

Registered number: 08674696 (England and Wales)

**Hall Orchard Barrow CE Primary School**

**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2022**

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**Hall Orchard Barrow CE Primary School**  
**(A Company Limited by Guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31 AUGUST 2022**

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**Members**

Ms Carolyn Lewis – Leicester Diocesan Board of Education  
Mr Paul Browning – Chair of Trustees  
Mrs Amy Earl – Chair of Finance Committee  
Mrs Claire Davenport – Chair of Curriculum and Strategy Committee (Resigned 31 August 2021)  
Ms Jennifer Summerton – Chair of Curriculum and Strategy Committee (Appointed 31 August 2021)

**Trustees**

Mr Paul Browning (Chair of Trustees and Co-opted Trustee)  
Ms Jane McKay (Headteacher, Accounting Officer and Ex-Officio Trustee – Resigned 31 August 2022)  
Mr Stephen Dunn (Headteacher, Accounting Officer and Ex-Officio Trustee – Appointed 30 August 2022)  
Mrs Amy Earl (Member Appointed Trustee)  
Mrs Pauline Ranson (Foundation Trustee - Resigned 20 November 2021)  
Mrs Victoria Bowman (Foundation Trustee)  
Mr Neil Titchmarsh (Member Appointed Trustee)  
Mrs Nadine Roodhouse (Staff Trustee and Member Appointed Trustee)  
Mrs Kirstie Kneafsey nee Price (Staff Trustee and Member Appointed Trustee)  
Mrs Claire Davenport (Member Appointed Trustee)  
Mrs Sarah Boby (Parent Elected Trustee until 14 December 2021, then Member Appointed Trustee from 14 December 2021)  
Mrs Jennifer Summerton (Parent Elected Trustee)  
Mrs Jenny Boldrin (Foundation Appointed Trustee)  
Rev'd Clive Watts (Ex-Officio Foundation Trustee)  
Mrs Kayt Hennessey (Parent Elected Trustee – Appointed 14 December 2021)

**Company Secretary**

Mr Martin Kennard

**Senior Leadership Team**

Ms Jane McKay (Headteacher – Resigned 31 August 2022)  
Mr Stephen Dunn (Headteacher – Appointed 30 August 2022)  
Mrs Nadine Roodhouse (Deputy Headteacher)  
Mr George Burdett (Assistant Headteacher)  
Mr Adam Thurgood (Assistant Headteacher until 31<sup>st</sup> December 2021)  
Mrs Kirstie Kneafsey nee Price (SENDCo)

**Company Name**

Hall Orchard Barrow CE Primary School (Academy)

**Principal and Registered Office**

Church Street  
Barrow upon Soar  
Loughborough  
Leicestershire  
LE128HP

**Company Registered Number**

08674696 (England & Wales)

**Independent Auditor**

MHA MacIntyre Hudson  
11 Merus Court  
Meridian Business Park  
Leicester  
LE19 1RJ

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REFERENCE AND ADMINISTRATIVE DETAILS (continued)  
FOR THE YEAR ENDED 31 AUGUST 2022

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**Bankers**

NatWest Bank  
Loughborough Branch,  
Market Place,  
Loughborough.  
Leics.  
LE11 3NZ

**Solicitors**

Walker Morris LLP  
33 Wellington St  
Leeds  
LS1 4DL

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**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2022**

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The Trustees present their Annual Report together with the financial statements and Auditor's Report of the charitable company for the year 1 September 2021 to 31 August 2022. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' Report and Strategic Report under company law.

The Academy Trust operates an Academy for pupils aged 4 to 11 serving a catchment area around the village of Barrow Upon Soar. It has a pupil capacity of 525 and had a roll 535 in the school census on 7 October 2022.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Constitution**

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Trustees of Hall Orchard Barrow CE Primary School are also the directors of the charitable company for the purposes of company law. The charitable company operates as Hall Orchard Barrow CE Primary School ("Academy").

Details of the Trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on pages 1 and 2.

### **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.

### **Trustees' Indemnities**

Trustees benefit from indemnity insurance to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. The cost of this insurance in the year was £29 and is included in the total insurance costs. The limit of indemnity cover is £5,000,000 (five million pounds) in this respect.

### **Method of Recruitment and Appointment or Election of Trustees**

The method of appointing Trustees is described in the Articles of Association, articles 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 specific skills, 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, skills 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 Board of Trustees and/or administration staff will then count the votes and the candidate with the highest number will be duly elected and join the Board of Trustees.

### **Recruitment of Other Trustees**

Individuals with a particular expertise may be invited to join the Board of Trustees, for example Health and Safety or Finance, or suggested for nomination to the Diocese. 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/or suitable 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 Board of Trustees the appointment of the most suitable candidate(s).

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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2022**

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**Policies and Procedures Adopted for the Induction and Training of Trustees**

New Trustees will undergo an induction procedure, including a welcome pack from Leicestershire Trustee Development Services and they will also be directed to information and documents about the Academy. This includes the structure and organisation of the Academy, the School Development Plan, latest Ofsted report and minutes of previous meetings. The new Trustees will also be invited to visit the school to meet the Headteacher, staff and pupils. New Trustees are provided with access to the online Trustee portal which contains policies and important documents that are updated regularly. New Trustees are strongly encouraged to undergo appropriate induction training provided by the Trustee 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 Board of Trustees and co-ordinated by a designated Trustee. All Trustees have access to the Leicestershire Trustee Development Service website and training programme which provides support, advice and training information, as well as the 'NGA learning link' online training modules.

**Organisational Structure**

The Academy governance structure is as follows:

The Members of the Academy Trust shall comprise:

- The signatories to the Memorandum;
- The Diocese of Leicester Educational Trust (Company No. 07773846) as the corporate Foundation Member);
- The Chair of Trustees;
- The Chair of the Curriculum and Strategy Committee; and
- The Chair of the Finance, Personnel and Premises Committee.

The following stipulates the structure of the Board of Trustees for the Academy Trust:

- The number of Trustees will be at least three (3) and not more than fourteen (14); and
- All Trustees 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 Trustees:

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

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

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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2022**

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The Board of Trustees agrees a Scheme of Delegation as well as a Decision Planner, reviewed annually, which details at what level and by whom each type of decision can be taken. The full Board of Trustees holds at least one meeting per term and has delegated authority to the following sub-committees and individual Trustees:

- Finance, Personnel, Pay and Premises Committee;
- Curriculum Development and Strategy Committee;
- Headteacher Performance Review Committee;
- Health and Safety and Safeguarding Trustee;
- SEND Trustee;
- RE and Collective Worship Trustee; and
- Governor Training Trustee.

Each sub-committee and Trustee responsibility have documented and agreed Terms of Reference which detail the level of devolved authority from the Board of Trustees. These, together with the membership of each sub-committee and other Trustee responsibilities, are reviewed and updated annually. The Chair of each sub-committee and designated Trustees report back to the Board of Trustees at the full Board of Trustees meeting following each sub-committee meeting or monitoring visit.

The Trustees are responsible for setting general policy, adopting an annual development plan, monitoring the Academy performance and making major decisions about the strategic direction of the Academy and its staffing. The Board of Trustees 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 who takes responsibility for creation of the School Development Plan. The Headteacher directs the Senior Leadership Team which consists of a Deputy Headteacher, an Assistant Headteacher and the SENDCo and the Senior Leadership Team are responsible for the actions within the School Development Plan.

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

**Arrangements for setting pay and remuneration of key management personnel**

The Board of Trustees agrees a pay policy on an annual basis including the pay of senior leaders and Key Management Personnel. The policy is developed so that it complies with current legislation and the requirements of the current *School Teachers Pay and Conditions Document* and has been consulted on with the staff and recognised trade unions. The policy aims to maintain and improve the quality of teaching and learning at the school, support the school development plan, ensure that all staff are valued and appropriately rewarded for their work, ensure staff are well motivated, supported by positive recruitment and retention policies and staff development, demonstrate that decisions on pay are fair and equitable and recognise the principle of equal pay for like work and work of equal value. The policy aims to ensure that all pay decisions are linked to individual staff performance, based on pupil outcomes. Following an annual individual staff appraisal process, all pay recommendations are made to the Finance, Personnel, Pay and Premises committee and decisions are made in line with the School's pay policy. A panel of Trustees (supported by an external advisor) appraises the headteacher and makes any appropriate pay recommendations. There is a separate pay range for the Leadership group linked to pay levels recommended by the Local Authority,

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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2022**

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**Trade union facility time**

**Relevant union officials**

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
3	3

**Percentage of time spent on facility time**

Percentage of time	Number of employees
0%	1
1%-50%	2
51%-99%	0
100%	0

**Percentage of pay bill spent on facility time**

Provide the total cost of facility time	£Nil
Provide the total pay bill	£2,237,637
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	£Nil

**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as:  (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	N/A
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**Related Parties and other Connected Charities and Organisations**

Hall Orchard Barrow CE Primary School does not have any relevant related parties or other connected charities and organisations.

**OBJECTIVES AND ACTIVITIES**

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's vision, on which the School's five year Strategic Plan and the School Development Plan and associated spending decisions are based is 'For our children to be confident, ambitious learners who demonstrate the personal values and skills necessary to make a positive contribution to the global community. To be an excellent school where all children achieve their best'.



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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2022**

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**Objectives, Strategies and Activities**

To support the aim of offering 'a broad and balanced curriculum' and the school's specific vision, the *School Development Plan* has identified the following areas of Priority and the strategies for achieving them for 2022-2023, together with specific success criteria for measuring these achievements:

- For all teaching to be at least 'good' with the majority to be 'outstanding', through high quality CPD, coaching and mentoring;
- For pupil attainment and progress to be in the top quintile, through the effective use of assessment to identify and address gaps in learning;
- To develop pastoral provision in school by creating a pastoral team to support pupils mental health and wellbeing;
- Vision and values are explicit and implicit throughout the school, through high quality displays and the creation of a Peace Area;
- To review curriculum provision to ensure we maintain existing excellent standards with regard to provision of a broad curriculum and SMSC education;
- To ensure our governance and operational leadership structures and systems support our specific aims and enable the school to respond to change;
- To continue to develop our existing working partnerships with other schools and to explore options for future partnership arrangements to enhance opportunities for pupils and staff; and
- To continue to develop the site to meet the growing needs of the school.

**Public Benefit**

Hall Orchard Barrow CE Primary School is approved by the Department for Education (DFE) and funded wholly by the Education and Skills Funding Agency (ESFA) 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.

The Trustees confirm that in exercising their powers or duties they have complied with their duty to have due regard to the general guidance on public benefit published by the Charity Commission (on their website at Charities and Public Benefit). Trustees are aware of the guidance, they have taken it into account when making any decision to which the guidance is relevant and if they decide to depart from the guidance, they have good reasons for doing so.

**STRATEGIC REPORT**

**Achievements and Performance**

The emotional and social provision for pupils has been expanded and is having positive benefits in terms of attendance, and behaviour. We have had very positive feedback from staff, parents and pupils regarding provision for pastoral support.

An intensive programme of CPD to support whole school strategies has resulted in improving teaching and learning and greater consistency between and within year groups. A number of staff have undertaken NVQs this academic year, developing their leadership skills.

A new class reading programme has been introduced which has had significant impact on pupils love of reading and their comprehension of texts read. Reading outcomes for KS2 SATs were very positive with 81% (74% Nationally) making the expected standard and 38% the Greater Depth Standard. Progress was also positive at the end of KS1 72% of the cohort met the expected standard, with 29% greater depth.

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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2022**

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The new curriculum has been embedded and assessment processes have been refined to ensure accurate assessments of attainment are being made. Pupils are accessing a broad and balanced curriculum which builds on prior knowledge, consequently progress is accelerated.

A Peace Area has been created, to which all members of the school community contributed. This area celebrates and exemplifies our school vision and values.

Finance and planning are in place in readiness for the third phase of build to support school growth.

**Key Performance Indicators**

The school site has continued to be developed with a 'Peace Area' being created containing artwork, to which the pupils contributed, exemplifying our school values.

The school continues to grow, we currently have 525 pupils on roll and plan to grow to 630 over the next few years. Planning and finance have been obtained ready for the third phase of school build next academic year in order to accommodate the planned growth.

The quality of teaching remained good.

Outcomes for pupils were strong, particularly in terms of progress and considering the disruption over the last 2 years due to Covid.

In the Foundation Stage 72% achieved a good level of development:

- Phonics screening:
  - Yr 1 - 87% (2019 - 86%)
  - Yr 2 - re-check 80%
- KS1 SATS:
  - Reading - 66%
  - Writing - 69%
  - Maths - 74%
  - Grammar, Punctuation and Spelling - 72%
- KS2 SATS – Attainment is above National across all subjects and pupils made very good progress throughout Key Stage 2.

The school has a healthy budget and investments made during the year (in line with our Investments and Reserves Policy) raised £1,805 in interest.

**Going Concern**

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

Hall Orchard has provided additional targeted tuition to children who were at risk of not making good progress due to the disruption in their education during the COVID pandemic. This will continue into 2022/23 and beyond. Additionally, some children 's mental health and wellbeing has suffered during the pandemic. Hall Orchard is prioritising this area in the 2022/23 School Development Plan and has created a Pastoral Lead post and a Well Being support structure.

The current cost of living crisis creates much financial uncertainty. We will use our reserve during the next 2 to 3 years to protect staffing levels and quality of education as far as is possible.

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**Hall Orchard Barrow CE Primary School  
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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2022**

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**Promoting the success of the company**

The Trustees make all strategic decisions with due regard to the likely consequences of any decision in the long term. They act in best interests of the pupils, parents and employees to promote the education of the pupils at the school through a broad and balanced curriculum. Trustees are mindful of the impact of the company's operations on the community and the environment. Holding themselves, and the school to account for the highest standards of business conduct, maintaining and enhancing the Company's reputation for high standards in all areas.

**FINANCIAL REVIEW**

**Sources of Funding**

The vast majority of the Academy's revenue funding in 2021-22 (approximately 85%) was directly from the DfE and ESFA. This is composed of the School Budget Share based on pupil numbers and smaller specific funding streams such as Pupil Premium, Universal Infant School Meals Grants, Sports and PE funding and National Tutoring programme funding. This totals £2,453,000. A further 6% was received from Leicestershire County Council for funded hours at our Preschool and to Support pupils with High Level Needs. This amounts to £173,000. A further 8% was income from School dinners, and fees for Before and After School Club and Preschool. This amounts to £218,000. The remaining 1% was from parental contributions, insurance income and other smaller amounts.

The Academy also received £1,764,000 capital funding from the DfE and Leicestershire County Council. The majority of this is the commitment of funding from Leicestershire County Council for the construction of new classrooms to enable the school to increase its capacity to satisfy the needs of the village. Of this funding £144,000 was received in 2021/22 to fund feasibility and planning, with the remaining £1,610,000 due during 2022/23 to fund the construction phase.

The Academy made an in year revenue surplus of £132,000 during 2021/22. It had been planned to make an in year revenue deficit, supported by reserves, but this did not occur as income was greater and expenditure lower than expected. The increase in income was made up of £63,000 DfE funding (additional Pupil Premium, ESFA Supplementary Grant, Tutoring and COVID recovery grants), £28,000 Local Authority funding for additional needs (SEND and LAC), £25,000 parental contributions and £20,000 various smaller items. Expenditure was lower than planned due to staff changes, including the departure of a senior member of staff, a planned building project not going ahead, and continuing difficulties recruiting sufficient new staff leading to some unfilled vacancies.

A priority during 2021-22 was the mental health and wellbeing of pupils and staff. Staff absences due to Covid-19 remained a challenge during this academic year, however, we managed to keep school open for all pupils throughout the year. We have significantly increased the percentage of support staff time working with groups and individuals supporting their mental health and wellbeing. The workload for our Safeguarding team has also remained high during this time.

Extra funding for tuition has been targeted towards pupils in years 2,5 and 6. Supporting pupils to address 'gaps' in learning as a consequence of Covid-19. Eligible pupils have continued to be provided with free school meal vouchers during the holidays through the local authority voucher scheme.

**Reserves Policy**

The Trustees have agreed a Reserves policy which is reviewed at least annually, and Trustees review the reserve levels of the Academy as part of their regular monitoring of Academy finances. 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 need to maintain sufficient reserves to cover any unexpected urgent expenditure requirements.

The level of reserves has increased during 2021/22 however, we plan to reduce the level of reserves to £50,000 over the next 3 years.

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**Hall Orchard Barrow CE Primary School  
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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2022**

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Reserves are being set aside to allow for resources to be purchased for the expected increase in pupil numbers. In addition, money has been allocated for the continuing development of the school site, to support the National Curriculum and prepare for further school growth.

At 31 August 2022 the total funds comprised:

	<b>£000</b>
Unrestricted	390
Restricted:	
Fixed asset funds	5,199
Pension reserve	(12)
Other	207
	<hr/>
	5,784
	<hr/> <hr/>

The pension reserve, which is in deficit, relates to the Trust's share of the Local Government Pension Scheme. Due to a change in the applied discount rate there has been a significant decrease in the liability at the year end but it should be noted that the valuation is at a specific point in time and subsequent changes in the economic environment would impact on future valuations. There is no expectation in the short to medium term for the Trust to reduce the deficit other than by the normal agreed pension contributions rates, (see note 28) and the Trust is awaiting notification of any change in rates as a result of the ongoing Triennial Valuation as at 31 March 2022

#### **Investment Policy**

The purpose of the policy is to ensure that any surplus funds are invested well so that they achieve the best financial returns with the minimum risk. The Academy aims to manage its cash balances to provide for the day to-day working capital requirements of its operations, whilst protecting the real long-term value of any surplus cash balances against inflation and to ensure there is no risk of loss in the capital value of any cash funds invested. If there is a surplus of funds after all financial commitments have been considered, this surplus will be invested. The Academy aims to invest surplus cash funds to optimise returns but ensuring the investment instruments are such that there is efficient management and the minimum risk to the loss of these cash funds.

2021-22 the Trust deposited £85,000 into a Nationwide deposit account, £85,000 into an Aldermore bank deposit account and £85,000 into a Redwood deposit account. Investments are made to a maximum of the FCS compensation scheme, currently £85,000.

#### **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 an increasing number of pupils forecast for future years.

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:

- Internal Risks – which we manage and work to reduce; and
- External Risks – of which we are aware.

The risks are reviewed and discussed at the Trustee Board meeting, at least termly. The Board of Trustees are presented with the risk register, along with the mitigations for scrutiny. In addition, the Board reviews a number of risks in detail, starting with the highest scoring risk priority numbers, and working down. They hold the school to account for undertaking the planned actions, provide critical guidance and support where needed.

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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2022**

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Our highest rated risk is around the political risk and how it relates to the UK Government increased borrowing, BREXIT and other international factors. This was updated in respect to the current war in Ukraine and its effects on the economy, cost and availability of resources. Whilst our Academy cannot influence these, we will stay vigilant and adapt to changes. We also reach out to our partners for collaboration and predictions.

Our next highest rated risk centres around our last phase of site development. The planning and scoping periods are more significant with the potential for delay. Careful planning is required to minimise education disruption, and LA legal financial agreements can put undue pressure on our school budget. A number of controls are in place to reduce the risk, including the timing of scoping for works, working with the LA and school staff and other stakeholders. We have also updated our legal contracts to reduce legal exposure and continue to work closely with the LA and all stakeholders to ensure the project plan is accurate.

**FUNDRAISING**

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

**PLANS FOR FUTURE PERIODS**

During 2021-22 we have developed plans and gained planning permission for the final stage of school growth to increase the school to a planned admission number of 90 as forecasts demonstrate that 630 school places will be required by 2023 without any additional housing in the village. The final stage of build will commence Autumn 2022 and will take just over a year to complete. Funding for this growth has already been awarded in a funding agreement with Leicestershire County Council (signed July 2022) and is included as an asset in this year's accounts.

Resources will continue to be allocated, as in the past, to meet the aims of the schools' *Strategic Plan* and *School Development Plan* as the best way of ensuring the Academy achieves its aims.

**FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

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

**AUDITOR**

In so far as the Trustees are aware:

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

Trustees' Report, incorporating a Strategic Report, was approved by order of the Board of Trustees, as the company directors, and signed on the Board's behalf by:

.....  
**Mr Paul Browning**  
Chair of Trustees

Date: 7 December 2022

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**Hall Orchard Barrow CE Primary School  
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**GOVERNANCE STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2022**

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**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.

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The Board of Trustees has delegated the 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 Hall Orchard Barrow CE Primary School and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

**GOVERNANCE**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 6 times during the year (4 meetings for Staff Trustees). Due to the impact of Covid-19 these meetings were held virtually via Teams.

Attendance during the year at meetings of the board of Trustees was as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Mr Paul Browning (Chair of Trustees)	5	6
Ms Jane McKay (Headteacher and Accounting Officer – Resigned 31 August 2022)	4	4
Mrs Amy Earl	5	6
Mrs Pauline Ranson (Resigned 20 November 2021)	1	1
Mrs Victoria Bowman	6	6
Mr Neil Titchmarsh	5	6
Mrs Nadine Roodhouse	3	4
Miss Kirstie Price	2	4
Mrs Claire Davenport	4	6
Mrs Sarah Boby	4	5
Mrs Jennifer Summerton	4	6
Ms Jenny Boldrin	5	6
Ms Kayt Hennessey (Appointed 14 December 2021)	3	3
Rev'd Clive Watts	1	6

Changes to the Board of Trustees were the resignation of Mrs Pauline Ranson, the appointment of Mrs Kayt Hennessey, as Parent Elected Trustee and the Member Appointment of Mrs Sarah Boby.

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

Trustees are asked, before they are appointed or elected, to consider - in the light of the responsibilities of the role - their ability to take on the role and undertake the necessary commitment. They are asked to sign a declaration of commitment and code of conduct in advance of becoming Academy Trustees.

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**Hall Orchard Barrow CE Primary School  
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**GOVERNANCE STATEMENT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2022**

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All Trustees are expected to join at least one committee or area of responsibility; most are members of more than one. A record is kept of all Trustee attendance at meetings, training and development and visits to school and the information is reported to the full Board of Trustees and used during the performance discussions. The School was inspected by Ofsted in March 2019 and the inspector found that, "Trustees have a clear understanding of the school's priorities and how these are being met through the school development plan. The Trustees have a detailed and accurate view of the school." The Board of Trustees is very strong and stable with many members having served for a number of years.

Due to the resignation of the current Headteacher, Trustees organised a rigorous recruitment process and have successfully appointed a new Headteacher to commence post on 1 September 2022.

The Trustees consider internal attainment data on a regular basis and 'benchmark' this against PiXL schools data. Trustees receive regular updates from a range of staff covering priorities within the School development Plan, to ensure that progress is 'on track'. During 2021-22, Trustees have carried out a range of monitoring visits to school based on priorities within the strategic plan, school development plan and to monitor Safeguarding provision.

The Trustees maintained oversight of the Academy's finances throughout the year. In addition to scrutiny in Full Trustees meetings and Finance, Personnel, Pay and Premises meetings, monthly management reports are accessible to all Trustees on the Trustee portal for inspection and challenge.

**Conflicts of interest**

The Academy maintains an up-to-date and complete register of interests, and the information on this register is considered in the day-to-day management and governance of the Academy Trust. Conflicts of interest are declared at the start of every Trustee meeting. During 2021-22, there were no conflicts of interest.

**Meetings**

During 2021-22 the Full Trustee Board met 6 times, the Finance, Personnel, Pay and Premises Committees met 5 times and the Curriculum and Strategy committee met 4 times.

**Governance reviews:**

The Board of Trustees has engaged and will continue to engage in a Trustee formal self-evaluation process 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. Actions are included in the school development plan, where appropriate.

The last self-evaluation identified a well-balanced and strong Board of Trustees. Weaknesses were identified in the Foundation Trustee and Charity Commission topics, which has driven these Trustees to locate and plan future training supplied by the Diocese and Leicestershire County Council respectively. All information from our self-evaluation will be taken forward to direct our recruitment process for an additional Trustee. Whilst we have used external reviews of governance in the past to develop the strong Board of Trustees, we recognise we have relied on internal evaluations since. However with joining the Loughborough Primary Academies Partnership, we plan to utilise the external challenge to further strengthen our processes.

The Board of Trustees also undertakes an annual skills audit as part of the Trustee performance management process. The findings of this are discussed formally by the full Board of Trustees. The audit informs training needs and succession planning, and it is used to identify any areas where the Board of Trustees would benefit from recruiting additional members with specific skills sets. The Finance, Personnel, Pay and Premises Committee also carries out a specific financial self-assessment/audit which informs training and skills needs.

The Finance, Personnel, Pay and Premises Committee is a sub-committee of the main Board of Trustees. Its purpose is to propose the annual budget to the Board of Trustees, to monitor the financial activities of the Academy and make decisions relating to finance.

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**Hall Orchard Barrow CE Primary School  
(A Company Limited by Guarantee)**

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**GOVERNANCE STATEMENT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2022**

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The committee met five times during the year.

Attendance at meetings in the year was as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Mrs Amy Earl (Chair of Committee)	5	5
Mr Paul Browning	4	5
Mrs Victoria Bowman	3	5
Mr Neil Titchmarsh	4	5
Mrs Sarah Boby	5	5
Ms Jane McKay (Headteacher and Accounting Officer – 31 August 2022)	5	5

The monthly management accounts are placed on Sharepoint where all Trustees can access them. Trustees are able to ask the Bursar follow up questions from these reports. Mrs Amy Earl, who is a qualified accountant, is the Chair of the committee. The internal monitoring role was Conducted by Mrs Victoria Bowman and Mrs Sarah Boby.

#### **REVIEW OF VALUE FOR MONEY**

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

The Accounting Officer in post up to 31 August 2022 considered how the Academy Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

- PiXL membership and increased use of PiXL resources throughout the school have enabled gaps in learning to be identified and addressed, through 1-1, in small group and whole class teaching; resulting in accelerated progress;
- Prioritising staff professional development to further enhance the quality of teaching and leadership potential;
- Further developing and resourcing the curriculum to ensure a broad, balanced relevant curriculum that motivates the pupils and maximises learning opportunities;
- Creating Safe Systems of working to ensure that pupils, staff, parents and the wider community are as safe from Covid-19 in school as we can possibly make it;
- Providing increased levels of wellbeing support in school for pupils who have been negatively affected by the pandemic; and
- Creating a 'Peace Area' which enhances the environment and exemplifies the school values.

#### **THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Hall Orchard Barrow CE Primary School for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the Trustees' Report and financial statements.



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**Hall Orchard Barrow CE Primary School  
(A Company Limited by Guarantee)**

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**GOVERNANCE STATEMENT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2022**

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**CAPACITY TO HANDLE RISK**

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

**THE RISK AND CONTROL FRAMEWORK**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the finance and general purposes 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; and
- identification and management of risks.

The Board of Trustees has decided not to appoint an internal auditor for this purpose. However, the Trustees have appointed Victoria Bowman and Sarah Boby, Trustees, to carry out a programme of internal checks. This option has been chosen because the Local Authority, who had previously carried out our internal audit function are no longer able to offer this service.

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

1. Testing of payroll processes:
  - Authorisation to amend existing contracts; and
  - Walkthrough process:
    - New starters;
    - Amendments to existing contracts; and
    - Cessations of contract.
2. Payroll process and control account reconciliation.
3. Premises Project Costs:
  - Walkthrough process of authorising and recording expenditure:
    - Purchase order and approval;
    - Authorisation of invoice for payment;
    - Payment process; and
    - Capture of expenditure records.

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**Hall Orchard Barrow CE Primary School  
(A Company Limited by Guarantee)**

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**GOVERNANCE STATEMENT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2022**

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4. Business Interests:
  - Check new combined form includes relevant materials interests arising from close family relationships between those individuals and employees.
5. Making Tax Digital Changes;
  - Walk through new MTD process; and
  - Show April 22 submission.
6. Risk register.
7. Balances and Reserves.

On an annual basis, the reviewers report to the Board of Trustees, through the Finance, Personnel, Pay and Premises Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. On an annual basis the reviewers prepare a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The reviewers conducted their review in May 2022 and provided a written report to the Finance, Personnel, Pay and Premises Committee in June 2022.

**REVIEW OF EFFECTIVENESS**

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

- the work of the reviewer;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework;
- the work of the external auditor; and
- correspondence from ESFA

The Accounting Officer in post during the year was advised of the implications of the result of their review of the system of internal control by the Finance, Personnel, Pay and Premises Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place. This information has been considered by the current Accounting Officer.

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

.....  
**Mr Paul Browning**  
Chair of Trustees

Date: 7 December 2022

.....  
**Mr Stephen Dunn**  
Accounting Officer

Date: 7 December 2022

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**Hall Orchard Barrow CE Primary School  
(A Company Limited by Guarantee)**

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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE  
FOR THE YEAR ENDED 31 AUGUST 2022**

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As Accounting Officer of Hall Orchard Barrow CE Primary Academy Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration, I have had due regard to the requirements of the Academies Financial Handbook 2021.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2021.

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

.....  
**Mr Stephen Dunn**

Accounting Officer

Date: 7 December 2022

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**HALL ORCHARD BARROW CE PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 AUGUST 2022**

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The Trustees (who are also the 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 and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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

.....  
**Mr Paul Browning**  
Chair of Trustees

Date: 7 December 2022

.....  
**Mr Stephen Dunn**  
Accounting Officer

Date: 7 December 2022

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## HALL ORCHARD BARROW CE PRIMARY SCHOOL

(A Company Limited by Guarantee)

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### INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF HALL ORCHARD BARROW CE PRIMARY SCHOOL

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#### Opinion

We have audited the financial statements of Hall Orchard Barrow CE Primary School (the 'Academy') for the year ended 31 August 2022 which comprise the Statement of Financial Activities incorporating Income and Expenditure, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

#### Basis for opinion

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

#### Conclusions relating to going concern

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

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

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

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## HALL ORCHARD BARROW CE PRIMARY SCHOOL

(A Company Limited by Guarantee)

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### INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF HALL ORCHARD BARROW CE PRIMARY SCHOOL (CONTINUED)

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#### Other information

The other information comprises the information included in the Trustees Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Trustees Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 Trustees' Report (incorporating the Strategic Report and the Directors Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors Report have been prepared in accordance with applicable legal requirements.

#### Matters on which we are required to report by exception

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

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

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

#### Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 18, the Trustees (who are also the Directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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## HALL ORCHARD BARROW CE PRIMARY SCHOOL

(A Company Limited by Guarantee)

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### INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF HALL ORCHARD BARROW CE PRIMARY SCHOOL (CONTINUED)

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

#### **Auditors' responsibilities for the audit of the financial statements**

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

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

- Obtaining and understanding of the legal and regulatory frameworks that the Academy Trust operates in, focusing on those laws and regulations that have a direct effect on the financial statements;
- Enquiring of management and Trustees around known or suspected instances of non-compliance of laws and regulations and fraud;
- Discussing among the engagement team regarding how and where fraud might occur in the Academy Trust financial statements and any potential indications of fraud;
- Reviewing minutes of meetings of those charged with governance; and
- Performing audit work in relation to the risk of management override, including testing of journal entries and other adjustments for appropriateness and reviewing accounting estimates for bias.

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

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

#### **Use of our report**

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

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**HALL ORCHARD BARROW CE PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF HALL  
ORCHARD BARROW CE PRIMARY SCHOOL (CONTINUED)**

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**Helen Blundell LLB FCA FCIE DChA (Senior Statutory Auditor)**

for and on behalf of

**MHA MacIntyre Hudson (Statutory Auditor)**

Leicester, United Kingdom

Date: 14 December 2022



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## HALL ORCHARD BARROW CE PRIMARY SCHOOL

(A Company Limited by Guarantee)

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### INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO HALL ORCHARD BARROW CE PRIMARY SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY

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In accordance with the terms of our engagement letter and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Hall Orchard Barrow CE Primary School during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Hall Orchard Barrow CE Primary School and ESFA 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 ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Hall Orchard Barrow CE Primary School and ESFA, 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 Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

#### **Approach**

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

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

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

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

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HALL ORCHARD BARROW CE PRIMARY SCHOOL

(A Company Limited by Guarantee)

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INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO HALL  
ORCHARD BARROW CE PRIMARY SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY  
(CONTINUED)

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The work undertaken to draw our conclusions includes:

- a review of the objectives and activities of the Academy Trust, with reference to the income streams and other information available to us as auditors of the Academy Trust;
- testing of a sample of grants received and other income streams;
- testing of a sample of payments to suppliers and other third parties;
- testing of a sample of payroll payments to staff;
- evaluating the internal control procedures and reporting lines, and testing as appropriate;
- reviewing the Minutes of the meetings of the Board of Trustees and other evidence made available to us, relevant to our consideration of regularity; and
- consideration of governance issues.

**Conclusion**

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant  
**MHA MacIntyre Hudson (Statutory Auditor)**  
Leicester, United Kingdom

Date: 14 December 2022

**HALL ORCHARD BARROW CE PRIMARY SCHOOL**

(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
<b>Income from:</b>						
Donations and capital grants	3	2	2	1,764	1,768	54
Other trading activities	4	218	-	-	218	187
Investments		2	-	-	2	2
Charitable activities:						
Funding for the Academy Trust's educational operations	6	6	2,654	-	2,660	2,579
<b>Total income</b>		<b>228</b>	<b>2,656</b>	<b>1,764</b>	<b>4,648</b>	<b>2,822</b>
<b>Expenditure on:</b>						
Raising funds	7	117	92	-	209	190
Charitable activities:						
Academy Trust educational operations	8	14	2,822	275	3,111	2,891
<b>Total expenditure</b>		<b>131</b>	<b>2,914</b>	<b>275</b>	<b>3,320</b>	<b>3,081</b>
<b>Net income/(expenditure)</b>		<b>97</b>	<b>(258)</b>	<b>1,489</b>	<b>1,328</b>	<b>(259)</b>
Transfers between funds	20	-	(36)	36	-	-
<b>Other recognised losses:</b>						
Actuarial gains/(losses) on defined benefit pension schemes	28	-	1,954	-	1,954	(281)
<b>Net movement in funds</b>		<b>97</b>	<b>1,660</b>	<b>1,525</b>	<b>3,282</b>	<b>(540)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		293	(1,465)	3,674	2,502	3,042
Net movement in funds		97	1,660	1,525	3,282	(540)
<b>Total funds carried forward</b>		<b>390</b>	<b>195</b>	<b>5,199</b>	<b>5,784</b>	<b>2,502</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 29 to 61 form part of these financial statements.

**HALL ORCHARD BARROW CE PRIMARY SCHOOL**

(A Company Limited by Guarantee)

REGISTERED NUMBER: 08674696

**BALANCE SHEET  
AS AT 31 AUGUST 2022**

	Note	2022 £000	2021 £000
<b>Fixed assets</b>			
Tangible assets	15	3,534	3,645
		<u>3,534</u>	<u>3,645</u>
<b>Current assets</b>			
Debtors	16	1,696	47
Investments	17	256	255
Cash at bank and in hand	25	561	421
		<u>2,513</u>	<u>723</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	18	(239)	(209)
		<u>2,274</u>	<u>514</u>
<b>Net current assets</b>			
		<u>5,808</u>	<u>4,159</u>
<b>Total assets less current liabilities</b>			
Creditors: amounts falling due after more than one year	19	(12)	(20)
		<u>5,796</u>	<u>4,139</u>
<b>Net assets excluding pension liability</b>			
Defined benefit pension scheme liability	28	(12)	(1,637)
		<u>5,784</u>	<u>2,502</u>
<b>Total net assets</b>			
<b>Funds of the Academy Trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	20	5,199	3,674
Restricted income funds	20	207	172
		<u>5,406</u>	<u>3,846</u>
<b>Restricted funds excluding pension asset</b>			
Pension reserve	20	(12)	(1,637)
		<u>5,394</u>	<u>2,209</u>
<b>Total restricted funds</b>			
Unrestricted income funds	20	390	293
		<u>5,784</u>	<u>2,502</u>
<b>Total funds</b>			

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**HALL ORCHARD BARROW CE PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 08674696**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 AUGUST 2022**

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The financial statements on pages 25 to 61 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

.....  
**Mr Paul Browning**  
Chair of Trustees

.....  
**Mr Stephen Dunn**  
Accounting Officer

Date: 7 December 2022

Date: 7 December 2022

The notes on pages 29 to 61 form part of these financial statements.

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HALL ORCHARD BARROW CE PRIMARY SCHOOL

(A Company Limited by Guarantee)

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STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2022

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	Note	2022 £000	2021 £000
<b>Cash flows from operating activities</b>			
Net cash (used in)/provided by operating activities	22	(1,453)	253
<b>Cash flows from investing activities</b>	24	1,601	(86)
<b>Cash flows from financing activities</b>	23	(8)	(9)
		<hr/>	<hr/>
<b>Change in cash and cash equivalents in the year</b>		140	158
		<hr/>	<hr/>
Cash and cash equivalents at the beginning of the year		421	263
<b>Cash and cash equivalents at the end of the year</b>	25	<u>561</u>	<u>421</u>

The notes on pages 29 to 61 form part of these financial statements

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## HALL ORCHARD BARROW CE PRIMARY SCHOOL

(A Company Limited by Guarantee)

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

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#### 1. Accounting policies

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

##### 1.1 Basis of preparation of financial statements

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Hall Orchard Barrow CE Primary School meets the definition of a public benefit entity under FRS 102.

Hall Orchard Barrow CE Primary School is a company limited by guarantee incorporated in England and Wales. The address of the registered office, principal place of operation and registered number are detailed on page 1. The nature of the Academy Trust's operations and principal activity are detailed in the Trustees Report.

The Financial Statements are prepared in British Pound Sterling (£), the functional and presentational currency, rounded to the nearest £1,000.

##### 1.2 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 Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the Financial Statements.

This consideration has taken into account as far as possible, the economic and political climate, and its impact on the Academy Trust, as far as it can be determined, and the Trustees remain satisfied that the going concern principle remains appropriate.

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HALL ORCHARD BARROW CE PRIMARY SCHOOL

(A Company Limited by Guarantee)

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022

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1. Accounting policies (continued)

1.3 Income

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

- **Grants**

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

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

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

- **Sponsorship income**

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

- **Donations**

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

- **Other income**

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

1.4 Expenditure

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

- **Expenditure on raising funds**

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



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**HALL ORCHARD BARROW CE PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

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**1. Accounting policies (continued)**

**1.4 Expenditure (continued)**

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

**1.5 Tangible fixed assets**

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Depreciation is provided on the following bases:

Long-term leasehold property	- 2% straight-line per annum
Long-term leasehold land	- 0.8% straight-line per annum
Leasehold improvements	- 10% straight-line per annum
Computer equipment	- 33.3% straight-line per annum
Office equipment	- 25% straight-line per annum

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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.

**1.6 Investments**

Investments include cash with a maturity of more than three months from the date of acquisition or opening of the deposit or similar account and are stated at cost.

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**HALL ORCHARD BARROW CE PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

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**1. Accounting policies (continued)**

**1.7 Taxation**

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

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

**1.8 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**1.9 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**1.10 Liabilities**

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

**1.11 Provisions**

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

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

**1.12 Pensions**

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes.

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## HALL ORCHARD BARROW CE PRIMARY SCHOOL

(A Company Limited by Guarantee)

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

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#### 1. Accounting policies (continued)

##### 1.12 Pensions (continued)

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 27, TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income/(expenditure) are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

##### 1.13 Financial instruments

The Academy Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy Trust and their measurement bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 18 and 19. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

##### 1.14 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

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**HALL ORCHARD BARROW CE PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

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**1. Accounting policies (continued)**

**1.15 Fund accounting**

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Academy Trust at the discretion of the Trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

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

**2. Critical accounting estimates and areas of judgement**

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

Critical accounting estimates and assumptions:

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

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. See note 15 for the carrying amount of tangible fixed assets, and note 1.5 for the useful economic lives for each class of assets.

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 28, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

The judgements that have had a significant effect on amounts recognised in the Financial Statements are those covering the choice of depreciation policies and asset lives.

HALL ORCHARD BARROW CE PRIMARY SCHOOL

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022

3. Donations and capital grants

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000
Other donations	2	2	-	4
Capital grants	-	-	1,764	1,764
<b>Total 2022</b>	<b>2</b>	<b>2</b>	<b>1,764</b>	<b>1,768</b>

  

	<i>Unrestricted funds 2021 £000</i>	<i>Restricted funds 2021 £000</i>	<i>Restricted fixed asset funds 2021 £000</i>	<i>Total funds 2021 £000</i>
Other donations	1	3	-	4
Capital grants	-	-	50	50
<i>Total 2021</i>	<i>1</i>	<i>3</i>	<i>50</i>	<i>54</i>

There are no unfulfilled conditions or other contingencies attached to the Government grants above.

4. Other trading activities

	Unrestricted funds 2022 £000	Total funds 2022 £000
Catering income	51	51
Extended Services income*	167	167
<b>Total 2022</b>	<b>218</b>	<b>218</b>

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HALL ORCHARD BARROW CE PRIMARY SCHOOL

(A Company Limited by Guarantee)

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022

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4. Other trading activities (continued)

	<i>Unrestricted funds 2021 £000</i>	<i>Total funds 2021 £000</i>
Catering income	39	39
Extended Services income*	148	148
<i>Total 2021</i>	<u>187</u>	<u>187</u>

\*The income from these activities falls within other charitable activities permitted under the articles of association.

5. Investment income

	<b>Unrestricted funds 2022 £000</b>	<b>Total funds 2022 £000</b>
Investment income	<u>2</u>	<u>2</u>

	<i>Unrestricted funds 2021 £000</i>	<i>Total funds 2021 £000</i>
Investment income	<u>2</u>	<u>2</u>

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HALL ORCHARD BARROW CE PRIMARY SCHOOL

(A Company Limited by Guarantee)

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022

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6. Funding for the Academy Trust's educational operations

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total funds 2022 £000
<b>Educational operations</b>			
<b>DfE/ESFA grants</b>			
General Annual Grant (GAG)	-	2,190	<b>2,190</b>
Other DfE/ESFA grants			
Pupil Premium	-	113	<b>113</b>
UIFSM	-	73	<b>73</b>
Other	-	80	<b>80</b>
	-	2,456	<b>2,456</b>
<b>Other Government Grants</b>			
Higher needs funding	-	63	<b>63</b>
Pre-school funding	-	110	<b>110</b>
	-	173	<b>173</b>
<b>Other income from the Academy Trust's educational operations</b>	6	25	<b>31</b>
<b>Total 2022</b>	<b>6</b>	<b>2,654</b>	<b>2,660</b>

**HALL ORCHARD BARROW CE PRIMARY SCHOOL**

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

**6. Funding for the Academy Trust's educational operations (continued)**

	<i>Unrestricted funds 2021 £000</i>	<i>Restricted funds 2021 £000</i>	<i>Total funds 2021 £000</i>
<b>Educational operations</b>			
<b>DfE/ESFA grants</b>			
General Annual Grant (GAG)	-	1,984	1,984
Other DfE/ESFA grants			
Pupil Premium	-	103	103
Teachers' Pay and Pension Grant	-	95	95
UIFSM	-	70	70
Other	-	48	48
	-	2,300	2,300
<b>Other Government Grants</b>			
Higher needs funding	-	50	50
Pre-school funding	-	120	120
	-	170	170
<b>Other income from the Academy Trust's educational operations</b>	17	45	62
<b>Exceptional Government spending COVID-19 additional funding (DfE/ESFA)</b>			
Catch-up Premium	-	46	46
Other DfE/ESFA Covid-19 funding	-	1	1
	-	47	47
<i>Total 2021</i>	<i>17</i>	<i>2,562</i>	<i>2,579</i>

The Academy Trust received £Nil (2021: £46k) of funding for Catch-up Premium and costs incurred in respect of this funding totalled £Nil (2021: £46k).

There are no unfulfilled conditions or other contingencies attached to the Government grants above.



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HALL ORCHARD BARROW CE PRIMARY SCHOOL

(A Company Limited by Guarantee)

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022

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7. Expenditure on raising funds

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total funds 2022 £000
Catering costs	51	-	51
Extended Services wages and salaries	52	73	125
Extended Services national insurance	3	3	6
Extended Services pension costs	11	16	27
<b>Total 2022</b>	<b>117</b>	<b>92</b>	<b>209</b>

  

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000
Catering costs	38	-	38
Extended Services wages and salaries	51	69	120
Extended Services national insurance	3	3	6
Extended Services pension costs	11	15	26
<i>Total 2021</i>	<i>103</i>	<i>87</i>	<i>190</i>

8. Analysis of expenditure by activities

	Activities undertaken directly 2022 £000	Support costs 2022 £000	Total funds 2022 £000
Educational operations	2,024	1,087	3,111

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HALL ORCHARD BARROW CE PRIMARY SCHOOL

(A Company Limited by Guarantee)

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022

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8. Analysis of expenditure by activities (continued)

	<i>Activities undertaken directly 2021 £000</i>	<i>Support costs 2021 £000</i>	<i>Total funds 2021 £000</i>
Educational operations	1,848	1,043	2,891

Analysis of direct costs

	<b>Total funds 2022 £000</b>	<i>As restated total funds 2021 *</i> £000
Direct staff costs	1,548	1,446
Direct depreciation	275	284
Direct technology costs	31	24
School trips and visits	13	10
Other direct costs	41	34
Direct learning resources	116	50
	<b>2,024</b>	1,848

**HALL ORCHARD BARROW CE PRIMARY SCHOOL**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

**8. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Total funds 2022 £000</b>	<i>As restated total funds 2021 *</i> £000
Pension finance costs (note 14)	29	21
Support staff costs	833	794
Support premises costs	147	143
Other support costs	78	85
	<b>1,087</b>	<b>1,043</b>

\*Following the reclassification in the Academies Accounts Direction 2021/2022 of expenses, the groupings of expenses in respect of direct and support costs have changed. The prior year numbers have been reclassified to reflect the current year classification.

**9. Expenditure**

	<b>Staff Costs 2022 £000</b>	<b>Premises 2022 £000</b>	<b>Other 2022 £000</b>	<b>Total 2022 £000</b>
Expenditure on raising funds				
Direct costs	158	-	51	<b>209</b>
Academy Trust's educational operations				
Direct costs	1,548	240	236	<b>2,024</b>
Allocated support costs	862	141	84	<b>1,087</b>
<b>Total 2022</b>	<b>2,568</b>	<b>381</b>	<b>371</b>	<b>3,320</b>

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HALL ORCHARD BARROW CE PRIMARY SCHOOL

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022

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9. Expenditure (continued)

	Staff Costs 2021 £000	As Restated Premises 2021 *£000	As Restated Other 2021 *£000	Total 2021 £000
Expenditure on raising funds				
Direct costs	152	-	38	190
Academy Trust's educational operations				
Direct costs	1,446	240	162	1,848
Allocated support costs	815	140	88	1,043
<i>Total 2021</i>	<u>2,413</u>	<u>380</u>	<u>288</u>	<u>3,081</u>

\*Following the reclassification in the Academies Accounts Direction 2021/2022 of expenses, the groupings of expenses in respect of premises and other costs have changed. The prior year numbers have been reclassified.

10. Net income/(expenditure)

Net expenditure for the year includes:

	2022 £000	2021 £000
Operating lease rentals	2	3
Depreciation of tangible fixed assets	275	284
Fees paid to auditors for:		
- audit	15	14
- other services	2	2
Internal audit costs	-	1
	<u>          </u>	<u>          </u>

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HALL ORCHARD BARROW CE PRIMARY SCHOOL

(A Company Limited by Guarantee)

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022

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11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2022 £000	2021 £000
Wages and salaries	1,708	1,658
Social security costs	137	121
Pension costs	694	564
	<hr/>	<hr/>
	2,539	2,343
Agency staff costs	-	1
Staff restructuring costs	-	48
Pension finance cost (note 14)	29	21
	<hr/>	<hr/>
	2,568	2,413
	<hr/> <hr/>	<hr/> <hr/>

Staff restructuring costs comprise:

	2022 £000	2021 £000
Severance payments	-	3
	<hr/>	<hr/>
	-	3
	<hr/> <hr/>	<hr/> <hr/>

b. Special staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual staff severance payments totalling £Nil (2021: £47,880). Individually, the payment was £Nil (2021: £2,560 and £45,320 respectively).

The £45,320 was in respect of an employee who was granted ill health early retirement, therefore this cost was covered by the Academy Trust's insurance policy. The amount reclaimed on the insurance is shown in note 6 of the accounts.

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HALL ORCHARD BARROW CE PRIMARY SCHOOL

(A Company Limited by Guarantee)

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022

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11. Staff (continued)

c. Staff numbers

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

	2022 No.	2021 No.
Teachers	27	28
Administration and support Management	64	63
	2	2
	<u>93</u>	<u>93</u>

d. Higher paid staff

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

	2022 No.	2021 No.
In the band £70,001 - £80,000	<u>1</u>	<u>1</u>

The above employee participates in the Teachers' Pension Scheme. During the year ended 31 August 2022, pension contributions for this staff member amounted to £18,936 (2021: £18,934).

e. Key Management Personnel

The Key Management Personnel of the Academy Trust comprise the Staff Trustees and the Senior Leadership Team team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by Key Management Personnel for their services to the Academy Trust was £444,465 (2021: £486,874).

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HALL ORCHARD BARROW CE PRIMARY SCHOOL

(A Company Limited by Guarantee)

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022

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12. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2022 £000	2021 £000
Mrs J McKay, Headteacher (Resigned 31 August 2022)	Remuneration	75 - 80	75 - 80
	Pension contributions paid	15 - 20	15 - 20
Mrs N Roodhouse, Staff Trustee	Remuneration	55 - 60	55 - 60
	Pension contributions paid	10 - 15	10 - 15
Mrs K Kneafsey (née Price), Staff Trustee	Remuneration	35 - 40	40 - 45
	Pension contributions paid	5 - 10	5 - 10

During the year ended 31 August 2022, no Trustee were reimbursed or paid directly for expenses they have been incurred (2021: £NIL).

Other related party transactions involving the Trustees are set out in note 30.

13. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2022 was £29 (2021: £29). The cost of this insurance is included in the total insurance cost.

14. Pension finance cost

	2022 £000	2021 £000
Expected return on pension scheme assets	38	29
Interest on pension scheme liabilities	(67)	(50)
	<u>(29)</u>	<u>(21)</u>

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**15. Tangible fixed assets**

	Long-term leasehold property £000	Assets under construction £000	Office equipment £000	Computer equipment £000	Total £000
<b>Cost or valuation</b>					
At 1 September 2021	4,673	20	55	204	4,952
Additions	6	125	16	17	164
At 31 August 2022	<u>4,679</u>	<u>145</u>	<u>71</u>	<u>221</u>	<u>5,116</u>
<b>Depreciation</b>					
At 1 September 2021	1,107	-	41	159	1,307
Charge for the year	240	-	9	26	275
At 31 August 2022	<u>1,347</u>	<u>-</u>	<u>50</u>	<u>185</u>	<u>1,582</u>
<b>Net book value</b>					
At 31 August 2022	<u><u>3,332</u></u>	<u><u>145</u></u>	<u><u>21</u></u>	<u><u>36</u></u>	<u><u>3,534</u></u>
At 31 August 2021	<u><u>3,566</u></u>	<u><u>20</u></u>	<u><u>14</u></u>	<u><u>45</u></u>	<u><u>3,645</u></u>

Included in the cost of long term leasehold property is long leasehold land valued at £886,000 (2021: £886,000) on conversion in 2013 by Leicestershire County Council, a RICS registered valuer, using the depreciated replacement cost method.

The freehold of the land and buildings is owned by Leicestershire County Council. The Academy Trust holds a 125 year leasehold over the land and buildings.



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16. Debtors

	<b>2022</b>	<i>2021</i>
	<b>£000</b>	<i>£000</i>
VAT recoverable	<b>2</b>	<i>-</i>
Prepayments and accrued income	<b>1,694</b>	<i>47</i>
	<b>1,696</b>	<i>47</i>

Included in prepayments and accrued income is accrued income of £1,650,725 ie capital grants due but not received in the year.

17. Current asset investments

	<b>2022</b>	<i>2021</i>
	<b>£000</b>	<i>£000</i>
Cash investments	<b>256</b>	<i>255</i>

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18. Creditors: Amounts falling due within one year

	2022 £000	2021 £000
Other loans	8	8
Other taxation and social security	29	31
Other creditors	42	41
Accruals and deferred income	160	129
	<u>239</u>	<u>209</u>
	2022 £000	2021 £000
Deferred income at 1 September 2021	54	74
Resources deferred during the year	67	54
Amounts released from previous years	(54)	(74)
<b>Deferred income at 31 August 2022</b>	<u>67</u>	<u>54</u>

At the balance sheet date the Academy Trust was holding funds received in advance for Universal Infant Free School Meals, trips income, afterschool club and pre-school funding for the 2022/23 Academic year.

Included within other loans falling due within one year are four Salix loans amounting to £8,044 (2021: £8,044) from the Education and Skills Funding Agency under the Condition Improvement Fund. All loans are interest free.

The first loan, the value of which is £1,204 (2021: £1,204) is repayable at an amount of £602 six monthly.

The second loan, the value of which is £2,792 (2021: £2,792) is repayable at an amount of £1,396 six monthly.

The third loan, the value of which is £1,130 (2021: £1,130) is repayable at an amount of £565 six monthly.

The fourth loan, the value of which is £2,918 (2021: £2,918) is repayable at an amount of £1,459 six monthly.

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19. Creditors: Amounts falling due after more than one year

	2022 £000	2021 £000
Other loans	12	20

Included within other loans falling due after more than one year are four Salix loans amounting to £12,382 (2021: £20,426) from the Education and Skills Funding Agency under the Condition Improvement Fund.

All loans are interest free.

The first loan, the value of which is £602 (2021: £1,806) repayable at an amount of £602 six monthly. The loan will be fully repaid by September 2023.

The second loan, the value of which is £2,794 (2021: £5,586) is repayable at an amount of £1,396 six monthly. The loan will be fully repaid by March 2024.

The third loan, the value of which is £1,695 (2021: £2,825) is repayable at an amount of £565 six monthly. The loan will be fully repaid by September 2024.

The fourth loan, the value of which is £7,291 (2021: £10,209) is repayable at an amount of £1,459 six monthly. The loan will be fully repaid by September 2025.

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20. Statement of funds

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Transfers in/(out) £000	Gains/ (losses) £000	Balance at 31 August 2022 £000
<b>Unrestricted funds</b>						
Extended Services	135	167	(66)	-	-	236
Catering income	-	51	(51)	-	-	-
Other unrestricted income	158	10	(14)	-	-	154
	<u>293</u>	<u>228</u>	<u>(131)</u>	<u>-</u>	<u>-</u>	<u>390</u>
<b>Restricted general funds</b>						
General Annual Grant (GAG)	172	2,184	(2,113)	(36)	-	207
Pupil Premium	-	113	(113)	-	-	-
UIFSM	-	73	(73)	-	-	-
Other DfE/ESFA grants	-	80	(80)	-	-	-
Other Government Grants	-	173	(173)	-	-	-
Other donations	-	2	(2)	-	-	-
Other income	-	31	(31)	-	-	-
Pension reserve	(1,637)	-	(329)	-	1,954	(12)
	<u>(1,465)</u>	<u>2,656</u>	<u>(2,914)</u>	<u>(36)</u>	<u>1,954</u>	<u>195</u>
<b>Restricted fixed asset funds</b>						
Net book value of fixed assets	3,645	-	(275)	164	-	3,534
SALIX Loans	(28)	-	-	8	-	(20)
Capital Grant (DFC)	11	10	-	(11)	-	10
Capital Grants (LA)	46	1,754	-	(125)	-	1,675
	<u>3,674</u>	<u>1,764</u>	<u>(275)</u>	<u>36</u>	<u>-</u>	<u>5,199</u>
<b>Total Restricted funds</b>	<u>2,209</u>	<u>4,420</u>	<u>(3,189)</u>	<u>-</u>	<u>1,954</u>	<u>5,394</u>
<b>Total funds</b>	<u><u>2,502</u></u>	<u><u>4,648</u></u>	<u><u>(3,320)</u></u>	<u><u>-</u></u>	<u><u>1,954</u></u>	<u><u>5,784</u></u>

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20. **Statement of funds (continued)**

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

**Unrestricted funds**

Unrestricted funds are to be used towards meeting any of the charitable objectives of the Academy Trust at the discretion of the Trustees.

**General Annual Grant (GAG)**

Funds from the Education and Skills Funding Agency for the provision of education, in line with the funding agreement.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2022. Transfers of £28,000 from restricted funds to the restricted fixed asset fund represents allocations from GAG towards fixed assets. Transfers of £8,000 from restricted funds to the fixed asset funds represents the repayments on the Salix loans.

**Pupil premium**

Additional funds from the Education and Skills Funding Agency to support disadvantaged pupils and close the attainment gap between them and their peers. This is allocated for every pupil who receives free school meals.

**Universal Infant Free School Meals**

These are funds provided by the ESFA to enable the Academy Trust to offer free school meals to pupils in reception, year 1 and year 2.

**Other DfE/ESFA grants**

Other funds provided by the DfE/ESFA for particular purposes within the Academy Trust's educational operations.

**Other Government grants**

These consist of grants from Local Authorities and relate to higher needs grants and nursery grants for the 30 hours free provision.

**Other income**

These consist of restricted income from all other sources to be used primarily for the Academy Trust's educational operations.

**Pension reserve**

Being the fund in relation to the defined benefit pension scheme liability included in the Balance Sheet. The fund is in deficit but given the nature of the liability this is not payable immediately. Plans are in place to address the deficit.

**Restricted fixed asset fund**

The restricted fixed asset fund was funded predominately by the funds inherited on conversion to an Academy Trust from Local Authority following the transfer of assets. It includes further amounts invested in fixed assets. It included further amounts invested in long leasehold property, office equipment and computer equipment. Also included in the funds is depreciation charged on fixed assets held. Transfers of £28,000 from restricted funds to the restricted fixed asset fund represents allocations from GAG towards fixed assets

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20. **Statement of funds (continued)**

**Capital grants**

This consists of Devolved Formula Capital (DFC) and other capital funding from the Local Authority. The DFC is to be used for ICT items, improvements to building and other facilities or capital repairs and refurbishments and minor works. Other capital grants are to be used as per the individual terms of the agreement and for the specific capital projects as applied for.

The Salix loan balance represents the loan liability which was received as part of the CIF funding received for the purchase of tangible fixed assets. As repayments were made against the liability, a transfer will be made from restricted funds against the Salix loan fund. Transfers of £8,000 from restricted funds to the fixed asset funds represents the repayments on the Salix loans.

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**20. Statement of funds (continued)**

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

	<i>Balance at 1 September 2020 £000</i>	<i>Income £000</i>	<i>Expenditure £000</i>	<i>Transfers in/(out) £000</i>	<i>Gains/ (losses) £000</i>	<i>Balance at 31 August 2021 £000</i>
<b>Unrestricted funds</b>						
Extended Services	51	148	(64)	-	-	135
Catering income	-	39	(39)	-	-	-
Other unrestricted income	154	20	(16)	-	-	158
	<u>205</u>	<u>207</u>	<u>(119)</u>	<u>-</u>	<u>-</u>	<u>293</u>
<b>Restricted general funds</b>						
General Annual Grant (GAG)	139	1,984	(1,909)	(42)	-	172
Pupil Premium	-	103	(103)	-	-	-
Teachers' Pay and Pension Grant	-	95	(95)	-	-	-
UIFSM	-	70	(70)	-	-	-
Other DfE/ESFA grants	-	38	(38)	-	-	-
Other Government Grants	-	170	(170)	-	-	-
Other donations	-	3	(3)	-	-	-
Other income	-	45	(45)	-	-	-
Catch-up premium	-	46	(46)	-	-	-
Other DfE/ESFA COVID-19 funding	-	1	(1)	-	-	-
Pension reserve	(1,158)	-	(198)	-	(281)	(1,637)
	<u>(1,019)</u>	<u>2,555</u>	<u>(2,678)</u>	<u>(42)</u>	<u>(281)</u>	<u>(1,465)</u>
<b>Restricted fixed asset funds</b>						
Net book value of fixed assets	3,866	-	(284)	63	-	3,645
SALIX Loans	(37)	-	-	9	-	(28)
Capital Grant (DFC)	1	10	-	-	-	11
Capital Grants (LA)	26	50	-	(30)	-	46
	<u>3,856</u>	<u>60</u>	<u>(284)</u>	<u>42</u>	<u>-</u>	<u>3,674</u>
<b>Total Restricted funds</b>	<u>2,837</u>	<u>2,615</u>	<u>(2,962)</u>	<u>-</u>	<u>(281)</u>	<u>2,209</u>
<b>Total funds</b>	<u>3,042</u>	<u>2,822</u>	<u>(3,081)</u>	<u>-</u>	<u>(281)</u>	<u>2,502</u>

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**21. Analysis of net assets between funds**

	<b>Unrestricted funds 2022 £000</b>	<b>Restricted funds 2022 £000</b>	<b>Restricted fixed asset funds 2022 £000</b>	<b>Total funds 2022 £000</b>
Tangible fixed assets	-	-	3,534	<b>3,534</b>
Current assets	390	438	1,685	<b>2,513</b>
Current liabilities	-	(231)	(8)	<b>(239)</b>
Non-current liabilities	-	-	(12)	<b>(12)</b>
Pension scheme liability	-	(12)	-	<b>(12)</b>
<b>Total 2022</b>	<b>390</b>	<b>195</b>	<b>5,199</b>	<b>5,784</b>

	<i>Unrestricted funds 2021 £000</i>	<i>Restricted funds 2021 £000</i>	<i>Restricted fixed asset funds 2021 £000</i>	<i>Total funds 2021 £000</i>
Tangible fixed assets	-	-	3,645	3,645
Current assets	293	373	57	723
Current liabilities	-	(201)	(8)	(209)
Non-current liabilities	-	-	(20)	(20)
Pension scheme liability	-	(1,637)	-	(1,637)
<b>Total 2021</b>	<b>293</b>	<b>(1,465)</b>	<b>3,674</b>	<b>2,502</b>



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22. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2022 £000	2021 £000
Net income/(expenditure) for the year (as per Statement of Financial Activities)	1,328	(259)
<b>Adjustments for:</b>		
Depreciation (note 15)	275	284
Capital grants from DfE and other capital income (notes 3 and 6)	(1,764)	(60)
Interest receivable (note 5)	(2)	(2)
Defined benefit pension scheme cost less contributions payable (note 28)	300	177
Defined benefit pension scheme finance cost (note 14)	29	21
(Increase)/decrease in debtors (note 16)	(1,649)	75
Increase in creditors (note 18)	30	17
<b>Net cash (used in)/provided by operating activities</b>	<b>(1,453)</b>	<b>253</b>

23. Cash flows from financing activities

	2022 £000	2021 £000
Repayments of borrowing (note 19)	(8)	(9)
<b>Net cash used in financing activities</b>	<b>(8)</b>	<b>(9)</b>

24. Cash flows from investing activities

	2022 £000	2021 £000
Interest from investments (note 5)	2	2
Purchase of tangible fixed assets (note 15)	(164)	(63)
Net movement on the cash investments (note 17)	(1)	(85)
Capital grants from DfE Group (notes 3 and 6)	1,764	60
<b>Net cash provided by/(used in) investing activities</b>	<b>1,601</b>	<b>(86)</b>

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25. Analysis of cash and cash equivalents

	2022 £000	2021 £000
Cash in hand	561	421
<b>Total cash and cash equivalents</b>	<b>561</b>	<b>421</b>

26. Analysis of changes in net debt

	At 1 September 2021 £000	Cash flows £000	At 31 August 2022 £000
Cash at bank and in hand	421	140	561
Debt due within 1 year	(8)	-	(8)
Debt due after 1 year	(20)	8	(12)
Cash investments	255	1	256
	<b>648</b>	<b>149</b>	<b>797</b>

27. Capital commitments

	2022 £000	2021 £000
<b>Contracted for but not provided in these financial statements</b>		
Acquisition of tangible fixed assets	1,717	-

28. Pension commitments

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

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

Contributions amounting to £42,000 were payable to the schemes at 31 August 2022 (2021: £41,000) and are included within creditors.

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28. Pension commitments (continued)

**Teachers' Pension Scheme**

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

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

**Valuation of the Teachers' Pension Scheme**

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

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

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

The employer's pension costs paid to TPS in the year amounted to £224,000 (2021: £228,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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

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28. Pension commitments (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 2022 was £208,000 (2021: £245,000), of which employer's contributions totalled £165,000 (2021: £205,000) and employees' contributions totalled £43,000 (2021: £40,000). The agreed contribution rates for future years are 22.4% for employers and 5% - 12.5% for employees. The updated future rates are expected imminently following the completion of the Triennial review.

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.

**Principal actuarial assumptions**

	2022	2021
	%	%
Rate of increase in salaries	3.55	3.40
Rate of increase for pensions in payment/inflation	3.05	2.90
Discount rate for scheme liabilities	4.25	1.65
Inflation assumption (CPI)	3.05	2.90
Commutation of pensions to lump sums (Pre-April 2008)	50.00	50.00
Commutation of pensions to lump sums (Post-April 2008)	75.00	75.00

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

	2022	2021
	Years	Years
<i>Retiring today</i>		
Males	21.5	21.7
Females	24.0	24.2
<i>Retiring in 20 years</i>		
Males	22.4	22.6
Females	25.7	25.9

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28. Pension commitments (continued)

Sensitivity analysis

	2022 £000	2021 £000
Discount rate +0.1%	(12)	(94)
Discount rate -0.1%	12	94
Mortality assumption - 1 year increase	96	154
Mortality assumption - 1 year decrease	(96)	(154)
CPI rate +0.1%	11	86
CPI rate -0.1%	(11)	(86)

Share of scheme assets

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

	2022 £000	2021 £000
Equities	1,458	1,281
Bonds	669	641
Property	215	155
Cash	48	133
<b>Total market value of assets</b>	<b>2,390</b>	<b>2,210</b>

The actual return on scheme assets was £38,000 (2021: £377,000).

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

	2022 £000	2021 £000
Current service cost	(465)	(337)
Past service cost	-	(45)
Interest income	38	29
Interest cost	(67)	(50)
<b>Total amount recognised in the Statement of Financial Activities</b>	<b>(494)</b>	<b>(403)</b>

The Academy Trust expects to contribute £169,000 to its defined benefit pension scheme in 2023.

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28. Pension commitments (continued)

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

	2022 £000	2021 £000
<b>At 1 September</b>	<b>3,847</b>	<b>2,765</b>
Current service cost	465	337
Past service cost	-	45
Interest cost	67	50
Employee contributions	43	40
Actuarial (gains)/losses	(1,995)	629
Benefits paid	(24)	(19)
<b>At 31 August</b>	<b>2,403</b>	<b>3,847</b>

Changes in the fair value of the Academy Trust's share of scheme assets were as follows:

	2022 £000	2021 £000
<b>At 1 September</b>	<b>2,210</b>	<b>1,607</b>
Interest income	38	29
Actuarial (losses)/gains	(41)	348
Employer contributions	165	205
Employee contributions	43	40
Benefits paid	(24)	(19)
<b>At 31 August</b>	<b>2,391</b>	<b>2,210</b>

29. Operating lease commitments

At 31 August 2022 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £000	2021 £000
Not later than 1 year	-	2

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**30. Related party transactions**

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

No related party transactions took place in the year ended 31 August 2022, other than certain Trustees' remuneration and expenses already disclosed in note 12.

**31. Company Limited By Guarantee**

The Academy Trust is a company limited by guarantee and does not have share capital.

**32. Members' liability**

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