



HALLFIELD SCHOOL

HALLFIELD SCHOOL TRUST
(A company limited by Guarantee)

THE GOVERNORS' ANNUAL REPORT AND FINANCIAL STATEMENTS

31 AUGUST 2022

Company Number: 00631045

Charity Number: 528956

HALLFIELD SCHOOL TRUST

CONTENTS

	Page
Governors' Annual Report Reference and administrative information	3
Governors' Annual Report Strategic Report	4
Governors' Annual Report Structure, Governance and Management	11
Report of the Independent Auditors	14
Statement of Financial Activities	18
Balance Sheet	20
Cash flow Statement	21
Notes forming part of the Financial Statements	22

HALLFIELD SCHOOL TRUST
GOVERNORS' ANNUAL REPORT
REFERENCE AND ADMINISTRATIVE INFORMATION

The Directors and Trustees are pleased to present their report for the year ended 31 August 2022.

Charity Name	Hallfield School Trust
Charity Registration Number	528956
Company Registration Number	00631045
Registered Office	48 Church Road Edgbaston Birmingham B15 3SJ

Governors

The Governors who served during the year and up to the date of this report are set out below:

T Venner (Chairman) ^{4,5,8,10}	P L Clague ^{2,11}	P Gough ^{1,8}
S Stotts (Vice Chair) ^{5,6,7}	H Coverdale ^{2,6}	M R Plummer ⁴
G Ralph (Chairman) ¹⁴	G M Faber ^{3,6,8}	D R Price ³
S Aulak ^{1,4,8}	K Feist ^{3,6,7}	A S Sherlock ^{2,3,5,7}
A Oliver ^{2,9}	D Ahuja ^{4,7,12}	S Balfour ^{4,9}
A Earnshaw ^{4,9,13}		

S Aulak, P Clague, P Gough and M R Plummer retire by rotation and being eligible offer themselves for re-election.

¹ Finance and Facilities Committee	⁸ Old Hallfieldian
² Education Committee	⁹ Appointed 29 th September 2021
³ Human Resources and Legal Committee	¹⁰ Resigned 31 st August 2022
⁴ Marketing Committee	¹¹ Resigned 20 th March 2022
⁵ Nominations Committee	¹² Resigned 22 nd September 2021
⁶ Compliance Committee	¹³ Appointed 31 st October 2022
⁷ Parent of former pupil	¹⁴ Appointed 28 th October 2022

The Chairman and Vice Chair are ex-officio members of each of the Committees.

Executive Team from 1 September 2022

K B Morrow BA (Hons) QTS, PGCPS(Ed), NPQH, FRSA	- Head Master
T Butcher BA (Hons)	- Deputy Head (Head of Prep)
C Florida-James B Ed (Hons)	- Deputy Head (Academic)
E Sanderson B Ed (Hons) QTS	- Deputy Head (Head of Pre-Prep)
B Patel	- Director of Finance and Operations
D Tinkler	- Head of Estates and Facilities
E Cook	- Marketing and Communications Manager

Auditors

Crowe U.K. LLP
Black Country House
Rounds Green Road
Oldbury
B69 2DG

Bankers

Barclays Bank Plc
38 Hagley Road
Edgbaston
Birmingham
B16 8PE

Solicitors

Veale Wasbrough Vizards LLP
Narrow Quay House
Narrow Quay
Bristol
BS1 4QA

HALLFIELD SCHOOL TRUST
GOVERNORS' ANNUAL REPORT
STRATEGIC REPORT

Achievements and Performance

The year ended 31 August 2022 was the first year of recent times which was not impacted by the Coronavirus Pandemic.

Academic

The year ended 31 August 2022 was outstanding for the 11+ examination results. Of the 65 pupils in Year 6 at the start of the academic year, 58 pupils sat the Grammar School Entrance exam, with 91% achieving the qualifying score and 83% achieving the priority score.

There were 60 10-11 year olds (2021: 55) entering both the select Local Authority Grammar schools and select independent schools. Our Year 6 pupils left us to go to 10 different schools in the Birmingham area, and further afield with some choosing to stay with us and continue their education in Hallfield Seniors.

This year sees outstanding results for the two highly selective independent schools – King Edward's and King Edward VI High School for Girls – 26 boys (2021: 27 boys) have been offered places (including 1 scholarship (2021: 7 scholarships)) at King Edward's School and 15 girls (2021: 14 girls) have been offered places (including 1 scholarship (2021: 3 scholarship) at King Edward VI High School for Girls. 16 places were offered at Solihull School (2021: 14 places) (including 2 scholarships (2021: 0)) and 19 places (2021: 16 places) at Edgbaston High School for Girls (including 13 scholarships (2021: 16 scholarships)) and a total of 32 scholarships (2021: 38 scholarships) were awarded.

Hallfield Seniors started in September 2020, with the purpose of educating boys and girls in Year 7 and Year 8, to allow the pupils the opportunity of transferring to schools at 13+ rather than at the end of Year 6, 11+.

The first cohort of eight pupils left Hallfield School at the end of July 2022 and achieved excellent results and entry to the following schools: King Edward's School – 1 place, St George's School – 4 places including 1 scholarship, Bromsgrove School – 2 places including 1 scholarship, Hydesville School – 1 place, The Swiss School of Dubai - 1 place and Eden School – 1 place.

The school is delighted with the results for this first cohort and is keen to continue the growth and expansion of Hallfield Seniors to enable pupils who desire to stay through to the end of Year 8. There are currently 18 pupils enrolled in Hallfield Seniors.

In the National Primary Schools Maths Challenge, 7 children earned a Gold medal, 13 gained a Silver medal and 38 a Bronze medal, with 8 pupils qualifying for the Bonus round.

A team of four Year 5 pupils represented Hallfield at the King Edward's School Maths challenge and we are delighted to say they came second overall.

Music

Our commitment to Music continued during the year with a number of performances by the school. This year also saw a rise in the numbers of pupils having instrumental and vocal lessons; we had over 280 pupils registered for lessons which is the highest number on record.

The Tea-Time Concert series continued featuring soloists on a range of instruments and included a number of smaller ensembles such as the Guitar Ensemble

HALLFIELD SCHOOL TRUST
GOVERNORS' ANNUAL REPORT
STRATEGIC REPORT

We held a Woodwind Showcase Concert in May. The concert featured flute, oboe, clarinet and bassoon players from Year 3 and Year 6. The concert finished with a performance from our Wind Band.

Performances of our Year 3&4 musical The Wizard of Oz took place in May. All pupils in both year groups sang either as soloists or in the chorus for this terrific production.

Year 3 visited Symphony Hall in January to see the City of Birmingham Symphony Orchestra perform.

Every pupil in Year 3 had the opportunity to learn an orchestra instrument for the year. 100% of the pupils took up this opportunity. For another year over 60% of these pupils signed up to continue into Year 4.

Sport

Sport remains a very important part of life at Hallfield, the return to normality in the year allowed pupils to be able to play a number of competitive matches.

It has been good to rekindle our links with outside agencies, with Year 2 and 3 going swimming at the University Swimming baths, various forms going to learn squash at the Priory Club, Seniors learning golf at the Edgbaston Golf Course, and the provision of a whole host of external clubs - dance, fencing, cricket, football and martial arts.

This year saw the Commonwealth Games come to Birmingham. We had a visit from Perry, the Commonwealth Games Mascot who lit up an assembly to promote the Games.

We were delighted to see the return Sports Day year. Nursery – Year 2 took part in a variety of events including sprinting, obstacle courses, a skills course, a tennis ball throw and a relay, either in Forms or in Houses. The Prep Sports Day took place the following day and include the full programme of track and field events using our fantastic facilities. All children took part in at least one track and one field event and competed for individual medals in their events, as well as the all-important House Cup.

Extra-curricular activities

Activities have returned to normal post-COVID levels. We were delighted to have been able to offer a full range of clubs, sporting fixtures, day visits and residential visits, including a visit overseas to France, which have enhanced the opportunities and enjoyment for our pupils.

Hallfield School was delighted to have former Canadian Space Agency astronaut, Dr Robert Thirsk, visit the school to spend a few days with us in July.

Dr Bob joined year 5 in a STEM lesson building rockets; jumped aboard a pretend space station built by Foundation; hosted Q&A sessions with inquisitive children from Prep and Seniors; and had lunch with our Head Boys and Girls.

In the evening, Dr Bob had a captivated audience as he took guests at his Hallfield Insights talk through a space mission from start to finish. A packed audience of Hallfield families and members of the wider community heard what it's really like to be an astronaut from take-off to landing, along with accompanying photos and scientific facts.

HALLFIELD SCHOOL TRUST
GOVERNORS' ANNUAL REPORT
STRATEGIC REPORT

Financial Review

Review of Transactions and Financial Position

The Governors are pleased to report a strong financial performance, achieving a surplus for the year of £938,026 (2021: £992,837). The Governors felt the need to build reserves during an uncertain year but believe that a surplus in the region of £600,000 ought to be achieved annually to support future capital investment.

The Governors recognised that many parents' lives continued to be affected during the pandemic and that this resulted in a huge strain on the personal finances of some families. Accordingly, we continued to offer flexible payment options, including interest-free monthly options and payment deferrals based on individual financial circumstances. This enabled the School to continue to focus on our core offering of exceptional education and pastoral care whilst ensuring the financial viability of the school.

Costs continued to be tightly controlled and discretionary expenditure was targeted at priority areas during the year to ensure the children enjoyed the best experience possible after having returned from the restricted periods of the Pandemic.

Opportunities to continually improve the facilities were focused on this year and significant capital investment of £1,556,029 was incurred. During the year the school completed Project Acorn which saw the completion of our long-awaited new kitchen and bistro, as well as new foundation classrooms. This gave the school a new central dining space and modern teaching facilities for the pupils. Outside play spaces were improved with the completion of Aariya's Garden an outdoor space designed for mindfulness and reflection for the pupils. The space was dedicated in memoriam of a former pupil who sadly passed away but remains a much-loved member of the Hallfield family. Throughout the year, there was further significant investment in IT equipment where we started the works for a Hallfield Radio Room, which included new broadcasting devices.

Pupil Numbers

The number of children, expressed in terms of full time equivalents (FTEs), attending the School increased during the academic year, rising to 594 in the summer of 2022. We attract pupils through the quality of the education the school delivers including sporting, cultural, social and personal development as well as academic excellence. We focus on developing the talents of each child to reach their full potential.

Fundraising

The charity had no fundraising activities requiring disclosure under s.162A of the Charities Act 2011.

HALLFIELD SCHOOL TRUST
GOVERNORS' ANNUAL REPORT
STRATEGIC REPORT

Objectives and Aims

The primary object of the Trust is to manage, maintain and improve Hallfield School. Its aim is to operate the most educationally successful independent co-educational junior and infant school in the Birmingham area, providing the highest standard of day care and education for children aged 3 months to 13 years old. The school aims to prepare children for competitive entry to local secondary schools in the state and independent sectors. It offers a rounded foundation for children under the age of 5 and a particularly academic, subject-based education for 7 to 13 year olds, also encouraging development of personal, sports, social, spiritual, musical and artistic skills.

The Achievements and Performance as shown above, demonstrate the School's continued meeting of its objectives and aims.

Specific Plans for 2022/2023

The School plans to continue to progress capital and maintenance spending plans in accordance with its Hallfield Futures plan prudently in order to:

- continue to develop the strategic planning for the School and its facilities;
- make front of school and entrance improvements; and
- continue to re-develop the external play areas in the Pre-Prep.

Charities Act 2011 and Public Benefit

The Trustees have considered the Charities Act 2011 on public benefit and have had due regard for Charity Commission Guidance on the subject.

The school is committed to funding the education at Hallfield of members of the local community who would not normally be in a position to afford the school fees but who demonstrate at assessment that they would benefit from the educational environment that Hallfield offers. The School has limited reserves and the assisted places scheme is funded through revenues generated by the School and not through investment income.

The Assisted Places Scheme, awarding bursaries for fees to families with household incomes of less than £16,385 p.a., commenced in 2008/09. During the 2021/22 year, it funded the education at Hallfield of 21 pupils. The value of this funding was £206,264 (2021: 14 pupils costing £122,533).

Charity Governance Code

The Governors are aware of the new guidance and during the year have continued their review to produce recommendations and an action plan in order to ensure that the school takes positive steps towards working in line with the Code in all ways where it is practicable to do so.

Investment Policy

Due to the nature of the Trust's activities, surplus funds are not held for long periods of time and are not therefore available for long-term investment. Accordingly, its policy is to invest such funds in deposit accounts offering a market rate of interest. The investment policy also requires deposits to be spread across a range of institutions in order to reduce the risk of capital loss.

HALLFIELD SCHOOL TRUST
GOVERNORS' ANNUAL REPORT
STRATEGIC REPORT

Reserves Policy

The School's reserves policy relates to unrestricted readily realisable reserves freely available to be spent on the charity's purposes which are held to ensure that the core activities of the school could continue in the event of a period of unforeseen difficulty. Accordingly, the Governors consider that free reserves should be held in cash or assets which can be easily convertible into cash should the need arise.

A sum of £500,000 remains designated for future major development of the school site, in excess of routine capital expenditure.

The assessment of the required level of reserves is an integral part of the School's planning and forecasting cycle and takes account of expected changes in the economic environment, demographic changes in the school's catchment area, expected operating results and associated risk factors.

Historically, the major risk considered in this respect is a shortfall of annual income, but consideration has also been given to unexpected expenditure of both a routine and an unusual nature, and situations out of our control.

Last year's unprecedented impact of the Coronavirus Pandemic on our parent body prompted a review of the level of reserves required to sustain the Charity through these uncertain times. Taking account of these risks, the Governors continue to believe that reserves held should steadily be increased over a period of one to two years to equate to one term's expenditure which ranges between £1,500,000 and £1,800,000. At 31 August 2022, the charity's free reserves amounted to £1,584,662 (2021: £1,758,727).

Going concern

Given the uncertainty that the Ukrainian war has created impacting on the cost of goods and utilities, the increase in cost of living for families and the potential change in Government threatening the Charitable status of independent school, the Governors have looked especially carefully at the financial implications for Hallfield School. The School is in the fortunate position of having cash reserves and no borrowings. Fees for the 2021-22 remained incredibly strong which enabled the Governors to offer selective support to parents suffering short-term financial problems.

After making appropriate enquiries, the Governors consider that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, continuing to adopt the going concern basis in preparing the financial statements is considered appropriate. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

HALLFIELD SCHOOL TRUST
GOVERNORS' ANNUAL REPORT
STRATEGIC REPORT

Remuneration policy

The remuneration of key management personnel is set by the governors, with the objective of providing appropriate incentives to encourage existing staff to stay, and to attract new staff when required.

The appropriateness of the policy is reviewed regularly by the governors, and also compared with other independent schools, to ensure that the school remains sensitive to the broader issues of pay and employment conditions elsewhere.

Strategic Risk Management

There are a number of Strategic Risks that the Governors are actively monitoring due to the significant level of impact they may have:

Coronavirus Pandemic and Economic Uncertainty

The impact on the economic climate, as a result of the Ukrainian war, Global political uncertainty and Brexit, may affect the ability of parents to afford school fees, and the affordability of fees is considered an important factor in the long-term financial planning of the School. To support parents, only a modest increase in fees were made for the 2021-22 academic year.

In terms of unexpected costs, the Governors ensure that insurance is in place for known and insurable risks. With a large estate, the School also monitors and plans for foreseeable future building repairs. The management team also monitor carefully the level of scholarships and bursaries to ensure that grant commitments are maintained at a sustainable level.

Teacher Pensions

September 2019 saw an increase in the Employer Contribution rate to the Teacher Pension Scheme from 16.48% to 23.68%. This 7% increase is a substantial additional burden to our cost base. Management and the Board are actively considering options if potential further increases in contribution rates follow in the coming years, make remaining in the Scheme unaffordable.

HALLFIELD SCHOOL TRUST
GOVERNORS' ANNUAL REPORT
STRATEGIC REPORT

Operational Risk Management

Consideration has been given to the major risks to which the school is exposed and systems or procedures are established in order to manage those risks which include:

Risk	Mitigating Factors
<u>Reduction in pupil headcount</u> <p>An unforeseen significant fall in pupil numbers could place the school under operational and financial pressure within an academic year.</p>	<p>Regular parent drop-ins are held by the Senior Management Team to enable parents to provide feedback. Parent surveys ensure that concerns are identified and appropriate action is taken. The School maintains reserves to provide emergency funding.</p>
<u>Inspection Regime Failure</u> <p>The Independent School's Inspectorate's ("ISI") Inspection regime changes regularly as legislation and statutory guidance are updated.</p>	<p>We monitor changes to guidance and compliance. Senior members of our team are ISI inspectors and underwent an ISI inspection in February 2019, where the school was judged to be outstanding in all areas.</p>
<u>IT System Failure</u> <p>As with most modern businesses, the School is heavily reliant on Information Technology for its day to day operations.</p>	<p>An IT review was conducted at the year end to help review the health of the network and operations. A plan of improvement was then implemented in the new year and will be reviewed throughout 2022/2023.</p>
<u>Child Protection & Safeguarding</u> <p>Keeping children safe while they are at school or on an activity organised by the School is our highest priority.</p>	<p>The School adheres to legislation and guidance on recruitment, child protection and Health & Safety. A "ring of steel" prevents entry to the site except at secure points. The School operates a CCTV system to help maintain site security. A Paxton key card security system was introduced in 2016 on all external doors and gates, and provides a lockdown environment.</p>
<u>Natural and other disasters</u> <p>With over 500 pupils, the school is at risk from health epidemics, fire and flooding.</p>	<p>Advice from a variety of professional bodies is constantly reviewed to ensure adherence to the latest Coronavirus guidance.</p> <p>A crisis management plan is in place which is tested periodically; the school has regular fire protection and safety audits.</p>

HALLFIELD SCHOOL TRUST
GOVERNORS' ANNUAL REPORT
STRUCTURE, GOVERNANCE & MANAGEMENT

Governing Document

The Trust is a charitable company limited by guarantee. It was incorporated on 24 June 1959 and registered as a charity on 12 November 1963. Its Memorandum of Association, which established its objects and powers provide that in the event of it being wound up, members are required to contribute an amount not exceeding £1. Membership of the Trust is reviewed at the Annual General Meeting as appropriate. It is exempt from using "Limited" under s.60 of the Companies Act 2006.

The Board of Governors

Under the Articles of Association, the Board of Governors may appoint any member of Hallfield School Trust to be a Governor. New Governors are given appropriate induction about the school on appointment; Disclosure and Barring Service disclosures are sought in each case. Appointments are made to the Board primarily with a view to enhancing its skill base. None of the governors has any beneficial interest in the school and all serve without remuneration. Governors do not participate in decisions which involve a personal conflict of interest; in particular, governors who are also parents do not participate in pricing decisions in respect of future fee levels.

Governors are involved in on-going general and specific training according to their areas of responsibility. A tailored training programme was organised during the year where Governors received training on Safeguarding, Health & Safety and risk management. Governors are also encouraged to visit the school regularly, during the working day and for special events.

Under the Articles of Association one third of the Governors (or the nearest number to one third if their number is not divisible by three) must retire from office at each Annual General Meeting. At the Annual General Meeting held on 30 November 2007, provision was made to enable the number of governors to increase to a maximum of 15.

In accordance with normal commercial practice the school has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on school business. The insurance provides cover up to £5m (2021: £1m) on any one claim and the cost for the year ended 31 August 2022 was £1,025 (2021: £229).

Committee Structure

Matters of policy and governance are determined by the Board normally at least once per term. In addition, the following committees consider policy issues in more detail and report to the Board accordingly:

- The Finance and Facilities Committee monitors capital expenditure, estates, catering and risk management together with management accounting and public reporting;
- The Education Committee is responsible for academic curriculum matters;
- The Marketing Committee is responsible for the admissions policy and marketing the school;
- The Human Resources and Legal Committee is responsible for human resource policy and various legal matters;
- The Compliance Committee is responsible for ensuring compliance with educational, health and safety, child protection and financial statutes, regulations and recommended practice;
- The Nominations Committee meets on an ad hoc basis to review the composition of the Board of Governors and to recommend changes according to the requirements for appropriate skills and experience.

HALLFIELD SCHOOL TRUST
GOVERNORS' ANNUAL REPORT
STRUCTURE, GOVERNANCE & MANAGEMENT

Executive Team

The Governors are responsible for the overall management of the school but delegate its day-to-day running to the Head Master, the Director of Finance and Operations (both of whom normally attend the above meetings) and other members of the Executive Team.

Compliance with laws and regulations

The school is subject to inspection by the Independent Schools Inspectorate and is regulated by Ofsted for children under the age of three. The school pro-actively manages its legal compliance in respect of education, nursery provision, child protection, health and safety, and various financial, administrative and regulatory matters. As a charitable company, the school is regulated by the Charity Commission and by the Registrar of Companies. The school maintains a Register of Interests in respect of members of the Board of Governors.

Related Parties

Hallfield School is affiliated to the Independent Association of Preparatory Schools. Professional support is also specifically available from the Independent Schools' Bursars Association, the Independent Schools Council and the Association of Governing Bodies of Independent Schools. The members of the Friends of Hallfield provide greatly valued voluntary effort and funding.

Statement of Governors' Responsibilities

The governors (who are also the directors and the Trustees of Hallfield School Trust for the purposes of company law and charity law respectively) are responsible for preparing the Governors' Report, including the strategic report, and the financial statements in accordance with applicable law, and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Charities SORP.

Company law requires the governors to prepare financial statements for each financial year. Under that law, the governors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the governors are required to:

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

HALLFIELD SCHOOL TRUST
GOVERNORS' ANNUAL REPORT
STRUCTURE, GOVERNANCE & MANAGEMENT

Statement of Governors' Responsibilities (continued)

The governors are responsible for keeping adequate accounting records that are sufficient to show and explain the 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 governors 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 the financial statements may differ from legislation in other jurisdictions.

Provision of information to auditors

In so far as the governors are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the governors 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

Crowe U.K. LLP continue to act as auditors.

Approved by the governors on 1st December, 2022 and signed on their behalf by:



GRH Ralphs
Chairman of Governors

Opinion

We have audited the financial statements of Hallfield School Trust ('the charitable company') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of its 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.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's 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 charitable company'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.

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the governors' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the governors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' 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 and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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 auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, taxation legislation, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context were The Education (Independent School Standards) Regulations 2014, General Data Protection Regulation (GDPR), Health and Safety legislation and employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

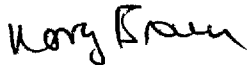
We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of nursery and foundation income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance & General Purpose Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, designing audit procedures over income, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by

auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

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



Kerry Brown

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

Black Country House

Rounds Green Road

Oldbury

B69 2DG



HALLFIELD SCHOOL TRUST
STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an Income and Expenditure Account)
Year ended 31 August 2022

		2022 Unrestricted Funds £	2022 Restricted Funds £	2022 Total Funds £	2021 Total Funds £
	Note				
Income and endowments from:					
Donations and legacies		5,320	920	6,240	12,147
Investment income	3	3,503	-	3,503	1,054
Charitable activities	4	7,606,567	-	7,606,567	6,793,175
		<u>7,615,390</u>	<u>920</u>	<u>7,616,310</u>	<u>6,806,376</u>
Total income and endowments					
Expenditure on:					
Charitable activities	5	6,676,957	1,327	6,678,284	5,813,539
		<u>6,676,957</u>	<u>1,327</u>	<u>6,678,284</u>	<u>5,813,539</u>
Total expenditure					
Net income / (expenditure) for the year		<u>938,433</u>	<u>(407)</u>	<u>938,026</u>	<u>992,837</u>
Reconciliation of funds:					
Funds brought forward at 1 September 2021		<u>7,685,495</u>	<u>46,452</u>	<u>7,731,947</u>	<u>6,739,110</u>
Total funds carried forward at 31 August 2022		<u>8,623,928</u>	<u>46,045</u>	<u>8,669,973</u>	<u>7,731,947</u>

There were no recognised gains or losses for 2022 or 2021 other than those included in the statement of financial activities. All income and expenditure relates to continuing operations.

The notes on pages 21 to 35 form part of these financial statements.

HALLFIELD SCHOOL TRUST
STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an Income and Expenditure Account)
Year ended 31 August 2021

		2021 Unrestricted Funds £	2021 Restricted Funds £	2021 Total Funds £	2020 Total Funds £
	Note				
Income and endowments from:					
Donations and legacies		9,843	2,304	12,147	10,549
Investment income	3	1,021	33	1,054	9,511
Charitable activities	4	6,793,698	(523)	6,793,175	6,488,952
Total income and endowments		<u>6,804,562</u>	<u>1,814</u>	<u>6,806,376</u>	<u>6,509,012</u>
Expenditure on:					
Charitable activities	5	5,812,232	1,307	5,813,539	5,910,175
Total expenditure		<u>5,812,232</u>	<u>1,307</u>	<u>5,813,539</u>	<u>5,910,175</u>
Net income for the year		<u>992,330</u>	<u>507</u>	<u>992,837</u>	<u>598,837</u>
Reconciliation of funds:					
Funds brought forward at 1 September 2020		<u>6,693,165</u>	<u>45,945</u>	<u>6,739,110</u>	<u>6,140,273</u>
Total funds carried forward at 31 August 2021		<u><u>7,685,495</u></u>	<u><u>46,452</u></u>	<u><u>7,731,947</u></u>	<u><u>6,739,110</u></u>

There were no recognised gains or losses for 2021 or 2020 other than those included in the statement of financial activities. All income and expenditure relates to continuing operations.

HALLFIELD SCHOOL TRUST

BALANCE SHEET

Company Number: 00631045

as at 31 August 2022

	Note	£	2022 £	£	2021 £
Fixed assets					
Intangible Assets	7		735		819
Tangible assets	8		5,996,603		4,880,035
			5,997,338		4,880,854
Current assets					
Debtors due after more than one year	9	738,481		746,927	
Debtors due within one year	9	293,719		274,847	
Stock		11,565		16,592	
Cash at bank and in hand		3,270,263		3,201,679	
		4,314,028		4,240,045	
Creditors: amounts falling due within one year	10	(1,440,041)		(1,183,547)	
Net current assets			2,873,987		3,056,498
Total assets less current liabilities			8,871,325		7,937,352
Creditors: amounts falling due after more than one year	10		(201,352)		(205,405)
			8,669,973		7,731,947
Restricted funds	12		46,045		46,452
Unrestricted funds	13		8,623,928		7,685,495
			8,669,973		7,731,947

The financial statements were approved by the Governors on 1st December, 2022 and signed on their behalf by



GRH Ralphs
Chairman of Governors

HALLFIELD SCHOOL TRUST

CASH FLOW STATEMENT

Year ended 31 August 2022

Reconciliation of net income to net cash flow from operating activities	2022 £	2021 £
Net income for the year	938,026	992,837
Interest receivable	(3,503)	(1,054)
Depreciation and amortisation of fixed assets	438,224	387,244
Loss/(Profit) on disposal of fixed assets	(385)	(2,138)
Decrease in stock	5,027	3,499
Increase in debtors	(10,426)	(15,269)
Decrease in creditors	252,441	292,190
Net cash flow from operating activities	1,619,404	1,657,308
Cash flow from investing activities		
Proceed from the sale of fixed assets	1,706	2,832
Payments to acquire fixed assets	(1,556,029)	(668,485)
Interest received	3,503	1,054
Net cash flow from investing activities	(1,550,820)	(664,599)
Net increase in cash and cash equivalents	68,584	992,709
Cash and cash equivalents at 1 September	3,201,679	2,208,970
Cash and cash equivalents at 31 August	3,270,263	3,201,679
Cash and cash equivalents consists of:		
Cash at bank and in hand	3,270,263	3,201,679

Analysis of changes in net debt

	Balance at 1 September 2021 £	Cash flow £	Balances at 31 August 2022 £
Cash	3,201,679	68,584	3,270,263
Total	3,201,679	68,584	3,270,263

HALLFIELD SCHOOL TRUST
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 August 2022

1. Accounting policies

1.1 General information and basis of preparation

Hallfield School Trust is a charitable company limited by guarantee (registered number 00631045) which is incorporated and registered in England and Wales. Its charity registration number is 528956. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 3 of these financial statements. The nature of the charity's operation and principal activity is the provision of a co-educational day school for pupils between the ages of 3 months and 13 years.

The financial statements have been prepared in accordance with 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 (FRS102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and Companies Act 2006.

Hallfield School Trust meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Going concern

The Governors 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 school to continue as a going concern. The Governors make this assessment in respect of at least one year from the date of authorisation for issue of the financial statements.

With uncertainty over pupil numbers, forecasts and budgets have been stress-tested to assess how the School could cope under different scenarios. The Governors have concluded that the Company is well placed to cope with the continuing uncertainties and has adequate resources to continue providing first class education to its pupils for the foreseeable future.

After making appropriate enquiries, the Governors consider that the company has adequate resources to continue in operational existence for the foreseeable future and it is therefore appropriate to continue to adopt the going concern basis in preparing the financial statements.

1. Accounting policies (continued)

1.3 Fund accounting

Restricted funds

Restricted funds represent grants and donations which are subject to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

Unrestricted funds and designated funds

Unrestricted funds represent funds that are expendable at the discretion of the governors in the furtherance of the objects of the charitable company. Such funds may be held in order to finance both working capital and capital investment. Designated funds are those funds which are unrestricted in nature but which have been designated by the governors to be used in a particular manner.

1.4 Income recognition

All incoming resources are included in the Statement of Financial Activities when the charitable company is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received. The following specific policies are applied to particular categories of income:

- Fees and charges for services are accounted for in the period in which tuition and services are provided at the expected level of income. Fees which have been physically received in advance are treated as deferred income.
- Other income is recognised as it is receivable.
- Government grants are credited to the statement of financial activities as the related expenditure is incurred.

1.5 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. The following specific policies are applied to particular categories of expenditure:

- Rentals applicable to operating leases are charged to the Statement of Financial Activities over the period in which the cost is incurred.
- Charitable expenditure comprises those costs incurred by the charitable company in the delivery of its activities and services for its beneficiaries.
- All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity comprise both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charitable company and include audit fees and costs linked to the strategic management of the charitable company.

1. Accounting policies (continued)

1.6 Leases

All leases are operating leases and the annual rentals are expensed on a straight line basis over the lease term with any deferred charges included within creditors. Lease premiums, including associated professional fees, are treated as prepayments and amortised on a straight line basis over the life of the lease with the unamortised balance disclosed within debtors due after more than one year.

1.7 Pensions

Retirement benefits to employees of the Hallfield School Trust who are qualified Teachers are provided by the Teachers' Pension Scheme ('TPS'). The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the school in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in Note 11, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The charity also contributes towards a defined contribution Group Personal Pension Plan for its non-teaching staff. Contributions payable for the year are charged in the Statement of Financial Activities.

1.8 Intangible fixed assets and amortisation

Intangible fixed assets comprise the licence cost of the School's trademark. The asset is amortised over ten years on a straight line basis, this being the period covered by the licence.

1.9 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Additions over £500 are capitalised. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Computer equipment	- over four years
Fixtures and equipment	- over seven years
Leasehold property	- over the life of the lease or 50 years, whichever is the shorter
Leasehold improvements	- over 10 years
Freehold buildings	- over 50 years

Freehold land is not depreciated.

1.10 VAT

Value added tax is not recoverable by the charitable company, and as such is included in the relevant costs in the statement of financial activities and tangible fixed assets.

HALLFIELD SCHOOL TRUST
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 August 2022

1. Accounting policies (continued)

1.11 Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

1.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible into known amounts of cash with insignificant risk of change in value.

1.13 Financial instruments

The company enters into only basic financial instrument transactions that result in the recognition of financial assets and liabilities. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2. Judgements in applying accounting policies and key sources of estimation uncertainty

The charitable company makes estimates and assumptions concerning the future. Management are also required to exercise judgement in the process of applying the charitable company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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 addressed below:

Leases

All leases are deemed to be either operating or finance leases, depending on whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis based on an evaluation of the terms and conditions of the arrangements.

In particular, in relation to the school buildings leased from Calthorpe Estates a number of judgements have been made that result in the conclusion that the agreement constitutes an operating lease: the lease does not transfer ownership of the building to Hallfield School at the end of the lease, nor offers the option to purchase the buildings; the lease term (to 2110) has been assessed not to constitute the majority of the useful life of the buildings; the buildings are deemed not to be of such a specialist nature that they could not be used by an alternative lessor in the future.

HALLFIELD SCHOOL TRUST
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 August 2022

3. Investment Income

	2022	2021
	£	£
Bank Interest – Unrestricted Funds	3,503	1,021
Bank Interest – Restricted Funds	-	33
	<u>3,503</u>	<u>1,054</u>

4. Income

	2022	2021
	£	£
Net incoming resources are stated after charging:		
Depreciation – (note 8)	438,140	387,106
Amortisation – Intangible Asset (note 7)	84	138
Amortisation – Lease Premium (note 9)	8,446	8,446
Auditors' remuneration – audit services (exclusive of VAT)	14,400	11,250
Auditors' remuneration – non-audit services (exclusive of VAT)	-	575
Operating lease rental – plant, machinery & vehicles	<u>30,246</u>	<u>27,355</u>

	2022	2021
	£	£
Income from Charitable Activities - Unrestricted		
School fees	7,390,750	6,596,468
Less: Assisted Places	<u>(206,264)</u>	<u>(122,533)</u>
Net Fee Income	7,184,486	6,473,935
Other educational income	344,173	172,985
Other ancillary income	77,908	53,903
Government grants	<u>-</u>	<u>92,875</u>
	<u>7,606,567</u>	<u>6,793,698</u>

Included in school fees is a grant awarded by Birmingham City Council to parents of 3 and 4 year old children which is collected by The School. This amounted to £240,576 (2021: £276,040) to provide up to 15 hours per week of free education to each pupil aged 3 or 4.

Included in government grants is £Nil (2021: £8,354) which relates to a sustainability claim to cover exceptional costs incurred whilst remaining open to Key Worker children. There is also a further grant of £Nil (2021: £84,521) in relation to the Coronavirus Job Retention Scheme.

HALLFIELD SCHOOL TRUST
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 August 2022

5. Analysis of resources expended

5.1 Total expenditure

Year ended 31 August 2022	Staff costs £	Other costs £	Depreciation £	Total 2022 £
Charitable activities (note 6)				
Teaching	3,148,996	497,450	138,784	3,785,230
Welfare	-	465,249	20,233	485,482
Premises repair and maintenance	341,616	667,130	287,569	1,296,315
Support costs and governance	809,691	286,301	84	1,096,076
Grants and prizes	-	15,181	-	15,181
Total charitable expenditure	4,300,303	1,931,311	446,670	6,678,284

Year ended 31 August 2021	Staff costs £	Other costs £	Depreciation £	Total 2021 £
Charitable activities (note 6)				
Teaching	2,902,248	296,922	131,057	3,330,227
Welfare	-	407,120	14,286	421,406
Premises repair and maintenance	285,475	554,115	250,208	1,089,798
Support costs and governance	724,662	238,293	138	963,093
Grants and prizes	-	9,015	-	9,015
Total charitable expenditure	3,912,385	1,505,465	395,689	5,813,539

5.2 Grants, awards and prizes

	2022 £	2021 £
From restricted funds		
Maths prize	25	25
From unrestricted funds		
Flowers, prizes and leaving presents	13,185	8,990
	13,210	9,015

HALLFIELD SCHOOL TRUST
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 August 2022

5. Analysis of resources expended (continued)

5.3 Governance included in support costs

	2022	2021
	£	£
Remuneration paid to auditor for audit services	14,400	13,500
Reimbursement of personal expenses to governors – travel costs	-	-
Other governance costs	2,765	1,413
	<u>17,165</u>	<u>14,913</u>

6. Staff costs and numbers

	2022	2021
	Total	Total
	£	£
Salaries and wages	3,433,139	3,177,261
Social security	299,538	269,158
Pension costs	487,382	444,251
	<u>4,220,059</u>	<u>3,890,670</u>
Agency staff costs	80,244	21,715
	<u>4,300,303</u>	<u>3,912,385</u>

Included within salaries and wages is £206 (2021: £329) of childcare voucher administration charges associated with a salary sacrifice scheme for employees. Also included are Staff termination costs of £404 (2021: £23,094) with £Nil (2021: £3,869) remain outstanding at the year-end. Also included within salaries and wages is £4,907 (2021: £5,636) of premiums for staff death in service benefit cover and £5,461 (2021: £5,243) of premiums for private healthcare cover for senior managers.

The total amount of employee benefits received by key management personnel, including employer pension contributions, is £659,448 (2021: £566,153). The Governors consider that the key management personnel comprise the Executive team; during the year a new Head of Marketing was employed and added to the Executive Team.

The average number of employees during the year was:

	2022	2021
	No.	No.
Teaching staff	41	38
Teaching assistants and nursery nurses	40	44
Domestic staff	17	16
Office and management staff	19	16
	<u>117</u>	<u>114</u>

HALLFIELD SCHOOL TRUST
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 August 2022

6. Staff costs and numbers (continued)

The table below shows details of employees who on an annualised basis received remuneration, including benefits but excluding employer pension contributions, in excess of £60,000:

	2022	2021
	No.	No.
£60,001 - £70,000	2	2
£80,001 - £90,000	1	-
£90,001 - £100,000	-	1
£140,001 - £150,000	-	1
£150,001 - £160,000	1	-

The employees in the £60,001 - £70,000 bracket (2021: Two) and the employee in the £150,001 - £160,000 (2021: £140,001 - £150,000 bracket) are members of the Governments' Teachers' Pension Defined Benefits Scheme and the School pays standard contributions as detailed in note 11. The employee in the £80,001 - £90,000 bracket (2021: the employee in the £90,001 - £100,000 bracket) is a member of the defined contribution scheme set out in note 11.

No governor received any remuneration. No governor received reimbursement for travel expenses (2021: £Nil). No governor received reimbursement for subsistence costs for Governors' meetings in 2022 (2021: £Nil). No governors (2021: £Nil) received reimbursement for travel costs associated with training courses of £Nil (2021: £Nil). No governors received reimbursement for entertaining expenses in either 2022 or 2021.

7. Intangible fixed assets

	Trademark Licence
Cost	£
As at 1 September 2021	840
Additions	-
Disposals	-
At 31 August 2022	<u>840</u>
Depreciation	£
As at 1 September 2021	21
Charge	84
Disposals	-
At 31 August 2022	<u>105</u>
Net Book Value	£
At 31 August 2022	<u>735</u>
At 1 September 2021	<u>819</u>

The licence to use the trademark of Hallfield School will expire in ten years.

HALLFIELD SCHOOL TRUST
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 August 2022

8. Tangible fixed assets

	Freehold Land & Buildings £	Long Term Leasehold Property £	Fixtures Fittings & Equipment £	Total £
Cost				
At 1 September 2021	546,581	6,838,471	1,078,245	8,463,297
Additions	-	1,301,135	254,894	1,556,029
Disposals	-	-	(6,360)	(6,360)
At 31 August 2022	<u>546,581</u>	<u>8,139,606</u>	<u>1,326,779</u>	<u>10,012,966</u>
Depreciation				
At 1 September 2021	82,863	2,911,385	589,014	3,583,262
Charge	10,133	278,449	149,558	438,140
Disposals	-	-	(5,039)	(5,039)
At 31 August 2022	<u>92,996</u>	<u>3,189,834</u>	<u>733,533</u>	<u>4,016,363</u>
Net Book Value				
At 31 August 2022	<u>453,585</u>	<u>4,949,772</u>	<u>593,246</u>	<u>5,996,603</u>
At 31 August 2021	<u>463,718</u>	<u>3,927,086</u>	<u>489,231</u>	<u>4,880,035</u>

Included in freehold land and buildings is an amount of £39,947 (2021: £39,947) relating to freehold land which is not depreciated.

9. Debtors: amounts due within one year

	2022 £	2021 £
Trade debtors	116,684	104,670
Other debtors	8,446	8,446
Prepayments and accrued income	<u>168,589</u>	<u>161,731</u>
	<u>293,719</u>	<u>274,847</u>

Debtors: amounts due after more than one year

	2022 £	2021 £
Lease Premium	<u>738,481</u>	<u>746,927</u>

The lease premium represents amounts paid to the Trust's Landlord on completion of the lease arrangements together with professional costs incurred in reaching the agreement. The premium is amortised over the life of the lease which expires on 24 March 2110.

HALLFIELD SCHOOL TRUST
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 August 2022

10. Creditors: amounts falling due within one year

	2022	2021
	£	£
Fees in advance	483,688	318,325
Trade creditors	252,287	336,672
Other creditors	362,135	369,456
Accruals and deferred income	250,688	70,446
Deferred rental charge	4,054	4,054
Other tax and social security	87,189	84,594
	<u>1,440,041</u>	<u>1,183,547</u>

Included within other creditors are amounts relating to outstanding pension contributions of £61,923 (2021: £53,353) and an amount of £183,500 (2021: £216,410) relating to deposits received from parents for pupils attending the School; deposits are repayable when the pupil leaves the School in Year 6 or Year 8.

The Governors have reviewed the contract terms under which the Pupil fee deposits are held by the school. Although under normal circumstances these will be repaid over future years when the pupils complete their education at the school, pupils can leave at earlier dates. The school does not therefore have an unconditional right to retain the individual deposits for at least 12 months after the balance sheet date and, in line with the requirements in FRS 102, the balance of the deposits held at 31 August 2022 have been included within current liabilities.

Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Deferred Rental Charges	<u>201,352</u>	<u>205,405</u>

These charges arise as the rent payable under the new lease arrangements steps up over the period to 24 March 2029. Our policy is to recognise the rent equally over this period and the amount is expected to reverse by 31 August 2029.

11. Pensions

Teachers' Pension Defined Benefits Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £411,750 (2021: £377,638) and at the year-end £48,882 (2021: £44,107) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

11. Pensions (continued)

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following the public consultation, the government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

The 2016 cost control valuations have since been completed in January 2022, and the results indicated that there would be no changes to benefits or member contributions required. The results of the cost cap valuation are not used to set the employer contribution rate, and HM Treasury has confirmed that any changes to the employer contribution rate resulting from the 2020 valuations will take effect in April 2024.

Until the 2020 valuation is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly, no provision for any additional past benefit pension costs is included in these financial statements.

HALLFIELD SCHOOL TRUST
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 August 2022

11. Pensions (continued)

Other arrangements

The school also contributes to a defined contribution pension scheme in respect of its non-teaching staff. All eligible employees were enrolled in the defined contribution auto-enrolment scheme as of its staging date on 1 May 2014.

The pension status of all employees is reviewed monthly to ensure that all employees who are eligible are enrolled in the scheme and that all non-eligible or entitled workers are aware of their right to opt to join the scheme.

The pension charge in the Statement of Financial Activities and reported in note 6 to the financial statements represents contributions payable to all of the pension schemes of £487,382 (2021: £444,251).

12. Restricted funds

The funds of the charitable company include restricted funds comprising unexpended balances of donations and grants, held on trust, to be applied for specific purposes, as follows:

At 31 August 2022	Balances at 1 September 2021 £	Incoming Resources £	Outgoing Resources £	Balances at 31 August 2022 £
Pavilion Appeal Fund	10,132	-	(1,282)	8,850
Rigby Bursary	14,213	-	-	14,213
Hardship Fund	17,995	900	(10)	18,885
Gifted and Talented Fund	3,357	-	-	3,357
Stanley Owen Allday Memorial	50	-	-	50
Ranjeen Neelima Memorial	180	-	(25)	155
Award				
Make a Difference Fund	525	20	(10)	535
	<u>46,452</u>	<u>920</u>	<u>(1,327)</u>	<u>46,045</u>
At 31 August 2021	Balances at 1 September 2020 £	Incoming Resources £	Outgoing Resources £	Balances at 31 August 2021 £
Pavilion Appeal Fund	11,414	-	(1,282)	10,132
Rigby Bursary	14,199	14	-	14,213
Hardship Fund	16,218	1,777	-	17,995
Gifted and Talented Fund	3,354	3	-	3,357
Stanley Owen Allday Memorial	50	-	-	50
Ranjeen Neelima Memorial	205	-	(25)	180
Award				
Make a Difference Fund	505	20	-	525
	<u>45,945</u>	<u>1,814</u>	<u>(1,307)</u>	<u>46,452</u>

12. Restricted funds (continued)

Capital funds

The Pavilion Appeal Fund was created in the 125th Anniversary year, 2003, to supplement the school's provision of funds for the new sports pavilion, benefiting from the generosity of various friends as well as the Old Hallfieldian Society. The cash raised was fully utilised on the purchase of the pavilion which is included in fixed assets; depreciation is charged on a straight line basis over the estimated remaining useful life of 10 years. The fund balance at the end of the year is represented by the attributable proportion of the net book amount of the asset to the extent that it was funded by the donation.

Other funds

The Rigby Bursary Fund is the result of a legacy from a former headmaster, Mr. R. Vaughan Rigby, to improve access for children from families with limited resources for independent schooling, especially the children of Old Hallfieldians.

There are two Hardship Funds operated by the School. The original Hardship Fund was created by the Parents' Association to assist current pupils whose families run into financial difficulty, being under the control jointly of the Head Master and the chair of the Parents' Association. During 2017-18, a second Hardship Fund called "The Bryan Family Unforeseen Hardship Fund" was created with a donation of £10,000. This money is to be used to support families that have had an unforeseen change of circumstances within an academic year and this fund should facilitate the pupil remaining at Hallfield School until the end of an academic year.

The Gifted and Talented Fund began in 2009 due to an enlightened donation by the retiring deputy head, Mrs. Rosemary Mountford.

The Stanley Owen Allday Memorial Fund is a prize fund awarded in respect of excellence at sport in memory of a pupil who was killed in active service during the First World War in 1915.

The Ranjan Neelima Memorial Award is the result of a donation received in respect of a former pupil for an award for excellence in mathematics. During the year the fund donated £25 (2021: £25) for the School's prize in mathematics.

HALLFIELD SCHOOL TRUST
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 August 2022

13. Unrestricted funds

At 31 August 2022	Balances at 1 September 2021	Incoming Resources	Outgoing Resources	Balances at 31 August 2022
	£	£	£	£
General Fund	7,185,495	7,615,390	(6,676,957)	8,123,928
Designated fund	500,000	-	-	500,000
Total	7,685,495	7,615,390	(6,676,957)	8,623,928

At 31 August 2021	Balances at 1 September 2020	Incoming Resources	Outgoing Resources	Balances at 31 August 2021
	£	£	£	£
General Fund	6,193,165	6,804,562	(5,812,232)	7,185,495
Designated fund	500,000	-	-	500,000
Total	6,693,165	6,804,562	(5,812,232)	7,685,495

The Designated fund was established for future development of the school site.

14. Analysis of net assets between funds

At 31 August 2022	General funds £	Restricted funds £	Total £
Fixed assets	5,988,488	8,850	5,997,338
Net current assets	2,098,311	37,195	2,135,506
Long term debtors	738,481	-	738,481
Long term liabilities	(201,352)	-	(201,352)
	8,623,928	46,045	8,669,973

At 31 August 2021	General funds £	Restricted funds £	Total £
Fixed assets	4,870,722	10,132	4,880,854
Net current assets	2,273,251	36,320	2,309,571
Long term debtors	746,927	-	746,927
Long term liabilities	(205,405)	-	(205,405)
	7,685,495	46,452	7,731,947

HALLFIELD SCHOOL TRUST
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 August 2022

15. Commitments under leases

Operating Leases

The charitable company has total future minimum lease payments under non-cancellable operating leases are as set out below:

	2022		2021	
	Land and buildings £	Other £	Land and buildings £	Other £
Leases expiring:				
Within one year	100,000	26,852	100,000	30,246
Within 2 – 5 years	487,500	7,014	462,500	34,808
Over five years	27,641,677	-	27,766,677	-
	<u>28,229,177</u>	<u>33,866</u>	<u>28,329,177</u>	<u>65,054</u>

The land and buildings commitment relates to a rental lease on the school premises which expires on 24 March 2110.

16. Capital commitments

At 31 August 2022, the charitable company had £4,643 of capital commitments (2021: £357,740).

17. Members

The charity is incorporated as a company limited by guarantee having no share capital and, in accordance with the memorandum of association, every member is liable to contribute a sum of £1 in the event of the company being wound up. At 31 August 2022 there were 31 members (2021: 31).

18. Related party transactions

At the year-end there was a £4,775 creditor representing amounts due to the Friends of Hallfield Society ("the Friends") in respect of the combination of payments due from the School to the Society for annual subscriptions collected and other associated transactions made by the School on behalf of the Society. The Head Master is the President of the society and the Director of Finance and Operations is the Treasurer.