagstaffs', written over a large, loopy scribble.

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

Date: 10th December 2017

THE HART SCHOOLS TRUST LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST AUGUST 2018

	Notes	Unrestricted fund	Restricted funds	Restricted fixed asset funds	FRS 102 Pension	2018 Total funds	As restated 2017 Total funds
		£	£	£	£	£	£
INCOMING RESOURCES FROM							
Donations and capital grants	3	210,513	249,901	-	-	460,414	242,619
Transfer from Local Authority on conversion		-	-	-	-	-	9,696,000
Charitable activities							
Funding for the academy's educational operations	4	-	5,634,381	-	-	5,634,381	5,639,875
Expected return on pension scheme assets		-	-	-	45,000	45,000	34,000
Total		210,513	5,884,282	-	45,000	6,139,795	15,612,494
EXPENDITURE ON							
Charitable activities							
Academy trust educational operations	5	201,357	5,775,853	701,687	-	6,678,897	10,753,500
Other charitable expenditure	7	-	9,000	-	354,000	363,000	119,000
Total		201,357	5,784,853	(701,687)	354,000	7,041,897	10,872,500
NET INCOME/(EXPENDITURE)		9,156	99,429	(701,687)	(309,000)	(902,102)	4,739,994
Transfers between funds		-	(169,000)	-	169,000	-	-
Other recognised gains/(losses)							
Actuarial gains/losses on defined benefit schemes	18	-	-	-	257,000	257,000	433,000
Net movement in funds		9,156	(69,571)	(701,687)	117,000	(645,102)	5,172,994
RECONCILIATION OF FUNDS							
Total funds brought forward		24,017	183,446	28,928,639	(1,421,000)	27,715,102	22,542,108
TOTAL FUNDS CARRIED FORWARD	17	33,173	113,875	28,226,952	(1,304,000)	27,070,000	27,715,102

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

THE HART SCHOOLS TRUST LIMITED (REGISTERED NUMBER: 07791933)

STATEMENT OF FINANCIAL POSITION
AT 31ST AUGUST 2018

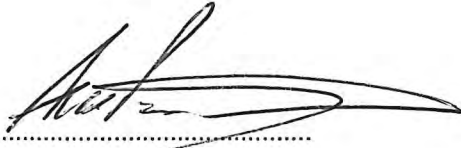
	Notes	2018 £	As restated 2017 £
FIXED ASSETS			
Tangible assets	11	28,694,771	29,101,409
CURRENT ASSETS			
Stocks	12	1,358	1,117
Debtors	13	196,982	189,874
Cash at bank and in hand		189,744	125,539
		388,084	316,530
CREDITORS			
Amounts falling due within one year	14	(708,855)	(281,837)
NET CURRENT ASSETS/(LIABILITIES)			
		(320,771)	34,693
TOTAL ASSETS LESS CURRENT LIABILITIES			
		28,374,000	29,136,102
PENSION LIABILITY			
	18	(1,304,000)	(1,421,000)
NET ASSETS			
		27,070,000	27,715,102
FUNDS			
Unrestricted funds	17	33,173	24,017
Restricted funds:			
Restricted general funds		113,875	183,446
Restricted pension fund		(1,304,000)	(1,421,000)
Restricted fixed asset fund		28,226,952	28,928,639
		27,036,827	27,691,085
TOTAL FUNDS			
		27,070,000	27,715,102

The notes form part of these financial statements

THE HART SCHOOLS TRUST LIMITED (REGISTERED NUMBER: 07791933)

STATEMENT OF FINANCIAL POSITION - CONTINUED
AT 31ST AUGUST 2018

The financial statements were approved by the Board of Trustees on 5th December 2018 and were signed on its behalf by:



.....
A B Simmons - Chair



.....
M Lewis - Accounting Officer

The notes form part of these financial statements

THE HART SCHOOLS TRUST LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST AUGUST 2018

	Notes	2018 £	2017 £
Cash flows from operating activities:			
Cash generated from operations	1	<u>382,413</u>	<u>(46,181)</u>
Net cash provided by (used in) operating activities		<u>382,413</u>	<u>(46,181)</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		<u>(318,208)</u>	<u>(142,667)</u>
Net cash provided by (used in) investing activities		<u>(318,208)</u>	<u>(142,667)</u>
<hr/>			
Change in cash and cash equivalents in the reporting period		64,205	(188,848)
Cash and cash equivalents at the beginning of the reporting period	2	<u>125,539</u>	<u>314,387</u>
Cash and cash equivalents at the end of the reporting period	2	<u>189,744</u>	<u>125,539</u>

The notes form part of these financial statements

THE HART SCHOOLS TRUST LIMITED

NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST AUGUST 2018

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

	2018	2017
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(902,102)	4,739,994
Adjustments for:		
Depreciation	724,846	605,529
Transfer from Local Authority on conversion	-	(9,696,000)
Loss on disposal of fixed assets	-	4,659,119
Transfer pension deficit on closure	-	(79,797)
Increase in stocks	(241)	(186)
(Increase)/decrease in debtors	(7,108)	90,258
Increase/(decrease) in creditors	427,018	(458,098)
Difference between pension charge and cash contributions	<u>140,000</u>	<u>93,000</u>
Net cash provided by (used in) operating activities	<u>382,413</u>	<u>(46,181)</u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018	2017
	£	£
Cash in hand	200	200
Notice deposits (less than 3 months)	<u>189,544</u>	<u>125,339</u>
Total cash and cash equivalents	<u>189,744</u>	<u>125,539</u>

THE HART SCHOOLS TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2018

1. STATUTORY INFORMATION

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2017 to 2018 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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

Going concern

The financial statements have been prepared on a going concern basis.

Significant judgements and estimates

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 30, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Capital grants and other contributions towards the cost of additions to fixed assets are released over the useful life of the asset into the statement of financial activities. The balance of income received for specific purposes but not expended during the year is shown in the relevant funds on the balance sheet.

THE HART SCHOOLS TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2018

2. ACCOUNTING POLICIES - continued

Resources expended

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

Tangible fixed assets

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

Plant and machinery - between 3 - 5 years straight line

Land & buildings - 50 years straight line

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

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

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

THE HART SCHOOLS TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2018

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

Teachers' Pension Scheme

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 18, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

Local Government Pension Scheme

The LGPS is a funded 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.

3. DONATIONS AND CAPITAL GRANTS

	2018	2017
	£	£
Sundry income	460,414	239,153
Uniform Sales	-	3,466
	<u>460,414</u>	<u>242,619</u>

The income from donations and capital grants was £460,414 (2017 : £242,619) of which £210,513 was unrestricted (2017 : £122,564) and £249,901 restricted (2017 : £120,055).

THE HART SCHOOLS TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2018

4. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds	Restricted funds	2018 Total funds	2017 Total funds
	£	£	£	£
EFA Grants	-	5,534,490	5,534,490	5,540,471
Special educational projects	-	99,891	99,891	99,404
	<u>-</u>	<u>5,634,381</u>	<u>5,634,381</u>	<u>5,639,875</u>

The income from charitable activities was £5,634,381 (2017 : £5,639,875) of which £5,634,381 was restricted (2017 : £5,639,875).

5. EXPENDITURE

	Direct costs £	Support costs £	2018 Total £	2017 Total £
Academies educational operations	<u>5,936,592</u>	<u>742,305</u>	<u>6,678,897</u>	<u>10,753,500</u>

Net resources are stated after charging/(crediting):

	2018 £	2017 £
Auditor's remuneration	9,000	16,000
Depreciation - owned assets	<u>724,846</u>	<u>605,529</u>

THE HART SCHOOLS TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2018

6. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

Direct costs	2018 £	2017 £
Teaching and educational support staff costs	4,200,680	3,610,317
Depreciation on buildings, fixtures, fittings and equipment	724,846	605,529
Donation of assets	-	4,659,119
Books, apparatus and stationery	41,320	38,318
Examination fees	92,785	67,544
Other direct costs	<u>876,961</u>	<u>790,655</u>
	<u>5,936,592</u>	<u>9,771,482</u>
Allocated support costs	2018 £	2017 £
Support staff costs	128,195	347,010
Maintenance of premises and equipment	284,896	312,986
Rates and utilities	200,896	203,679
Transport	6,525	9,952
Technology costs	54,737	36,751
Indirect employee expenses	26,163	22,709
Other support costs	<u>40,893</u>	<u>48,931</u>
	<u>742,305</u>	<u>982,018</u>

The expenditure on charitable activities was £6,678,897 (2017 : £10,753,500) of which £201,357 was unrestricted (2017 : £116,170), £5,775,853 restricted (2017 : £5,285,479) and £701,687 restricted fixed assets (2017 : £5,351,851).

THE HART SCHOOLS TRUST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2018**

7. OTHER CHARITABLE EXPENDITURE

	Unrestricted funds	Restricted funds	2018 Total funds	2017 Total funds
	£	£	£	£
Current service cost	-	273,000	273,000	203,000
Interest cost	-	81,000	81,000	67,000
Transfer on pension deficit	-	-	-	(167,000)
Auditors remuneration	-	9,000	9,000	16,000
	<u>-</u>	<u>363,000</u>	<u>363,000</u>	<u>119,000</u>

Other charitable expenditure was £363,000 (£119,000) of which £9,000 was restricted (2017 : £16,000) and £354,000 was FRS 102 pension (£103,000).

8. TRUSTEES' REMUNERATION AND BENEFITS

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

M Lewis (Executive Principal and Trustee):

Remuneration - £100,001 - £105,000 (2017: £90,001 - £95,000)

Employer's pension contributions paid - £10,000 - £15,000 (2017: £15,000 - £20,000)

Trustees' expenses

During the year ended 31 August 2018, travel and subsistence expenses totalling £343 were paid to 1 trustee (2017: £328 to 1 trustee).

THE HART SCHOOLS TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2018

9. STAFF COSTS

	2018	2017
	£	£
Wages and salaries	3,906,214	3,584,096
Operating costs of defined benefit pension schemes	<u>422,661</u>	<u>373,231</u>
	<u>4,328,875</u>	<u>3,957,327</u>

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

2018	2017
<u>141</u>	<u>113</u>

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

	2018	2017
£60,001 - £70,000	1	-
£90,001 - £100,000	-	1
£100,001 - £110,000	<u>1</u>	<u>-</u>
	<u>2</u>	<u>1</u>

10. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the School has purchased insurance to protect directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on School business. The insurance provides cover up to £10,000,000 on any one claim.

THE HART SCHOOLS TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2018

11. TANGIBLE FIXED ASSETS

	Inherited assets £	Land and buildings £	Fixtures and fittings £	Computer equipment £	Totals £
Cost					
At 1st September 2017	28,989,000	1,020,158	344,736	29,251	30,383,145
Additions	-	262,311	55,897	-	318,208
At 31st August 2018	<u>28,989,000</u>	<u>1,282,469</u>	<u>400,633</u>	<u>29,251</u>	<u>30,701,353</u>
Depreciation					
At 1st September 2017	1,132,620	30,989	108,955	9,172	1,281,736
Charge for year	579,780	20,404	114,912	9,750	724,846
At 31st August 2018	<u>1,712,400</u>	<u>51,393</u>	<u>223,867</u>	<u>18,922</u>	<u>2,006,582</u>
Net book value					
At 31st August 2018	<u>27,276,600</u>	<u>1,231,076</u>	<u>176,766</u>	<u>10,329</u>	<u>28,694,771</u>
At 31st August 2017	<u>27,856,380</u>	<u>989,169</u>	<u>235,781</u>	<u>20,079</u>	<u>29,101,409</u>

Land and buildings represent long leasehold assets only (2017: long leasehold only).

12. STOCKS

	2018 £	2017 £
Stocks	<u>1,358</u>	<u>1,117</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade debtors	5,127	1,285
Other debtors	5,970	60,919
VAT	20,696	36,258
Prepayments and accrued income	<u>165,189</u>	<u>91,412</u>
	<u>196,982</u>	<u>189,874</u>

THE HART SCHOOLS TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2018

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Trade creditors	170,354	56,847
Social security and other taxes	84,748	-
Other creditors	73,424	9,587
Accruals and deferred income	<u>380,329</u>	<u>215,403</u>
	<u>708,855</u>	<u>281,837</u>

15. LEASING AGREEMENTS

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

	2018	2017
	£	£
Within one year	31,612	7,402
Between one and five years	109,102	7,798
In more than five years	<u>85,910</u>	-
	<u>226,624</u>	<u>15,200</u>

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

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted General Fund £	Restricted Fixed Asset Fund £	FRS102 Pension Fund £	Total Funds £
Tangible assets	-	467,819	28,226,952	-	28,694,771
Current assets	33,173	354,911	-	-	388,084
Current liabilities	-	(708,855)	-	-	(708,855)
Pension scheme liability	-	-	-	(1,304,000)	(1,304,000)
	<u>33,173</u>	<u>113,875</u>	<u>28,226,952</u>	<u>(1,304,000)</u>	<u>27,070,000</u>

THE HART SCHOOLS TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2018

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS - continued

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

	Unrestricted Funds £	Restricted General Fund £	Restricted Fixed Asset Fund £	FRS102 Pension Fund £	As restated Total Funds £
Tangible assets	-	172,770	28,928,639	-	29,101,409
Current assets	24,017	292,513	-	-	316,530
Current liabilities	-	(281,837)	-	-	(281,837)
Pension scheme liability	-	-	-	(1,421,000)	(1,421,000)
	<u>24,017</u>	<u>183,446</u>	<u>28,928,639</u>	<u>(1,421,000)</u>	<u>27,715,102</u>

17. MOVEMENT IN FUNDS

	Restricted General Funds £	Pension reserves £	Unrestricted funds £	Restricted fixed assets £	Total Funds £
Balance at 1 September 2017 (as restated)	750,526	(1,421,000)	24,017	28,361,559	27,715,102
Prior year adjustment (note 22)	(567,080)	-	-	567,080	-
Incoming resources	5,884,282	45,000	210,513	-	6,139,795
Resources expended	(5,784,853)	(354,000)	(201,357)	(701,687)	(7,041,897)
Gains, losses and transfers	(169,000)	426,000	-	-	257,000
Balance at 31 August 2018	<u>113,875</u>	<u>(1,304,000)</u>	<u>33,173</u>	<u>28,226,952</u>	<u>27,070,000</u>

Restricted general fund relates to revenue grants and income to be used with the charitable objectives within the company.

THE HART SCHOOLS TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2018

18. PENSION AND SIMILAR OBLIGATIONS

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 August 2018.

Teachers' pension scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

THE HART SCHOOLS TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2018

18. PENSION AND SIMILAR OBLIGATIONS
- continued

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%))
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The pension costs paid to TPS in the period amounted to £420,793 (2017: £364,870).

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 a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

THE HART SCHOOLS TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2018

18. PENSION AND SIMILAR OBLIGATIONS
- continued

Local government pension scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £209,000 (2017: £178,000), of which employer's contributions totalled £169,000 (2017: £143,000) and employees' contributions totalled £40,000 (2017: £35,000). The agreed contribution rates for future years are 25.3% for employers and 6.5% for employees.

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

On 26 October 2018, the High Court handed down a judgment involving the Lloyds Banking Group's defined benefit pension schemes. The judgment concluded the schemes should be amended to equalise pension benefits for men and women in relation to guaranteed minimum pension benefits, "GMP". The Government will need to consider this outcome in conjunction with the Government's recent consultation on GMP indexation in public sector schemes before concluding on any changes required to LGPS schemes.

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

	At 31 August 2018	At 31 August 2017
Retiring today		
Males	22.5	21.3
Females	24.9	24.2
Retiring in 20 years		
Males	24.1	22.6
Females	26.7	25.3
Sensitivity analysis		
	At 31 August 2018	At 31 August 2017
	£	£
0.5% decrease in Real Discount Rate	344,000	444,000
0.5% increase in the Salary Increase Rate	20,000	30,000
0.5% increase in the Pension Increase Rate	321,000	410,000

THE HART SCHOOLS TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2018

18. PENSION AND SIMILAR OBLIGATIONS
- continued

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	2018	2017
	£	£
Fair value of plan assets	<u>1,997,000</u>	<u>1,726,000</u>
Present value of liabilities	<u>(3,301,000)</u>	<u>(3,147,000)</u>
Net asset	<u>(1,304,000)</u>	<u>(1,421,000)</u>

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

	Defined benefit pension plans	
	2018	2017
	£	£
Current service cost	273,000	203,000
Interest income	(45,000)	(34,000)
Interest cost	<u>81,000</u>	<u>67,000</u>
	<u>309,000</u>	<u>236,000</u>
Actual return on plan assets	<u>98,000</u>	<u>109,000</u>

THE HART SCHOOLS TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2018

18. PENSION AND SIMILAR OBLIGATIONS
- continued

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

	Defined benefit pension plans	
	2018	2017
	£	£
Defined benefit obligation	3,147,000	3,012,000
Current service cost	273,000	203,000
Contributions by scheme participants	40,000	35,000
Interest cost	81,000	67,000
Actuarial losses/(gains)	(204,000)	(358,000)
Benefits paid	(36,000)	(41,000)
Transfer in on existing academy joining the trust	-	941,000
Transfer out existing academy closure	-	(712,000)
	<u>3,301,000</u>	<u>3,147,000</u>

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

	Defined benefit pension plans	
	2018	2017
	£	£
Fair value of scheme assets	1,726,000	1,500,000
Contributions by employer	169,000	143,000
Contributions by scheme participants	40,000	35,000
Expected return	45,000	34,000
Actuarial gains/(losses)	53,000	75,000
Benefits paid	(36,000)	(41,000)
Transfer from local authority on conversion	-	525,000
Transfer out existing academy closure	-	(545,000)
	<u>1,997,000</u>	<u>1,726,000</u>

THE HART SCHOOLS TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2018

18. PENSION AND SIMILAR OBLIGATIONS
- continued

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

	Defined benefit pension plans	
	2018	2017
	£	£
Actuarial gains/(losses)	<u>257,000</u>	<u>433,000</u>
	<u>257,000</u>	<u>433,000</u>

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

	Defined benefit pension plans	
	2018	2017
	£	£
Equities	1,058,000	1,122,000
Bonds	699,000	431,000
Property	160,000	121,000
Cash	<u>80,000</u>	<u>52,000</u>
	<u>1,997,000</u>	<u>1,726,000</u>

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

	2018	2017
Rate of increase in salaries	2.5%	3.6%
Rate of increase for pensions in payment	2.4%	2.1%
Discount rate for scheme liabilities	2.8%	2.0%
Inflation assumption (CPI)50	2.4%	2.1%
Commutation of pensions lump sums (pre April 2008)	50%	50%
Commutation of pensions lump sums (post April 2008)	75%	75%

19. CAPITAL COMMITMENTS

	2018	2017
	£	£
Contracted but not provided for in the financial statements	<u>23,950</u>	<u>-</u>

THE HART SCHOOLS TRUST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST AUGUST 2018**

20. RELATED PARTY DISCLOSURES

During the year The Hart Schools Trust Limited made sales to North Hertfordshire College amounting to £107,931 (2017: £4,985). The Trust also made purchases for goods and services amounting to £319,149 (2017: £500,180) from North Hertfordshire College. On the closure of Da Vinci Studio School of Science and Engineering, the fixed assets of this academy were transferred to North Hertfordshire College for nil consideration as agreed with the Department for Education. Included within debtors falling due within one year is £5,970 (2017 : creditor of £9,410) due from the North Hertfordshire College. Furthermore, following the closure of The Da Vinci Studio School of Creative Enterprise and The Da Vinci Studio School of Science and Engineering residual liabilities were transferred totalling £nil (2017 : £254,203).

Included within debtors falling due within one year is £13,005 (2015: £118,392 creditor) due from the North Hertfordshire College.

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

All related party transactions took place on a cost basis and in accordance with the requirements of the Academies Financial Handbook (effective September 2017).

21. MEMBERS' LIABILITY

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

22. PRIOR YEAR ADJUSTMENT

As stated in note 17 the opening balance for general restricted funds and restricted fixed asset funds have been adjusted by £567,080. This adjustment is to correct the allocation of depreciation charges that have been allocated to the wrong fund in error. Neither total funds or the total net movement in funds have been effected by this adjustment.

THE HART SCHOOLS TRUST LIMITED

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST AUGUST 2018**

	2018	2017
	£	£
INCOME AND ENDOWMENTS		
Donations and capital grants		
Sundry income	460,414	239,153
Uniform Sales	<u>-</u>	<u>3,466</u>
	460,414	242,619
Transfer from Local Authority on conversion	-	9,696,000
Charitable activities		
EFA Grants	5,534,490	5,540,471
Special educational projects	<u>99,891</u>	<u>99,404</u>
	5,634,381	5,639,875
Expected return on pension scheme assets		
Expected return on pension scheme assets	<u>45,000</u>	<u>34,000</u>
Total incoming resources	6,139,795	15,612,494
EXPENDITURE		
Charitable activities		
Wages	3,906,214	3,584,096
Pensions	422,661	373,231
Services and supplies	873,643	777,705
Examination fees	92,785	67,544
Other direct costs	3,318	10,845
Telephone	7,689	5,239
Printing, postage and stationery	41,320	34,498
Advertising	1,183	2,349
Recruitment costs	654	2,627
Travel costs	6,525	9,952
Computer expenses	49,047	36,751
Repairs and renewals	284,896	312,986
Subscriptions	5,690	3,820
Clothing costs	-	2,105
Training costs	<u>25,509</u>	<u>20,082</u>
Carried forward	5,721,134	5,243,830

THE HART SCHOOLS TRUST LIMITED

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST AUGUST 2018

	2018 £	2017 £
Brought forward	5,721,134	5,243,830
Utilities	200,896	203,764
Insurance	24,194	23,188
Legal and professional fees	7,827	18,070
Depreciation on land and buildings	20,404	113,898
Depreciation on fixtures, fittings & equipment	114,912	107,369
Depreciation on computer equipment	9,750	6,722
Depreciation of inherited fixed assets	579,780	377,540
Donation of fixed assets	-	4,659,119
	<u>6,678,897</u>	10,753,500
Other charitable expenditure		
Interest on pension scheme liabilities	354,000	270,000
Transfer out existing academy closure	-	(167,000)
Auditors remuneration	9,000	16,000
	<u>363,000</u>	119,000
Total resources expended	<u>7,041,897</u>	10,872,500
Net (expenditure)/income	<u>(902,102)</u>	<u>4,739,994</u>