



Company Registration No. 07566298 (England and Wales)

**HARTWELL PRIMARY SCHOOL**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

MONDAY



\*AC42EW1N\*

A05

22/05/2023

#48

COMPANIES HOUSE



# HARTWELL PRIMARY SCHOOL

## CONTENTS

---

	<b>Page</b>
Reference and administrative details	1
Directors' report	2 - 8
Governance statement	9 - 11
Statement of regularity, propriety and compliance	12
Statement of Directors' responsibilities	13
Independent auditor's report on the financial statements	14 - 16
Independent reporting accountant's report on regularity	17 - 18
Statement of financial activities including income and expenditure account	19
Balance sheet	20
Statement of cash flows	21
Notes to the financial statements including accounting policies	22 - 38

---



# HARTWELL PRIMARY SCHOOL

## REFERENCE AND ADMINISTRATIVE DETAILS

---

### Directors

Mr R Alcock (Vice Chair) (Resigned 18 September 2021)  
Mrs L Bruce (School Business Manager)  
Mr M Cox (Chair of Directors)  
Mrs J Pardon (Head Teacher and Accounting Officer) (Resigned 31 August 2022)  
Mr M Isherwood-Crook (Parent Director)  
Mrs M Ball (Co-opted Director)  
Mrs S Sharp (Parent Director) (Resigned 17 July 2022)  
Mr I Messenger (Foundation Director)  
Mrs S McCulloch (Staff Director)  
Mrs C Wilson (Parent Director)  
Mrs B Wise (Parent Director)  
Mrs L Basham (Co-opted Director) (Appointed 26 January 2022)  
Mrs J Johnson (Head Teacher and Accounting Officer) (Appointed 1 September 2022)

### Members

Mr R Alcock  
Mr M Cox  
Peterborough Diocese Church Schools Trust

### Senior Leadership Team

- Head Teacher
- Head Teacher
- KS1 Leader
- KS1 Leader
- Deputy Head Teacher/KS2 Leader

Mrs J Johnson (from 1 September 2022)  
Mrs J Pardon (to 31 August 2022)  
Mrs J Shaw (from 1 September 2022)  
Miss A Bland (to 31 August 2022)  
Mrs S McCulloch

### Company registration number

07566298 (England and Wales)

### Registered office

School Lane  
Hartwell  
Northampton  
NN7 2HL

### Independent auditor

Ellacotts Audit Services Limited  
Countrywide House  
23 West Bar  
Banbury  
Oxfordshire  
OX16 9SA

### Bankers

Natwest  
41 The Drapery  
Northampton  
NN1 2EY



# HARTWELL PRIMARY SCHOOL

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2022

---

The Directors 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 under company law.

The Academy Trust operates an academy for pupils aged 4 to 11 serving a catchment area in Hartwell. It has a pupil capacity of 210 and had a roll of 191 in the school census on 19th May 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 DfE introduced a prohibition on employees being Members from March 2021. As our Articles of Association specifically named the Headteacher in the list of members, it was necessary for them to be updated. As a result of this, and with consent from the ESFA, we adopted the model policy Church of England's Articles of Association (minority version).

The Directors are the trustees of Hartwell Primary School and are also the directors of the charitable company for the purposes of company law. The Charitable Company is known as Hartwell Primary School.

Details of the Directors who served during the year are included in the Reference and Administrative Details on page 1.

#### 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.

#### Directors' indemnities

Since the incorporation of the Charitable company on 16 March 2011 the Directors have been indemnified in respect of their legal liability for financial loss arising as a result of a negligent act, accidental error or omission in the course of their official duties. As explained in Note 11 to the Financial Statement the limit of this indemnity is £10,000,000.



# HARTWELL PRIMARY SCHOOL

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2022**

---

### Method of recruitment and appointment or election of Directors

Following the change in the Articles of Association, the composition of the Governing board is now as follows:

- 1) The number of Directors shall not be less than five, but (unless otherwise determined by ordinary resolution) shall not be subject to a maximum.
- 2) The minimum of two and up to four Parent Directors.
- 3) The school may appoint Co-opted Directors.

The Directors are appointed as follows:

1. The Members shall appoint by ordinary resolution a minimum of three Directors.
2. The Diocesan Corporate Member shall appoint at least two Directors (provided that the total number of Directors appointed in this way does not exceed 25% of the total number of Directors).
3. The total number of Directors (including the Headteacher if they are a Director) who are employees of the school shall not exceed one third of the total number of Directors.
4. Parent Directors shall be elected by parents (or those exercising parental responsibility). A Parent Director must be a parent, or an individual exercising parent responsibility, of a registered pupil at the school at the time when they are elected. The Directors will make all necessary arrangements for the election of a Parent Director.
5. The Directors may appoint Co-opted Directors. A "Co-opted Director" means a person who is appointed to be a Director by being co-opted by Directors who have not themselves been so appointed.

The term of office for any Director is four years.

### Policies and procedures adopted for the induction and training of Directors

In September 2019 we introduced a Director Induction Policy. Hartwell Primary School believes that all Directors must receive a comprehensive induction package in order to successfully fulfil their role. This policy ensures that new Directors are provided with the support and information necessary to give a thorough understanding of their role as a school Director. Through this policy, we aim to ensure that every new Director:

- Is welcomed by the school and governing board.
- Is provided with the necessary tools and information to begin their governance role as early as possible.
- Visits the school to gain contextual information.
- Meets the Head Teacher, governing board, staff and pupils.
- Understands the role of the governing board and its committees.
- Understands their role and responsibilities, and their accountabilities.
- Understands their training needs and requirements, particularly in relation to the DfE's competency framework.
- Is provided with a comprehensive induction pack.
- Is presented with the opportunity to ask questions.

The Governing Body buys into relevant services through the Diocese of Peterborough and also ASK Education, a registered charity based in Northamptonshire comprising of a group of schools working together to improve the life chances of others. Both bodies offer a variety of training courses for Directors.



# HARTWELL PRIMARY SCHOOL

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2022**

---

### Organisational structure

Before conversion to academy status Hartwell Primary School was a Voluntary Controlled Primary School. Though Academy status has brought increased autonomy to the School, the structure of the Governing Body was deemed suitable to undertake similar roles to those required of the Directors of an academy. Consequently, whilst the extra responsibilities of the Governing Body of the Academy Trust have been recognised, its structure still reflects its very successful predecessor.

Directors agreed that from September 2020 they would operate under a revised governance structure. Rather than delegating powers to committees, the whole governing body would meet once every half term. The rationale behind this was to:

- Use Director's time to best effect and reduce the time burden on key Directors. By Directors meeting burden becoming less (in most cases) more time focus can be put on Director visits and monitoring activities
- Avoid repetition between meetings and in turn, being mindful of the Headteacher and School Business Manager workload
- Allow decisions to be made immediately rather than having to be passed through several committees, ensuring rapid turnaround of changes and actions generated at a meeting
- Ensure that every Director has an understanding of the full range of Governing Body responsibilities, enabling more informed and rounded discussions and decisions

Members of the Senior Leadership Team (SLT), in addition to the Head Teacher, attend Directors' Meetings as appropriate.

The Directors are responsible for the strategic management of the Academy including strategic direction, annual budgets, senior staff appointments, policy changes etc. Operational management is the responsibility of the Head Teacher and staff.

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

The Governing Body are responsible for setting the pay and remuneration of key management personnel. They ensure that appropriate arrangements are in place for linking appraisal to pay and are applied consistently. The aggregate remuneration and benefits of those personnel for services to Hartwell Primary School during the year were £222,327 (2021: £210,491).

### Related parties and other connected charities and organisations

The land and buildings are let at a peppercorn rent on a 125 year lease from the Diocese of Peterborough to the Academy Trust.

### **Objectives and activities**

#### Objects and aims

The Academy Trust was set up on 1 April 2011 to advance, for the public benefit, education in the Hartwell area of the County of Northamptonshire by maintaining, operating and developing Hartwell Primary School; a school with a history and tradition dating back to 1861. Hartwell Primary School offers a broad and balanced curriculum in keeping with its standing as a Church of England School.

The aims of the school rest on the following principles:

- At Hartwell Primary our guiding Christian Values and resolute belief that all children can achieve mean that we support and challenge every child to aim for the highest standard in who they are and all they do.
- We aspire for our children to achieve their full potential in every way so that they develop a lifelong love of learning in order to experience life in all its fullness.



# HARTWELL PRIMARY SCHOOL

## DIRECTORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

---

The Directors and staff of Hartwell Primary recognise that this is a Church of England School and on these foundations commit to:

- providing a welcoming, secure and inclusive environment which stimulates our learners to be confident, hardworking and to respond positively to challenge;
- promoting personal responsibility, good citizenship and Christian and British Values that develop high behavioural and moral standards;
- delivering a rich curriculum which ensures balance and breadth, and prepares our children for their future;
- developing learning that is challenging and fun which meets the individual needs of our children;
- encouraging respect for all and active engagement with our community and the wider world.

#### Objectives, strategies and activities

The main objective of the Governing Body is to maintain the traditional ethos, values, standards and achievements of the Academy, whilst continuing to work to fulfil the Academy's medium and longer term development plans. The development plan objectives for the coming year are:

- Quality of Education (including Early Years) – Teaching staff have the skills and knowledge they need to deliver an outstanding, full and balanced curriculum with high expectations for all
- Closing the Gap – Where there are gaps in children's learning, high quality intervention catches children up quickly and where SEND children sustain good progress towards their targets
- Behaviour and Attitudes – Behaviour and attitudes are exceptional which results in a positive and proactive environment where pupils live out the school values
- Personal Development – Opportunities to develop children's character are implicit and explicit throughout school life
- Leadership and Management – Leaders ensure a high quality education for all and prepare children well for their next stage of education and engagement in the wider world.

#### Public benefit

The Directors have considered the Charity Commission's guidance on Public Benefit. The key public benefit delivered by Hartwell Primary School is the maintenance and development of the high quality education provided by the Academy to the young people of Hartwell and the surrounding parishes.

In doing this Hartwell Primary School not only offers a broadly based and balanced academic education but aims to educate the whole individual. A very wide range of extra-curricular activities, educational trips and visits are offered and undertaken. The School works in liaison with Happy Hols Breakfast and After School Club to offer pre and post school care for the community. The Academy also offers its facilities to local groups such as The Archway Trust.

### **Strategic report**

#### **Achievements and performance**

During the year we focused on our curriculum vision, ensuring that our curriculum is clear, ambitious and has vision:

*'Our aim is for children to leave Hartwell Primary School in Year 6, knowing and feeling that the world is an exciting place, full of diversity and opportunities for all. We want them to have confidence and to hold their own in conversations with others and to give opinions that are based on knowledge and understanding.'*

*'Through our curriculum, the children will want to take part in a range of learning opportunities and experiences to engage with the wider world. We want children to leave our school with ambition for the future.'*

We developed the curriculum section of the school website, where subject leaders provided key information about each subject's curriculum.



## HARTWELL PRIMARY SCHOOL

### DIRECTORS' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 31 AUGUST 2022

---

Our wrap-around care provider, Happy Hols, already provide a high quality provision for our children for both before and after school care. They have now extended this provision to offering care on site during the school holidays, which our parents have welcomed. This care is also offered to children from the local community who do not attend our school.

This year we developed our outdoor area in a number of ways. In October we held a volunteer gardening day, where staff, families and members of the local community came together to improve our vegetable patch. Raised beds were installed, along with a shed for the children to store their gardening tools. In order to improve our science curriculum, the pond area was cleared of all overgrown shrubs, rotten decking removed and the area prepared for development. New decking was installed to allow children to safely pond-dip.

In order to develop the gross motor skills of children in the reception class, we developed the early year's outdoor area. Two pieces of climbing equipment were installed, along with a new wet-pour safety surface throughout.

Works on the school building took place across the year using the Condition Improvement Funding that we were awarded in 2020/21. Works started in November on replacing the roof. New insulation and a waterproof roofing system were installed, along with new windows in the hall to accommodate the change in roof height. At Easter, works for a new heating system began, initially with asbestos removal in the plant room. Between May and August, the boilers were replaced following by new pipework and radiators throughout school.

Finally, after 5 years leading our school, our Headteacher Jamie Pardon moved on to new challenges. Following a rigorous recruitment process, we welcomed Jac Johnson to our school as our new Headteacher from September 2022.

#### Key performance indicators

Most of the Academy's income is obtained from the DfE via the ESFA in the form of its General Annual Grant (GAG), the use of which is restricted to particular purposes; i.e. the objects of the Academy Trust. The GAG received during the period covered by this report and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

In accordance with the Charities SORP 2019, the Devolved Formula Capital received is shown in the Statement of Financial Activities (SOFA) as Restricted Fixed Asset Funds.

During the year ended 31 August 2022 total incoming resources were £953,145 (2021: £1,661,267). The total revenue expenditure was £1,126,999 (2021: £1,057,867), and £628,731 (2021: £7,917) was spent on fixed assets. At 31 August 2022 the net book value of tangible fixed assets was £2,171,925 (2021: £1,609,492) and movements in tangible fixed assets are shown in note 12 to the financial statements. The assets were used exclusively for providing education and associated support services to the pupils of the Academy.

#### Going concern

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

#### Financial review

##### Reserves policy

The Governing Body has reviewed reserve levels and are confident that they should provide sufficient working capital to cover delays between spending and receipt of grants and to allow for unexpected situations such as urgent maintenance work. Under normal circumstances the Directors would aim to maintain reserves of between four and six weeks of working capital as an appropriate cushion.

As of 31 August 2022 the Academy had Restricted General Reserves of £94,760 (2021: £(321,444)). This includes the Local Government Pension Scheme pension reserve surplus of £22,000 (2021: £440,000 deficit).



# HARTWELL PRIMARY SCHOOL

## DIRECTORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

---

The Academy had Restricted Fixed Asset Reserves of £2,245,184 (2021: £2,305,344) representing the land and buildings relating to the School and assets acquired by restricted grants. The Academy also had Unrestricted Reserves of £95,115 (2021: £83,013).

Net expenditure for the year was £173,854 (2021: £603,400 net income) and at 31 August 2022 total reserves were £2,435,059 (2021: £2,066,913).

#### Investment policy

Apart from the cash held for the operation of the Academy, Hartwell Primary School has no realisable investments. With respect to its cash holdings the Governing Body has adopted a low risk strategy. The Academy maintains a Business Account with a Liquidity Select Account attached, generating higher interest, with sweeping and switching to ensure that adequate funds are available in the business account whilst maintaining a balance in the liquidity select account as high as possible.

#### Principal risks and uncertainties

The Directors of Hartwell Primary School acknowledge their responsibility to undertake an assessment of possible risks to the future of the academy. Risks identified included the impact on the overall running of the Academy of the loss of data or key personnel.

The Directors have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and their finances. The Directors have implemented a number of systems to assess risks that the Academy faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and Academy trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of Academy grounds) and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

#### **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**

We are planning a bid for further Condition Improvement Funding for an upgrade to our fire safety and emergency lighting.

We aim to continue to improve our outdoor provision across the site. Following the development of the Early Years outdoor area, we hope to improve the safety surface around the trim trail.

We hope to start developing and improving our kitchen provision – this will include new ovens and re-organising the space.

In order to improve our SEND provision, we are developing a sensory room. This will create a nurturing environment which ensures well-being is at the heart of what we do.

The SIAMS report is the Statutory Inspection of Anglican and Methodist Schools which takes place every 5 years. Our next SIAMS inspection will be in 2024. David Dyson is a Schools Consultant from the Diocese of Peterborough and will support our school in preparing for this inspection. This year, Directors had training to understand more about the inspection, and how they can support the school. The focus will be on the question, "How effective is the school's distinctive Christian vision, established and promoted by leadership at all levels, in enabling pupils and adults to flourish?"

#### **Funds held as custodian trustee on behalf of others**

The Academy Trust and its Trustees do not act as Custodian Trustees of any other charity.



# HARTWELL PRIMARY SCHOOL

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2022**

---

### Auditor

In so far as the Directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Directors 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.

A resolution proposing that Ellacotts Audit Services Limited be reappointed as auditor of the charitable company will be put to the members.

The Directors' report, incorporating a strategic report, was approved by order of the Board of Directors, as the company directors, on ~~13.12.22~~ and signed on its behalf by:

Mr M Cox  
Chair of Directors



# HARTWELL PRIMARY SCHOOL

## GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2022

### Scope of responsibility

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

The Board of Directors has delegated the day-to-day responsibility to the Head Teacher, 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 Hartwell Primary School and the Secretary of State for Education. They are also responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control.

### Governance

The information on governance included here supplements that described in the Directors' Report and in the Statement of Directors' Responsibilities. The Board of Directors has formally met 6 times during the year. Attendance during the year at meetings of the Board of Directors was as follows:

Directors	Meetings attended	Out of possible
Mr R Alcock (Vice Chair) (Resigned 18 September 2021)	0	0
Mrs L Bruce (School Business Manager)	6	6
Mr M Cox (Chair of Directors)	6	6
Mrs J Pardon (Head Teacher and Accounting Officer) (Resigned 31 August 2022)	6	6
Mr M Isherwood-Crook (Parent Director)	5	6
Mrs M Ball (Co-opted Director)	5	6
Mrs S Sharp (Parent Director) (Resigned 17 July 2022)	5	6
Mr I Messenger (Foundation Director)	4	6
Mrs S McCulloch (Staff Director)	6	6
Mrs C Wilson (Parent Director)	5	6
Mrs B Wise (Parent Director)	5	6
Mrs L Basham (Co-opted Director) (Appointed 26 January 2022)	3	4
Mrs J Johnson (Head Teacher and Accounting Officer) (Appointed 1 September 2022)	0	0

Our School Development Plan highlights the role of our governing body under the Ofsted key judgement "Leadership & Management". The key objective for Directors is to use up to date knowledge of the roles and responsibilities of governance in order provide robust support and challenge to the school and specifically, the Senior Leadership Team. Directors have set the following actions in order to achieve this:

- Amended Director meeting structure enables increased support and challenge through monitoring visits to school (with an annual focus of the Equality Act)
- Directors workload is effectively covered under the new structure
- Director monitoring visits identify how staff carry out their equality duty in all that they do.

The Board of Directors ensures it has access to data that is objective, of a high quality and that is available on a timely basis. This helps ensure we can create robust accountability. Directors had undertaken appropriate training in order to help the board identify from the data any issues that need to be discussed and addressed as a priority.

Sources of educational and financial data used by the governing body include:

- Schools financial benchmarking website
- Schools performance tables
- Analyse school performance (ASP)



## HARTWELL PRIMARY SCHOOL

### GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2022**

---

#### **Review of value for money**

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

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

The Accounting Officer has delivered improved value for money during the year. The servers that were running the school library system and the finance software had reached the end of their useful life and required replacement. Rather than replace the servers, both systems were moved to a cloud-based option. This meant there are no future IT hardware costs, energy costs are reduced and both systems are kept up to date with the latest version of software automatically applied. In addition, the telephone system has been changed to a VOIP (voice over internet protocol) system. This is a software-based software system, which reduces costs through no hardware to maintain and increased telephone features.

#### **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 Hartwell Primary School for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

#### **Capacity to handle risk**

The Board of Directors 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 Directors is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 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 Directors.

#### **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 Directors;
- regular reviews by the finance and leadership team of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties; and
- identification and management of risks.

The Board of Directors has considered the need for a programme of internal scrutiny which provides independent assurance to the board that its financial and non-financial controls and risk management procedures are operating effectively. This work has been carried out by Chromium Financial Solutions (CFS), a bought-in internal audit service which focusses on:

- Evaluating the suitability of, and level of compliance with, financial and non-financial controls
- Offering advice and insight to the board on how to address weaknesses in financial and non-financial controls
- Ensuring all categories of risk are adequately identified, reported and managed



## HARTWELL PRIMARY SCHOOL

### GOVERNANCE STATEMENT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

---

CFS's role includes the independent checking of financial controls, systems, transactions and risks. In particular, this included reviewing:

- Cash and bank
- Procurement
- Payroll and HR
- Finance processes
- Monthly financial closedown
- Management Information
- Information Technology
- Business Continuity

Twice a year CFS reports to the Board of Directors on the operation of the systems of control and on the discharge of the Board of Directors' financial responsibilities and annually prepares an annual 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 Board of Directors confirms that CFS have delivered their schedule of work as planned and no material issues have arisen as a result of their work.

#### **Review of effectiveness**

As Accounting Officer the Head Teacher 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 external auditor CFS;
- 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 Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Personnel Team and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the Board of Directors on **13.12.22** and signed on its behalf by:

Mr M Cox  
Chair of Directors

Mrs J Johnson  
Head Teacher and Accounting Officer



## HARTWELL PRIMARY SCHOOL

### STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

*FOR THE YEAR ENDED 31 AUGUST 2022*

---

As Accounting Officer of Hartwell Primary School I have considered my responsibility to notify the Academy Trust Board of Directors and the Education & 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's Board of Directors are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 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 Directors and ESFA.

Mrs J Johnson  
Accounting Officer

13.12.22



## HARTWELL PRIMARY SCHOOL

### STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2022

---

The directors (who also act as trustees for Hartwell Primary School) are responsible for preparing the Directors' report and the financial statements in accordance with the Academy Accounts Direction 2021 to 2022 as published by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under company law the Directors 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 Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in 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 operation.

The Directors 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 Directors 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 that grants received from ESFA/DfE have been applied for the purposes intended.

The Directors 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 Directors on **13.12.22** and signed on its behalf by:

Mr M Cox  
Chair of Directors



## HARTWELL PRIMARY SCHOOL

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HARTWELL PRIMARY SCHOOL

*FOR THE YEAR ENDED 31 AUGUST 2022*

---

#### **Opinion**

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

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company'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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education & Skills Funding Agency.

#### **Basis for opinion**

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

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Directors' 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 Directors with respect to going concern are described in the relevant sections of this report.

#### **Other information**

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

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

We have nothing to report in this regard.



## HARTWELL PRIMARY SCHOOL

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HARTWELL PRIMARY SCHOOL (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2022**

---

#### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Directors' report including the incorporated strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report including the incorporated strategic report and directors' report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report, including the incorporated strategic report and directors' 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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of Directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page 14, the Directors (who are also the directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors 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 Directors either intend to liquidate the charitable company, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

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

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.



## HARTWELL PRIMARY SCHOOL

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HARTWELL PRIMARY SCHOOL (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2022**

---

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

- Enquiry of management and those charged with governance around actual and potential litigation and claims.
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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

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

*Charlotte Toemaes*

**Charlotte Toemaes BSc FCA (Senior Statutory Auditor)**  
**for and on behalf of Ellacotts Audit Services Limited**

#### **Chartered Accountants**

##### **Statutory Auditor**

Countrywide House  
Banbury  
Oxfordshire  
England  
OX16 9SA

Date : **15.12.22**



## HARTWELL PRIMARY SCHOOL

### INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO HARTWELL PRIMARY SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY

***FOR THE YEAR ENDED 31 AUGUST 2022***

---

In accordance with the terms of our engagement letter dated December 2020 and further to the requirements of the Education & 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 Hartwell Primary School during the period 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 Hartwell Primary School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Hartwell 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 Hartwell Primary School and ESFA, for our work, for this report, or for the conclusion we have formed.

#### **Respective responsibilities of Hartwell Primary School's accounting officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of Hartwell Primary School's funding agreement with the Secretary of State for Education dated 31 March 2011 and the Academies Financial 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 period 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.

The work undertaken to draw to our conclusion includes:

- reviewing the minutes of the meetings of the Board of Directors and other evidence available to us, relevant to our consideration of regularity;
- a review of the objectives and activities of the academy, with reference to the income streams and other information available to us as auditors of the academy;
- testing of a sample of payroll payments to staff;
- testing of a sample of payments to suppliers and other third parties; and
- testing of a sample of grants received and other income streams;
- evaluation of the internal control procedures and reporting lines, and testing as appropriate.



## HARTWELL PRIMARY SCHOOL

### INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO HARTWELL PRIMARY SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2022**

---

#### **Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 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.

*Ellacotts Audit Services Limited*

#### **Reporting Accountant**

Ellacotts Audit Services Limited  
Countrywide House  
23 West Bar  
Banbury  
Oxfordshire  
OX16 9SA  
England

Dated: **15.12.22**



# HARTWELL PRIMARY SCHOOL

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2022 £	Total 2021 £
<b>Income and endowments from:</b>						
Donations and capital grants	3	-	8,640	6,138	14,778	703,877
Charitable activities:						
- Funding for educational operations	4	-	900,794	-	900,794	937,056
Other trading activities	5	11,956	25,471	-	37,427	20,306
Investments	6	146	-	-	146	28
<b>Total</b>		<u>12,102</u>	<u>934,905</u>	<u>6,138</u>	<u>953,145</u>	<u>1,661,267</u>
<b>Expenditure on:</b>						
Charitable activities:						
- Educational operations	8	-	1,060,701	66,298	1,126,999	1,057,867
<b>Total</b>	7	<u>-</u>	<u>1,060,701</u>	<u>66,298</u>	<u>1,126,999</u>	<u>1,057,867</u>
<b>Net income/(expenditure)</b>		12,102	(125,796)	(60,160)	(173,854)	603,400
<b>Other recognised gains/(losses)</b>						
Actuarial gains/(losses) on defined benefit pension schemes	19	-	542,000	-	542,000	(87,000)
<b>Net movement in funds</b>		12,102	416,204	(60,160)	368,146	516,400
<b>Reconciliation of funds</b>						
Total funds brought forward		83,013	(321,444)	2,305,344	2,066,913	1,550,514
Total funds carried forward		<u>95,115</u>	<u>94,760</u>	<u>2,245,184</u>	<u>2,435,059</u>	<u>2,066,914</u>



# HARTWELL PRIMARY SCHOOL

## BALANCE SHEET AS AT 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	12		2,171,925		1,609,492
<b>Current assets</b>					
Debtors	13	192,127		751,581	
Cash at bank and in hand		291,502		257,540	
		483,629		1,009,121	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	14	(213,071)		(82,275)	
<b>Net current assets</b>			270,558		926,846
<b>Total assets less current liabilities</b>			2,442,483		2,536,338
Creditors: amounts falling due after more than one year	15		(29,424)		(29,424)
<b>Net assets before defined benefit pension scheme asset/(liability)</b>			2,413,059		2,506,914
Defined benefit pension scheme asset/(liability)	19		22,000		(440,000)
<b>Total net assets</b>			2,435,059		2,066,914
<b>Funds of the Academy Trust:</b>					
<b>Restricted funds</b>	17				
- Fixed asset funds			2,245,184		2,305,344
- Restricted income funds			72,760		118,557
- Pension reserve			22,000		(440,000)
<b>Total restricted funds</b>			2,339,944		1,983,901
<b>Unrestricted income funds</b>	17		95,115		83,013
<b>Total funds</b>			2,435,059		2,066,914

The financial statements on pages 19 to 38 were approved by the Directors and authorised for issue on 13.12.22 and are signed on their behalf by:

Mr M Cox  
Chair of Directors

Company Number 07566298



# HARTWELL PRIMARY SCHOOL

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Net cash used in operating activities	20		(66,255)		(703,115)
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		146		28	
Capital grants from DfE Group		728,802		6,329	
Capital funding received from sponsors and others		-		697,439	
Purchase of tangible fixed assets		(628,731)		(7,917)	
<b>Net cash provided by investing activities</b>			100,217		695,879
<b>Cash flows from financing activities</b>					
New other loan		-		29,424	
<b>Net cash (used in)/provided by financing activities</b>			-		29,424
<b>Net increase in cash and cash equivalents in the reporting period</b>			33,962		22,188
Cash and cash equivalents at beginning of the year			257,540		235,352
<b>Cash and cash equivalents at end of the year</b>			291,502		257,540



# HARTWELL PRIMARY SCHOOL

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

---

### 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

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements 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.

The financial statements are prepared in sterling, the functional currency, rounded to the nearest £1.

#### 1.2 Going concern

The Directors assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The Directors 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.

#### 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 period 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 the receipt is probable and it can be measured reliably.

##### Donations

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



## HARTWELL PRIMARY SCHOOL

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

#### 1 Accounting policies

(Continued)

##### Other income

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

##### Donated goods, facilities and services

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

##### Donated fixed assets

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

#### 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 are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

##### Expenditure on raising funds

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

##### 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.

#### 1.5 Tangible fixed assets and depreciation

Assets costing £500 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 that require the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.



## HARTWELL PRIMARY SCHOOL

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

#### 1 Accounting policies

(Continued)

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

Leasehold buildings	50 years straight line
Leasehold improvements	20 years straight line
Fixtures, fittings & equipment	4 years straight line

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the statement of financial activities.

#### 1.6 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.

#### 1.7 Leased assets

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

#### 1.8 Financial instruments

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

##### Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. 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. 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.

#### 1.9 Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### 1.10 Pensions benefits

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



## HARTWELL PRIMARY SCHOOL

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

#### 1 Accounting policies

(Continued)

The TPS is an unfunded scheme and contributions are calculated 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 based on quadrennial valuations using a prospective unit credit method. The 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 are 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 or 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.

##### 1.11 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 Directors.

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

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

#### 2 Critical accounting estimates and areas of judgement

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

##### Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, 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.



# HARTWELL PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Private sponsorship	-	8,640	8,640	108
Donated fixed assets	-	-	-	4,200
Capital grants	-	6,138	6,138	699,569
	-	14,778	14,778	703,877

The income from donations and capital grants was £14,778 (2021: £703,877) of which £8,640 was restricted (2021: £108) and £6,138 was restricted fixed assets (2021: £703,769).

### 4 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
<b>DfE/ESFA grants</b>				
General annual grant (GAG)	-	798,380	798,380	788,977
Other DfE/ESFA grants:				
UFSM	-	27,460	27,460	26,724
Pupil premium	-	24,865	24,865	28,900
Others	-	17,670	17,670	17,770
	-	868,375	868,375	862,371
<b>Other government grants</b>				
Other government grants	-	32,419	32,419	59,405
<b>COVID-19 additional funding</b>				
<b>DfE/ESFA</b>				
Catch-up premium	-	-	-	15,280
<b>Total funding</b>	-	900,794	900,794	937,056

The income from funding for educational operations was £900,794 (2021: £937,056) of which £900,794 was restricted (2021: £937,056).



# HARTWELL PRIMARY SCHOOL

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

### 5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Music tuition	11,956	-	11,956	8,021
Parental contributions	-	12,663	12,663	2,627
Other income	-	12,808	12,808	9,658
	<u>11,956</u>	<u>25,471</u>	<u>37,427</u>	<u>20,306</u>

The income from other trading activities was £37,427 (2021: £20,306) of which £11,956 was unrestricted (2021: £8,021) and £25,471 was restricted (2021: £12,285).

### 6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Short term deposits	146	-	146	28
	<u>146</u>	<u>-</u>	<u>146</u>	<u>28</u>

The income from funding for investment income was £146 (2021: £28) of which £146 was unrestricted (2021: £28).

### 7 Expenditure

	Staff costs £	Non Pay Expenditure Premises £	Other £	Total 2022 £	Total 2021 £
Academy's educational operations					
- Direct costs	739,251	66,298	81,258	886,807	755,859
- Allocated support costs	165,145	29,888	45,159	240,192	302,008
	<u>904,396</u>	<u>96,186</u>	<u>126,417</u>	<u>1,126,999</u>	<u>1,057,867</u>

#### Net income/(expenditure) for the year includes:

	2022 £	2021 £
Fees payable to auditor for:		
- Audit	5,500	5,250
- Other services	3,015	3,355
Depreciation of tangible fixed assets	66,298	67,139
Net interest on defined benefit pension liability	7,000	6,000
	<u>71,813</u>	<u>81,744</u>



# HARTWELL PRIMARY SCHOOL

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

### 8 Charitable activities

	2022	2021
	£	£
All from restricted funds:		
<b>Direct costs</b>		
Educational operations	886,807	755,859
<b>Support costs</b>		
Educational operations	240,192	302,008
	<u>1,126,999</u>	<u>1,057,867</u>

The expenditure on charitable activities was £1,126,999 (2021: £1,057,867) of which £1,060,701 was restricted (2021: £990,728) and £66,298 was restricted fixed assets (2021: £67,139).

	2022	2021
	£	£
<b>Analysis of support costs</b>		
Support staff costs	165,145	133,841
Technology costs	1,466	260
Premises costs	29,888	30,217
Other support costs	35,502	64,549
Governance costs	8,191	73,141
	<u>240,192</u>	<u>302,008</u>

### 9 Staff

#### Staff costs

Staff costs during the year were:

	2022	2021
	£	£
Wages and salaries	602,686	503,397
Social security costs	51,829	49,182
Pension costs	247,581	215,639
	<u>902,096</u>	<u>768,218</u>
Agency staff costs	702	(680)
Staff development and other staff costs	6,851	6,035
	<u>909,649</u>	<u>773,573</u>



## HARTWELL PRIMARY SCHOOL

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

#### 9 Staff

(Continued)

##### Staff numbers

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

	2022 Number	2021 Number
Teachers	9	9
Administration and support	8	8
	<u>17</u>	<u>17</u>

##### Higher paid staff

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

	2022 Number	2021 Number
£60,001 - £70,000	<u>1</u>	<u>1</u>

##### Key management personnel

The key management personnel of the Academy Trust comprise the Directors and the Senior Leadership Team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £222,327 (2021: £210,491).

#### 10 Directors' remuneration and expenses

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

The value of Directors' remuneration and other benefits was as follows:

Mrs J Pardon, Head Teacher and Accounting Officer

Remuneration £70,000 - £75,000 (2021: £65,000 - £70,000)

Employer's pension contributions £15,000 - £20,000 (2021: £15,000 - £20,000)

Mrs L Bruce, Bursar Staff Director

Remuneration £30,000 - £35,000 (2021: £30,000 - £35,000)

Employer's pension contributions £5,000 - £10,000 (2021: £5,000 - £10,000)

Mrs S McCulloch, Staff Director

Remuneration £50,000 - £55,000 (2021: £50,000 - £55,000)

Employer's pension contributions £10,000 - £15,000 (2021: £10,000 - £15,000)

During the year, no Directors received any reimbursement of expenses (2021: £Nil).



# HARTWELL PRIMARY SCHOOL

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

### 11 Directors' and officers' insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £10,000,000 on any one claim. The cost for the year ended 31 August 2022 is not separately identifiable. The cost of this is included in the total insurance cost.

### 12 Tangible fixed assets

	Leasehold buildings	Leasehold improvements	Fixtures, fittings & equipment	Total
	£	£	£	£
<b>Cost</b>				
At 1 September 2021	1,460,966	532,485	255,776	2,249,227
Additions	611,575	8,595	8,561	628,731
At 31 August 2022	2,072,541	541,080	264,337	2,877,958
<b>Depreciation</b>				
At 1 September 2021	204,301	210,332	225,102	639,735
Charge for the year	20,439	27,161	18,698	66,298
At 31 August 2022	224,740	237,493	243,800	706,033
<b>Net book value</b>				
At 31 August 2022	1,847,801	303,587	20,537	2,171,925
At 31 August 2021	1,256,665	322,153	30,674	1,609,492

Included within Leasehold Buildings is £438,998 of land that is not depreciated.

### 13 Debtors

	2022 £	2021 £
Trade debtors	103	(51)
VAT recoverable	46,217	6,363
Prepayments and accrued income	145,807	745,269
	192,127	751,581



# HARTWELL PRIMARY SCHOOL

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

### 14 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	152,803	22,459
Other taxation and social security	12,687	12,418
Other creditors	14,392	14,905
Accruals and deferred income	33,189	32,493
	<u>213,071</u>	<u>82,275</u>

### 15 Creditors: amounts falling due after more than one year

	2022 £	2021 £
Government loans	29,424	29,424
	<u>29,424</u>	<u>29,424</u>

Analysis of loans	2022 £	2021 £
Wholly repayable within five years	29,424	29,424
Less: included in current liabilities	-	-
Amounts included above	<u>29,424</u>	<u>29,424</u>

### 16 Deferred income

	2022 £	2021 £
Deferred income is included within:		
Creditors due within one year	23,391	21,648
	<u>23,391</u>	<u>21,648</u>
Deferred income at 1 September 2021	21,648	23,901
Released from previous years	(21,648)	(23,901)
Amounts deferred in the year	23,391	21,648
	<u>23,391</u>	<u>21,648</u>
Deferred income at 31 August 2022	<u>23,391</u>	<u>21,648</u>

At the balance sheet date the Academy was holding funds received in advance in respect of its pupil premium funding and universal infant free school meals funding for 2021/22.



# HARTWELL PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 17 Funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	118,556	798,380	(844,176)	-	72,760
UIFSM	-	27,460	(27,460)	-	-
Pupil premium	-	24,865	(24,865)	-	-
Other DfE/ESFA grants	-	17,670	(17,670)	-	-
Other government grants	-	32,419	(32,419)	-	-
Other restricted funds	-	34,111	(34,111)	-	-
Pension reserve	(440,000)	-	(80,000)	542,000	22,000
	<u>(321,444)</u>	<u>934,905</u>	<u>(1,060,701)</u>	<u>542,000</u>	<u>94,760</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	1,265,433	-	(47,600)	-	1,217,833
DfE group capital grants	1,035,886	6,138	(17,648)	-	1,024,376
Donated assets	4,025	-	(1,050)	-	2,975
	<u>2,305,344</u>	<u>6,138</u>	<u>(66,298)</u>	<u>-</u>	<u>2,245,184</u>
<b>Total restricted funds</b>	<u>1,983,900</u>	<u>941,043</u>	<u>(1,126,999)</u>	<u>542,000</u>	<u>2,339,944</u>
<b>Unrestricted funds</b>					
General funds	<u>83,013</u>	<u>12,102</u>	<u>-</u>	<u>-</u>	<u>95,115</u>
<b>Total funds</b>	<u>2,066,913</u>	<u>953,145</u>	<u>(1,126,999)</u>	<u>542,000</u>	<u>2,435,059</u>

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

Unrestricted funds - these funds represent lettings and interest during the period. The funds can be utilised towards meeting any of the charitable objects of the Academy at the discretion of the Directors.

Restricted funds - these funds arise from funding from the Department for Education and the Local authority.

Restricted fixed asset funds - these funds represent the assets acquired on conversion to an Academy, plus subsequent additions and disposals. Depreciation and capital grants are also attributable to this fund.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2022.



# HARTWELL PRIMARY SCHOOL

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

### 17 Funds

(Continued)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	106,836	788,977	(777,256)	-	118,557
UIFSM	-	26,724	(26,724)	-	-
Pupil premium	-	28,900	(28,900)	-	-
Other DfE/ESFA grants	-	17,770	(17,770)	-	-
Other government grants	-	59,405	(59,405)	-	-
Catch up premium	-	15,280	(15,280)	-	-
Other restricted funds	-	12,393	(12,393)	-	-
Pension reserve	(300,000)	-	(53,000)	(87,000)	(440,000)
	<u>(193,164)</u>	<u>949,449</u>	<u>(990,728)</u>	<u>(87,000)</u>	<u>(321,443)</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	1,285,872	-	(20,439)	-	1,265,433
DfE group capital grants	382,842	699,569	(46,525)	-	1,035,886
Donated assets	-	4,200	(175)	-	4,025
	<u>1,668,714</u>	<u>703,769</u>	<u>(67,139)</u>	<u>-</u>	<u>2,305,344</u>
<b>Total restricted funds</b>	<u>1,475,550</u>	<u>1,653,218</u>	<u>(1,057,867)</u>	<u>(87,000)</u>	<u>1,983,901</u>
<b>Unrestricted funds</b>					
General funds	<u>74,964</u>	<u>8,049</u>	<u>-</u>	<u>-</u>	<u>83,013</u>
<b>Total funds</b>	<u>1,550,514</u>	<u>1,661,267</u>	<u>(1,057,867)</u>	<u>(87,000)</u>	<u>2,066,914</u>

### 18 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2022 £
<b>Fund balances at 31 August 2022 are represented by:</b>				
Tangible fixed assets	-	-	2,171,925	2,171,925
Current assets	337,610	72,760	73,259	483,629
Creditors falling due within one year	(213,071)	-	-	(213,071)
Creditors falling due after one year	(29,424)	-	-	(29,424)
Defined benefit pension asset	-	22,000	-	22,000
	<u>95,115</u>	<u>94,760</u>	<u>2,245,184</u>	<u>2,435,059</u>



# HARTWELL PRIMARY SCHOOL

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

### 18 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2021 £
<b>Fund balances at 31 August 2021 are represented by:</b>				
Tangible fixed assets	-	-	1,609,492	1,609,492
Current assets	194,712	118,557	695,852	1,009,121
Creditors falling due within one year	(82,275)	-	-	(82,275)
Creditors falling due after one year	(29,424)	-	-	(29,424)
Defined benefit pension asset	-	(440,000)	-	(440,000)
	<u>83,013</u>	<u>(321,443)</u>	<u>2,305,344</u>	<u>2,066,914</u>

### 19 Pension and similar obligations

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Northamptonshire 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 that of the LGPS related to the period ended 31 March 2019.

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

#### 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 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.



# HARTWELL PRIMARY SCHOOL

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

### 19 Pension and similar obligations

(Continued)

The key elements of the valuation and subsequent consultation are:

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

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

The total contribution made for the year ended 31 August 2022 was £123,181 (2021: £121,331) of which employer's contributions totalled £87,916 (2021: £86,710) and employees' contributions totalled £35,265 (2021: £34,621).

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

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

#### Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The estimated value of employer contributions for the forthcoming year is £34,000 (2021: £33,000).

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.

Total contributions made	2022 £	2021 £
Employer's contributions	34,000	33,000
Employees' contributions	10,000	10,000
Total contributions	44,000	43,000
Principal actuarial assumptions	2022 %	2021 %
Rate of increase in salaries	3.55	3.4
Rate of increase for pensions in payment/inflation	3.05	2.9
Discount rate for scheme liabilities	4.25	1.65



# HARTWELL PRIMARY SCHOOL

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

### 19 Pension and similar obligations

(Continued)

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

	2022 Years	2021 Years
Retiring today		
- Males	21.7	21.7
- Females	24.1	24.1
Retiring in 20 years		
- Males	22.8	22.8
- Females	25.8	25.8

#### The Academy Trust's share of the assets in the scheme

	2022 Fair value £	2021 Fair value £
Equities	505,770	499,820
Bonds	117,280	149,200
Cash	7,330	7,460
Property	102,620	89,520
Total market value of assets	733,000	746,000

The actual return on scheme assets was £(49,000) (2021: £120,000).

#### Amount recognised in the Statement of Financial Activities

	2022 £	2021 £
Current service cost	107,000	80,000
Interest income	(13,000)	(10,000)
Interest cost	20,000	16,000
Total operating charge	114,000	86,000

#### Changes in the present value of defined benefit obligations

	2022 £
At 1 September 2021	1,186,000
Current service cost	107,000
Interest cost	20,000
Employee contributions	10,000
Actuarial (gain)/loss	(604,000)
Benefits paid	(8,000)
At 31 August 2022	711,000



# HARTWELL PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 19 Pension and similar obligations

(Continued)

#### Changes in the fair value of the Academy Trust's share of scheme assets

	2022 £
At 1 September 2021	746,000
Interest income	13,000
Actuarial loss/(gain)	(62,000)
Employer contributions	34,000
Employee contributions	10,000
Benefits paid	(8,000)
At 31 August 2022	733,000

### 20 Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2022 £	2021 £
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(173,855)	603,400
Adjusted for:		
Capital grants from DfE and other capital income	(6,138)	(703,769)
Investment income receivable	(146)	(28)
Defined benefit pension costs less contributions payable	73,000	47,000
Defined benefit pension scheme finance cost	7,000	6,000
Depreciation of tangible fixed assets	66,298	67,139
(Increase) in debtors	(163,210)	(734,051)
Increase in creditors	130,796	11,194
Net cash used in operating activities	(66,255)	(703,115)

### 21 Analysis of changes in net funds

	1 September 2021 £	Cash flows £	31 August 2022 £
Cash	257,540	33,962	291,502



## HARTWELL PRIMARY SCHOOL

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

---

#### 22 Long-term commitments, including operating leases

At 31 August 2022 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2022 £	2021 £
Amounts due within one year	234	1,357
	<u>234</u>	<u>1,357</u>

#### 23 Related party transactions

No related party transactions took place in the period of account (other than certain Directors' remuneration and expenses already disclosed in note 10).

In the opinion of the Directors, there is no ultimate controlling party.

#### 24 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.