

Company Registration No. 07697117 (England and Wales)

HITCHIN GIRLS' SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2017

HITCHIN GIRLS' SCHOOL

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HITCHIN GIRLS' SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

C Astill *
K Balfe * (Staff governor to 31 August 2017, re-elected 19 September 2017)
K Down * (Chair of Finance & Resources Committee)
G Edwards (appointed 17 October 2017)
C Emmings * (Staff governor)
A Fitzakerly *
C Hall * (Chair of Governing Body)
N Job
A Jones (Staff governor)
D Kaur (appointed 17 October 2017)
M King
S Lucas *
F Manning * (Headteacher)
M McPhail * (resigned 16 October 2017)
K Middleton (appointed 18 October 2016)
S Mills *
C Minton *
G Montgomery * (resigned 16 October 2017)
S Morrison
T Scott (appointed 17 October 2017)
M Seaman Hill *
S Sprawson
J Watmore (resigned 22 June 2017)

Members

C Astill *
K Balfe * (Staff governor to 31 August 2017, re-elected 19 September 2017)
K Down * (Chair of Finance & Resources Committee)
G Edwards (appointed 17 October 2017)
C Emmings * (Staff governor)
A Fitzakerly *
C Hall * (Chair of Governing Body)
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S Mills *
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G Montgomery * (resigned 16 October 2017)
S Morrison
T Scott (appointed 17 October 2017)
M Seaman Hill *
S Sprawson
J Watmore (resigned 22 June 2017)

* members of the Finance and Resources Committee

HITCHIN GIRLS' SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Senior management team	
- Headteacher	F Manning
- Deputy Headteacher	J Crowther
- Assistant Headteacher	R Cave
- Assistant Headteacher	R Cooper
- Assistant Headteacher	S Mills
- Assistant Headteacher	T Stojko
- Director of Finance and Resources	A Hankin
Company secretary	A Hankin
Company registration number	07697117 (England and Wales)
Registered office	Highbury Road Hitchin Herts SG4 9RS
Independent auditor	UHY Hacker Young (East) Limited PO Box 501 The Nexus Building Broadway Letchworth Garden City Herts SG6 9BL
Bankers	Lloyds Bank Plc 1 Bancroft Hitchin Herts SG5 1JQ
Solicitors	Stone King LLP 30 Station Road Cambridge CB1 2RE

HITCHIN GIRLS' SCHOOL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2017

The trustees present their annual report together with the accounts and independent auditor's reports of the charitable company for the period 1 September 2016 to 31 August 2017. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Academy Trust took over the operation of Hitchin Girls' School on the school's conversion to academy status on 17 August 2011. Since then the Academy Trust's principal object and activity has been to manage the school's provision of education to students between the ages of 11 and 18.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The trustees of Hitchin Girls' School Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Hitchin Girls' School.

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

Members' liability

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

Trustees' indemnities

The Academy Trust maintains Governors' and officers' liability insurance which gives appropriate cover for any legal action brought against its Governors. The Academy Trust has also granted indemnities to each of its Governors and other officers to the extent permitted by law. Qualifying third party indemnity provisions (as defined by section 234 of the Companies Act 2006) were in force during the period and remain in force, in relation to certain losses and liabilities which the Governors or other officers may incur to third parties in the course of acting as Governors or officers of the Academy Trust. Details of the insurance cover are provided in note 11 to the financial statements.

Method of recruitment and appointment or election of trustees

The board of trustees consists of up to 20 members. Six of the trustees are parents of students who attend the school elected by the parent body to serve for a period of four years. Parents are notified by letter that a vacancy has arisen and provided with details of the election process. Nomination forms are submitted to the Clerk to the board of trustees and a ballot form issued on the basis of one form per parent/carer. There are three staff trustees, two to represent the teaching staff and one to represent non-teaching staff. The Headteacher is a trustee appointed by virtue of office. There are 10 community trustees appointed by the members. Where a vacancy occurs, new community trustees are sought through personal recommendation by existing governors or third parties, and advertising on the school website, newsletter and other media. Expressions of interest are requested and potential candidates meet an Appointment Panel consisting of four existing trustees who give consideration to the skills mix of the trustees when considering whether or not to offer a position to a candidate.

Policies and procedures adopted for the induction and training of trustees

An induction pack is provided for all newly appointed Trustees which describes their role as a Governor and Trustee and gives information about the school, Academy Governance and the Governing Body (organisational structure, finance, personnel). The induction of Governors is managed by the Chairman of the Governing Body. All new Governors attend an induction training programme offered by Herts for Learning Ltd. Governors are encouraged to identify their training needs which the school endeavours to meet either through mentoring, bespoke training or generic training. The process is monitored by a link Governor. All governors receive Child Protection (Safeguarding in Education) training once every three years. The school subscribes to the Hertfordshire Governors Service which provides training for Governors. Presentations by staff are made regularly at committee and full Governing Body meetings to provide information and training for Governors.

HITCHIN GIRLS' SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Organisational structure

As specified in the Articles of Association, the business of the Academy Trust is managed by the Governors who exercise all the powers of the Academy Trust. In exercising their responsibilities, Governors consider the advice given by the Headteacher and other members of the Senior Leadership Team. Governors are responsible for setting policies, planning and budget setting and making senior staff appointments. The Governors are responsible for monitoring the performance of the Headteacher on a regular basis.

The Board of Governors normally meets once each academic term. The Board establishes an overall framework for the governance of the Academy and agrees membership of Committees and Statutory and other Panels. It receives reports, and in particular policy documents, from its Committees for ratification. It monitors the activities of the Committees through the Minutes of their meetings. It also establishes the Terms of Reference and Procedures for its Committees. The Board of Governors may also, from time to time, establish Working Groups to perform specific tasks over a limited timescale.

The Senior Leadership Team controls the academy at an executive level implementing the policies laid down by the governors and reporting back to them. The Senior Leadership Team is responsible for the authorisation of spending within agreed budgets and the appointment of staff up to senior positions. Some spending control is devolved to Cost Centre heads. The Headteacher is the Academy Trust's Accounting Officer as required by the Funding Agreement with the Department for Education and the Governors have appointed an independent Responsible Officer.

The Middle Leadership Team includes Curriculum Area Leaders and Heads of House. Along with the Senior Leadership Team these managers are responsible for the day to day operation of the Academy, in particular organising the teaching staff, facilities and students.

Arrangements for setting pay and remuneration of key management personnel

Pay and remuneration of key management personnel is set in accordance with the School Teachers Pay & Conditions Document (STPCD) and the school's Pay and Appraisal policy. The Personnel Committee review all recommendations which are ratified by the Board of Governors.

Related parties and other connected charities and organisations

The school is part of the Hitchin Schools' Sixth Form Consortium along with Hitchin Boys' School and The Priory School. The Consortium provides students from all three schools with access to a broad curriculum. The consortium operates as a soft federation and is overseen by the Consortium Governance Committee comprising the Headteacher and Governor representatives from all three schools.

Hitchin Girls' School Charitable Trust (Registered charity number 1147058) is a separate charitable trust which exists to support the school by helping to provide facilities for education and encouraging participation from the wider community in sport and recreation through the provision of facilities for the playing of sport. The Headteacher, Chairman of the Governing Body and Director of Finance and Resources are three of the Trustees of the Trust.

Hitchin Educational Foundation (Registered charity number 311024) provides educational grants (including for uniforms) for students under the age of 25 years who meet defined criteria in schools in Hitchin and the surrounding villages. The Chairman of the Governing Body is a Trustee of the Charity.

Hitchin Churches Schools' Worker Trust (Registered charity number 1154364), also known as PHASE, help to lead assemblies, lessons and enrichment days in school and provides mentoring and support for students. The Headteacher is a Trustee of the Trust.

Hitchin Partnership CIO (Registered charity number 1158637) is a Charitable Incorporated Organisation which provides support and services to students, parents and schools in Hitchin and the surrounding area. The Headteacher is a Trustee.

The school is the lead school of the North Herts Teaching School Alliance, set up in summer 2014 following approval by the National College for Teaching and leadership (NCTL). The Alliance provides support and services to schools in the local area. The Headteacher is a member of the Management Group.

HITCHIN GIRLS' SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Objectives and activities

Objects and aims

The Academy Trust was incorporated on 7 July 2011 and the school gained Academy status on 17 August 2011.

The Academy Trust's object is to:

- advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum; and
- promote for the benefit of the inhabitants of Hitchin and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

The principal aim of the Academy Trust is to provide high quality learning that helps all students to fulfil their intellectual potential and become well-balanced young people.

Further aims are to:

- Provide students with the knowledge, skills and understanding that they need to make healthy, positive life and lifestyle choices and enabling them to play an active and constructive role in their school, local and global communities.
- Ensure that students make good progress through access to a quality provision which is innovative, challenging and meets their individual learning needs.
- Ensure that leadership and management throughout the school are consistently inspirational, dynamic, efficient, reflective and focussed on delivering the school's aim.
- Provide equality of opportunity for all.

Objectives, strategies and activities

Key influences on the Academy Trust Development Plan for the period under review remained the significant challenges, uncertainties and opportunities arising from national changes in education policy and funding.

The priorities for the year were:

- to raise attainment & achievement by developing a culture which puts teaching & learning of the whole school community at the heart of all that we do
- to raise attainment & achievement for all students through provision of a relevant & effective curriculum
- to raise attainment & achievement through the effective use of regular, quality assessment & robust data
- rationalising communication to reduce workload for staff. To establish a greater presence in the local, national and international arena and develop the work of the North Herts Teaching Alliance
- to provide high quality & consistent leadership, management & governance
- to fully utilise our assets to provide provision for success

Specific plans for 2016/17

- To prepare students for the re-introduction of linear examinations
- To review the Marking policy and practice, in line with Government workload feedback
- To develop the collection and use of student voice data and feedback
- To develop the impact of the learning leaders on teaching and learning
- To support our parent community in building greater resilience for themselves and their children as students in our school
- To complete and submit the application for renewal of the CPD Mark
- At Key Stage 3, to review of content and skills to support engagement, enjoyment and success at all levels
- At Key Stage 4&5, for continued development of preparation and delivery of new courses
- To ensure assessment is meaningful, manageable and motivational for all - to include *life without Levels* and continued focus on quality and consistency of marking
- To establish more proactive communication with parents

HITCHIN GIRLS' SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

- To rationalise in-school communication to benefit teacher workload and wellbeing
- To develop and extend learning opportunities for students with our international partners
- To increase all stakeholders' awareness of current eSafety measures including the appropriate use of social media platforms
- Launch new leadership Alliance courses
- Work with a network of schools to provide a wide variety of CPD opportunities
- To explore options and alternatives regarding Multi Academy Trusts (MATs) with regard to the best options for HGS
- Develop and increase opportunities for middle and senior leaders
- To manage the new Sports Hall project to ensure it provides the facilities and resources that are required
- To undertake work and expand the school in accordance with Local Authority plans
- To review and further develop the strategy for utilising Pupil Premium funding with an emphasis on engagement of families

Public Benefit

In setting the objectives, Governors have given consideration to the Charity Commission's general guidance on public benefit and in particular its supplementary guidance on education.

The Academy Trust provides education to children and young people that is

- balanced and broadly based
- promotes the spiritual, moral, cultural, mental and physical development of students at the school and of society
- prepares students at the school for the opportunities, responsibilities and experiences of later life
- promotes, sustains and increases individual and collective knowledge and understanding of specific areas of study, skills and expertise.

The Academy Trust is an all-ability school serving Hitchin and the surrounding area. It is subject to the current statutory arrangements as laid down in the national Admissions Code. The school provides an extensive programme of educational and extra-curricular activity - all designed to contribute to the overall education of students in areas such as academic distinction, music, the arts, sport and leadership. Wherever possible the school also aims to contribute to the benefit of the wider public, by making available the premises to third parties for the provision of educational and other opportunities.

Achievements and Performance

We are delighted with our A Level results again this year and it has been wonderful to see so many of our students progress to their desired further study or employment route. The recent changes to A Level have been challenging and have caused a level of uncertainty for this cohort of students. They have met the challenge admirably and have reaped the rewards of all their hard work and that of their teachers.

This year saw the first completely linear examinations for our A Level students, who passed in every one of their subjects. In addition, for a large number of subjects this was the first year of examination of the new courses and so it is difficult to make like for like comparisons with results from last year.

At A Level 28% of the grades achieved by students are A* and A grades. 58% of the grades attained by students are A*, A or B and 85% of the grades are A* - C. 100% of all entries are A* - E passes. 11 girls achieved all A* and A grades

At GCSE our students have risen to the challenge and demands of the new GCSE specifications and achieved exceptional results overall.

The progress 8 score for the school has risen from 0.61 in 2016 to 0.8 in 2017, the third highest in Hertfordshire, 40th in the UK, and placing the school in the top 2% of schools nationally.

HITCHIN GIRLS' SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

This year saw the introduction of the new 9-1 grades for English and Mathematics and we are delighted that a significant number of students achieved the highest 8 & 9 grades in English Language and Literature and Mathematics.

In the overall results, 8 students achieved all A* and 8/9 grades, with a further 13 achieving A*, A and 8/9 grades in all subjects.

88% of our students achieved the threshold in English and Mathematics (currently a grade 4) and 87% achieved 5+ standard passes including English and Mathematics (comparable to the former 5A*-C including English and Maths measure)

We are hugely proud of our GCSE performance compared to the National figures for English and Maths. Nationally the 9 grade was awarded to 3.5% of students in Maths, 3.2% in English Literature and 2.2% in English Language; our students achieved 9.6% in Maths, 5.4% in English Literature and 10.2% in English Language.

The school remains popular and oversubscribed. Student numbers at the start of 2016/17 were 1112 (2015/16 1095). Within this number, 271 were in the Sixth Form (2016 263).

During the year, the school was re-awarded the Secondary Geography Quality Mark by The Geographical Association, a national professional body. We were also successful in assessment for re-accreditation of the CPD Mark which recognises outstanding Continuing Professional Development provision for the staff in our school. The school has also been awarded Healthy Schools Status in recognition of how we have prioritised health and wellbeing across the school and made it a key element in the school development plan.

We were also awarded the Incorporated Society of Musicians Gold Award in recognition of student achievement in music GCSE in 2016 and won two Educational Outcome Awards, presented by SSAT (The Schools, Students and Teachers Network). The first is awarded to schools in the top 10% of non – selective schools nationally for attainment and progress and, as Hitchin Girls' achieved outcomes in 2016 in the top 5% nationally, we have been awarded in this category. The second is for progress based on our average best 8 scores in last year's GCSE results. Two Staff have also been presented with an award in recognition of their and the schools support of the Duke of Edinburgh Award Scheme for many years.

Events & Activities

Students have continued to benefit from a broad range of learning activities outside the classroom. These have included trips to Berlin (History), Hawaii and India (three Sixth Form attendees at each of the two Student Global Leadership Institute conferences), Italy (Classics), Netherlands (PE) and New York (Business Studies). Closer to home, there have been Geography field trips to Snowdonia and Norfolk, the annual Year 8 residential trip, Duke of Edinburgh award training and many visits to theatres, museums, universities and other places in support of the curriculum. Students have also attended revision conferences in school and externally to help prepare for examinations.

Students successfully competed in a number of competitions and sporting events including the Rotary technology tournament, Maths Challenges and county, district and regional sporting competitions.

Students have again supported the local Food Bank with a termly Food Drive along with other local, national and international charities.

Other activities have included the annual Gym and Dance display, Science week, Music concerts, Enterprise week, Sports Day, Art Show, Founders' Day, visits by Authors and careers days.

HITCHIN GIRLS' SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Facilities & Resources

Sixth Form students continue to appreciate and benefit from their dedicated Sixth Form Centre which opened in September 2014 and was funded by an Educational Funding Agency capital grant. Completion of the much needed 4 court sports hall with associated facilities including a dance studio, fitness suite and classroom is eagerly awaited. This is funded by the successful 2016 EFA capital bid and is due for completion by the end of 2017.

Another successful EFA capital bid was made in 2017 and this has funded work to the 1970s Lower Block, including re-covering of part of the flat roof, replacement boilers and fan heaters and repairs to some of the windows.

Following the decision by the Governing Body to agree to a request from the Local Authority to expand the school from September 2018, detailed work has been undertaken to identify the facilities and resources needed to support an increase in the Published Admission Number (PAN) from 165 to 210. Planning approval has been obtained for a new classroom block along with changes to existing facilities and work is now underway.

The school continues to invest in its computer systems with the purchase of new iPads, laptops and workstations. The school website has been completely refreshed and the new site was launched in July 2017.

Further and fuller information on the school's many activities can be found in the termly newsletter and other information available on the school's website.

Key performance indicators

The Governors consider that the following are key performance indicators for the Academy Trust:

- Student numbers (leading directly to the Education and Skills Funding Agency ("ESFA") funding level);
- General financial stability - aim for income to match expenditure each year;
- Income per pupil
- Staff costs as a percentage of grant income;
- Staff costs as a percentage of total costs;
- Ofsted inspection results;
- Year 7 student intake;
- Sixth form student numbers;

The Governors have been pleased that expectations for all key performance indicators listed have been successfully met during the period.

Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason the board of trustees continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

HITCHIN GIRLS' SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Financial Review

Most of the School's income is obtained from the Department for Education via the Education and Skills Funding Agency in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the Department for Education during the period ended 31 August 2017 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities and are detailed in note 4 to the financial statements.

Revenue grants received from the ESFA include Pupil Premium (£110K) and 16-19 Bursary Funding (£10K), both of which were ring-fenced and used in accordance with the conditions of the grant. Restricted income also includes £48k received from the National College of Teaching and Learning. These funds are also ring-fenced and used in accordance with the conditions of the grant.

The school submitted a successful bid of £120,400 to the 2017 ESFA Condition Improvement Fund for work to the Lower Block, the ninth bid approved by the ESFA since the school became an academy. The second year of funding from the 2016 grant for the new Sports Hall facility has also been received.

Governors entered into a Funding Agreement with the Local Authority on 7 October 2016 whereby the Authority will provide funds to support the provision of additional buildings and facilities needed as a result of the decision to increase the Published Admission Number of the school from 165 to 210 from September 2018.

GAG funding was the core funding element for the provision of education services for the year. 76.6% was spent on teaching and educational support staff costs (2016 - 78.8%), with a further 10.4% (2016 - 10.0%) being spent on administrative and other support staff. Department for Education financial benchmarking data against other similar academies shows expenditure is targeted to improve students' learning and in those areas the expenditure per student is higher than the average e.g. learning resources, and bought in curriculum professional services.

During the period ended 31 August 2017, total revenue expenditure (excluding all impacts arising from the annual LGPS pension revaluation) totalled £6,066,166. Recurrent grant funding together with other incoming resources totalled £6,065,977 leading to a shortfall of £189 for the period. This result is after transferring £75,000 to the fixed asset fund being the school's contribution to the Sports Hall project. This takes the school's total contribution to £118,219 which is in line with the conditions of the ESFA CIF grant.

At 31 August 2017, the net book value of fixed assets was £19,061,947 and movements in tangible fixed assets are shown in note 13 to the financial statements. During the period the assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The Academy Trust has taken on the deficit in the Local Government Pension Scheme in respect of its support staff. The deficit is incorporated within the Statement of Financial activity with details in note 21 to the financial statements.

The school achieves value for money by deploying its available resources efficiently, effectively & economically to meet the needs of its students. Best value practices of challenge, compare, consult and compete are adopted in all financial matters. Budget priorities reflect the objectives of the School Improvement Plan.

HITCHIN GIRLS' SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Reserves policy

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, the risk of unforeseen emergency or other unexpected need for funds, strategic planning including funds earmarked for future capital projects and potential future changes to education funding. Levels of reserves which are too high tie up money which should be spent on current school activities. Levels of reserves which are too low may affect the activities of the school. The Governing Body has decided that an appropriate level of free (unrestricted) reserves, taking into account the points above, is 4% of the value of the General Annual Grant. For 2016/17 this is £207,645. The level of reserves will be kept under review by the Trustees.

Reserves at the end of the period 31 August 2017 were £18,204,721 (2016 - £15,512,798) comprising £nil (2016 £nil) of restricted general funds, £317,616 (2016 - £327,120) of unrestricted general funds, £9,315 (2016 £nil) of specific restricted funds, £19,055,790 (2016 - £17,272,678) of restricted fixed asset fund and a pension reserve deficit of £1,178,000 (2016 - £2,087,000).

Investment policy and powers

In a period of low interest rates, the Trust's policy is to ensure that funds which the school does not immediately need to cover anticipated expenditure are invested in such a way as to maximise the school's income but without risk.

Principal risks and uncertainties

The Academy Trust does not use complex financial instruments. It manages its activities using cash and various items such as trade debtors and trade creditors that arise directly from its operations.

The existence of these basic financial instruments exposes the Academy Trust to a number of financial risks which are described in more detail below. The main risks arising from the Trust's financial instruments are liquidity risk and cash flow interest rate risk.

Liquidity risk - The Trust manages its cash resources, including sufficient working capital, so that all its operating needs are met without the need for short-term borrowing.

Interest rate risk - the Trust earns interest on cash deposits. With interest rates currently low, the trustees will consider action to increase the income from these deposits, provided it does not jeopardise the liquidity or security of the Trust's assets.

Credit risk arises from the possibility that amounts owed to the Trust will not be repaid. The Trust does not undertake credit activities so it is only exposed to credit risk as it arises from normal business. Credit risk is managed through the use of approved banks and the prompt collection of amounts due.

HITCHIN GIRLS' SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Trustees have identified the following principal risk and uncertainties facing the Academy Trust:

Financial Risk

The Academy Trust is operating in a period of considerable financial uncertainty with regard to public funding. Financial planning is focused on maintaining the breadth and quality of future work in the context of diminishing budgets. Funding is also directly linked to the number of students attending the school, and the Trustees continue to monitor student numbers, in particular with regard to the Sixth Form. Trustees have also given due consideration to the risks associated with financial mismanagement and/or compliance failures.

Failures in Governance and/or Management

Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational Risk

The continuing success of the Academy Trust depends on maintaining the highest educational standards in order to continue to attract applicants in sufficient numbers. Trustees are clearly focused on monitoring and reviewing the achievement and success of students.

Trustees continue to give due consideration to other aspects of the schools activities where there could be a reputational risk, including discipline, safeguarding, Health and Safety etc.

Safeguarding and Child Protection Risks

Trustees continue to ensure that the highest standards are maintained in the selection and monitoring of staff and volunteers, the operation of child protection policies in school and in training and support, in order to protect the vulnerable young people in its care.

Significant Changes in Staff

Trustees acknowledge the importance of having a clear succession planning policy, and continue to review and monitor arrangements for recruitment and the development of existing staff to minimise the risk resulting from major changes in key staff.

Plans for future periods

As an Outstanding school we strive to be exceptional and provide an exceptional experience for all students and all staff. In being exceptional we will:

- Provide the highest provision for Teaching and Learning
- Provide the greatest level of care and support for all staff and all students
- Ensure high quality professional support for all staff via CPD
- Provide opportunities for high quality learning and experiences beyond the classroom
- We will work collaboratively across the school and in a wider context
- Achieve the best possible outcomes for all students

The priorities for the year are:

- Teaching & learning and assessment: Work to achieve greater consistency of practice through increased collaboration (and reduce individual workload)
- Expansion preparation, planning and implementation: Planning preparation and implementation of the curriculum and resources to meet the future needs of the school
- Collaborative working: 'Best practice is evidenced where teams work collaboratively'
- Leadership and Management: Developing leadership and creating leadership and progression opportunities for staff at all career stages.

Specific plans for 2017 – 2018 include:

- Reviewing Teaching and Learning (T&L) opportunities to ensure regular sharing of best practice and resources in order to reduce individual workload
- Improving the quality of homework, by ensuring it is Motivating, Meaningful and Manageable (MMM)
- Improving the quality of tutor time to ensure that it benefits and contributes to the overall T&L experience for students

HITCHIN GIRLS' SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

- Working to achieve greater collaboration and consistency in departments
- Embedding a constructive Growth Mindset ethos in HGS T&L practice
- Identifying IT systems of Life Without Levels (LWOL) at Key Stage 3 to ensure that student progress towards GCSE targets can be accurately shared, recorded and measured
- Ensuring Students are successfully prepared for reformed linear examinations
- Delivery of required facilities and identification of resources to support the expansion of school
- Reviewing the curriculum offer and staffing and timetabling requirements in light of expansion and future needs
- To develop opportunities and structures to enable collaboration in and outside of school
- Utilising opportunities through the MAT and Alliance to maximise recruitment and retention of staff
- Developing a plan for the recruitment and retention of high quality staff
- Enhancing and supporting quality leadership and management at all levels.

In 2016, the Trustees submitted an application to the Department for Education for approval to establish a Multi Academy Trust (MAT). If approved, this will require changes during 2017/18 to the governance structure of the Trust, along with updates to the Articles of Association and the Funding Agreement with the DfE. The school will also hold discussions with other schools about their joining the new MAT.

Funds held as custodian trustee on behalf of others

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

Auditor

In so far as the trustees are aware:

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

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 5 Dec 2017 and signed on its behalf by:



C Hall

Chairman of Governing Body

HITCHIN GIRLS' SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2017

Scope of responsibility

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

The board of 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 Hitchin Girls' School and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

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

Trustees	Meetings attended	Out of possible
C Astill	5	6
K Balfe (Staff governor)	6	6
K Down (Chair of Finance Committee)	6	6
C Emmings (Staff governor)	6	6
A Fitzakerly	4	6
C Hall (Chairman of Governing Body)	6	6
N Job	6	6
A Jones (Staff governor)	3	6
M King	5	6
S Lucas	5	5
F Manning (Headteacher)	6	6
M McPhail (Resigned 16 October 2017)	5	6
S Mills	5	6
C Minton	6	6
J Montgomery (Resigned 16 October 2017)	3	6
S Morrison	6	6
M Seaman Hill	3	6
S Sprawson	2	6
J Watmore (Resigned 22 June 2017)	0	6
K Middleton (Appointed 18 October 2016)	4	5

A review of the committee structure of the Governing Body was undertaken at the end of the 2015/16 academic year and the structure assessed against the forthcoming plans and priorities for the school. With major capital projects underway or planned for the next two years, it was agreed to merge the Finance Committee and Asset Management Committee into a Finance & Resources Committee from September 2016 to provide a single committee to monitor these projects and the impact on budgets and existing resources.

HITCHIN GIRLS' SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

The Admissions Committee is a committee of the main board of trustees. Its purpose is to ensure sound management of the school's admission policy and practices. Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
K Down	2	3
C Hall	3	3
N Job (chair)	3	3
F Manning	3	3
M McPhail	2	3
S Mills	2	3
C Minton	3	3
S Sprawson	3	3

The Curriculum & Performance Committee is a committee of the main board of trustees. Its purpose is to advise the board of trustees on the school's statutory obligations regarding the curriculum and to monitor how the curriculum is taught, evaluated and resourced. Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
C Emmings (Staff trustee)	3	3
C Hall	3	3
N Job	2	3
A Jones (Staff trustee)	3	3
M King (Chair)	3	3
F Manning	3	3
K Middleton	1	2
S Mills	3	3
S Morrison	2	3

The Finance and Resources Committee is a committee of the main board of trustees. Its purpose is to assist the board of trustees by enabling more detailed consideration to be given to the best means of fulfilling the board of trustees's responsibility to ensure sound management of the school's finances and resources, including proper planning, monitoring and probity. Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
C Astill	3	3
K Balfe (Staff trustee)	3	3
K Down (Chair)	3	3
C Emmings (Staff trustee)	3	3
A Fitzakerly	2	3
C Hall	3	3
S Lucas	3	3
F Manning	3	3
M MCP hail	1	3
S Mills	2	3
C Minton	3	3
G Montgomery	1	3
M Seaman Hill	3	3

HITCHIN GIRLS' SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

The Personnel Committee is a committee of the main board of trustees. Its purpose is to monitor and review all personnel policies, including pay, performance management and staff training and development. It also advises the board of trustees on statutory responsibilities with regard to safeguarding. Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
C Hall	2	3
N Job (Chair)	3	3
M King	3	3
S Lucas	3	3
F Manning	3	3
C Minton	3	3
S Morrison	2	3
S Sprawson	2	3

Review of value for money

As accounting officer the Headteacher has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year by:

- Ensuring resources are directed where they are most needed and most effective in meeting education requirements, for example by targeting resources in key areas such as literacy and numeracy, providing additional 1:1 support, and working with parents to use Pupil Premium funding to provide additional support and facilities for eligible students
- Ensuring contracts and services are reviewed and renegotiated regularly to ensure best value (not necessarily the lowest cost).
- Continuing to monitor staffing costs to ensure they remain sustainable whilst still meeting operational needs, at a time of reducing budgets and increasing staff National Insurance and Pension costs.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Hitchin Girls' School for the period 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of trustees.

HITCHIN GIRLS' SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the Finance and Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the trustees have appointed Russell Dermont, a commercial banker, as responsible officer (RO).

The RO's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems.

On a termly basis, the RO reports to the board of trustees through the Finance and Resources Committee on the operation of the systems of control and on the discharge of the financial responsibilities of the board of trustees.

The RO visited three times during the period and found no breaches in the Academy trust's control systems.

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

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

Approved by order of the board of trustees on 5 Dec 2017 and signed on its behalf by:



C Hall
Chair of Governing Body



F Manning
Accounting Officer

HITCHIN GIRLS' SCHOOL

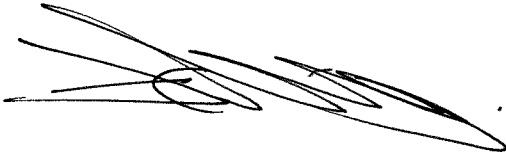
STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2017

As accounting officer of Hitchin Girls' School Academy Trust I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of all funds by the academy trust, or material non-compliance with the terms and conditions of finding under the academy trust's funding agreement and the Academies Financial Handbook 2016.

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



F Manning
Accounting Officer

5 DEC 2017
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HITCHIN GIRLS' SCHOOL

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2017

The trustees (who also act as governors for Hitchin Girls' School and are also the directors of Hitchin Girls' School for the purposes of company law) are responsible for preparing the Trustees' Report and the accounts in accordance with the Annual Accounts Direction issued 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 accounts for each financial year. Under company law the trustees must not approve the accounts 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 accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 accounts 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 that 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the board of trustees on 5 Dec 2017 and signed on its behalf by:



C Hall

Chairman of Governing Body

HITCHIN GIRLS' SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HITCHIN GIRLS' SCHOOL

Opinion

We have audited the accounts of Hitchin Girls' School for the year ended 31 August 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017.

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 accounts' section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the accounts 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or
- the trustees have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the academy trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the accounts are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

HITCHIN GIRLS' SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HITCHIN GIRLS' SCHOOL (CONTINUED)

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 Trustees' Report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Trustees' Report including the incorporated 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 the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report, including the incorporated 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 accounts 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 are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements


Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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

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. 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 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 charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

HITCHIN GIRLS' SCHOOL

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HITCHIN GIRLS'
SCHOOL (CONTINUED)**


James Price FCA (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young (East) Limited

14/12/17
.....

Chartered Accountants
Statutory Auditor

PO Box 501
The Nexus Building
Broadway
Letchworth Garden City
Herts
SG6 9BL

HITCHIN GIRLS' SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO HITCHIN GIRLS' SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 15 May 2015 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Hitchin Girls' School during the period 1 September 2016 to 31 August 2017 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 Hitchin Girls' School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Hitchin Girls' School and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Hitchin Girls' School and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Hitchin Girls' School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Hitchin Girls' School's funding agreement with the Secretary of State for Education dated 2011 and the Academies Financial Handbook, extant from 1 September 2016, 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 2016 to 2017. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2016 to 2017 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- reviewing the minutes of the meetings of the Governing Body and other evidence available to us, relevant to our consideration of regularity
- a review of the objectives and activities of the Academy, with reference to the income streams and other information available to us auditors of the Academy
- testing of a sample of payments to suppliers and other third parties
- testing of a sample of grants received and other income streams
- evaluating the internal control procedures and reporting lines, testing as appropriate and making appropriate enquiries of the Accounting Officer.

HITCHIN GIRLS' SCHOOL

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

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2016 to 31 August 2017 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Reporting Accountant

UHY Hacker Young (East) Limited
PO Box 501
The Nexus Building
Broadway
Letchworth Garden City
Herts
SG6 9BL

Dated: 14/12/17

HITCHIN GIRLS' SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2017

	Notes	Unrestricted Funds £	Restricted funds: General Fixed asset £ £		Total 2017 £	Total 2016 £
Income and endowments from:						
Donations and capital grants	3	400	29,743	2,023,727	2,053,870	612,137
Charitable activities:						
- Funding for educational operations	4	-	5,794,111	-	5,794,111	5,773,098
- Funding for teaching schools		-	51,828	-	51,828	49,864
Other trading activities	5	43,024	141,287	-	184,311	197,615
Investments	6	5,584	-	-	5,584	7,094
Total income and endowments		49,008	6,016,969	2,023,727	8,089,704	6,639,808
Expenditure on:						
Raising funds	7	17,981	-	-	17,981	19,010
Charitable activities:						
- Educational operations	8	-	6,057,763	330,523	6,388,286	6,458,234
- Teaching schools		-	42,514	-	42,514	49,865
Total expenditure	7	17,981	6,100,277	330,523	6,448,781	6,527,109
Net income/(expenditure)		31,027	(83,308)	1,693,204	1,640,923	112,699
Transfers between funds		(40,531)	(49,377)	89,908	-	-
Other recognised gains and losses						
Actuarial gains/(losses) on defined benefit pension schemes	21	-	1,051,000	-	1,051,000	(766,000)
Net movement in funds		(9,504)	918,315	1,783,112	2,691,923	(653,301)
Reconciliation of funds						
Total funds brought forward		327,120	(2,087,000)	17,272,678	15,512,798	16,166,099
Total funds carried forward		317,616	(1,168,685)	19,055,790	18,204,721	15,512,798

HITCHIN GIRLS' SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2017

Comparative year information Year ended 31 August 2016	Notes	Unrestricted	Restricted funds:		Total
		Funds	General	Fixed asset	2016
		£	£	£	£
Income and endowments from:					
Donations and capital grants	3	-	31,078	581,059	612,137
Charitable activities:					
- Funding for educational operations	4	-	5,773,098	-	5,773,098
- Funding for teaching schools		-	49,864	-	49,864
Other trading activities	5	55,846	141,769	-	197,615
Investments	6	7,094	-	-	7,094
Total income and endowments		62,940	5,995,809	581,059	6,639,808
Expenditure on:					
Raising funds	7	19,010	-	-	19,010
Charitable activities:					
- Educational operations	8	-	6,134,491	323,743	6,458,234
- Teaching schools		-	49,865	-	49,865
Total expenditure	7	19,010	6,184,356	323,743	6,527,109
Net income/(expenditure)		43,930	(188,547)	257,316	112,699
Transfers between funds		(54,827)	37,986	16,841	-
Other recognised gains and losses					
Actuarial losses on defined benefit pension schemes	21	-	(766,000)	-	(766,000)
Net movement in funds		(10,897)	(916,561)	274,157	(653,301)
Reconciliation of funds					
Total funds brought forward		338,017	(1,170,439)	16,998,521	16,166,099
Total funds carried forward		327,120	(2,087,000)	17,272,678	15,512,798

HITCHIN GIRLS' SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2017

	Notes	2017		2016	
		£	£	£	£
Fixed assets					
Intangible assets	12		33,649		31,801
Tangible assets	13		19,061,947		17,272,877
			<u>19,095,596</u>		<u>17,304,678</u>
Current assets					
Debtors	15	355,286		213,178	
Cash at bank and in hand		2,028,618		1,189,235	
		<u>2,383,904</u>		<u>1,402,413</u>	
Current liabilities					
Creditors: amounts falling due within one year	16	(2,067,350)		(1,068,435)	
Net current assets			<u>316,554</u>		<u>333,978</u>
Total assets less current liabilities			<u>19,412,150</u>		<u>17,638,656</u>
Creditors: amounts falling due after more than one year	17		(29,429)		(38,858)
Net assets excluding pension liability			<u>19,382,721</u>		<u>17,599,798</u>
Defined benefit pension liability	21		(1,178,000)		(2,087,000)
Net assets			<u>18,204,721</u>		<u>15,512,798</u>
Funds of the academy trust:					
Restricted funds	19				
- Fixed asset funds			19,055,790		17,272,678
- Restricted income funds			9,315		-
- Pension reserve			(1,178,000)		(2,087,000)
Total restricted funds			<u>17,887,105</u>		<u>15,185,678</u>
Unrestricted income funds	19		<u>317,616</u>		<u>327,120</u>
Total funds			<u>18,204,721</u>		<u>15,512,798</u>

The accounts set out on pages 24 to 47 were approved by the board of trustees and authorised for issue on 5 Dec 2017 and are signed on its behalf by:



C Hall
Chairman of Governing Body

Company Number 07697117

HITCHIN GIRLS' SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2017

		2017		2016	
	Notes	£	£	£	£
Cash flows from operating activities					
Net cash provided by (used in) operating activities	22		940,941		(176,136)
Cash flows from investing activities					
Dividends, interest and rents from investments		5,584		7,094	
Capital grants from DfE and EFA		23,609		23,598	
Capital funding from sponsors and others		2,000,118		557,461	
Payments to acquire intangible fixed assets		(38,945)		(40,187)	
Payments to acquire tangible fixed assets		(2,083,328)		(589,714)	
Proceeds from sales of intangible fixed assets		832		-	
			(92,130)		(41,748)
Cash flows from financing activities					
Repayment of other loan		(9,428)		(5,429)	
			(9,428)		(5,429)
Change in cash and cash equivalents in the reporting period					
			839,383		(223,313)
Cash and cash equivalents at 1 September 2016			1,189,235		1,412,548
Cash and cash equivalents at 31 August 2017			<u>2,028,618</u>		<u>1,189,235</u>

HITCHIN GIRLS' SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

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

1.1 Basis of preparation

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their 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 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Hitchin Girls' School 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 charitable company 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 accounts and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Income

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

Grants receivable

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

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Donations

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

HITCHIN GIRLS' SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

(Continued)

Other income

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

Donated goods, facilities and services

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

Donated fixed assets

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

Investment income

Where the academy holds unused funds on deposit the interest receivable is recognised on an accruals basis in the statement of financial activities in the period to which it accrued.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

HITCHIN GIRLS' SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies (Continued)

1.5 Intangible fixed assets and amortisation

Intangible assets costing £300 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment. Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Purchased computer software - Licence period

1.6 Tangible fixed assets and depreciation

Invoices with a value (net of VAT) of greater than £1,000 are carefully scrutinised to establish whether the item should be treated as a fixed asset. Assets whose period of use is less than the relevant depreciation period, are written off in the year of acquisition.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Freehold land and buildings	2% straight line
Long leasehold buildings	2% - 3.3% straight line
Computer equipment	33.3% straight line
Fixtures, fittings & equipment	10% - 20% straight line

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

No depreciation is provided in respect of freehold land.

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.

1.7 Liabilities

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

1.8 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

HITCHIN GIRLS' SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

(Continued)

1.9 Financial instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.10 Taxation

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

1.11 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 21, 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 are recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to 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.

HITCHIN GIRLS' SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

(Continued)

1.12 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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 Education and Skills Funding Agency, Department for Education and other funders.

1.13 Concessionary loans

Concessionary loans are initially recognised as a liability at the amount received, with the carrying amount being adjusted in subsequent years to reflect repayments made and any accrued interest payable.

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, 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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. 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.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Capital grants	-	2,019,727	2,019,727	581,059
Other donations	400	33,743	34,143	31,078
	<u>400</u>	<u>2,053,470</u>	<u>2,053,870</u>	<u>612,137</u>

HITCHIN GIRLS' SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
DfE / ESFA grants				
General annual grant (GAG)	-	5,191,133	5,191,133	5,119,313
Other DfE / ESFA grants	-	125,451	125,451	108,671
	-	5,316,584	5,316,584	5,227,984
Other government grants				
Local authority grants	-	35,094	35,094	32,622
Other funds				
Other incoming resources	-	442,433	442,433	512,492
Total funding	-	5,794,111	5,794,111	5,773,098

Other incoming resources include catering income of £247,412 (2016: £237,546) and school trip income of £195,021 (2016: £274,946).

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Hire of facilities	32,158	1,376	33,534	40,717
Other income	10,866	139,911	150,777	156,898
	43,024	141,287	184,311	197,615

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Short term deposits	5,584	-	5,584	7,094

HITCHIN GIRLS' SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

7 Expenditure

	Staff costs £	Premises & equipment £	Other costs £	Total 2017 £	Total 2016 £
Expenditure on raising funds	4,820	13,161	-	17,981	19,010
Academy's educational operations					
- Direct costs	3,977,579	34,630	618,521	4,630,730	4,671,741
- Allocated support costs	636,847	621,230	499,479	1,757,556	1,786,493
Teaching schools					
- Direct costs	22,580	-	1,054	23,634	16,519
- Allocated support costs	7,611	-	11,269	18,880	33,346
	<u>4,649,437</u>	<u>669,021</u>	<u>1,130,323</u>	<u>6,448,781</u>	<u>6,527,109</u>

Premises and equipment costs include depreciation and amortisation.

Net income/(expenditure) for the year includes:

	2017 £	2016 £
Fees payable to auditor for:		
- Audit	6,500	6,500
- Other services	3,425	1,170
Operating lease rentals	35,454	36,437
Depreciation of tangible fixed assets	294,258	291,733
Amortisation of intangible fixed assets	36,265	32,010
Net interest on defined benefit pension liability	43,000	46,000
	<u>6,430,800</u>	<u>6,508,099</u>

8 Charitable activities

	2017 £	2016 £
All from restricted funds:		
Direct costs - educational operations	4,630,730	4,671,741
Direct costs - teaching schools	23,634	16,519
Support costs - educational operations	1,757,556	1,786,493
Support costs - teaching schools	18,880	33,346
	<u>6,430,800</u>	<u>6,508,099</u>

HITCHIN GIRLS' SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

8 Charitable activities (Continued)

	Teaching schools £	Educational operations £	Total 2017 £	Total 2016 £
Analysis of support costs				
Support staff costs	7,611	537,847	545,458	515,893
LGPS operating charge	-	99,000	99,000	28,000
Depreciation and amortisation	-	295,893	295,893	323,743
Technology costs	-	5,359	5,359	56,780
Premises costs	-	325,337	325,337	371,676
Other support costs	10,619	431,188	441,807	465,271
LGPS interest charge	-	43,000	43,000	46,000
Governance costs	650	19,932	20,582	12,476
	18,880	1,757,556	1,776,436	1,819,839
	18,880	1,757,556	1,776,436	1,819,839

9 Staff costs

	2017 £	2016 £
Wages and salaries	3,437,627	3,522,479
Social security costs	334,729	300,051
Operating costs of defined benefit pension schemes	716,000	647,972
Apprenticeship levy	898	-
	4,489,254	4,470,502
Staff costs	4,489,254	4,470,502
Supply staff costs	134,887	88,711
Staff development and other staff costs	25,296	27,203
	4,649,437	4,586,416
	4,649,437	4,586,416

Staff numbers

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

	2017 Number	2016 Number
Teachers	64	67
Administration and support	49	47
Management	7	7
	120	121
	120	121

HITCHIN GIRLS' SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

9 Staff costs

(Continued)

Higher paid staff

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

	2017 Number	2016 Number
£60,001 - £70,000	1	2
£70,001 - £80,000	2	1
£100,001 - £110,000	1	1
	<u> </u>	<u> </u>

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £704,909 (2016: £657,985).

10 Trustees' remuneration and expenses

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

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

F Manning (Head teacher and trustee)

Remuneration: £105,001 - £110,000 (2016: £100,001 - £105,000)

Employer's pension contribution: £15,001 - £20,000 (2016: £15,001 - £20,000)

K Balfe (Staff governor)

Remuneration: £40,001 - £45,000 (2016: £40,001 - £45,000)

Employer's pension contribution: £5,001 - £10,000 (2016: £5,001 - £10,000)

C Emmings (Staff governor)

Remuneration: £30,001 - £35,000 (2016: £20,001 - £25,000)

Employer's pension contribution: £5,001 - £10,000 (2016: £5,001 - £10,000)

A Jones (Staff governor)

Remuneration: £45,001 - £50,000 (2016: £10,001 - £15,000)

Employer's pension contribution: £5,001 - £10,000 (2016: £1 - £5,000)

11 Trustees and officers insurance

The academy trust has opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

HITCHIN GIRLS' SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

12 Intangible fixed assets

	Computer software £
Cost	
At 1 September 2016	40,187
Additions	38,945
Disposals	(34,024)
At 31 August 2017	45,108
Amortisation	
At 1 September 2016	8,386
On disposals	(33,192)
Charge for year	36,265
At 31 August 2017	11,459
Net book value	
At 31 August 2017	33,649
At 31 August 2016	31,801

13 Tangible fixed assets

	Freehold land and buildings £	Long leasehold buildings £	Computer equipment £	Fixtures, fittings & equipment £	Total £
Cost					
At 1 September 2016	16,919,304	972,000	276,029	356,728	18,524,061
Additions	1,939,076	-	5,933	138,319	2,083,328
At 31 August 2017	18,858,380	972,000	281,962	495,047	20,607,389
Depreciation					
At 1 September 2016	797,288	90,294	201,570	162,032	1,251,184
Charge for the year	184,091	19,634	43,172	47,361	294,258
At 31 August 2017	981,379	109,928	244,742	209,393	1,545,442
Net book value					
At 31 August 2017	17,877,001	862,072	37,220	285,654	19,061,947
At 31 August 2016	16,122,016	881,706	74,459	194,696	17,272,877

Included within freehold land and buildings are assets under the course of construction. These assets have a cost of £2,057,598 (2016: £122,430) and are not depreciated until they have been completed and are in use.

HITCHIN GIRLS' SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

14	Financial instruments	2017	2016
		£	£
	Carrying amount of financial assets		
	Debt instruments measured at amortised cost	15,464	16,253
		<u> </u>	<u> </u>
	Carrying amount of financial liabilities		
	Measured at amortised cost	690,085	174,139
	Loan commitments measured at cost less impairment	38,858	48,286
		<u> </u>	<u> </u>
	Financial liabilities measured at amortised cost are trade creditors of £635,511 (2016: £133,495), other creditors (excluding loans) of £2,009 (2016: £901) and accruals of £52,565 (2016: £39,743).		
15	Debtors	2017	2016
		£	£
	Trade debtors	12,259	6,645
	VAT recoverable	193,494	71,225
	Other debtors	3,205	9,608
	Prepayments and accrued income	146,328	125,700
		<u> </u>	<u> </u>
		355,286	213,178
		<u> </u>	<u> </u>
16	Creditors: amounts falling due within one year	2017	2016
		£	£
	Other loans	9,429	9,428
	Trade creditors	635,511	133,495
	Other taxation and social security	85,650	88,168
	Other creditors	78,924	82,620
	Accruals and deferred income	1,257,836	754,724
		<u> </u>	<u> </u>
		2,067,350	1,068,435
		<u> </u>	<u> </u>
17	Creditors: amounts falling due after more than one year	2017	2016
		£	£
	Other loans	29,429	38,858
		<u> </u>	<u> </u>

HITCHIN GIRLS' SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

	(Continued)	
17 Creditors: amounts falling due after more than one year	2017	2016
Analysis of loans		
Wholly repayable within five years	38,858	48,286
Less: included in current liabilities	(9,429)	(9,428)
	<u>38,858</u>	<u>48,286</u>
Amounts included above	<u>29,429</u>	<u>38,858</u>
Loan maturity		
Debt due in one year or less	9,429	9,428
Due in more than one year but not more than two years	9,429	9,429
Due in more than two years but not more than five years	12,000	17,429
Due in more than five years	8,000	12,000
	<u>38,858</u>	<u>48,286</u>

Included within other loans are loans totalling £38,858 (2016: £48,286) from Salix Finance Ltd which are provided on the following terms:

- interest rate of 0%,
- repayable over 5 years at £5,429 annually and over 8 years at £4,000 annually.

18 Deferred income	2017	2016
	£	£
Deferred income is included within:		
Creditors due within one year	1,205,278	714,984
	<u>1,205,278</u>	<u>714,984</u>
Deferred income at 1 September 2016	714,984	635,709
Released from previous years	(714,984)	(635,709)
Amounts deferred in the year	1,205,278	714,984
	<u>1,205,278</u>	<u>714,984</u>
Deferred income at 31 August 2017	<u>1,205,278</u>	<u>714,984</u>

At the balance sheet date the academy was holding funds received in advance for capital works, devolved formula grant, other restricted grants and school trips.

HITCHIN GIRLS' SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

19 Funds

	Balance at 1 September 2016 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2017 £
Restricted general funds					
General Annual Grant	-	5,191,133	(5,108,052)	(83,081)	-
Other DfE / ESFA grants	-	125,451	(121,008)	(4,443)	-
Other government grants	-	35,094	(35,094)	-	-
Teaching schools	-	51,828	(42,513)	-	9,315
Other restricted funds	-	613,463	(651,610)	38,147	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Funds excluding pensions	-	6,016,969	(5,958,277)	(49,377)	9,315
Pension reserve	(2,087,000)	-	(142,000)	1,051,000	(1,178,000)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	(2,087,000)	6,016,969	(6,100,277)	1,001,623	(1,168,685)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted fixed asset funds					
DfE / ESFA capital grants	17,272,678	2,019,727	(330,523)	93,908	19,055,790
Capital fundraising	-	4,000	-	(4,000)	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	17,272,678	2,023,727	(330,523)	89,908	19,055,790
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total restricted funds	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	15,185,678	8,040,696	(6,430,800)	1,091,531	17,887,105
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Unrestricted funds					
General funds	327,120	49,008	(17,981)	(40,531)	317,616
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total funds	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	15,512,798	8,089,704	(6,448,781)	1,051,000	18,204,721
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

HITCHIN GIRLS' SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

19 Funds

(Continued)

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

General Annual Grant

The General Annual Grant (GAG) must be used for the normal running costs of the academy. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2017.

Other DfE / ESFA grants

This represents other funding for various purposes including pupil premium, sports funding, training and other pupil related activities.

Other government grants

This represents funding received from local government for various specific purposes including special educational needs children and education other than at school.

Teaching Schools

The teaching schools fund represents income received from the NCTL and corresponding in expenditure that relates to the training and professional development of teachers and support staff.

Other restricted funds

The other restricted funds relate to various school and educational activities which are not funded by the General Annual Grant.

Pensions Reserve

The defined benefit pension scheme relates to the pension deficit arising on the LGPS pension scheme.

Restricted fixed asset fund

The restricted fund asset fund was funded predominantly by the funds inherited on conversion to an academy from the local authority following the transfer of the land and buildings.

HITCHIN GIRLS' SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

19 Funds (Continued)

Movements in funds - previous year

	Balance at 1 September 2015 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2016 £
Restricted general funds					
General Annual Grant	30,866	5,119,313	(5,100,564)	(49,615)	-
Other DfE / ESFA grants	-	108,671	(138,674)	30,003	-
Other government grants	-	32,622	(32,622)	-	-
Teaching schools	-	49,864	(49,864)	-	-
Other restricted funds	45,695	685,339	(788,632)	57,598	-
	<u>76,561</u>	<u>5,995,809</u>	<u>(6,110,356)</u>	<u>37,986</u>	<u>-</u>
Funds excluding pensions	76,561	5,995,809	(6,110,356)	37,986	-
Pension reserve	(1,247,000)	-	(74,000)	(766,000)	(2,087,000)
	<u>(1,170,439)</u>	<u>5,995,809</u>	<u>(6,184,356)</u>	<u>(728,014)</u>	<u>(2,087,000)</u>
Restricted fixed asset funds					
DfE / ESFA capital grants	16,998,521	581,059	(323,743)	16,841	17,272,678
	<u>16,998,521</u>	<u>581,059</u>	<u>(323,743)</u>	<u>16,841</u>	<u>17,272,678</u>
Total restricted funds	<u>15,828,082</u>	<u>6,576,868</u>	<u>(6,508,099)</u>	<u>(711,173)</u>	<u>15,185,678</u>
Unrestricted funds					
General funds	338,017	62,940	(19,010)	(54,827)	327,120
	<u>338,017</u>	<u>62,940</u>	<u>(19,010)</u>	<u>(54,827)</u>	<u>327,120</u>
Total funds	<u>16,166,099</u>	<u>6,639,808</u>	<u>(6,527,109)</u>	<u>(766,000)</u>	<u>15,512,798</u>

20 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2017 £
Fund balances at 31 August 2017 are represented by:				
Intangible fixed assets	-	-	33,649	33,649
Tangible fixed assets	-	-	19,061,947	19,061,947
Current assets	328,470	564,183	1,491,251	2,383,904
Creditors falling due within one year	(5,425)	(554,868)	(1,507,057)	(2,067,350)
Creditors falling due after one year	(5,429)	-	(24,000)	(29,429)
Defined benefit pension liability	-	(1,178,000)	-	(1,178,000)
	<u>317,616</u>	<u>(1,168,685)</u>	<u>19,055,790</u>	<u>18,204,721</u>

HITCHIN GIRLS' SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

20 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2016 £
Fund balances at 31 August 2016 are represented by:				
Intangible fixed assets	-	-	31,801	31,801
Tangible fixed assets	-	-	17,272,877	17,272,877
Current assets	378,438	486,209	537,766	1,402,413
Creditors falling due within one year	(44,460)	(486,209)	(537,766)	(1,068,435)
Creditors falling due after one year	(6,858)	-	(32,000)	(38,858)
Defined benefit pension liability	-	(2,087,000)	-	(2,087,000)
	327,120	(2,087,000)	17,272,678	15,512,798
	327,120	(2,087,000)	17,272,678	15,512,798

21 Pensions and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012, and that of the LGPS related to the period ended 31 March 2016.

Contributions amounting to £76,914 (2016: £81,720) were payable to the schemes at 31 August 2017 and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

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. 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 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014.

HITCHIN GIRLS' SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

21 Pensions and similar obligations

(Continued)

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%))
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The pension costs paid to the TPS in the period amounted to £431,168 (2016: £449,056).

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

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 25.3% for employers and 5.5% to 12.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Total contributions made	2017	2016
	£	£
Employer's contributions	184,000	168,000
Employees' contributions	46,000	42,000
	<hr/>	<hr/>
Total contributions	230,000	210,000
	<hr/> <hr/>	<hr/> <hr/>

Principal actuarial assumptions	2017	2016
	%	%
Rate of increases in salaries	2.5	3.6
Rate of increase for pensions in payment	2.4	2.1
Discount rate	2.5	2.0
Inflation assumption (CPI)	2.4	2.1
Commutation of pensions to lump sums	50.0	50.0
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HITCHIN GIRLS' SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

21 Pensions and similar obligations

(Continued)

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

	2017 Years	2016 Years
Retiring today		
- Males	22.5	22.3
- Females	24.9	24.5
Retiring in 20 years		
- Males	24.1	24.3
- Females	26.7	26.7

Scheme liabilities would have been increased/(decreased) by changes in assumptions as follows:

	2017 £	2016 £
0.5% decrease in real discount rate	427,000	490,000
0.5% increase in salary increase rate	48,000	162,000
0.5% increase in pension increase rate	373,000	312,000

The academy trust's share of the assets in the scheme

	2017 Fair value £	2016 Fair value £
Equities	2,047,000	1,470,000
Bonds	787,000	653,000
Property	220,000	163,000
Other assets	95,000	47,000
Total market value of assets	3,149,000	2,333,000

Actual return on scheme assets - gain including interest income	662,000	306,000
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Amounts recognised in the statement of financial activities

	2017 £	2016 £
Current service cost	283,000	196,000
Interest income	(48,000)	(72,000)
Interest cost	91,000	118,000
Total operating charge	326,000	242,000

HITCHIN GIRLS' SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

21 Pensions and similar obligations	(Continued)	
Changes in the present value of defined benefit obligations	2017	2016
	£	£
Obligations at 1 September 2016	4,420,000	3,094,000
Current service cost	283,000	196,000
Interest cost	91,000	118,000
Employee contributions	46,000	42,000
Actuarial (gain)/loss	(437,000)	1,000,000
Benefits paid	(76,000)	(30,000)
	<u>4,327,000</u>	<u>4,420,000</u>
Changes in the fair value of the academy trust's share of scheme assets	2017	2016
	£	£
Assets at 1 September 2016	2,333,000	1,847,000
Interest income	48,000	72,000
Actuarial gain	614,000	234,000
Employer contributions	184,000	168,000
Employee contributions	46,000	42,000
Benefits paid	(76,000)	(30,000)
	<u>3,149,000</u>	<u>2,333,000</u>
22 Reconciliation of net income to net cash flows from operating activities	2017	2016
	£	£
Net income for the reporting period	1,640,923	112,699
Adjusted for:		
Capital grants from DfE/ESFA and other capital income	(2,023,727)	(581,059)
Investment income receivable	(5,584)	(7,094)
Defined benefit pension costs less contributions payable	99,000	28,000
Defined benefit pension net finance cost	43,000	46,000
Depreciation of tangible fixed assets	294,258	291,733
Amortisation of intangible fixed assets	36,265	32,010
(Increase)/decrease in debtors	(142,108)	49,520
Increase/(decrease) in creditors	998,914	(147,945)
	<u>940,941</u>	<u>(176,136)</u>
Net cash provided by operating activities		

HITCHIN GIRLS' SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

23 Commitments under operating leases

At 31 August 2017 the total future minimum lease payments under non-cancellable operating leases were as follows:

	2017 £	2016 £
Amounts due within one year	28,628	34,338
Amounts due in two and five years	82,815	93,745
Amounts due after five years	53,718	71,624
	<u>165,161</u>	<u>199,707</u>

24 Capital commitments

	2017 £	2016 £
Expenditure contracted for but not provided in the accounts	872,118	28,854

The commitment relates to capital projects that are funded in the majority by grants from the LA and ESFA. Income of £1,036,371 (2016: £28,854) in relation to this commitment is included within deferred income.

25 Related party transactions

Owing to the nature of the academy trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the academy trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account.

The academy trust purchased services and made donations totalling £4,302 (2016: £6,130) from Hitchin Churches Schools' Worker Trust, a registered charity, related by virtue of F Manning (Head Teacher and Governor) being a trustee during the year.

The academy trust purchased services totalling £3,618 (2016: £3,871) from Hitchin Partnership CIO, a registered charity, of which F Manning (Head Teacher and Governor) is a trustee.

The academy trust received grants and funding totalling £20,031 (2016: £22,263) from Hitchin Educational Foundation, a registered charity, which is related by virtue of C Hall (Chair of Governors) being an Ex-Officio trustee.

In entering into these transactions, the academy trust has complied with the requirements of the Academies Financial Handbook 2016.

26 Members' liability

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

