

Registered number: 08674696

Hall Orchard Barrow CE Primary School

Trustees Report and Financial Statements

For the period ended 31 August 2014



Hall Orchard Barrow CE Primary School
(A company limited by guarantee)

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Hall Orchard Barrow CE Primary School
(A company limited by guarantee)

Reference and Administrative Details of the Academy, its Trustees and Advisers
For the period ended 31 August 2014

Members	Mr J Wynn, Community (appointed 3 September 2013, resigned 6 January 2014) Mrs L Dallow, Chair (appointed 3 September 2013) Mr A Lamb, Vice Chair (appointed 3 September 2013) The Diocese of Leicester Educational Trust (appointed 3 September 2013)
Trustees	Mr J Wynn, Community (appointed 3 September 2013, resigned 6 January 2014) Mrs L Dallow, Chair (appointed 3 September 2013) Mr A Lamb, Vice Chair (appointed 3 September 2013) Mrs K Mills, Parent (appointed 3 September 2013) Mr E Dring, Parent (appointed 3 September 2013) Ms J McKay, Head Teacher (appointed 3 September 2013) Mrs D Roe, Parent (appointed 3 September 2013) Mrs F Acton, Parent (appointed 3 September 2013) Mrs P Ranson, Community (appointed 3 September 2013) Mrs C Allen, Staff (appointed 3 September 2013) Mrs J Dunn, Staff (appointed 3 September 2013) Mr P Browning, Parent (appointed 2 July 2014)
Company registered number	08674696
Registered office	Church Street Barrow Upon Soar Loughborough Leicestershire LE12 8HP
Company secretary	Mrs J Dealey, Bursar / Chief Accounting Officer
Clerk to governors	Mrs K Grocock-Matts
Business manager	Mr M Harvey
Senior management team	Ms J McKay, Head Teacher Mr A Northcote-Smith, Deputy Head Teacher Mrs C Allen, Assistant Head Teacher Mrs N Roodhouse, Assistant Head Teacher Mrs J Dunn, Assistant Head Teacher/SENCO

Hall Orchard Barrow CE Primary School
(A company limited by guarantee)

Reference and Administrative Details of the Academy, its Trustees and Advisers
For the period ended 31 August 2014

Administrative details (continued)

Independent auditors	Dains LLP Charlotte House Stanier Way The Wyvern Business Park Derby DE21 6BF
Bankers	National Westminster Bank Plc Market Street Loughborough Leicestershire LE11 3NZ
Solicitors	Walker Morris LLP Kings Court 12 King Street Leeds LS1 2HL

Hall Orchard Barrow CE Primary School
(A company limited by guarantee)

Trustees' Report
For the period ended 31 August 2014

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements and Auditors' report of Hall Orchard Barrow CE Primary School (the academy and the group) for the period ended 31 August 2014. The Trustees confirm that the Annual report and financial statements of the academy and the group comply with the current statutory requirements, the requirements of the academy and the group's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

Structure, governance and management

a. Constitution

The academy is a charitable company limited by guarantee and was incorporated by a Memorandum of Association on 3rd September 2013. The Academy has exempt charity status and its principal regulator is the Department for Education (DFE).

The Charitable Company's memorandum and articles of association are the primary governing documents of the Academy, and determine the number and manner of appointment of members and the composition of the governing body.

The academy governance structure is as follows:

The Members of the Academy Trust shall comprise:

The signatories to the Memorandum who are

- the Diocese of Leicester Educational Trust (Company No. 07773846) as the corporate Foundation Member
- the chair of the Governors
- the chair of the Curriculum and Strategy Committee
- the chair of the Health and Safety, Safeguarding and Premises Committee

The following stipulates the structure of the governors for the academy

- The number of governors will be at least three (3) and not more than fourteen (14)
- All Governors shall upon their appointment give a written undertaking to the Foundation Members or/and the Trustees to uphold the Object of the Academy Trust

Subject to Articles 48 and 49, the Academy Trust shall have the following Governors

- Up to 6 Governors, appointed under Article 50
- A minimum of 3 Foundation Governors, appointed and/or holding office further to Article 51
- Two Parent Governors appointed under Articles 53-58
- The Principal
- The Academy Trust may also have two Co-opted Governors appointed under Article 59

The term of office for the members and governors is four years.

Details of the trustees who served throughout the year are included in the Reference and Administrative details on page one.

b. Members' liability

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

c. Trustees' indemnities

Since the conversion to Academy status on 1st October 2013, the trustees (Governors) have been indemnified in respect of their legal liability for financial loss arising as a result of a negligent act, accidental error or omission in the course of their official duties. The limit of indemnity cover is £3,000,000 (three million pounds) in this respect.

d. Principal activities

The Academy Trust's object is specifically restricted to advance, for public benefit, education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

e. Method of recruitment and appointment or election of Trustees

The method for appointing trustees is described in the Articles of Association point 45-65

Election of Parent Trustees

When a vacancy occurs for a parent trustee a letter is sent out to all parents asking for nominations, and providing information about the role, the responsibilities and the level of commitment that will be expected from the successful candidate. Should there be more interest in the vacancy than the number available then a ballot will be held. The interested party will be asked to write a short personal statement including the qualities, knowledge and experience that makes them suitable for the role, and ballot papers will be circulated to all parents. These ballot papers will be returned to school in a sealed envelope. At least two individuals from the governing body and administration staff will then count the votes and the candidate with the highest number will join the governing body.

Recruitment of Other Trustees

Individuals with a particular expertise may be invited to join the governing body, for example Health and Safety or Finance, or suggested for nomination to the Diocese or Local Authority. When a co-opted vacancy arises and Trustees need to identify candidates with the requisite skills and/or knowledge and experience for appointment, the vacancy will be advertised locally and potential candidates will be invited to apply for the post, including attending an interview with at least two Trustees who will then propose to the governing body the appointment of the most suitable candidate(s).

Policies and procedures adopted for the induction and training of Trustees

New Trustees will receive a welcome pack that contains information about the Academy. This includes the structure and organisation of the Academy, Academy Development Plan, latest Ofsted report and minutes of previous meetings and the Trustees/Governor Handbook, which is updated regularly. The new Trustees will also be invited to visit the school to meet the head teacher, staff and pupils. New Trustees are provided with access to the Governor section of the VLE which contains policies and important documents. New Trustees are strongly encouraged to undergo appropriate induction training provided by the Governor Development Service.

Existing Trustees training needs are met through external and in-house training and, as part of an annual training programme agreed by the governing body and co-ordinated by a designated Trustee. All Trustees have access to the Leicestershire Governor Development Service website which provides support, advice and training information.

A trustee visit day is also arranged during the academic year, inviting Trustees to monitor the SDP.

f. Organisational structure

The governing body holds at least one meeting per half term and has delegated authority to the following sub-committees:

- Finance, Personnel and Premises
- Curriculum Development and Strategy
- Health and Safety and Safeguarding

Following the year end the Health and Safety and Safeguarding committee has been discontinued and a designated Trustee has been appointed to take on this responsibility, reporting on a regular basis to the full governing body.

Each sub-committee has documented and agreed Terms of Reference which detail the level of devolved authority from the governing body. These, together with the membership of each sub-committee and other governor responsibilities are reviewed and updated annually. The Chair of each sub-committee and designated Trustees reports back to the Governing Body at the full governing body meeting following each sub-committee meeting or monitoring visit.

The governors are responsible for setting general policy, adopting an annual improvement plan and monitoring the Academy performance and making major decisions about the strategic direction of the academy and its staffing. The Governing Body is responsible for budget monitoring and for final decisions on budget administration, allocation and capital expenditure.

The day-to-day management of the Academy is delegated to the Headteacher by the Trustees. The Headteacher directs the Senior Leadership Team (SLT) which consists of a Deputy Headteacher and three Assistant Headteachers. The Headteacher with assistance from the SLT takes responsibility for creation of the School Development Plan.

The Headteacher who remains the responsible Accounting Officer delegates daily management and administration of the budget to the School Bursar, who is also the Company Secretary. The Clerk to governors is managed by the Chair of Governors. The Clerk has access to regular training.

g. Connected organisations, including related party relationships

For the period 1 October 2013 - August 2014 there were the following connected organisations:

Hall Orchard Extended Services Limited

h. Risk management

The Trustees have assessed the major risks to which the Academy is exposed, with guidance from the Academies Financial Handbook. Risks to the Academy fall into the following categories:

- Health & Safety – Regular inspections and risk assessments by a nominated member of staff or by external companies. Health and Safety is also monitored regularly by a designated Trustee
- Performance – Pupil performance is monitored by the Senior Leadership Team. All staff have performance management appraisals and training opportunities are identified and tracked. The Headteacher manages termly classroom observations. Trustees monitor pupil performance in line with the School Development Plan, and staff performance in line with the Performance Management policy.
- Financial – A Financial Policy, Scheme of Delegation and Day to Day procedures are in place. Trustees meet to monitor finances on at least a termly basis and regular testing / checks are undertaken by the Responsible Officer and External Auditors have been appointed.
- Operational – Local Government Pension liability for which Tier one and two insurance is in place.
- Strategic – External and political factors that change the education landscape. The Academy, through its senior staff, monitor educational changes and development.

Objectives and Activities

a. Objects and aims

The Academy Trust's object is specifically restricted to the following:

To advance for public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

The Academy has the following aims on which the School Development Plan and associated spending decisions are based:

- Aspiration
- Confidence
- Excellence

To support the schools aim of 'developing a school offering a broad and balanced curriculum', the School Development Plan has identified the following areas of Priority:

- To develop new tracking systems in a 'life beyond levels'.
- To review the curriculum in line with the new National Curriculum
- To introduce a new Literacy and Spelling Scheme
- To increase the use of technology in school
- To develop pupils' independence

b. Public benefit

Hall Orchard Barrow CE Primary School (Academy) is approved by the Department for Education (DFE) and funded wholly by the Education Funding Agency (EFA) to further the education of pupils admitted under the requirements set by the EFA funding agreement with the admission of pupils without fee. Parents are able to apply for their children to be admitted.

Group strategic report

Achievements and performance

a. Going concern

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

b. Review of activities

Foundation Stage Outcomes

2014 – On entry pupils were broadly in line with National therefore progress is outstanding

Reading 92%

Writing 70%

Maths 87%

Our Good level of Development was 69%.

Total point score (supporting measure) 36.8.

Key Stage 1 Outcomes

2014 Attainment levels at level 2+ were:

Reading 90%, writing 83%, maths 88%

Attainment levels at 2B+ were:

Reading 78%, writing 69% and maths 79%

Progress from the end of Foundation stage was outstanding; pupils achieving 'at or above' 2012 were significantly lower:

Reading 52%, Writing 58%, Maths 58%

Attainment levels at 2A+ were:

Reading 57%, Writing 50%, Maths 45%

Attainment levels at level 3 were very positive:

Reading 40%, Writing 24%, Maths 28%

Key Stage 2 Outcomes

2014 – Attainment at the end of KS2 L4 + : Reading 97%, Writing 97%, GAPS 73% and Maths 92%.

Pupils attaining a L4+ in Reading, Writing and Maths were: 87%, and L5+ 19% 5+ : Reading 52%, Writing 26%, GAPS 34% and Maths 42% (with 7% achieving a L6 in mathematics).

The Trustees and staff remain committed to providing an exciting and relevant education to inspire and challenge our children so they can ALL be the best that they can be, achieving high levels of attainment and making exceptional progress.

During 2013/4 the curriculum was a major focus for the Academy, with a concentration on improving phonics and reading at Key Stage 1. Read, Write Inc is now embedded in practice and has had significant impact on pupil attainment - 86% of pupils passed the Year 1 Phonics Screening Check.

The International Primary Curriculum was implemented throughout school making our non core curriculum even more exciting and motivating for pupils. The new curriculum ensures pupils practise their Literacy and Numeracy skills throughout the curriculum, resulting in ever increasing standards of attainment.

During the academic year we developed a new school website which provides information to parents and the wider community about all aspects of the Academy.
The school field was developed to create a wildlife area at one end and an allotment area in another.

A major development was the Academy managing its own catering. This has vastly improved the quality of school meals that are provided.

Financial review

a. Financial review

A full financial statement is included with this report. The statement will confirm that the principal sources of funding were as follows:

Restricted Income	General Annual Grant Pupil Premium Sports Grant Shire Grant
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Unrestricted Income Income generated by the Academy such as catering, trips and lettings.

To support the schools aim of 'developing a school offering a broad and balanced curriculum', the School Development Plan has identified the following areas of Priority:

- To develop new tracking systems in a 'life beyond levels'.
- To review the curriculum in line with the new National Curriculum
- To introduce a new Literacy and Spelling Scheme
- To increase the use of technology in school
- To develop pupils' independence

Trust funds and investment

If the governing body decides to invest to further the Academy's charitable aims, it will ensure that investment risk is properly managed. When considering making an investment the governors will:

- Act within their powers to invest as set out in their articles of association;
- Have an investment policy to manage, control and track their financial exposure, and ensure value for money particularly if using unfamiliar investment techniques;
- Exercise care and skill in all investment decisions, taking advice as appropriate from a professional adviser;
- Ensure that security takes precedence over revenue maximisation;
- Ensure that all investment decisions are in the best interests of the trust and command broad public support;
- and
- Review the academy's investments and investment policy regularly.

b. Reserves policy

The Trustees review the reserves levels of the Academy at least annually. The School on conversion 1st October 2013 to becoming an Academy held a Surplus balance of £85,167 which it determined for use for purposes of both a Capital and Revenue nature.

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects and the nature of reserves. The Trustees will keep the level of reserves under review.

Reserves at the end of the period are £2,338,915 but £2,195,910 are represented by fixed assets and the Local Government Pension Scheme deficit.

The restricted fund and unrestricted fund reserves will be used to fund current commitments, and future building projects as well as expenditure required to implement the Aims and Objectives of the Academy Trust as outlined in the Development Plan.

c. Principal risks and uncertainties

The Risk Register forms part of the Business Continuity Plan which indicates risks and uncertainties. There are no high level risks at this present time. The most common risk is a fall in pupil numbers which would have a direct effect on the Academy's funding. We are in a fortunate position where we are full but with capacity to expand, and with increasing number of pupils forecasted for future years.

Plans for future periods

a. Future developments

The Academy is seeking to develop the bungalow on site to provide additional teaching space and meeting rooms.

The Academy plans expansion of the school hall to provide more space for curriculum use, collective worship and lunchtime provision.

Funds held as custodian trustee on behalf of others

The Academy holds no funds on behalf of others as a custodian trustee.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, Dains LLP, have indicated their willingness to continue in office. The Designated Trustees will propose a motion re-appointing the auditors at a meeting of the Trustees.

This report, incorporating the Group strategic report, was approved by order of the board of trustees, as the company directors, on 17 December 2014 and signed on the board's behalf by:



M A Lamb
Chair of Trustees

Governance Statement

Scope of Responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Hall Orchard Barrow CE Primary School 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 Governing Body has delegated day to day responsibility to the headteacher 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 the Academy and the Secretary of State for Education. They are also responsible for reporting to the Governing Body on material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Trustees' responsibilities statement. The board of trustees has formally met 7 times during the period. Attendance during the period at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr J Wynn (resigned January 2014)	2	2
Mrs L Dallow, Chair	7	7
Mr A Lamb, Vice Chair	7	7
Mr E Dring	6	7
Ms J McKay	4	7
Mrs D Roe	7	7
Mrs F Acton	4	7
Mrs P Ranson	7	7
Mrs C Allen	4	7
Mrs J Dunn	6	7
Mr P Browning	1	2

The Finance, Personnel and Premises committee is a sub-committee of the main board of trustees. Its purpose is to propose the annual budget to the Governing Body, to monitor the financial activities of the Academy and make decisions relating to finance.

Attendance at meetings in the period was as follows:

Trustee	Meetings attended	Out of a possible
Mrs F Acton, Chair	5	5
Mrs L Dallow	4	5
Ms J McKay	5	5
Mr A Lamb	4	5
Mrs D Roe	2	5
Mr J Wynn (resigned January 2014)	1	2

Action taken to review and improve Governance structure and composition of Board of Trustees

The composition of the Governing Body and the committee structure was reviewed in 2013 as part of the conversion to Academy status process, to ensure that the new structure would be fit for purpose and that the Academy Governing Body would have the requisite skills, leadership effectiveness and impact. Governors were asked to consider – in the light of the responsibilities of the role – their individual contribution and commitment as a governor and their ability to take on the role, and were asked to sign a declaration of commitment and agreed code of conduct in advance of becoming Academy trustees.

The governing body has engaged and will continue to engage in a whole body formal self-evaluation process (the GSET tool) to undertake an annual self evaluation to identify contribution and impact during the year and areas for development. A discussion of the main areas is undertaken and followed up with an action plan which is monitored mid way through the year. Actions are included in the school development plan where appropriate.

The Governing Body also undertakes an annual skills audit based on the GSET skills audit. The findings of this are discussed informally by Committee Chairs, the Chair and Vice Chair and formally by the full Governing Body. The audit informs succession planning and is used to identify any areas where the Governing Body would benefit from recruiting additional members with specific skills sets.

In 2013/14 the audit provided the basis for the appointment of two co-opted governors. These appointments involved public advertisement of the vacancies, information on the skills sought and the responsibilities and roles of governors. Prospective governors were interviewed.

In addition, the Governing Body has introduced a peer review performance management process which involved a self assessment of performance including attendance, training, contribution in meetings, areas for development and succession planning. The Chair, Vice Chair and Chairs of committees undertake a 360 degree peer review before the performance management session to allow Chairs to take part in discussions with individual governors. In addition, the Chair of Governors and Head Teacher peer review each other prior to, or if necessary at, the autumn term meeting.

All governors are expected to join at least one committee; several are members of more than one. A record is kept of all governor attendance at meetings, training and development and visits to school and the information reported to the full Governing Body and used during the performance management discussions.

In 2013/14, the Governing Body also undertook a self evaluation/planning exercise with support from an independent advisor in order to review the school's position and specifically, the Governing Body's contribution. Discussion with the advisor confirmed governors' assessment of their impact, leadership and understanding of the school's strengths and weaknesses. Information from this exercise was also used to inform the Strategic Plan.

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 policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Hall Orchard Barrow CE Primary School for the period 1 October 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Governing Body has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year 1 September 2013 to 31 August 2014 and up to the date of the approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

The Risk and Control Framework

The academy'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, Personnel and Premises committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Paul Cleminson, a volunteer from the community who has appropriate skills and experience, as Responsible Officer (RO).

The appointee's role includes giving advice on financial matters and performing a range of checks on the academy's financial systems. On a quarterly basis, the appointee reports to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

The structures of the governors' committees enable a cycle of planning and action to be validated and reported to the full Governing Body on a regular basis. The full Governing Body is given minutes of decisions and actions taken by the Finance Committee. The chair of the Finance Committee is answerable to the full governors six times per year.

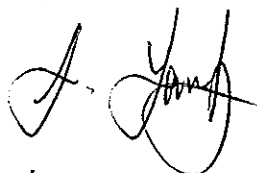
Review of Effectiveness

As Accounting Officer, the Head Teacher has responsibility for reviewing the effectiveness of the system of internal control. During the period in question the review has been informed by:

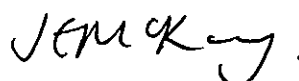
- the work of the Responsible Office and external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of trustees on 17 December 2014 and signed on its behalf, by:



Mr A Lamb
Chair of Trustees



Ms J McKay
Accounting Officer

**Hall Orchard Barrow CE Primary School
(A company limited by guarantee)**

Statement on Regularity, Propriety and Compliance

As Accounting Officer of Hall Orchard Barrow CE Primary School I have considered my responsibility to notify the academy board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2013).

I confirm that I and the academy board of trustees are able to identify any material, irregular or improper use of funds by the academy, or material non-compliance with the terms and conditions of funding under the academy's funding agreement and the Academies Financial Handbook (2013).

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 EFA.



**Ms J McKay
Accounting Officer**

Date: 17 December 2014

Hall Orchard Barrow CE Primary School
(A company limited by guarantee)

Trustees' Responsibilities Statement
For the period ended 31 August 2014

The Trustees (who act as governors of Hall Orchard Barrow CE Primary School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report (including the Group strategic report) and the financial statements in accordance with the Annual Accounts Direction issued by the Education 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 the group 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:

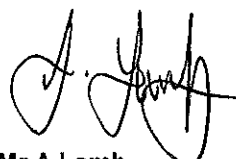
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group 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 the group 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 and the group 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 EFA/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 group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the board of trustees on 17 December 2014 and signed on its behalf by:



Mr A Lamb
Chair of Trustees

Independent Auditors' Report to the Board of Trustees of Hall Orchard Barrow CE Primary School

We have audited the financial statements of Hall Orchard Barrow CE Primary School for the period ended 31 August 2014 which comprise the group Statement of financial activities, the group and academy Balance sheets, the group Cash flow statement and the related notes. 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 Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

This report is made solely to the academy'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 academy'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 academy and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of Trustees and auditors

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the academy 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent academy's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable academy's affairs as at 31 August 2014 and of the group's incoming resources and application of resources, including its income and expenditure, for the period 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 and the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' report, incorporating the Group strategic report, for the financial period for which the financial statements are prepared is consistent with the financial statements.

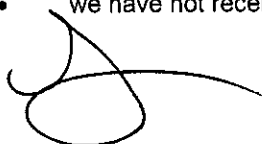
Hall Orchard Barrow CE Primary School
(A company limited by guarantee)

Independent Auditors' Report to the Board of Trustees of Hall Orchard Barrow CE Primary School

Matters on which we are required to report by exception

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:

- the parent charitable academy has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable academy 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.



Lisa Richards FCCA (Senior statutory auditor)

for and on behalf of

Dains LLP

Statutory Auditor
Chartered Accountants

Charlotte House, Derby
17 December 2014

In accordance with the terms of our engagement letter dated 11 August 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013 to 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Hall Orchard Barrow CE Primary School during the period 3 September 2013 to 31 August 2014 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Hall Orchard Barrow CE Primary School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Hall Orchard Barrow CE Primary School's funding agreement with the Secretary of State for Education dated 1 October 2013, and the Academies Financial Handbook extant from 1 September 2013, 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 2013 to 2014. 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 3 September 2013 to 31 August 2014 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 2013 to 2014 issued by EFA. 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's income and expenditure.

Hall Orchard Barrow CE Primary School
(A company limited by guarantee)

Independent Reporting Accountants' Assurance Report on Regularity to Hall Orchard Barrow CE
Primary School and the Education Funding Agency (continued)

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 3 September 2013 to 31 August 2014 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Dains LLP

Statutory Auditor
Chartered Accountants
Charlotte House, Derby

17 December 2014

Hall Orchard Barrow CE Primary School
(A company limited by guarantee)

Consolidated Statement of Financial Activities
(Including Income and Expenditure Account and Statement of Recognised Gains and Losses)
For the period ended 31 August 2014

	Note	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £
Incoming resources					
Incoming resources from generated funds:					
Transfer from Local Authority on conversion	2	59,803	(345,499)	2,709,531	2,423,835
Other voluntary income	2	63,775	-	-	63,775
Activities for generating funds	4	104,140	71,510	-	175,650
Investment income	5	7	-	-	7
Funding for the academy educational operations		-	1,375,916	32,984	1,408,900
Total incoming resources		227,725	1,101,927	2,742,515	4,072,167
Resources expended					
Costs of generating funds:					
Fundraising expenses and other costs		56,314	-	-	56,314
Academy educational operations		56,050	1,420,920	43,968	1,520,938
Governance costs	9	-	5,000	-	5,000
Total resources expended	7	112,364	1,425,920	43,968	1,582,252
Net incoming / (outgoing) resources before transfers		115,361	(323,993)	2,698,547	2,489,915
Transfers between Funds	18	-	(42,363)	42,363	-
Net incoming resources before revaluations		115,361	(366,356)	2,740,910	2,489,915
Actuarial gains/(losses) on defined benefit pension schemes		-	(151,000)	-	(151,000)
Net movement in funds for the period		115,361	(517,356)	2,740,910	2,338,915
Total funds at 3 September 2013		-	-	-	-
Total funds at 31 August 2014		115,361	(517,356)	2,740,910	2,338,915

All of the academy's activities derive from acquisitions in the current financial period.

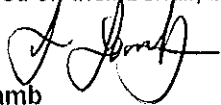
The notes on pages 24 to 45 form part of these financial statements.

Hall Orchard Barrow CE Primary School
(A company limited by guarantee)
Registered number: 08674696

Consolidated Balance Sheet
As at 31 August 2014

	Note	£	2014 £
Fixed assets			
Tangible assets	14		2,725,672
Current assets			
Debtors	16	52,966	
Cash at bank and in hand		207,748	
		<u>260,714</u>	
Creditors: amounts falling due within one year	17	<u>(102,471)</u>	
Net current assets			<u>158,243</u>
Total assets less current liabilities			<u>2,883,915</u>
Defined benefit pension scheme liability	24		<u>(545,000)</u>
Net assets including pension scheme liability			<u><u>2,338,915</u></u>
Funds of the academy			
Restricted funds:			
Restricted general funds	18	27,644	
Pension reserve	18	(545,000)	
Restricted fixed asset funds	18	<u>2,740,910</u>	
Total restricted funds			<u>2,223,554</u>
Unrestricted funds	18		<u>115,361</u>
Total funds			<u><u>2,338,915</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 17 December 2014 and are signed on their behalf, by:


Mr A Lamb
Chair of Trustees

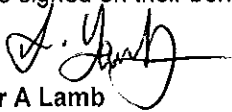
The notes on pages 24 to 45 form part of these financial statements.

Hall Orchard Barrow CE Primary School
(A company limited by guarantee)
Registered number: 08674696

Academy Balance Sheet
As at 31 August 2014

	Note	£	2014 £
Fixed assets			
Tangible assets	14		2,725,672
Investments	15		1
			<u>2,725,673</u>
Current assets			
Debtors	16	92,995	
Cash at bank and in hand		166,612	
		<u>259,607</u>	
Creditors: amounts falling due within one year	17	(101,365)	
Net current assets			<u>158,242</u>
Total assets less current liabilities			<u>2,883,915</u>
Defined benefit pension scheme liability	24		(545,000)
Net assets including pension scheme liability			<u><u>2,338,915</u></u>
Funds of the academy			
Restricted funds:			
Restricted general funds	18	27,644	
Pension reserve	18	(545,000)	
Restricted fixed asset funds	18	2,740,910	
		<u></u>	
Total restricted funds			2,223,554
Unrestricted funds	18		115,361
			<u></u>
Total funds			<u><u>2,338,915</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 17 December 2014 and are signed on their behalf, by:


Mr A Lamb
Chair of Trustees

The notes on pages 24 to 45 form part of these financial statements.

Hall Orchard Barrow CE Primary School
(A company limited by guarantee)

Consolidated Cash Flow Statement
For the period ended 31 August 2014

	Note	Period ended 31 August 2014 £
Net cash flow from operating activities	20	234,873
Capital expenditure and financial investment	21	(27,125)
Cash transferred on conversion to an academy trust	23	(95,304)
Increase in cash in the period		112,444

All of the cash flows are derived from acquisitions in the current financial period.

Reconciliation of Net Cash Flow to Movement in Net Funds
For the period ended 31 August 2014

	Period ended 31 August 2014 £
Increase in cash in the period	112,444
Change in net debt resulting from cash flows	112,444
Cash transferred on conversion to an academy trust	95,304
Movement in net funds in the period	207,748
Net funds at 31 August 2014	207,748

The notes on pages 24 to 45 form part of these financial statements.

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, in accordance with applicable United Kingdom Accounting Standards, the Charity Commission Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2013 to 2014 issued by EFA and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

1.2 Company status

The academy is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the academy being wound up, the liability in respect of the guarantee is limited to £10 per member of the academy.

1.3 Basis of consolidation

The financial statements consolidate the accounts of Hall Orchard Barrow CE Primary School and all of its subsidiary undertakings ('subsidiaries').

The results of subsidiaries acquired during the period are included from the effective date of acquisition.

The academy has taken advantage of the exemption contained within 408 of the Companies Act 2006 and paragraph 397 of the SORP not to present its own Income and expenditure account.

1.4 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 academy to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

1. Accounting Policies (continued)

1.5 Incoming resources

All incoming resources are included in the Statement of financial activities when the academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Grants receivable

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 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.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Donations

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.

Other income

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Donated services and gifts in kind

The value of donated services and gifts in kind provided to the academy are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the academy can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of financial activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy's policies.

1. Accounting Policies (continued)

1.6 Resources expended

Expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Costs of generating funds

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities

Charitable activities are costs incurred in the academy's educational operations.

Governance costs

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

All resources expended are inclusive of irrecoverable VAT.

1.7 Tangible fixed assets and depreciation

All assets costing more than £250 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 are 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's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Long Term Leasehold Property	-	2% Straight line
Long Term Leasehold Land	-	Over the term of the lease
Office equipment	-	25% Straight line
Computer equipment	-	33.3% Straight line
Building improvements	-	10% Straight line

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.

1. Accounting Policies (continued)

1.8 Investments

The academy's shareholding in wholly owned subsidiary, Hall Orchard Extended Services Limited, is included in the balance sheet at the cost of the share capital owned. There is no readily available market value and the cost of valuation exceeds the benefit derived.

1.9 Operating leases

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

1.10 Taxation

The academy 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 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.

1.11 Pensions

Retirement benefits to employees of the academy are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes and the assets are held separately from those of the academy.

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 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 quinquennial valuations using a prospective benefit method. As stated in note 24, the TPS is a multi-employer scheme and the academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the academy 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 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 gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of financial activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

1. Accounting Policies (continued)

1.12 Conversion to an academy trust

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £NIL consideration and has been accounted for under the acquisition accounting method.

The assets and liabilities transferred on conversion from Hall Orchard CE Primary School to an academy trust have been valued at their fair value, being a reasonable estimate of the current market value that the Trustees would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for Hall Orchard Barrow CE Primary School. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in the Statement of financial activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

1.13 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy 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 and include grants from the Department for Education.

Investment income, gains and losses are allocated to the appropriate fund.

2. Voluntary income

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £
Transfer from Local Authority on conversion	59,803	2,364,032	2,423,835
Donations	63,775	-	63,775
Voluntary income	123,578	2,364,032	2,487,610

Hall Orchard Barrow CE Primary School
(A company limited by guarantee)

Notes to the Financial Statements
For the period ended 31 August 2014

3. Commercial trading operations and investment in trading subsidiary

The charity has a wholly owned trading subsidiary (Hall Orchard Extended Services Limited) which is incorporated in England and Wales.

A summary of the trading results is shown below.

	2014 £
Charity trading income	
Turnover	60,344
	<hr/>
Total income	60,344
	<hr/>
Fundraising trading expenses	
Administrative expenses	56,314
Gift to parent	4,030
	<hr/>
Total costs	60,344
	<hr/>
Net income from commercial trading operations	-
	<hr/>

4. Activities for generating funds

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £
Catering Income	-	34,010	34,010
Lettings income	3,799	-	3,799
Insurance claims	6,370	-	6,370
Other generated income	-	37,500	37,500
Funding for Extended Services	33,628	-	33,628
	<hr/>	<hr/>	<hr/>
	43,797	71,510	115,307
	<hr/>	<hr/>	<hr/>

5. Investment income

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £
Bank interest received	7	-	7
	<hr/>	<hr/>	<hr/>

Hall Orchard Barrow CE Primary School
(A company limited by guarantee)

Notes to the Financial Statements
For the period ended 31 August 2014

6. Funding for Academy's educational operations

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £
DfE/EFA revenue grants			
General Annual Grant	-	1,312,722	1,312,722
Pupil premium	-	51,590	51,590
Capital grants	-	32,984	32,984
Sports grant	-	3,792	3,792
Higher needs funding	-	7,812	7,812
	<u>-</u>	<u>1,408,900</u>	<u>1,408,900</u>

7. Resources expended

	Staff costs 2014 £	Non Pay Premises 2014 £	Expenditure Other costs 2014 £	Total 2014 £
Costs of generating funds:				
Fundraising expenses	<u>49,585</u>	<u>-</u>	<u>6,729</u>	<u>56,314</u>
Charitable activities:				
Direct costs	813,657	-	123,063	936,720
Support costs	<u>328,243</u>	<u>171,244</u>	<u>84,731</u>	<u>584,218</u>
Subtotal charitable activities	<u>1,141,900</u>	<u>171,244</u>	<u>207,794</u>	<u>1,520,938</u>
Governance	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>5,000</u>
	<u>1,191,485</u>	<u>171,244</u>	<u>219,523</u>	<u>1,582,252</u>

Hall Orchard Barrow CE Primary School
(A company limited by guarantee)
Notes to the Financial Statements
For the period ended 31 August 2014

8. Charitable activities

	Total funds 2014 £
Direct costs - educational operations	
Wages and salaries	667,356
National insurance	46,973
Pension cost	99,328
FRS 17 Pension cost	11,000
Educational supplies	74,359
Staff development	6,483
Technology costs	10,193
Educational consultancy	21,028
	<hr/>
	936,720
	<hr/>
Support costs - educational operations	
Wages and salaries	272,838
National insurance	8,265
Pension cost	47,140
Depreciation	43,968
Travel and subsistence	1,054
Recruitment and support	451
Maintenance of premises	43,859
Maintenance of equipment	8,473
Cleaning	4,675
Rates	24,445
Water rates	8,145
Energy	22,500
Insurance	28,327
Other occupancy costs	70,078
	<hr/>
	584,218
	<hr/>
	1,520,938
	<hr/>

9. Governance costs

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £
Auditors' remuneration	-	5,000	5,000
	<hr/>	<hr/>	<hr/>

Hall Orchard Barrow CE Primary School
(A company limited by guarantee)

Notes to the Financial Statements
For the period ended 31 August 2014

10. Net incoming / (outgoing) resources

This is stated after charging:

	Period ended 31 August 2014 £
Depreciation of tangible fixed assets: - owned by the charitable group	43,968
Auditors' remuneration	5,000
	<u>48,968</u>

11. Staff

a. Staff costs

Staff costs were as follows:

	Period ended 31 August 2014 £
Wages and salaries	977,116
Social security costs	55,238
Other pension costs (Note 24)	146,468
	<u>1,178,822</u>
Supply teacher costs	12,663
	<u>1,191,485</u>

b. Staff numbers

The average number of persons employed by the academy during the period expressed as full time equivalents was as follows:

	Period ended 31 August 2014 No.
Teachers	17
Administration and support	45
Management	5
	<u>67</u>

Hall Orchard Barrow CE Primary School
(A company limited by guarantee)

Notes to the Financial Statements
For the period ended 31 August 2014

11. Staff (continued)

c. Higher paid staff

The number of employees whose emoluments fell within the following bands was:

	Period ended 31 August 2014 No.
In the band £60,001 - £70,000	1

The employee participated in the Teacher's Pension Scheme and contributions totalled £8,823 in the period ended 31 August 2014.

12. Trustees' and officers' insurance

In accordance with normal commercial practice the academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the period ended 31 August 2014 was £4,873. The cost of this insurance is included in the total insurance cost.

13. Trustees' remuneration and expenses

The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the academy in respect of their role as Trustees. The value of Trustees' remuneration fell within the following bands:

	Period ended 31 August 2014 £
Mrs Jane Elizabeth McKay, Head Teacher	70,000-75,000
Mrs Jill Eileen Dunn, Staff	45,000-50,000
Mrs Clare Elaine Allen, Staff	45,000-50,000

During the period, no Trustees received any benefits in kind.

During the period, no Trustees received any reimbursement of expenses.

Hall Orchard Barrow CE Primary School
(A company limited by guarantee)

Notes to the Financial Statements
For the period ended 31 August 2014

14. Tangible fixed assets

Group and Academy	Long Term Leasehold Property £	Leasehold Improvements £	Office equipment £	Computer equipment £	Total £
Cost					
Additions	-	39,072	7,147	13,890	60,109
Transfer on conversion	2,699,400	-	2,785	7,346	2,709,531
At 31 August 2014	2,699,400	39,072	9,932	21,236	2,769,640
Depreciation					
Charge for the period	39,743	269	1,381	2,575	43,968
At 31 August 2014	39,743	269	1,381	2,575	43,968
Net book value					
At 31 August 2014	2,659,657	38,803	8,551	18,661	2,725,672

Included in land and buildings is leasehold land at valuation of £886,000 which is depreciated over it's 125 year lease term.

15. Fixed asset investments

Academy	Shares in group undertakings £
Market value	
At 3 September 2013	-
Additions	1
At 31 August 2014	1

Details of principal subsidiaries are detailed on note 28.

Hall Orchard Barrow CE Primary School
(A company limited by guarantee)

Notes to the Financial Statements
For the period ended 31 August 2014

16. Debtors

	<u>Group</u>	<u>Academy</u>
	2014	2014
	£	£
Trade debtors	84	84
Amounts owed by group undertakings	-	40,029
Other debtors	16,933	16,933
Prepayments and accrued income	35,949	35,949
	<u>52,966</u>	<u>92,995</u>

17. Creditors:
Amounts falling due within one year

	<u>Group</u>	<u>Academy</u>
	2014	2014
	£	£
Other creditors	37,984	37,984
Accruals and deferred income	64,487	63,381
	<u>102,471</u>	<u>101,365</u>

	<u>Group</u>	<u>Academy</u>
	£	£
Deferred income		
Resources deferred during the year	<u>47,594</u>	<u>47,594</u>

At the balance sheet date the academy trust was holding grant income received in advance for the autumn term 2014.

Hall Orchard Barrow CE Primary School
(A company limited by guarantee)

Notes to the Financial Statements
For the period ended 31 August 2014

18. Statement of funds

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
Extended services	-	115,743	(83,121)	-	-	32,622
Other unrestricted income	-	111,982	(29,243)	-	-	82,739
	-	227,725	(112,364)	-	-	115,361
Restricted funds						
General Annual Grant (GAG)	-	1,312,722	(1,242,715)	(42,363)	-	27,644
Other DfE/EFA Grants	-	98,695	(98,695)	-	-	-
Other Restricted Income	-	71,510	(71,510)	-	-	-
Pension Reserve	-	(381,000)	(13,000)	-	(151,000)	(545,000)
	-	1,101,927	(1,425,920)	(42,363)	(151,000)	(517,356)
Restricted fixed asset funds						
DfE/EFA capital grant	-	2,742,515	(43,968)	42,363	-	2,740,910
Total restricted funds	-	3,844,442	(1,469,888)	-	(151,000)	2,223,554
Total of funds	-	4,072,167	(1,582,252)	-	(151,000)	2,338,915

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

Restricted general funds

This fund represents grants and other income received for the Academy's operational activities and development.

Pension reserve

The pension reserve included within restricted general funds represents the Academy's share of the liability arising on the LGPS pension fund.

Restricted fixed asset funds

This fund represents grants received from the DfE and EFA to carry out works of a capital nature.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2014.

Hall Orchard Barrow CE Primary School
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For the period ended 31 August 2014

Summary of funds

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers In/out £	Gains/ (Losses) £	Carried Forward £
General funds	-	227,725	(112,364)	-	-	115,361
Restricted funds	-	1,101,927	(1,425,920)	(42,363)	(151,000)	(517,356)
Restricted fixed asset funds	-	2,742,515	(43,968)	42,363	-	2,740,910
	<u>-</u>	<u>4,072,167</u>	<u>(1,582,252)</u>	<u>-</u>	<u>(151,000)</u>	<u>2,338,915</u>

19. Analysis of net assets between funds

	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £
Tangible fixed assets	-	-	2,725,672	2,725,672
Current assets	123,875	116,367	20,472	260,714
Creditors due within one year	(8,514)	(88,723)	(5,234)	(102,471)
Provisions for liabilities and charges	-	(545,000)	-	(545,000)
	<u>115,361</u>	<u>(517,356)</u>	<u>2,740,910</u>	<u>2,338,915</u>

20. Net cash flow from operations

	Period ended 31 August 2014 £
Net incoming resources before revaluations	2,489,915
Non-cash gift from Local Authority	(2,328,531)
Depreciation of tangible fixed assets	43,968
Capital grants from DfE	(32,984)
Increase in debtors	(52,966)
Increase in creditors	102,471
FRS 17 adjustments - pension costs for LGPS scheme	13,000
Net cash Inflow from operations	<u><u>234,873</u></u>

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Notes to the Financial Statements
For the period ended 31 August 2014

21. Analysis of cash flows for headings netted in cash flow statement

	Period ended 31 August 2014 £
Capital expenditure and financial investment	
Purchase of tangible fixed assets	(60,109)
Capital grants from DfE	32,984
Net cash outflow capital expenditure	(27,125)

22. Analysis of changes in net funds

	3 September 2013 £	Cash flow £	Acquisition £	Other non-cash changes £	31 August 2014 £
Cash at bank and in hand:	-	112,444	95,304	-	207,748
Net funds	-	112,444	95,304	-	207,748

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23. Conversion to an academy trust

On 1 October 2013 Hall Orchard CE Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Hall Orchard Barrow CE Primary School from Leicestershire County Council for £NIL consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the Balance sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the Statement of financial activities as voluntary income.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of financial activities.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
- Freehold/leasehold land and buildings	-	-	2,699,400	2,699,400
- Other tangible fixed assets	-	-	10,131	10,131
Budget surplus on LA funds	49,666	35,501	-	85,167
Budget surplus on extended services	10,137	-	-	10,137
LGPS pension deficit	-	(381,000)	-	(381,000)
Net assets/(liabilities)	<u>59,803</u>	<u>(345,499)</u>	<u>2,709,531</u>	<u>2,423,835</u>

The above net assets include £95,304 that were transferred as cash.

24. Pension commitments

The group's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Leicestershire County Council. Both are 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 2004 and of the LGPS 31 March 2010.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial period.

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.

24. Pension commitments (continued)

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.

The Teachers' Pensions Regulations require an annual account to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the account has been credited with a real rate of return, which is equivalent to assuming that the balance in the account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%);
- total scheme liabilities for service to the effective date of £191,500 million, and notional assets of £176,600 million, giving a notional past service deficit of £14,900 million; and
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations.

The new employer contribution rate is applicable from 1 April 2015 and will be implemented for the TPS from September 2015.

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

Teachers' Pension Scheme Changes

Lord Hutton made recommendations in 2011 about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation with trade unions and other representative bodies. In March 2012 the Department for Education published proposals for the design for a reformed TPS.

The key provisions of the reformed scheme include: a pension based on career average earnings; an accrual rate of 1/57th; and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Pension benefits built up before 1 April 2015 will be fully protected.

In addition, the proposed final agreement includes a Government commitment that those within 10 years of Normal Pension Age on 1 April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall up to three and a half years outside of the 10 year protection.

In his interim report of October 2010, Lord Hutton recommended that short-term savings were also required, and that the only realistic way of achieving these was to increase member contributions. At the Spending Review 2010 the Government announced an average increase of 3.2 percentage points on the contribution rates by 2014-15. The increases have been phased in from April 2012 on a 40:80:100% basis.

The Department for Education has continued to work closely with trade unions and other representatives

24. Pension commitments (continued)

bodies to develop the reformatting Teachers' Pension Scheme and regulations giving effect to it came into force on 1 April 2014. Communications are being rolled out and the reformatting scheme will commence on 1 April 2015.

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The group is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the group has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The group has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2014 was £73,000, of which employer's contributions totalled £57,000 and employees' contributions totalled £16,000. The agreed contribution rates for future years are 19% for employers and 5-7% 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.

As described in note 23 the LGPS obligation relates to the employees of the group, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the group at the balance sheet date.

The group's share of the assets and liabilities in the scheme and the expected rates of return were:

	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £
Equities	6.30	303,000
Bonds	3.40	74,000
Property	4.50	43,000
Cash	3.30	13,000
Total market value of assets		433,000
Present value of scheme liabilities		(978,000)
(Deficit)/surplus in the scheme		(545,000)

24. Pension commitments (continued)

The amounts recognised in the Balance sheet are as follows:

	Period ended 31 August 2014 £
Present value of funded obligations	(978,000)
Fair value of scheme assets	433,000
	<hr/>
Net liability	(545,000)
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The amounts recognised in the Statement of financial activities are as follows:

	Period ended 31 August 2014 £
Current service cost	(59,000)
Interest on obligation	(30,000)
Expected return on scheme assets	19,000
	<hr/>
Total	(70,000)
	<hr/>
Actual return on scheme assets	38,000
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Movements in the present value of the defined benefit obligation were as follows:

	Period ended 31 August 2014 £
Opening defined benefit obligation	702,000
Current service cost	59,000
Interest cost	30,000
Contributions by members	16,000
Actuarial losses	171,000
	<hr/>
Closing defined benefit obligation	978,000
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Notes to the Financial Statements
For the period ended 31 August 2014

24. Pension commitments (continued)

Movements in the fair value of the group's share of scheme assets:

	Period ended 31 August 2014 £
Opening fair value of scheme assets	321,000
Expected return on assets	19,000
Contributions by employees	16,000
Contributions by employer	57,000
Actuarial gains	20,000
	<u>433,000</u>

The cumulative amount of actuarial gains and losses recognised in the Consolidated statement of total recognised gains and losses was £151,000.

The group expects to contribute £66,000 to its Defined benefit pension scheme in 2015.

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	2014
Equities	70.00 %
Bonds	17.00 %
Property	10.00 %
Cash	3.00 %

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

	2014
Discount rate for scheme liabilities	3.70 %
Expected return on scheme assets at 31 August	5.50 %
Rate of increase in salaries	4.50 %
Rate of increase for pensions in payment / inflation	2.70 %

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

	2014
Retiring today	
Males	22.1
Females	24.3
Retiring in 20 years	
Males	24.2
Females	26.6

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Notes to the Financial Statements
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24. Pension commitments (continued)

Amounts for the current period are as follows:

Defined benefit pension schemes

	2014 £
Defined benefit obligation	(978,000)
Scheme assets	433,000
Deficit	<u>(545,000)</u>

25. Operating lease commitments

At 31 August 2014 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2014 £	Other 2014 £
Group and Academy		
Expiry date:		
Between 2 and 5 years	<u>-</u>	<u>4,461</u>

26. Related party transactions

Owing to the nature of the academy's operations 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 a trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy's financial regulations and normal procurement procedures.

No related party transactions took place in the period ended 31 August 2014.

The academy has taken advantage of the exemption conferred by Financial Reporting Standard 8 'Related party disclosures' not to disclose transactions with members of the group headed by Hall Orchard Barrow CE Primary School, on the grounds that 100% of the voting rights in the subsidiary company are controlled within that group and the company is included in consolidated financial statements.

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Notes to the Financial Statements
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27. Controlling party

The charity is controlled by the Board of Trustees.

28. Principal subsidiaries

Company name	Country	Percentage Shareholding
Hall Orchard Extended Services England Limited	England	100%