

BARWELL CHURCH OF ENGLAND ACADEMY
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

BARWELL CHURCH OF ENGLAND ACADEMY
(A Company Limited by Guarantee)

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BARWELL CHURCH OF ENGLAND ACADEMY
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	The Diocese of Leicester Educational Trust Reverend Philip Watson Margaret Spence Pauline Clements Paul Bromiley
Trustees	Margaret Spence, Chair ¹ Jason Browning-Williams ¹ David Coopey (resigned 20 April 2023) ¹ Victoria Newman, Head Teacher ¹ Pauline Clements, Vice Chair ¹ Rachael Peace (resigned 11 October 2022) Paul Bromiley Reverend Philip Watson Alex Cole (resigned 14 March 2023) Daniel Green ¹ Julie Ayres (appointed 4 October 2022, resigned 30 July 2023) ¹ Rebecca Dallinger (appointed 20 April 2023) Gemma Hendl (appointed 24 August 2023) Stefan Green (appointed 22 September 2023)
	¹ Finance and audit sub committee
Company registered number	08247528
Company name	Barwell Church of England Academy
Principal and registered office	High Street Barwell Leicestershire LE9 8DS
Senior management team	Victoria Newman, Head Teacher Lisa Stewart, Deputy Head Teacher
Independent auditors	Magma Audit LLP Chartered Accountants Unit 2, Charnwood Edge Business Park Syston Road Cossington Leicester LE7 4UZ
Bankers	Lloyds Bank Plc 23 The Borough Hinckley Leicester LE10 1NL

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Solicitors Lee Bolton Monier-Williams
 1 The Sanctuary
 Westminster
 London
 SW1P 3JT

BARWELL CHURCH OF ENGLAND ACADEMY
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The Trust operates an academy for pupils aged 7 to 11 serving a catchment area in Barwell. It has a pupil capacity of 268 and had a roll of 240 in the school census in 6 October 2022.

Structure, governance and management

• Constitution

The Academy Trust is a company limited by guarantee and was incorporated by a Memorandum of Association. The Academy has exempt charity status and its principal regulator is the Department for Education (DfE).

The Academy is constituted under a Memorandum of Association dated 10 October 2012.

The charitable company was incorporated on 10 October 2012. The school converted to Academy status on 1 November 2012 when its operations, assets and liabilities were transferred to the Academy from the Local Authority.

The Governors act as the Trustees for the charitable activities of Barwell Church of England Academy Trust and are also directors of the charitable company for the purposes of company law. The charitable company is known as Barwell Church of England Academy. Details of the Trustees who served through the year, except as noted, are included in the Reference and Administrative Details.

• 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

Since the incorporation of the charitable company on 10 October 2012, the Trustees have been indemnified in respect of their legal liability for financial loss arising as a result of a negligent act, accidental error or omission in the course of their official duties. The cover under the policy is £5 million and in the period under review the sum of £14 was paid.

• Method of recruitment and appointment or election of Trustees

The management of the Academy is the responsibility of the Trustees who are elected and coopted under the terms of the Memorandum of Association.

The Members may appoint Staff Trustees through such process as they may determine. The Local Authority (LA) may appoint the LA Trustee. Parent Trustees shall be elected by parents of registered pupils at the Academy. The Trustees may appoint up to 2 coopted Trustees.

The Trustees and Members are entitled to nominate one or more Trustees and the Chair talks to the nominee. Foundation Trustees are appointed by Leicester Diocesan Board. Staff Trustees are appointed by Staff election.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, governance and management (continued)

● **Policies adopted for the induction and training of Trustees**

Induction for new Trustees is tailored according to their experience and background. External Trustees are provided with information about the Academy by the clerk to Trustees with an induction pack. New Trustees requiring guidance on the roles of Trustees are provided with external training and through internal meetings and discussion with staff and other Trustees.

Other training for Trustees is provided as required through the Trustee training programme that is purchased through Leicestershire County Council.

● **Organisational structure**

Trustees are responsible for:

- Setting the vision, ethos and objectives for the Academy
- Approving strategic plans and monitoring and evaluating the performance of the Academy against these plans and objectives
- Approving the annual budget and ensuring the solvency of the Academy
- Ensuring that appropriate arrangements are in place to enable the Academy to meet statutory responsibilities
- Providing support and challenge to the leadership team of the Academy

To discharge their responsibilities effectively, the Governing Body have established a Finance Committee and all governors have an individual responsibility and a timetable of monitoring events.

The Senior Leadership Team is responsible to the Trustees for the implementation and monitoring of plans and policies, pupil safeguarding and education and the day to day operation of the Academy. They also provide advice to Trustees on a range of educational and business management functions.

The Trustees have approved a scheme of financial delegation that allows financial responsibilities to be delegated within appropriate limits to facilitate the effective running of the Academy.

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

The Academy follows the national Teachers Pay and Conditions for teachers' pay and set pay increases as agreed through national pay deals and incremental increases following performance review meetings. For support staff we follow Leicestershire local government pay scales and implemented locally agreed pay increases.

● **Related parties and other connected charities and organisations**

The Academy works closely with its feeder infant school (Barwell Infant School) to ensure the pupils involved benefit from a smooth transition from Key Stage 1 to Key Stage 2. The Academy also works closely with its receiving high schools throughout the Hinckley area to ensure that pupils benefit from smooth transition from Key Stage 2 to Key Stage 3. The Academy works closely with the Earl Shilton and Barwell family of schools, working to improve standards of teaching and therefore learning for all pupils, monitoring performance and aiming for continuing excellence.

The Academy is a member of a Teaching School Alliance - TELA, benefiting from a range of collaborative professional development opportunities, and providing training and support for schools within the Alliance.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Objectives and activities

• Objects and aims

Our vision is to: 'Love thy neighbour in a flourishing school community. A community with Jesus' protective love at heart, embracing inclusivity and having the highest expectations for all, both academically and behaviourally. A community that nurtures individuals as a whole, their mind, body and spirit. A loving, knowledgeable community building a rich, challenging curriculum for all.'

This vision comes directly from Jesus: 'A new command I give you: Love one another. As I have loved you, so you must love one another.' John 13.34-35

We work towards achieving our vision through our core commitments:

COMMITMENT 1: to provide a safe environment where support is of a high quality, timely and effective

COMMITMENT 2: to live up to our foundations as a church school and enable all to flourish

COMMITMENT 3: to enable every member of our Barwell Family to feel a complete sense of belonging and achieve to the fullest

COMMITMENT 4: to enable every individual in our Barwell Family to flourish holistically

COMMITMENT 5: to continually drive improvement through knowledgeable leadership

COMMITMENT 6: To provide an academic curriculum full of knowledge that develops children's understanding of their world

COMMITMENT 7: to provide education in its widest sense so that our children are ready for the next stage of education and beyond

• Objectives, strategies and activities

Our School has a 4 year strategic plan that runs from 2023-2027. Targets for each year are drawn from this so that we continually work towards achieving our mission. The areas of focus are centred on our 7 core commitments.

• Public benefit

The Trustees note and acknowledge their responsibilities for the advancement of education for public benefit as set out in the guidance from the Charity Commission. The Articles of Association and Funding Agreement provide details of the structure for the day to day operation of the Academy in accordance with these guidelines.

We have also advanced the education for public benefit by:

- Providing a programme of extra curricular activities for pupils
- Making our site available for adult learning activities at nominal cost
- Making our playing field facilities available outside of school hours for community sport and recreational activities.

The Academy's Trustees have complied with their duty to have regard to the guidance on public benefit published by the Charity Commission.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report

Achievements and performance

● **Key performance indicators**

- Pupils continue to make at least good and often outstanding progress throughout each year group
- Pupils are tracked throughout the year and pupil progress meetings are held termly to track progress
- Year group leaders are responsible for the progress of all children in their year group
- All subject leaders monitor the progress of groups of children in their subjects
- At the end of KS2 outcomes are in line with national outcomes or higher
- Progress across KS2 is in line with national outcomes in maths and writing but above in reading. It is in the top 25% of all schools nationally
- We are working hard to close the gap between disadvantaged children and non-disadvantaged
- Social and emotional needs are exceptionally well met

In 2022/2023 the Academy carried forward a surplus into 2023/24.

● **Going concern**

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue 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 accounting policies.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Financial review

● **Financial review**

The Academy had a net increase in funds for the year ended 31 August 2023 of £65,730 including fixed asset movements but excluding pension reserve movements. As at 31 August 2023 the Academy held £238,072 of unrestricted reserves plus £28,963 of unspent (non fixed asset) restricted funds. The Academy therefore held combined unrestricted and non fixed asset restricted funds, being its available reserves of £267,035.

The Academy Trust had a pension deficit on their Local Government Pension Scheme of £77,000 at 31 August 2023 and a fixed asset reserve of £683,003.

There are no significant factors going forward that are expected to impact on the normal continuing operation of the Academy. The principal financial management policies adopted in the period are included in the Academy's internal financial policies and are typical for an Academy Trust of this size and type. There were no unusual significant events worthy of comment during the year.

The principal sources of funding for the Academy are the General Annual Grant (GAG) and other DfE Group grants, such as Pupil Premium. This funding has been used to support the key educational objectives of the Academy Trust, subject to any remaining reserves.

The Academy's investment policy is only to hold cash reserves on deposit with major holding banks so as to minimise risk.

● **Reserves policy**

The Trustees have developed a reserves policy for the school which is reviewed at least annually. The Academy needs to hold reserves to allow for contingencies such as unfunded building repairs, unexpected staffing costs and to allow for some uncertainty in future government funding. The Trustees have determined that the appropriate level of free reserves, which it considers to be unrestricted funds plus unspent General Annual Grant (GAG), should be approximately 10% of the annual budget, being approximately £110,000.

Actual free reserves plus unspent GAG as at 31 August 2023 were £267,035, being approximately £157,000 higher than the target level set by the Trustees. This excess will be used to support future projects including funding a number of small year groups coming through the school. Cash at bank at 31 August 2023 was £243,048 higher than total available reserves due principally to income received in advance of the 2023/24 academic year.

At 31 August 2023 the Academy's fixed asset reserve of £683,004 represented funds which could only be realised if the assets were sold plus unspent funds.

The only reserve in deficit at the year end was the pension reserve (deficit of £77,000) which will be addressed via contribution rates decided on from time to time by the pension scheme actuaries. This deficit has arisen, as with many other schemes of this type, mainly due to increased life expectancies and reduced investment returns.

● **Investment policy**

The Academy's investment policy is only to hold cash reserves on deposit with major holding banks so as to minimise risk. Available rates are reviewed from time to time and where returns are judged sufficient to more than offset the administrative cost of managing deposit funds, such accounts may be used.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

● **Principal risks and uncertainties**

The principal risk facing the Academy is insufficient demand for the Academy's services leaving it unsustainable. This would lead to a decrease in the grant funding received and the necessity to reorganise the Academy to ensure it could remain with a balanced budget or a plan to get out of a deficit. Pupil numbers are monitored and a 5 year plan has been drawn up to ensure the situation is considered fully by the senior leadership team and Trustees. A comprehensive risk register is in place and is monitored regularly by the Trustees to ensure that risks are treated or tolerated depending on the urgency of the risk.

At Barwell Church of England Academy more than 95% of revenue income is grant driven and therefore there is minimal risk to credit, cash flow and liquidity. The greatest risk is a reduction in this grant funding due to legislative changes or to an unforeseen drop in pupil numbers that would lead to a decrease in funding received. A comprehensive risk register with actions is in place to monitor such risks.

The Trustees have assessed the major risks to which the Academy is exposed, in particular those related to the operations and finances of the Academy, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. A comprehensive risk register with actions is in place to monitor such risks. This will be reviewed regularly and more formally annually.

At 31 August 2023 the pension deficit on the Local Government Pension Scheme stood at £77,000 (2022 - £143,000). The Academy has mitigated its risk in relation to this pension scheme by taking out insurance against early retirement on the grounds of ill health. Changes in contributions rates as decided upon by the actuaries of the scheme are budgeted for as soon as they are known when they are updated every three years.

Parliament has agreed, at the request of the Secretary of State for Education, to guarantee that, in the event of Academy closure, outstanding pension scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Fundraising

Fundraising has been limited to small events held to raise funds for external charities, such as Race For Life and Leicester Children's Holidays. These funds are paid across in full to the nominated charities.

Plans for future periods

We shall continue to bid for grant funding from the CIF (Condition Improvement Fund) to ensure that our buildings remain well maintained and fit for purpose.

We expect key members of staff to be involved in providing support beyond the school. The funds generated through this work will be ploughed back into the staffing budget to ensure that we have the capacity to manage the absence of senior team members without detriment to children's education or staff well being and morale.

Funds held as custodian on behalf of others

There are no assets and arrangements for safe custody and segregation where the Academy Trust or its Trustees are acting as custodian trustee.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

Auditors

The auditors, Magma Audit LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 19 December 2023 and signed on its behalf by:

Margaret Spence
Chair of Trustees

Victoria Newman
Accounting Officer

BARWELL CHURCH OF ENGLAND ACADEMY
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GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Barwell Church of England Academy 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 Barwell Church of England Academy 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.

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GOVERNANCE STATEMENT (CONTINUED)

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 3 times during the year.

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

Trustee	Meetings attended	Out of a possible
Margaret Spence, Chair	3	3
Pauline Clements, Vice Chair	3	3
Jason Browning-Williams	3	3
David Coopey	1	3
Victoria Newman, Head Teacher	3	3
Reverend Philip Watson	2	3
Alex Cole	1	1
Paul Bromiley	2	3
Julie Ayres	3	3
Daniel Green	3	3
Rebecca Dallinger	2	2
Gemma Hendal	0	1
Stefan Green	0	0

Changes in the composition of the Board are indicated on page 1 of the financial statements and all were of a routine nature.

The Board's work was typical for a junior academy trust of its size and type, focusing on the improvement and maintenance of educational standards and on financial and general management. There were no unusual matters worthy of note dealt with by the Trustees during their work.

Conflicts of interest

As a trust we have a number of processes in place to manage conflicts of interest. These include:

- Maintaining an up to date and complete register of interests
- Declaring any conflicts or declarations of interest at the start of each FGB or committee meeting
- Ensuring complete transparency of personal relationships when recruiting governors or employing personnel

Governance reviews

The findings of the annual review carried out during the year to 31 August 2023 were that no changes were necessary. The Board of Trustees intends to conduct another self evaluation review during the forthcoming year. Challenges encountered have been of routine nature concerning finances, staff management and educational standards.

The quality of the data flowing to the Board is considered acceptable by Trustees based on their experience, their own observations, enquiries and judgements.

Frequency of meetings

Although there have been less than 6 Full Board meetings within the year, the monthly finance report will be shared with the Chair of Governors and the management accounts will be shared with the Full Governing Body (FGB) 6 times a year and via email to other members.

The Finance Committee is a sub committee of the Governing Body. Its purpose is to (in consultation with the Headteacher and Business Manager) draft the first formal budget plan of the financial year, establish and maintain an up to date 3 year financial plan, monitor and forecast relevant income and expenditure for all areas

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

(having a whole school perspective on the budget) reporting significant anomalies, check the budget for accuracy and completeness, ensure the school operates within its Financial Regulations and the direction of the Education and Skills Funding Agency, annually review charges, remissions and expenses policies, to approve and make decisions in respect of service agreements, approve and make decisions on expenditure following recommendations from other committees, review and update policies relating to financial matters.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Margaret Spence	3	3
David Coopey	0	3
Victoria Newman	3	3
Jason Browning Williams	3	3
Pauline Clements	2	3
Daniel Green	0	0
Julie Ayres	0	0

Review of value for money

As accounting officer, the Headteacher has responsibility for ensuring that the Academy 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, as well as estates safety and management, achieved in return for the taxpayer resources received.

The accounting officer considers how the Academy'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 has delivered improved value for money during the year by:

- Benchmarking against similar schools
- Monitoring costs and income against school budget

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 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 Barwell Church of England Academy for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework

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

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

The Board of Trustees has decided to employ Greenhill Independent Audit Service as internal auditor.

This option has been selected because, they are honest and fair and exhibit trust, independence and objectivity in all work that they do. They possess the following qualities:

1. Qualified people
2. Have Industry experience.
3. Good quality assurance processes
4. Reasonable fees
5. Excellent reputation as audit firm
6. Ongoing support for decision making and growth

They are flexible in their work and an excellent understanding of working within the constraints of a school environment

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

- testing of payroll systems
- testing on purchase systems
- testing on control accounts and bank reconciliations

On an annual basis, the internal auditor reports to the Board of Trustees through the finance committee on the operation of the systems of control and on the discharge of the Board of Trustees financial responsibilities and annually prepares a short 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 latest internal audit visit was June 2023. No material control issues were identified as a result of the internal auditor's review work.

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GOVERNANCE STATEMENT (CONTINUED)

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 internal auditor;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditors;

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

Approved by order of the members of the Board of Trustees on 19 December 2023 and signed on their behalf by:

Maggie Spence
Chair of Trustees

Victoria Newman
Accounting Officer

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STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Barwell Church of England Academy I have considered my responsibility to notify the Academy 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, including for estates safety and management, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

I confirm that I and the Academy Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academy Trust Handbook 2022.

I confirm that the following instance of material irregularity, impropriety or funding non-compliance discovered to date has been notified to the Board of Trustees and ESFA. If any instances are identified after the date of this statement, these will be notified to the Board of Trustees and ESFA:

- A bank account is included within the financial statements for £26,466 that the Trust does not have full control over due to the bank mandate signatories consisting of Trustees who are no longer contactable.

Victoria Newman
Accounting Officer
Date: 19 December 2023

BARWELL CHURCH OF ENGLAND ACADEMY
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees (who 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 2022 to 2023;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable 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 on 19 December 2023 and signed on its behalf by:

Margaret Spence
Chair of Trustees

Pauline Clements, Vice Chair

BARWELL CHURCH OF ENGLAND ACADEMY
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BARWELL CHURCH OF ENGLAND ACADEMY**

Opinion

We have audited the financial statements of Barwell Church of England Academy (the 'academy') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, 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 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2023 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 2022 to 2023 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 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'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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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BARWELL CHURCH OF ENGLAND ACADEMY (CONTINUED)**

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual 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 including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic 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 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 Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the Academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

BARWELL CHURCH OF ENGLAND ACADEMY
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BARWELL CHURCH OF ENGLAND ACADEMY (CONTINUED)**

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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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.

Based on our understanding of the Academy Trust and its activities, we identified that the principal risks of non-compliance with laws and regulations related to the funding agreement with the Department of Education, UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect of non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate those charged with governance, as to whether the Academy Trust is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the Academy Trust which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as the funding agreement with the Department of Education, tax legislation, pension legislation, the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023.

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to income recognition and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquires of the Trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

BARWELL CHURCH OF ENGLAND ACADEMY
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BARWELL CHURCH OF ENGLAND ACADEMY (CONTINUED)**

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

Use of our report

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

Luke Turner FCA FCCA (Senior Statutory Auditor)

for and on behalf of

Magma Audit LLP

Chartered Accountants

Statutory Auditors

Unit 2, Charnwood Edge Business Park

Syston Road

Cossington

Leicester

LE7 4UZ

20 December 2023

BARWELL CHURCH OF ENGLAND ACADEMY
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BARWELL
CHURCH OF ENGLAND ACADEMY AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 20 September 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Barwell Church of England Academy during the year 1 September 2022 to 31 August 2023 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 Barwell Church of England Academy and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Barwell Church of England Academy 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 Barwell Church of England Academy and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Barwell Church of England Academy's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Barwell Church of England Academy's funding agreement with the Secretary of State for Education dated 10 October 2012 and the Academy Trust Handbook, extant from 1 September 2022, 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 2022 to 2023. 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 2022 to 31 August 2023 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's income and expenditure.

The work undertaken to draw our conclusion:

- On a sample basis testing transactions and balances.
- Making enquiries of the academy regarding systems and controls in place that are relevant to our regularity conclusion.
- On a sample basis reviewing records for evidence of those systems and controls in operation.

BARWELL CHURCH OF ENGLAND ACADEMY
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BARWELL
CHURCH OF ENGLAND ACADEMY AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

Conclusion

In the course of our work, except for the matters listed below nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

A bank account is included within the financial statements for £26,466 that the Trust does not have full control over due to the bank mandate signatories consisting of Trustees who are no longer contactable.

Reporting Accountant
Magma Audit LLP
Chartered Accountants
Statutory Auditors
Unit 2, Charnwood Edge Business Park
System Road
Cossington
Leicester
LE7 4UZ

Date: 20 December 2023

BARWELL CHURCH OF ENGLAND ACADEMY
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	Unrestricted funds 2023	Restricted funds 2023	Restricted fixed asset funds 2023	Total funds 2023	Total funds 2022
Income from:						
Donations and capital grants	3	-	-	175,055	175,055	79,593
Other trading activities	5	35,383	-	-	35,383	38,120
Investments	6	210	-	-	210	76
Charitable activities	4	-	1,314,647	-	1,314,647	1,288,359
Total income		35,593	1,314,647	175,055	1,525,295	1,406,148
Expenditure on:						
Raising funds		18,629	-	-	18,629	19,915
Charitable activities		-	1,395,161	52,775	1,447,936	1,454,492
Total expenditure		18,629	1,395,161	52,775	1,466,565	1,474,407
Net income/(expenditure)		16,964	(80,514)	122,280	58,730	(68,259)
Transfers between funds	17	-	(48,216)	48,216	-	-
Net movement in funds before other recognised gains/(losses)		16,964	(128,730)	170,496	58,730	(68,259)
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	25	-	73,000	-	73,000	1,471,000
Net movement in funds		16,964	(55,730)	170,496	131,730	1,402,741
Reconciliation of funds:						
Total funds brought forward		221,108	7,693	512,507	741,308	(661,433)
Net movement in funds		16,964	(55,730)	170,496	131,730	1,402,741
Total funds carried forward		238,072	(48,037)	683,003	873,038	741,308

BARWELL CHURCH OF ENGLAND ACADEMY
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

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

The notes on pages 28 to 56 form part of these financial statements.

BARWELL CHURCH OF ENGLAND ACADEMY
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08247528

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023	2022
Fixed assets			
Tangible assets	13	663,378	512,507
		<u>663,378</u>	<u>512,507</u>
Current assets			
Debtors	14	54,972	105,387
Cash at bank and in hand		510,083	605,304
		<u>565,055</u>	<u>710,691</u>
Creditors: amounts falling due within one year	15	(250,700)	(306,738)
Net current assets		314,355	403,953
Total assets less current liabilities		977,733	916,460
Creditors: amounts falling due after more than one year	16	(27,695)	(32,152)
Net assets excluding pension liability		950,038	884,308
Defined benefit pension scheme liability	25	(77,000)	(143,000)
Total net assets		873,038	741,308
Funds of the Academy			
Restricted funds:			
Fixed asset funds	17	683,003	512,507
Restricted income funds	17	28,963	150,693
		<u>711,966</u>	<u>663,200</u>
Restricted funds excluding pension liability	17	711,966	663,200
Pension reserve	17	(77,000)	(143,000)
Total restricted funds	17	634,966	520,200
Unrestricted income funds	17	238,072	221,108
Total funds		873,038	741,308

BARWELL CHURCH OF ENGLAND ACADEMY
(A Company Limited by Guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 23 to 56 were approved by the Trustees, and authorised for issue on 19 December 2023 and are signed on their behalf, by:

Maggie Spence
Chair of Trustees

The notes on pages 28 to 56 form part of these financial statements.

BARWELL CHURCH OF ENGLAND ACADEMY
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023	<i>2022</i>
Cash flows from operating activities			
Net cash used in operating activities	19	(93,154)	<i>(15,121)</i>
Cash flows from investing activities	21	2,390	<i>(10,407)</i>
Cash flows from financing activities	20	(4,457)	<i>(4,457)</i>
Change in cash and cash equivalents in the year		(95,221)	<i>(29,985)</i>
Cash and cash equivalents at the beginning of the year		605,304	<i>635,289</i>
Cash and cash equivalents at the end of the year	22, 23	510,083	<i>605,304</i>

The notes on pages 28 to 56 form part of these financial statements

BARWELL CHURCH OF ENGLAND ACADEMY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Academy, 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 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Barwell Church of England Academy meets the definition of a public benefit entity under FRS 102.

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 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 has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy'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 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 year 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.

• **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.

BARWELL CHURCH OF ENGLAND ACADEMY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.3 Income (continued)

- **Other income**

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

- **Transfer on conversion**

Where assets and liabilities are received by the Academy on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Academy. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received. The land and buildings are held on a 125 year lease with the Local Authority.

- **Donated fixed assets (excluding transfers on conversion or into the Academy)**

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

- **Expenditure on raising funds**

This includes all expenditure incurred by the Academy 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's educational operations, including support costs and costs relating to the governance of the Academy apportioned to charitable activities.

- **Grants payable**

These are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All resources expended are inclusive of irrecoverable VAT.

BARWELL CHURCH OF ENGLAND ACADEMY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.6 Taxation

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

Accordingly, the Academy is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.

1.7 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.

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 basis:

Leasehold improvements	-	6%	Straight line
Furniture and equipment	-	15%	Straight line
Computer equipment	-	25%	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.

1.8 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.

BARWELL CHURCH OF ENGLAND ACADEMY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.9 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 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.

1.10 Provisions

Provisions are recognised when the Academy 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.

1.11 Financial instruments

The Academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy 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 14. 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 15 and 16. 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.

1.12 Operating leases

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

BARWELL CHURCH OF ENGLAND ACADEMY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.13 Pensions

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

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

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

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

1.14 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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 judgment

Estimates and judgments 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.

The Academy 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.

BARWELL CHURCH OF ENGLAND ACADEMY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

2. Critical accounting estimates and areas of judgment (continued)

Defined benefit pension scheme

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 25, 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 2023. 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.

Tangible assets

The annual depreciation charge for tangible 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. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 13 for the carrying amount of the property, plant and equipment and note 1.7 for the useful economic lives for each class of assets.

BARWELL CHURCH OF ENGLAND ACADEMY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

3. Income from donations and capital grants

	Restricted funds 2023	Restricted fixed asset funds 2023	Total funds 2023	<i>Total funds 2022</i>
Donations	-	-	-	600
Capital grants	-	175,055	175,055	78,993
Total 2023	<u>-</u>	<u>175,055</u>	<u>175,055</u>	<u>79,593</u>
<i>Total 2022</i>	<u>600</u>	<u>78,993</u>	<u>79,593</u>	

BARWELL CHURCH OF ENGLAND ACADEMY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

4. Funding for the Academy's charitable activities

	Restricted funds 2023	Total funds 2023	<i>Total funds 2022</i>
Educational Operations			
DfE/ESFA grants			
General Annual Grant (GAG)	1,087,670	1,087,670	1,101,585
Other DfE/ESFA grants			
Pupil Premium	95,878	95,878	95,832
Supplementary grant	32,424	32,424	13,510
Others	58,949	58,949	39,872
	<u>1,274,921</u>	<u>1,274,921</u>	<u>1,250,799</u>
Other Government grants			
Local Authority grants	37,026	37,026	36,539
	<u>37,026</u>	<u>37,026</u>	<u>36,539</u>
Other income from the Academy's educational operations	2,700	2,700	1,021
	<u>1,314,647</u>	<u>1,314,647</u>	<u>1,288,359</u>
Total Educational Operations	<u>1,314,647</u>	<u>1,314,647</u>	<u>1,288,359</u>
	<u><u>1,314,647</u></u>	<u><u>1,314,647</u></u>	<u><u>1,288,359</u></u>
<i>Total 2022</i>	<u><u>1,288,359</u></u>	<u><u>1,288,359</u></u>	

5. Income from other trading activities

	Unrestricted funds 2023	Total funds 2023	<i>Total funds 2022</i>
Children's Centre income	6,652	6,652	9,978
Before and after school clubs	23,671	23,671	21,718
Other income	5,060	5,060	6,424
	<u>35,383</u>	<u>35,383</u>	<u>38,120</u>
	<u><u>35,383</u></u>	<u><u>35,383</u></u>	<u><u>38,120</u></u>

BARWELL CHURCH OF ENGLAND ACADEMY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

6. Investment income

	Unrestricted funds 2023	Total funds 2023	<i>Total funds 2022</i>
Bank interest	210	210	76

7. Expenditure

	Staff Costs 2023	Premises 2023	Other 2023	Total 2023	<i>Total 2022</i>
Expenditure on raising funds:					
Allocated support costs	13,699	1,273	3,657	18,629	19,915
Educational operations:					
Direct costs	960,854	39,581	69,150	1,069,585	1,108,206
Allocated support costs	131,715	141,977	104,659	378,351	346,286
Total 2023	1,106,268	182,831	177,466	1,466,565	1,474,407
<i>Total 2022</i>	<i>1,167,421</i>	<i>116,126</i>	<i>190,860</i>	<i>1,474,407</i>	

8. Analysis of expenditure by activities

	Activities undertaken directly 2023	Support costs 2023	Total funds 2023	<i>Total funds 2022</i>
Educational Operations	1,069,585	378,351	1,447,936	1,454,492
<i>Total 2022</i>	<i>1,108,206</i>	<i>346,286</i>	<i>1,454,492</i>	

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NOTES TO THE FINANCIAL STATEMENTS
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8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2023	<i>Total funds 2022</i>
LGPS pension interest cost (£83,000) less return on assets (£77,000)	6,000	26,000
Staff costs	960,854	1,009,016
Educational supplies	46,321	23,064
Staff development	8,241	7,375
Other direct costs	8,588	-
Depreciation	39,581	42,751
	1,069,585	1,108,206

Analysis of support costs

	Total funds 2023	<i>Total funds 2022</i>
Staff costs	131,715	121,019
Severance payment	-	25,992
Maintenance of premises and equipment	24,982	16,265
Cleaning	7,027	4,854
Rates	3,800	6,036
Insurance	23,004	22,199
Depreciation	13,194	14,251
Catering	22,960	26,386
Other support costs	62,518	84,810
Security and transport	184	131
Technology costs	9,303	7,230
Energy costs	69,969	8,538
Governance costs	9,695	8,575
	378,351	346,286

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023	2022
Operating lease rentals	9,178	9,064
Depreciation of tangible fixed assets	52,775	57,002
Fees paid to auditors for:		
- audit	9,100	7,425
- other services	1,570	1,150
	1,570	1,150

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023	2022
Wages and salaries	831,505	768,562
Social security costs	69,990	65,262
Pension costs	204,773	307,605
	1,106,268	1,141,429
Agency cost	8,588	-
Staff restructuring costs	-	25,992
	1,114,856	1,167,421

Staff restructuring costs comprise:

	2023	2022
Redundancy payments	-	5,000
Severance payments	-	20,992
	-	25,992

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

10. Staff (continued)

b. Severance payments

The Academy paid 1 severance payment in the year, disclosed in the following bands:

	2023	<i>2022</i>
	No.	<i>No.</i>
£0 - £25,000	-	1
	<u> </u>	<u> </u>

c. Special staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payment totalling £NIL (2022: £20,992). Individually, the payments were £NIL.

d. Staff numbers

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

	2023	<i>2022</i>
	No.	<i>No.</i>
Teachers	11	11
Administrative and support	22	23
Management	1	1
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>

BARWELL CHURCH OF ENGLAND ACADEMY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

10. Staff (continued)

e. Higher paid staff

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

	2023	2022
	No.	No.
In the band £60,001 - £70,000	-	1
In the band £70,001 - £80,000	1	-
	<u> </u>	<u> </u>

f. Key management personnel

The key management personnel of the Academy comprise the Trustees and the senior management 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 was £255,559 (2022 - £250,154). These figures include salary costs of all Trustees employed by the academy trust, even where they have no management role within their employment.

11. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy. 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:

V Newman (Headteacher and Trustee)

Remuneration £70,000 - £75,000 (2022: £65,000 - £70,000)

Employer's pension contributions £15,000 - £20,000 (2022: £15,000 - £20,000)

R Peace (Staff Trustee)

Remuneration £30,000 - £35,000 (2022: £30,000 - £35,000)

Employer's pension contributions £5,000 - £10,000 (2022: £5,000 - £10,000)

D Green (Staff Trustee)

Remuneration £35,000 - £40,000 (2022: £30,000 - £35,000)

Employer's pension contributions £5,000 - £10,000 (2022: £5,000 - £10,000)

During the year ended 31 August 2023, no Trustee expenses have been incurred (2022 - £NIL).

12. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2023 was £14 (2022 - £14). The cost of this insurance is included in the total insurance cost.

BARWELL CHURCH OF ENGLAND ACADEMY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

13. Tangible fixed assets

	Leasehold improvements	Furniture and equipment	Computer equipment	Total
Cost or valuation				
At 1 September 2022	549,430	256,111	102,107	907,648
Additions	184,100	19,546	-	203,646
At 31 August 2023	<u>733,530</u>	<u>275,657</u>	<u>102,107</u>	<u>1,111,294</u>
Depreciation				
At 1 September 2022	80,690	223,340	91,111	395,141
Charge for the year	31,185	14,368	7,222	52,775
At 31 August 2023	<u>111,875</u>	<u>237,708</u>	<u>98,333</u>	<u>447,916</u>
Net book value				
At 31 August 2023	<u>621,655</u>	<u>37,949</u>	<u>3,774</u>	<u>663,378</u>
At 31 August 2022	<u>468,740</u>	<u>32,771</u>	<u>10,996</u>	<u>512,507</u>

See note 1.3 regarding assets transferred on conversion.

14. Debtors

	2023	2022
Due within one year		
Trade debtors	240	-
Other debtors	19,965	5,676
Prepayments and accrued income	34,767	99,711
	<u>54,972</u>	<u>105,387</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

15. Creditors: Amounts falling due within one year

	2023	<i>2022</i>
Other loans	6,163	6,163
Trade creditors	11,616	3,731
Other taxation and social security	16,534	15,267
Other creditors	41,520	41,729
Accruals and deferred income	174,867	239,848
	250,700	306,738
	250,700	306,738
	2023	<i>2022</i>
Deferred income		
Deferred income at 1 September 2022	208,247	197,056
Resources deferred during the year	47,481	17,690
Amounts released from previous periods	(208,247)	(6,499)
	47,481	208,247
	47,481	208,247

The closing balance of deferred income relates to trip income and Condition Improvement Fund income received in advance of the 2023/24 academic year.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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

	2023	<i>2022</i>
Other loans	27,695	<i>32,152</i>
	<u><u>27,695</u></u>	<u><u>32,152</u></u>

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2023	<i>2022</i>
Other loans	10,030	<i>11,862</i>
	<u><u>10,030</u></u>	<u><u>11,862</u></u>

Other loans consist of a Salix loan and a Condition Improvement Funding (CIF) loan for energy saving capital works as approved by the Education and Skills Funding Agency, along with a CIF loan for damp proofing capital works. The Salix loan is interest free and repayable over a period of 7 years up to 31 August 2026. The CIF loan for the energy saving works attracts an interest rate of 2.29% and is repayable over 10 years up to 30 September 2030. The CIF loan for the damp proofing works attracts an interest rate of 1.95% and is repayable over 10 years up to 31 August 2032.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

17. Statement of funds

	Balance at 1 September 2022	Income	Expenditure	Transfers in/out	Gains/ (Losses)	Balance at 31 August 2023
Unrestricted funds						
General funds	221,108	35,593	(18,629)	-	-	238,072
Restricted general funds						
General Annual Grant	150,693	1,087,670	(1,160,794)	(48,606)	-	28,963
Pupil Premium	-	95,878	(95,878)	-	-	-
Other DfE/ESFA grants	-	58,949	(59,339)	390	-	-
Supplementary grant	-	32,424	(32,424)	-	-	-
Other government grants	-	37,026	(37,026)	-	-	-
Other funding	-	2,700	(2,700)	-	-	-
Pension reserve	(143,000)	-	(7,000)	-	73,000	(77,000)
	7,693	1,314,647	(1,395,161)	(48,216)	73,000	(48,037)

BARWELL CHURCH OF ENGLAND ACADEMY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

17. Statement of funds (continued)

	Balance at 1 September 2022	Income	Expenditure	Transfers in/out	Gains/ (Losses)	Balance at 31 August 2023
Restricted fixed asset funds						
DfE Group capital grants	463,863	175,055	(36,523)	28,670	-	631,065
Other government grants	7,222	-	(3,633)	-	-	3,589
Capital expenditure from GAG	41,422	-	(12,619)	19,546	-	48,349
	<u>512,507</u>	<u>175,055</u>	<u>(52,775)</u>	<u>48,216</u>	<u>-</u>	<u>683,003</u>
Total Restricted funds	<u>520,200</u>	<u>1,489,702</u>	<u>(1,447,936)</u>	<u>-</u>	<u>73,000</u>	<u>634,966</u>
Total funds	<u><u>741,308</u></u>	<u><u>1,525,295</u></u>	<u><u>(1,466,565)</u></u>	<u><u>-</u></u>	<u><u>73,000</u></u>	<u><u>873,038</u></u>

BARWELL CHURCH OF ENGLAND ACADEMY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

17. Statement of funds (continued)

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

Restricted funds

The General Annual Grant (GAG) relates to the school's development and operational activities. The transfer from GAG relates to funding towards fixed asset additions in the year.

Pupil Premium relates to additional funding received to raise the attainment of disadvantaged pupils of all abilities and to close the gaps between them and their peers. The funds have been fully spent at the year end.

The supplementary grant is additional funding to provide support for the costs of the Health and Social Care Levy and wider costs. All funds were fully spent at the year end.

The other DfE Group grants consist of PE Sport grant, recovery premium grant, school led tutoring, early years mentor income and mainstream school additional grant. All funds were fully spent during the year.

Other government grants consist of High Level Needs funding. The funds have been fully spent at the year end.

Other funding consist of staff sickness insurance claims and STEM income. All funds have been fully spent within the year.

The pension reserve relates to the school's share of the deficit of the Leicestershire County Council's Local Government Pension Scheme.

Restricted fixed asset funds

DfE Group capital grants relate to funding received from these sources to purchase fixed assets. The closing balance relates to the net book value of the assets concerned plus unspent funds.

Other government grants consist of a donation from Leicestershire County Council in a previous year towards the purchase of fire doors to reduce insured risk of material damage, new dining tables and hard landscaping to the rear of the school. It also includes funding from the National Lottery towards play equipment. The closing balance relates to the net book value of the assets concerned at the year end.

Capital expenditure from GAG relates to capital expenditure allocated to the GAG within this grant's terms. The closing balance represents the net book value of the assets concerned.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2023.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

17. Statement of funds (continued)

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

	<i>Balance at 1 September 2021</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 August 2022</i>
Unrestricted funds						
General funds	202,827	38,196	(19,915)	-	-	221,108
Restricted general funds						
General Annual Grant	83,323	1,101,585	(1,024,646)	(9,569)	-	150,693
Pupil Premium	33,588	95,832	(129,420)	-	-	-
Other DfE/ESFA grants	8,681	53,382	(62,264)	201	-	-
Other government grants	-	36,539	(36,539)	-	-	-
Other funding	-	1,621	(1,621)	-	-	-
Pension reserve	(1,471,000)	-	(143,000)	-	1,471,000	(143,000)
	<u>(1,345,408)</u>	<u>1,288,959</u>	<u>(1,397,490)</u>	<u>(9,368)</u>	<u>1,471,000</u>	<u>7,693</u>

BARWELL CHURCH OF ENGLAND ACADEMY
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NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds (continued)

	<i>Balance at 1 September 2021</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 August 2022</i>
Restricted fixed asset funds						
DfE Group capital grants	423,287	78,993	(38,216)	(201)	-	463,863
Other government grants	11,118	-	(3,896)	-	-	7,222
Capital expenditure from GAG	46,743	-	(14,890)	9,569	-	41,422
	<u>481,148</u>	<u>78,993</u>	<u>(57,002)</u>	<u>9,368</u>	<u>-</u>	<u>512,507</u>
Total Restricted funds	<u>(864,260)</u>	<u>1,367,952</u>	<u>(1,454,492)</u>	<u>-</u>	<u>1,471,000</u>	<u>520,200</u>
Total funds	<u><u>(661,433)</u></u>	<u><u>1,406,148</u></u>	<u><u>(1,474,407)</u></u>	<u><u>-</u></u>	<u><u>1,471,000</u></u>	<u><u>741,308</u></u>

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023	Restricted funds 2023	Restricted fixed asset funds 2023	Total funds 2023
Tangible fixed assets	-	-	663,378	663,378
Current assets	268,843	276,587	19,625	565,055
Creditors due within one year	(30,771)	(219,929)	-	(250,700)
Creditors due in more than one year	-	(27,695)	-	(27,695)
Pension scheme liability	-	(77,000)	-	(77,000)
Total	<u><u>238,072</u></u>	<u><u>(48,037)</u></u>	<u><u>683,003</u></u>	<u><u>873,038</u></u>

BARWELL CHURCH OF ENGLAND ACADEMY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

18. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022</i>	<i>Restricted funds 2022</i>	<i>Restricted fixed asset funds 2022</i>	<i>Total funds 2022</i>
Tangible fixed assets	-	-	512,507	512,507
Current assets	221,108	489,583	-	710,691
Creditors due within one year	-	(306,738)	-	(306,738)
Creditors due in more than one year	-	(32,152)	-	(32,152)
Pension scheme liability	-	(143,000)	-	(143,000)
Total	221,108	7,693	512,507	741,308

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

	2023	2022
Net income/(expenditure) for the year (as per Statement of Financial Activities)	58,730	(68,259)
Adjustments for:		
Depreciation	52,775	57,002
Capital grants from DfE and other capital income	(205,826)	(78,993)
Interest receivable	(210)	(76)
Defined benefit pension scheme cost less contributions payable	1,000	117,000
Defined benefit pension scheme finance cost	6,000	26,000
(Increase)/decrease in debtors	50,415	(74,631)
Increase/(decrease) in creditors	(56,038)	6,836
Net cash used in operating activities	(93,154)	(15,121)

20. Cash flows from financing activities

	2023	2022
Repayments of borrowing	(4,457)	(4,457)
Net cash used in financing activities	(4,457)	(4,457)

BARWELL CHURCH OF ENGLAND ACADEMY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

21. Cash flows from investing activities

	2023	<i>2022</i>
Dividends, interest and rents from investments	210	76
Purchase of tangible fixed assets	(203,646)	<i>(89,476)</i>
Capital grants from DfE Group	205,826	78,993
Net cash provided by/(used in) investing activities	2,390	<i>(10,407)</i>

22. Analysis of cash and cash equivalents

	2023	<i>2022</i>
Cash in hand and at bank	510,083	<i>605,304</i>
Total cash and cash equivalents	510,083	<i>605,304</i>

23. Analysis of changes in net debt

	At 1 September 2022	Cash flows	At 31 August 2023
Cash at bank and in hand	605,304	(95,221)	510,083
Debt due within 1 year	(6,163)	-	(6,163)
Debt due after 1 year	(32,152)	4,457	(27,695)
	566,989	(90,764)	476,225

24. Capital commitments

	2023	<i>2022</i>
Contracted for but not provided in these financial statements		
Repairs, maintenance or enhancements to property	49,976	-

25. Pension commitments

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

25. Pension commitments (continued)

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 £21,520 were payable to the schemes at 31 August 2023 (2022 - £20,975) and are included within creditors.

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
- 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 £111,822 (2022 - £108,438).

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 has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy has set out above the information available on the scheme.

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25. 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 2023 was £114,000 (2022 - £101,000), of which employer's contributions totalled £93,000 (2022 - £83,000) and employees' contributions totalled £ 21,000 (2022 - £18,000). The agreed contribution rates for future years are 26.9 - 27.9 per cent for employers and 5 - 12.5 per cent for employees.

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

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

	2023	2022
	%	%
Rate of increase in salaries	3.50	3.55
Rate of increase for pensions in payment/inflation	3.00	3.05
Discount rate for scheme liabilities	5.20	4.25
Inflation assumption (CPI)	3.00	3.05
Commutation of pensions to lump sums	55	50

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

	2023	2022
	Years	Years
<i>Retiring today</i>		
Males	20.7	21.5
Females	25.3	24.0
<i>Retiring in 20 years</i>		
Males	21.3	22.4
Females	25.1	25.7

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25. Pension commitments (continued)

Sensitivity analysis

	2023	<i>2022</i>
	£000	<i>£000</i>
Discount rate -0.1%	39	<i>44</i>
Salary increase rate +0.1%	4	<i>5</i>
Pension increase rate +0.1%	36	<i>40</i>
	=====	<i>=====</i>

Share of scheme assets

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

	At 31	<i>At 31 August</i>
	August 2023	<i>2022</i>
Equities	1,030,000	<i>1,077,000</i>
Corporate bonds	614,000	<i>494,000</i>
Property	127,000	<i>159,000</i>
Cash and other liquid assets	36,000	<i>36,000</i>
	=====	<i>=====</i>
Total market value of assets	1,807,000	<i>1,766,000</i>
	=====	<i>=====</i>

The actual return on scheme assets was £(33,000) (2022 - £(2,000)).

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25. Pension commitments (continued)

Expected returns on assets are calculated as follows:

The figures shown in the standard FRS 102 report for fund employers are based on the actuary's recommended return assumptions which are derived from the Hymans Robertson Asset Model (HRAM), the proprietary stochastic asset model developed and maintained by Hymans Robertson LLP.

Asset model

The HRAM type of model is known as an economic scenario generator and uses probability distributions to project a range of possible outcomes for the future behaviour of asset returns and economic variables. Some of the parameters of the model are dependent on the current state of financial markets and are updated each month (for example, the current level of equity market volatility) while other more subjective parameters do not change with different calibrations of the model.

Key subjective assumptions are:

- the average excess equity return over the risk free asset (tending to approximately 3% p.a. as the investment horizon is increased),
- the volatility of equity returns (approximately 18% p.a. over the long term) and the level and volatility of yields, credit spreads, inflation and expected (breakeven) inflation, which affect the projected value placed on the liabilities and bond returns
- the output of the model is also affected by other more subtle effects, such as the correlations between economic and financial variables.

The only exception to the use of HRAM is in deriving the expected return on bond assets: instead of the HRAM output, the actuary has used the yields applicable at the accounting date on suitable bond indices.

The expected return on assets is based on the long-term future expected investment return of each asset class as at the beginning of the period (i.e. as at 1 September 2022 for the year to 31 August 2023, or date of joining the fund if later).

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

	2023	<i>2022</i>
Current service cost	(94,000)	<i>(200,000)</i>
Interest income	77,000	<i>28,000</i>
Interest cost	(83,000)	<i>(54,000)</i>
Total amount recognised in the Statement of Financial Activities	<u>(100,000)</u>	<i><u>(226,000)</u></i>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

25. Pension commitments (continued)

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

	2023	2022
At 1 September	1,909,000	3,159,000
Current service cost	94,000	200,000
Interest cost	83,000	54,000
Employee contributions	21,000	18,000
Actuarial gains	(183,000)	(1,501,000)
Benefits paid	(40,000)	(21,000)
At 31 August	1,884,000	1,909,000

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

	2023	2022
At 1 September	1,766,000	1,688,000
Interest income	77,000	28,000
Actuarial losses	(110,000)	(30,000)
Employer contributions	93,000	83,000
Employee contributions	21,000	18,000
Benefits paid	(40,000)	(21,000)
At 31 August	1,807,000	1,766,000

26. Operating lease commitments

At 31 August 2023 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023	2022
Not later than 1 year	5,716	13,389
Later than 1 year and not later than 5 years	18,577	22,864
	24,293	36,253

27. 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.

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28. Related party transactions

Owing to the nature of the Academy 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's financial regulations and normal procurement procedures relating to connected and related party transactions.

The Diocese of Leicester Educational Trust are a founding member of the academy and have the right to appoint up to 25% of the total Trustee board. The building from which the academy operates is owned by the Diocese of Leicester. No long leasehold fixed asset is recognised in the financial statements due to the degree of ultimate control over the building that lies with the Diocese.

No other related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 11.