

**Company Registration Number: 08075363  
(England and Wales)**

**Hilbre High School Humanities College  
(A Company Limited by Guarantee)**

**Annual Report and Financial Statements**

**Period ended 31 August 2013**

# Hilbre High School Humanities College

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# Hilbre High School Humanities College Governors Report

## Governors (Trustees)

G Kemp (Chair from 27.9.12)\*

J Levenson (Principal and Accounting Officer)\*#

S Wall

S Reynolds

C Robinson

J Jubb

J Tillotson-Home \*#

A Downie

C Steiger

L Thierry

C Keenan

G Kerr \*

P Freeman (reappointed 21.3.13)

S Jenkinson \*# (appointed 21.3.13)

P Shenton (resigned 31.8.13)

S Green

E Myers (staff governor - appointed 20.10.13)

C Joyce (staff governor)

G McElvogue (term ended 19.10.12)

J Casey (Chair until 22.8.12)

P Sargeant (resigned 31.8.12)

C Whiteley (staff governor - term ended 19.10.12)

# Members of the Audit Committee

\* Members of the Academy, Business and Finance Committee

## Company Secretary

K Rainsford

## Senior Leadership Team

M Bellamy - Vice Principal

S McNamara - Assistant Vice Principal

P Lloyd - Assistant Vice Principal

A Gaunt - Assistant Vice Principal (resigned 31.8.13)

J Whisker - Assistant Vice Principal

J Burton - Assistant Vice Principal (resigned 31.12.12)

# **Hilbre High School Humanities College Governors Report**

## **Principal and Registered Office**

Frankby Road

West Kirby

Wirral

CH48 6EQ

## **Company Registration Number**

08075363 (England and Wales)

## **Independent Auditor**

BDO LLP

5 Temple Square

Temple St

Liverpool

L2 5RH

## **Bankers**

Lloyds TSB

355 Woodchurch Road

Prenton

CH42 8PE

## **Solicitors**

Browne Jacobson

44 Castle Gate

Nottingham

NG1 7BJ

# Hilbre High School Humanities College

## Governors Report

The Governors (who also act as trustees and directors) present their annual report together with the financial statements and auditor's reports of the charitable company for the period 1st July 2012 to 31 August 2013.

### 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 Governors act as trustees of Hilbre High School Humanities College, who are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Hilbre High School Humanities College.

Details of the Governors 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.

#### Governors' Indemnities [see Companies Act 2006 s236]

In accordance with normal commercial practice, the School trust has purchased insurance to protect the Governing Body from claims arising due to negligent acts, errors or omissions occurring on school business.

#### Principal Activities

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, managing and developing a school offering a broad and balanced curriculum to challenge, support and motivate students in the years 11-18, in order to promote the best possible outcomes for all.

The Governing Body is the Admissions Authority and is responsible for the decisions on admission to the school. Our admissions procedure is co-ordinated by the Local Authority in accordance with the Wirral Co-ordinated Admissions Scheme. The admission number is 180.

The Academy is a company limited by guarantee (Company Registration No. 08075363) and an exempt charity. The Academy was incorporated on 18th May 2012 and commenced trading on 1st July 2012.

The Academy's Memorandum and Articles of Association, together with the Funding Agreement are the primary governing documents of the Academy. The Governors act as the trustees for the charitable activities of Hilbre High School Humanities College.

#### Method of Recruitment and Appointment of Election of Governors

The School as set out in the articles of association has various stakeholders representing the school:

7 Parent Governors

Up to 2 Staff Governors

Up to 5 Community Governors

Up to 2 Partnership Governors

Up to 3 Co-opted Governors

Plus 1 Governor who may be appointed by the Members, who are the Principal, the Chair of Governors and the Chair of HR, Personnel and Performance Management Committee.

# Hilbre High School Humanities College

## Governors Report

The method for recruitment of new governors must reflect the skills required at any given time by the School, as determined by the Governing Body.

### **Policies and Procedures Adopted for the Induction and Training of Governors**

Governors undertake an induction programme in-line with the School's Induction Policy for Governors, including meetings with the Principal and Vice Principal.

### **Organisational Structure**

The Governing Body of the School is responsible for ensuring that the school meets all obligations placed upon it by the Secretary of State for Education and Skills. In order to better fulfil the obligations placed upon it the Governing Body has formed the following Committees:

- Academy, Business & Finance Committee, the Audit Committee;
- HR, Personnel & Performance Management Committee;
- Pay Committee;
- Curriculum, Achievement & Student Wellbeing Committee;

The key purposes of the Governing Body are:

- Monitoring the school's financial and academic performance;
- Developing strategic policies and procedures which reflect the school's vision and ethos;
- Promoting the school and fostering links with local, national and global communities;

In fulfilling the above purposes, the Governing Body discharges the following responsibilities:

- To develop and review the School Improvement Plan;
- To review and monitor the school's financial position on a regular basis, considering any significant contractual matters or issues;
- To monitor the educational performance of the School against outcomes and success criteria;
- To approve and review the implementation and effectiveness of key operational policies;
- To monitor and review the school's staffing structure against current provision and future requirements;
- To participate in marketing and communication with parents/carers and the local and wider community;
- To monitor and review the effective and efficient management of the school's site and buildings;
- To maintain an overview of the school's risk management procedures.

The Full Governing Body, together with all the above Committees, meet at least once every term with additional meetings being called as necessary. All meetings are minuted.

The School's Senior Leadership Team currently consists of the Principal, Vice Principal and 4 Assistant Vice Principals. The Senior Leadership Team manages the school at an executive level, implementing the policies and procedures agreed and approved by the Governing Body.

# Hilbre High School Humanities College

## Governors Report

### Risk Management

Governors are responsible for the management of risks to which the school is exposed and are assisted in this task by the School Senior Leadership Team, Human Resource advisors from SAS Daniels LLP, Risk and Insurance Services and Health and Safety Services are purchased from the Local Authority with financial advice and support provided by BDO LLP.

Operational risks are identified, assessed and reported on at school level and these are reviewed by Governors who also identify and assess the key strategic risks facing the school during the academic year.

The key controls used by Governors include:

- Detailed Terms of Reference for all Committees;
- Formal agendas for all meetings and Committee meetings of the Governing Body;
- Minutes of Full Governing Body and Committee meetings are formally approved by governors and noted;
- Schemes of Delegation and formal financial regulations for school staff;
- Approved formal written policies and procedures, including those required by law to protect the vulnerable;
- Clear and transparent authorisation and approval levels.

Risk Management procedures have been reviewed during the year and Governors are satisfied that the major risks identified in the Schools Risk Register have been reviewed, and processes have been established to manage those risks accordingly.

Pupil numbers and forecasted numbers based on the numbers of pupils within feeder primary schools are annually reviewed to ensure appropriate recruitment policies are adopted, including recruiting students from outside the immediate catchment area, to help ensure all places are filled.

### Connected Organisations including Related Party Relationships

The Governing Body works closely with Wirral Borough Council, the DfE, the EFA, neighbouring secondary schools, especially Pensby Federated High School, which the school currently collaborates with to enhance local 6<sup>th</sup> form provision. Local primary schools and other local organisations also work closely with the Governing Body.

The school has Academy partners which are Liverpool John Moores University and Wirral University Teaching Hospital, who themselves are an NHS Foundation Trust based at Arrowe Park. In working alongside such local, highly-respected partners we are seeking to share best practice, broaden opportunity for both our students and the staff we employ, and provide a high quality education for all our learners.

The school runs the Duke of Edinburgh Award Scheme and students participate in a wide range of activities including charitable activities such as funding raising initiatives for Claire house and an orphanage in Morocco.

The school also has links with South African and Chinese schools as part of its International School work and Humanities ethos.

# Hilbre High School Humanities College

## Governors Report

### Objectives and Activities

#### Objects and Aims

Hilbre is a hardworking, lively school in which learning is an enjoyable and rewarding experience.

We recognise the varied and individual needs of our students and provide a broad, balanced education, both in and outside the classroom, ensuring our students are equipped with the skills, knowledge and understanding necessary to contribute confidently to today's ever changing society.

Opening the door of Hilbre High School Humanities College, you will find an 11-18 co-educational high school with just over one thousand students on roll. We are a school which genuinely welcomes you into a partnership with a shared aim; to achieve the most we possibly can, both academically and socially, for the students we educate. We believe in success and are constantly striving to ensure that all our students achieve it, in whatever way it is measured.

At Hilbre High School Humanities College we aim to:

- Challenge all our students to do their very best: progress through endeavour;
- Provide a caring, healthy and supportive environment in which students can feel secure and happy and in which they can easily relate to people;
- Maintain exacting standards and provide a broad and balanced education both in and outside the classroom;
- Promote excellent teaching and learning across all curriculum areas, driven by our commitment to continuous improvement and our desire to develop independent learners;
- Provide an innovative and challenging curriculum which recognises the varied and individual needs of all our students;
- Provide sound academic foundations to enable our students to leave school with the skills, knowledge and understanding necessary to contribute confidently to today's changing world;
- Enable children and parents to participate fully in the life of the school and enjoy the many and wide ranging activities on offer;
- Continue to enhance our capacity to meet the needs of a wide range of young people in our community;
- Enable our students to reach out to the wider world and become global citizens of the twenty-first century;
- Continue providing wide-ranging enrichment activities;
- Promote our students' pride in themselves and their school.

We value:

- Learning as an enjoyable and rewarding experience for all our students;
- Our students making significant progress whilst at school and beyond;
- Our high levels of care, support and guidance for our students;
- Partnership with all our stakeholders including students, parents, staff and Governors;
- The achievement of significant honours in recognition of our school's many successes and the commitment of our staff and students;
- Our school environment including new state of the art buildings;
- Our students' participation in significant community work;
- Our partnerships with schools and other organisations at local, national and international levels;

# Hilbre High School Humanities College

## Governors Report

### Objectives, Strategies and Activities

The main focus of the School Improvement Plan 2012-15 is 'To ensure that all aspects of life and work at Hilbre are at least good and preferably outstanding by 2015'.

For Phase 1 - 2012/13, the key priorities are:

#### Raising the Quality of Teaching from Satisfactory to At Least Good

Actions include:

- Raise attainment and improve the quality of teaching, thereby securing consistently good practice by:
  - Eradicating the variation in lesson standards so that all lessons are good or outstanding
  - Sharing best practice across disciplines, both internally and externally
  - Focusing upon the development of transitions between tasks
  - Ensuring lessons have discrete plenaries in which outcomes are demonstrated and understood
  - SLT participation in half termly Learning Walks

Raise attainment by ensuring that all teachers use assessment information in order to plan lessons that include activities that meet the needs and abilities of all learners by:

- Planning for differentiation with careful attention given to student groupings, scaffolded tasks and variety of different level tasks
- Utilising student tracking to quality assure student experiences and outcomes.

Raise attainment by sharing best practice in assessment and establishing a whole-school approach so that all students receive clear advice as to how to improve their work by:

- Ensuring key assessment points are built into schemes of work so that students are aware of when key assessments take place and what they require
- SLT reviewing curriculum area assessment and moderation tasks and activities prior to each year group's monitoring / review process
- Developing self and peer assessment against targets as mandatory.

Further develop the consistency with which middle leaders undertake their monitoring role in order to promote the highest standards in Teaching and Learning by:

- Embedding comprehensive use of formative assessment and target setting in mathematics
- Continuing processes including Leadership Board meetings and termly meetings with the Principal and Vice Principal
- SLT maintaining assessment spot checks each half term.

Improve standards of monitoring by:

- Ensuring monitoring data is signed-off by CALs before being distributed to parents
- Issuing monitoring results to Heads of House / Head of Sixth Form prior to the release to parents.

# Hilbre High School Humanities College

## Governors Report

Further develop the curriculum through:

- Implementation of appropriate key stage 4 progression routes for students accessing our Resource Provision and any other students for whom the current range of level 2 and 3 courses are not suitable
- Building our capacity at key stage 5 to deliver a suitable range of level 1 courses in order to provide a creative and viable route for students in the Resource Provision and other students for whom level 2 and 3 courses are not appropriate
- Tracking developments in the Government's changes to the National Curriculum in order to respond promptly to emerging developments
- Developing strategic plans to ensure successful implementation of the new linear GCSE courses
- Developing strategic plans to ensure successful implementation of the new BTEC courses, particularly with regard to the new externally assessed components
- Developing strategic plans to ensure successful implementation of changes to A level and AS courses
- Monitoring the success and impact of the Dual Languages component for our Year 8 students
- Monitoring the success and impact of Mandarin as an extra-curricular enrichment activity
- Monitoring the newly implemented SEN Curriculum Attachment model to ensure that our SEN students are provided the best support to become independent, confident learners
- Further developing our three year Key Stage 4, beginning in Year 9, by:
  - Teaching Classical Civilisations GCSE in Year 11 to high ability students of English
  - Teaching Statistics GCSE in Year 11 to high ability students of mathematics.

Reinforce learning through more interactive use of the VLP including:

- Full adoption of Moodle as a new interface
- Enhanced opportunities to access work
- More effective communication with parents, specifically real time reporting
- Creation of a lively and dynamic school website with an interface to attract regular interaction amongst school community members.

Continue to 'Narrow the Gap' in achievement through:

- Improved access to group data and enhanced monitoring of progress
- Ensuring the intervention timetable is planned to accommodate the needs of all learners.

Further develop strategies to 'challenge' our Gifted and Talented students, including:

- SLT monitoring specific year groups each half term
- Creating a G&T self-assessment record
- Engaging parents whose children are on the G&T register
- Promoting activities for more able sixth formers
- Making active links with Russell Group University summer schools and programmes
- Director of Sixth Form attending Higher Education Conferences and Oxford University to help enable students to access the more elite universities.

# Hilbre High School Humanities College

## Governors Report

Developing the role of our Partner Organisations to:

- Further the links with Liverpool John Moores University and Wirral University Teaching Hospital in order to broaden opportunities for teaching and learning
- Enhance opportunities to work with our Partners to generate shared interaction with the wider community
- Improve Homework Completion by creating a homework timetable and monitoring the implementation and impact of homework across the curriculum.

Improve the QA process by:

- Developing improvement and intervention strategies, post QA, to support staff to improve from 'satisfactory' to 'good' teaching
- Directing staff towards the training they need to improve from satisfactory to good
- Utilising the re-focused teacher coach role to facilitate better sharing of good and outstanding practice
- Tracking developments in the changes to the Ofsted Inspection Framework in order to respond promptly to emerging developments.

**Success Criteria / Impact:**

- An increase in 'good' and 'outstanding' teaching to enable Hilbre to be classified as a 'good' or 'outstanding' school
- Less variability in the consistency of teaching
- Students' performance at all key stages improves
- All lessons clearly demonstrate progress made by the students
- Students are more easily identified for interventional support, which leads to a raising of the achievement of specific groups
- Improved levels of support for a wider range of students by the SEN team
- A broader curriculum more suitable to the requirements and personalised learning needs of all students including the more able
- Improved levels of intervention and accountability from CALs when working with teachers in need of support in their CA
- More bespoke Inset depending upon individual teacher needs
- Teachers have an improved range of teaching strategies, gained from increased levels of peer observations
- Improved sharing of information and consultation with parents, so parents are better informed about strategies, including homework, to improve their child's progress
- Greater interaction with our Virtual Learning Platform from students and parents
- A greater range of activities drawing on specific work with Liverpool John Moores University and Wirral University Teaching Hospital.

# Hilbre High School Humanities College

## Governors Report

### Improving Outcomes for Students at all Key Stages

Actions include:

Raise achievement through the implementation of new Monitoring and Review data through:

- Ensuring the Data Management Team are prepared for implementation of the new data in 2012
- Making the data available to all concerned
- Ensuring electronic tracking is used by all teachers for all students
- Improving the regularity with which parents have feedback about their child's progress.

Further develop the role of Middle Leadership through:

- Strategies to ensure accountability for student outcomes in their subject areas
- Taking on whole-school responsibilities through negotiation with Vice Principal
- Further development of termly meetings with CALs and Leadership Board Meetings so they include the contribution of Curriculum Leaders and Heads of House.

Improve student voice through development of 'Learning Panels' by:

- Meeting with representatives from the student body, including Gifted and Talented students, across year groups/Key Stages in order to reflect on the student learning experience and capture best practice/investigate areas of concern and plan actions accordingly.

Improve teacher understanding and strategic planning for student context and needs by:

- Publishing data on student performance by group, including Gifted and Talented, SEN, LAC and FSM each half term, ensuring causes for concern are clearly highlighted
- Requiring Middle Leaders to highlight intervention strategies aimed at improving performance of 'named' students each half term.

Include parents in improving outcomes by:

- Issuing parental surveys with all spring term monitoring to ascertain parental feedback about student progress, leading to actions to further improve provision for student engagement.

### Success Criteria / Impact:

- All student groups achieving in-line with or above the national average
- Improvement in the accuracy and usefulness of monitoring data, based on reliable, regular and standardised subject assessments
- A new target setting system providing appropriate challenge for students through aspirational and realistic class / subject targets
- Middle Leadership making a greater contribution to whole-school initiatives through greater responsibility and accountability for student outcomes, developments and improvements within their areas of responsibility
- A school that is responsive to the voice of its students, acts effectively to address their concerns and celebrates by sharing and reporting good practice
- All groups of students achieve their potential; under-achievement is identified early and intervention is in place to support students quickly

# Hilbre High School Humanities College

## Governors Report

### Transforming Our Sixth Form

Actions include:

Improve academic rigour by:

- Improving the Quality of Teaching to consistently good or better in the Sixth Form
- Planning for improved differentiation
- Improving the quality and regularity of Sixth Form progress tracking
  
- Improving the quality and regularity of Sixth Form monitoring in line with our strategy for key stages 3 and 4
- Scheduling Independent Study Periods
- Reviewing the allocation of teaching staff to post-16 courses
- Encouraging teachers to participate on accredited training courses, such as Tomorrow's Teachers.

Further develop Sixth Form Collaboration with the Pensby Federation by:

- Sharing best Sixth Form teaching practice across the collaboration
- Purchasing SISRA for collaborative examination performance analysis
- Enhancing student consultation including the Collaborative Sixth Form Council and development of Sixth Form Leadership Team.
- Forging a Collaborative Sixth Form identity through collaborative projects, activities and responsibilities, as determined by Sixth Form Leadership.

Increase the number of students in our Sixth Form by:

- Ensuring students throughout the school are better informed about the opportunities at Hilbre Sixth Form
- Introducing a Sixth Form recruitment drive for our Year 10 students in June of each year
- Introducing to current Year 10, a February Half Term Reward Trip for Sixth Formers to go to New York in 2014 and Paris in 2015
- Promoting more opportunities to participate in Gold D of E by extending the range of available 'Gold' pathways
- Encourage students from other schools to look at Hilbre as a first choice destination, through strategies including:
  - Marketing in local press and determining the impact of marketing strategies
  - Visiting other schools.

Broaden and strengthen our current post-16 curriculum offer by:

- Working with other local post-16 providers to assure, through collaboration, the students have access to a wider breadth of appropriate provision, to which they are entitled
- Investigating possible post-16 courses for introduction into the Collaboration and improving the range of courses we are able to collaboratively offer.

Further develop Sixth Form Care, Support and Guidance by:

- Ensuring high quality provision of information, advice and guidance on transition and exit points including UCAS applications
- Ensure that Sixth Form leadership and tutors are appropriately developed, resourced and supported to provide high quality information advice and guidance for our Sixth Form learners
- Reviewing induction practices to improve transition into key stage 5.

# Hilbre High School Humanities College

## Governors Report

Improve Sixth Form enrichment by:

- Formal Timetabling of Leadership Opportunities including peer mentoring, paired reading, paired Maths, subject mentoring, lunchtime supervision and leading House Councils and new opportunities
- Extending enrichment opportunities by using facilities after school hours
- Ensuring the Sixth Form Council/Management Team meet regularly to discuss and take decisions about aspects of Sixth Form life and promoting the Sixth Form in the main school.

**Success Criteria / Impact:**

- Raised attainment of students in the Sixth Form so they all meet their targets
- The most suitable teachers delivering the Sixth Form curriculum
- An increased Sixth Form cohort
- A wider range of courses meeting a wider breadth of student need resulting in all students achieving their target grades
- Improved information, advice and guidance and identification of suitability for our KS4 students about potential KS5 pathways in our Sixth Form
- Earlier identification of students facing a barrier to learning, resulting in fewer students becoming NEET
- Improved 'student voice' and responsibility in the Sixth Form
- An increase in collaborative projects, activities and responsibilities
- Increased participation in enrichment programmes, including the Duke of Edinburgh Award Scheme, empowering more students to write stronger Personal Statements and make a valuable contribution to the community
- Improved representation of Hilbre in Sixth Form recruitment fairs and Wirral marketing of FE provision.

### **Improving the Effectiveness of Pastoral Intervention and Multi-Agency Working**

Actions include:

Use academic data to support mentoring programmes and targeted interventions by:

- Formally timetabling post-Monitoring interviews between the form tutor and students
- Keeping formal records of post-Monitoring discussions with students and using them to inform specific timetabling of post-Monitoring intervention
- Formalising scrutiny of data by Heads of House to inform interventions
- Formalising and implementing individual intervention plans for identified students requiring support.

Further enhance pupil leadership and responsibility by:

- Extending the work of Student and House Councils
- Creating a wider range of opportunities for students to air and express their student voice.

# Hilbre High School Humanities College

## Governors Report

Ensure school ethos and requirements are supported and followed by all students through:

- All Houses applying consistency and parity in their application and reinforcement of school rules including both sanctions and praise
- Maintaining our drive to improve the appearance of all students; encouraging Sixth Form students to set an example to the rest of the school community and ensuring all students adhere to our Uniform Policy and take pride in their appearance
- Promoting the interaction of older pupils with younger pupils through inter and intra-House activities
- Timetabling specific Attendance Panel meetings each half term, in which pupils, staff and parents formally meet, discuss and produce an action plan determining how attendance can be improved.

Review our practices in working with 'Hard to Reach' families and implement new strategies with effect from 2012 by:

- Action planning for the identified needs of parents
- Orchestrating events and activities to help parents support their children's learning needs, enhance children's opportunities and include specific social events.

Improve staff knowledge of a wider range of safeguarding issues by:

- Widening the number of staff trained in Level 2 Safeguarding
- Identifying training needs for Pastoral Assistants to enhance the provision and support they offer.

**Success Criteria / Impact:**

- Improved mentoring programmes leading to raised achievement for targeted pupils
- All students in school feel more empowered to express their 'voice'
- Improved assessment and better progress made by students within the PSHE Programme of Study delivered in TS.
- Improved consistency in the application of school policy regarding behaviour, attendance and appearance
- Clearer identification of strategies and interventions which work well with our most challenging students
- Attendance improved to above 95%
- Hard to reach families become more engaged with the life of the school
- Safeguarding training is consistently updated with a range of staff trained to Level 2.

# Hilbre High School Humanities College

## Governors Report

### Forging New Approaches to Professional Development, Training and Performance Management

Actions include:

Develop and implement our strategic CPD programme through:

- Induction of the new Director of Sixth Form
- Training and development opportunities to ensure effective teamwork around the newly configured SLT
- Induction of all newly appointed staff, including staff at Hilbre with new roles and responsibilities
- Creative use of twilight Inset incorporating bespoke staff development packages.

Support identified colleagues to improve the quality of their teaching by:

- Improving the strategic deployment of the Teacher Coach at key points during the school year to target individual staff needs for support.

Promote a model of greater whole-staff accountability for improved teaching and learning by:

- Encouraging staff to seek opportunities to share emerging and improving practice with the Leadership Group
- Identifying training needs for the new Academy structure.

Promote a model of greater staff involvement and interest in the strategic development of teaching and learning by:

- Encouraging a number of key staff to engage in Action Research projects which support recent developments in teaching and learning
- Providing the Pedagogy Focus Group with more opportunity and resource in order to share and disseminate best practice.

**Success Criteria / Impact:**

- All teachers teaching 'good' or 'outstanding' lessons
- All staff have training suitable to their own personal CPD needs and to whole-school development leading to an increase in the number of staff delivering good and outstanding lessons
- Surety and evidence that our teachers are meeting the Teaching Standards pertinent to their responsibility in school, resulting in better quality of teaching and better standards of leadership and management for all responsibility holders
- Improved training of ITT students and mentors; more structured training for NQTs; better capacity for intervention work with teachers
- Staff empowered to take charge of their own performance and gain evidence for their Performance Management leading to improved prospects for career progression.

# Hilbre High School Humanities College

## Governors Report

- Staff aware of the most recent developments in T&L strategies; more staff benefiting from accreditation from local HE providers, ensuring all staff are up-to-date with the most recent developments in pedagogy and practice.

### Harnessing the Potential of our Newly Acquired Academy Status

Actions include:

Continue raising the awareness of multi-cultural issues amongst our learners by:

- Identifying further opportunities for international partnerships to promote Global Learning; for example, through:
  - the Duke of Edinburgh Award and South African development
  - the specialism and Humanities Week
  - curriculum enrichment through the Humanities
- Developing use of the VLP to enable closer links with our local, national and global communities, for example through blogging and creating an evidence trail.

Build upon our newly forged relationship with Fuzhou No. 3 Middle School, by:

- Investigating the potential of local business links with Chinese enterprise
- Working with the British Council to establish funding streams to enable teachers and students
- Further developing our partnership, so that there is a greater impact upon our learners, which includes student visits to partner schools and the pursuit of relevant funding streams.

Network locally, nationally and internationally by:

- Establishing our Duke of Edinburgh programme's international community work in South Africa, through collaborative networking with Steenberg High School and AfriTwin
- Expanding third party income to include the Sixth Form Building
- The Principal, in role as LLE, supporting a newly appointed Headteacher to a Wirral Secondary School
- Keeping abreast of new developments by attending relevant Conferences and Seminars
- Subscribing to membership of relevant institutions including FSB, NASBM, and The Key.

Further contribute to community development by:

- Extending and varying our range of community activities with a focus upon targeting motivation and enrichment opportunities for identified groups of learners including the re-establishment of charity work at local, national and international level, to be run by student leaders
- Developing cricket as an extra-curricular activity and expanding a comprehensive cricket programme.

Establish the practice of working in collaboration and partnership by:

- Developing Service Level Agreements for services to other schools and education providers
- Working with other local Academies to develop a 'Wirral Academy Schools' Forum Group consisting of Heads, Principals and Business Managers in order to explore ways to benefit from 'best value'
- Implementing a working party to forge partnerships with local feeder primary schools in order to strengthen links and promote the school as the best 'secondary school' choice
- Developing links with local businesses to enhance educational provision for our students, including work experience.

# Hilbre High School Humanities College

## Governors Report

- Strengthening relationships with outside agencies in order to maximise potential service provision to the school and the local collaboration
- Aiming to gain the Healthy Schools Enhanced Status by working with outside agencies.

### Success Criteria / Impact:

- Feeder Schools: Ameliorating the impact of falling rolls in Wirral by improved communication and cross-phase project work with our Primary Feeder schools
- New strands to our international work with improved partnerships, more extensive curriculum impact and better use of technology as a communication resource
- A secure partnership with Fuzhou No. 3 Middle School, leading to widened cultural understanding for all students
- Greater uptake of the Gold Duke of Edinburgh Award because of a wider range of available programmes for students
- Service Level Agreements:
  - delivery of key business services and solutions which enhance the role of the school in the wider community
  - Increase income streams, with profits being invested back into the school's education provision
- Wirral Academy Forum Group - shared practices and procedures to enhance best value and improve all financial planning activities
- Developing Links:
  - Successfully developed models for employer participation
  - A wider range of business contacts and networks to enhance opportunities both internally and externally for students and staff
- Outside Agencies:
  - Increased involvement with external support agencies
  - Expanded involvement with Hilbre from all relevant external agencies with strengthened relationships with all parties
- Cricket - more extra-curricular activities, enabling students to follow their passion beyond the classroom and play a positive role in their academic progress.

The school's Charitable activities are substantial and each year we elect to support three charities; one local; one national and one international.

The charities we support are elected annually by the Student Council after debate about the value of each charity. This academic year, 2013-14, we are supporting:

- Guide Dogs for the Blind (local)
- Alder Hey Children's Hospital (National)
- UNICEF (International)

Strategies we deploy to raise funds for charities include:

- Fundraising Fridays. This involves a small team of students touring the school on 'Fridays' to hold a bucket collection for the selected charity. The strategy was highly successful in 2012-13, helping us to raise £1,105 for Claire House Hospice.
- Tutor Group Fundraising Initiatives such as Cake Sales.
- Textile Collections to raise funds for charities such as Chernobyl Children
- Sponsored Events. For example, a sponsored walk by a year group (last year raised £700)
- Sales Teams promoting events e.g. Fair Trade.

# Hilbre High School Humanities College

## Governors Report

- We avoid non-uniform days but will be holding a 'wear neon to school day' in support of Guide Dogs for the Blind
- Bucket collections at events including Prize Giving, (raised £230 in 2012-13)
- Bag packing at major local supermarkets
- Charity contributions instead of Christmas cards.

### Public Benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Academy's objectives and aims and in planning future activities for the year. Given the activities of the Academy and the student population that it services, the trustees consider that the company's aims are demonstrably to the public benefit.

### Achievements and Performance

In 2010 attainment for 5A\*-C including English & Mathematics was well below the national average and reported as a significant in Raise online. In 2011 and 2012 the same measure was in line with the national average. This measure has taken a dip in 2013, but all indicators (internal assessments and results of public examinations) suggest that Hilbre will be back on track in 2014.

The improvement in attainment can be seen clearly in the following table:

### Headline Attainment Figures

	2010-2011		2011-2012		2012-2013			
Cohort	177		176		175			
Average TPS	416		399		445			
Average Capped8	329		326		340			
Students with 1 x A*-A	93	53	85	48	91	52	↑	3.7
Students with 1 x A*-C	170	96	172	98	173	99	↑	1.2
Students with 1 x A*-G	177	100	174	99	173	99	→	0
Students with 3 x A*-A	38	22	32	18	35	20	↑	1.8
Students with 3 x A*-C	160	90	163	93	169	97	↑	4
Students with 3 x A*-G	175	99	172	98	173	99	↑	1.2
Students with 5 x A*-A	16	9	7	4	16	9.1	↑	5.1
Students with 5 x A*-C	140	79	147	84	152	87	↑	3.4
Students with 5 x A*-G	172	97	169	96	172	98	↑	2.3
5 x A*-C Inc Eng & Mat	106	60	102	58	86	49	↓	-8.9
5 x A*-C Inc Eng, Mat & Sci	99	56	102	58	86	49	↓	-8.9
English Baccalaureate	20	11	9	5.1	24	14	↑	8.6
5 x A*-C Inc Sci	115	65	147	84	151	86	↑	2.8
5 x A*-G Inc Eng & Mat	172	97	147	84	169	97	↑	13.1
5 x A*-G Inc Eng, Mat & Sci	169	96	147	84	167	95	↑	11.9
5 x A*-G Inc Sci	169	96	169	96	170	97	↑	1.1
2 x A*-C in Sci	80	45	126	72	163	98	↑	21.5
1 x A*-C in MFL	38	22	49	28	57	33	↑	4.8
1 x A*-G in MFL (inc Short)	42	24	53	30	66	38	↑	7.6

## Hilbre High School Humanities College Governors Report

Since our last inspection there is considerable evidence that demonstrates increased levels of attainment for all students. Most notably attention should be drawn to the average total points score, average capped points score and the 5A\*-C measure. These improvements are testament to the school-wide effort to improve outcomes for students and demonstrate the impact of good quality teaching and good leadership throughout the school at all levels.

The 2013 results are clouded by the dip in the English results. As the 2011 Ofsted report stated 'students make good progress in English'. It is critical to state the staffing in the English department has remained largely unchanged over this time period and more importantly the staff teaching examination classes has not changed at all. The same staff have already secured a 96% A\*-C pass rate with students sitting their English Language GCSE in Year 10 before they progress on to study for English Literature in Year 11.

Over the period since our last inspection the school has seen dramatic improvements in the attainment of Mathematics and Science. Mathematics has moved from 50% A\*-C in 2010 to 72% A\*-C in 2013, with a high point of 75% A\*-C in 2012. Core Science results have moved from 44% A\*-C in 2011 to 77% A\*-C in 2013. The percentage of students attaining 2A\*-C in Science qualifications has increased from 45% in 2011 to 93% in 2013. The impressive improvement in attainment of Mathematics and Science clearly demonstrates the drive, vision and strategy of leaders within the school to secure the very best of outcomes for its students.

Following poor advice from AQA with regard to entry policy for students studying English in 2012/2013 considerable changes have already been implemented to ensure GCSE results in English get back on track in time for 2014 summer exams. The school has already further strengthened the leadership of the department, mapped out an enhanced assessment schedule, implemented a programme of examination paper practice, increased the level of one-to-one intervention, increased the number of accountability meetings with the Principal to RAG rate student progress and secured additional funding from the LA to support teaching and learning within the English Curriculum Area.

There is also additional time and resources in place to ensure that current Year 12 students are supported to secure a grade C at GCSE.

There has also been a considerable improvement in the percentage of students achieving the English Baccalaureate from 5% in 2012 to 14% in 2013. This has been achieved by sustained and impressive performances from our MFL department and increasing levels of success from the Humanities subjects. A number of other subjects have all continued to sustain results that are well above the national averages: Drama, Textiles, Additional Science, Full Course RE, Product Design and Graphic Design. In addition the success of our BTEC courses and DiDA course continue to produce impressive results.

### Progress KS2 to KS4

KS4 Subject	3	2	1	0	+1	+2	+3	+4	+5	+6	+7	3+ %	4+ %	5+ %
BTEC Engineering	0	0	0	0	0	0	7	3	3	2	0	100	53	33
BTEC Sport	0	0	0	0	0	0	10	5	1	0	0	100	38	6
CIDA Double	0	0	0	0	0	0	9	11	4	1	0	100	64	20
CIDA Single	0	0	0	0	0	0	1	0	0	0	0	100	0	0
BTEC Business Studies	0	0	0	0	0	1	9	1	1	0	0	92	17	8
French	0	0	0	0	1	1	10	8	0	0	0	90	40	0
Drama	0	0	0	0	1	6	14	13	24	6	0	89	67	47
BTEC Science Extended	0	0	0	0	0	6	23	10	4	6	1	88	42	22
BTEC Science Diploma	0	0	0	0	0	5	13	10	4	2	0	85	47	18
BTEC Health Soc Care	0	1	1	0	0	0	1	1	5	3	0	83	75	67
Religious Studies FC	0	0	1	0	2	1	2	9	2	1	0	78	67	17

## Hilbre High School Humanities College Governors Report

Business Studies	0	0	0	0	0	3	5	2	3	0	0	77	38	23
DT Textiles Technology	0	0	0	0	0	2	2	1	2	1	0	75	50	38
Chemistry	0	0	0	0	3	9	22	8	2	0	0	73	23	5
DT Product Design	0	0	0	1	0	1	4	1	0	0	0	71	14	0
English Language	0	0	0	1	1	24	42	20	3	0	0	71	25	3
Mathematics	0	0	2	8	11	28	65	29	7	0	0	67	24	5
DT Food Technology	0	0	0	1	2	10	10	14	2	0	0	67	41	5
Physics	0	0	0	0	3	12	18	8	3	0	0	66	25	7
Science Additional	0	0	0	0	0	11	8	10	3	0	0	66	41	9
Science Core	0	0	0	1	4	22	35	11	3	0	0	64	18	4
Art	0	0	0	0	1	10	9	10	2	0	0	66	38	6
English Literature	1	0	0	0	5	28	37	17	4	1	0	63	24	5
Biology	0	0	0	0	1	15	20	6	1	0	0	63	16	2
BTEC Applied Science	0	0	0	0	0	24	23	4	8	4	0	62	25	19
Music	0	0	0	0	4	3	8	3	0	0	0	61	17	0
Spanish	0	0	0	0	3	16	15	6	3	1	0	57	23	9
Graphic Design	0	0	1	2	3	10	17	3	1	0	0	57	11	3
Citizenship	0	2	5	6	15	29	38	28	3	0	0	55	25	2
History	0	2	2	6	7	15	16	6	4	1	0	46	19	8
Geography	0	0	0	3	10	24	22	7	1	0	0	45	12	1
Religious Studies SC	4	7	10	21	16	25	26	15	4	0	0	35	15	3
Sociology	0	1	1	5	2	5	4	2	0	0	0	30	10	0
Media Studies	0	1	1	4	13	42	20	3	0	0	0	27	4	0
English Only	0	0	0	4	10	28	9	1	0	0	0	19	2	0
PE GCSE	0	0	0	2	10	5	3	1	0	0	0	19	5	0
PE SC	0	0	0	0	0	3	0	0	0	0	0	0	0	0
<b>Totals</b>	<b>5</b>	<b>14</b>	<b>24</b>	<b>65</b>	<b>132</b>	<b>426</b>	<b>573</b>	<b>287</b>	<b>105</b>	<b>29</b>	<b>1</b>	<b>60</b>	<b>25</b>	<b>8</b>

All baseline data is calculated on the average KS2 points score for English, Mathematics and Science. Using this measure 60% of all matched results represent at least 3 levels of progress. A quarter of all results represent at least 4 levels of progress and nearly 10% of results represent at least 5 levels of progress.

Using the data above progress at Hilbre would be judged to be good. There are clearly many subjects where we would judge progress to be outstanding. Critically our core subjects of English Language, Mathematics and all Science courses deliver good progress for the students.

As stated earlier poor advice from AQA with regard to examination entry policy for English courses is clearly shown in the above table. Our dip in examination results is directly related to our entry policy for English Only GCSE, which only managed to achieve 19% of students making 3 levels of progress. The same team of teachers on the English Language GCSE course secured at least 3 levels of progress for 71% of students and 25% of students making at least 4 levels of progress. These results are very similar to the ones our previous Ofsted inspection team described as 'good levels of progress' in November 2011. English Language GCSE results for current Year 11 indicate 65% of students making at least 3 levels of progress and 18% making at least 4 levels of progress. These results would also be judged as good with regard to levels of progress.

# Hilbre High School Humanities College Governors Report

## Post 16

The prior attainment of our 2013 cohort:

Prior Attainment Band (GCSE)	Entry	A*	A	B	C	D	E	U
Very High 54-58 A*/A	1				1		1	
High 49-53.9 A/B	3			3	3	2	1	
Mid 40-48.9 B/C	23		1	4	18	21	8	
Low <40 Below C	7			1	2	4	1	1
<b>Total</b>	<b>34</b>		<b>1</b>	<b>8</b>	<b>24</b>	<b>27</b>	<b>11</b>	<b>1</b>

As can be clearly seen our Post 16 intake is skewed towards the mid/low end of the GCSE prior attainment bands. Hilbre achieved a 99% A\*-E pass rate in 2013. Value added scores are broadly in line with the national averages although statistically our class sizes are often too small to make meaningful judgements.

Considerable work has been carried out to ensure that our Post 16 students progress well on their courses. The following strategies are now established:

- Target setting system based on a modified ALPs data, providing aspirational but achievable targets.
- Progress tracking system in place to identify underachievement.
- Learning Journals containing formative assessment to give students clear advice on how to improve.
- Courses located on specific sites and delivered by 'best' teachers from across the collaborative.
- Effective recruitment/retention procedures: already delivering a higher calibre intake (current Yr12) and students matched more appropriately to level 3 courses.
- Strengthened curriculum offer to match more closely with prior attainment of students.
- Programme of Enrichment activities established following successful pilot in academic year 2012/2013.
- Dual form tutor system to effectively monitor the progress of tutees.
- Mixed Yr12 & Yr13 form groups so students can learn from experiences of a more diverse group of learners.
- Deployment of Post 16 Teaching Assistant to supervise students during their non-contact time in private study, research and UCAS preparation.

Effective leadership of the Sixth Form and improvements in the quality of teaching at Post 16 level mirror the improvements seen lower down the school and are impacting positively on student achievement.

## Going Concern

After making appropriate enquiries, the board of Governors has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

# Hilbre High School Humanities College

## Governors Report

### Key Financial Performance Indicators

The Audit Committee and Academy, Business & Finance Committee review key financial data, including performance indicators and outcomes, at each of their meetings. All Financial performances are measured using a series of control and monitoring systems and procedures.

A detailed commentary on performance for a specific period is presented, with comprehensive management accounts that include the following:

- Income to date against budget to date comparisons, analysed by income headings;
- Expenditure to date against budget to date comparisons, analysed by expenditure headings;
- Projected surplus/deficit for the academic year, analysed by income and expenditure headings;
- Bank and Investment balances, both month end and current.

Staff costs represent the majority of the School's expenditure and as such they are closely scrutinised with an agreed percentage of no more than 80% of the total budget. Actual staff costs are monitored monthly against budget settings with trends being extrapolated to provide expected year end outcomes.

As a PFI school, all utility costs are covered under the PFI monthly recharges, and as such, information provided by the Local Authority is interrogated to ensure efficient use of resources, having regard to environmental impact.

### Financial Review

The majority of the School's income is obtained from the Education Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted to particular purposes as detailed in the funding agreement. The grants received from the EFA during the period 1<sup>st</sup> July 2012 - 31<sup>st</sup> 2013 and the associated expenditure is shown as restricted funds in the Statement of Financial Activities (SoFA).

The amount of recurrent grant funding for this period received from the Education Funding Agency was £6,307,758.06. A full listing of income received for this period from various sources is shown within the Statement of Financial Activities (SoFA).

The balance of the former school's budget share (£799,249.99) was transferred across on conversion and is shown as Unrestricted Funds.

The School also receives grants for fixed assets from the EFA, in accordance with the Charities' "Statement of Recommended Practice, Accounting and Reporting by Charities" (SoRP 2005). Such grants if received are shown in the Statement of Financial Activities (SoFA) as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the useful life of the assets concerned.

The School has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion, to the value of £1,240,000, and will be recovered from the school as annual lump sum payments over 25 years. The deficit is incorporated within the Statement of Financial Activity with details in the financial statements.

Pupil numbers - we expect the number of pupils in Years 7 to 11 to remain similar from 870 in September 2012, to approximately 872 in September 2013. The number of post 16 students is expected to increase during this period.

Key financial policies adopted or reviewed during the period include the Financial Procedures Manual, Fraud and Corruption policy, Capital Revenue and Investment Reserves policy and Gifts and Hospitality. The Financial Procedures Manual sets out the framework for financial management, including financial responsibilities of the Governors, Principal (as Accountable Officer), the Assistant Vice Principal for Academy, Finance and Business Development, budget holders and other affected staff as well as delegated authority for expenditure protocols.

# Hilbre High School Humanities College

## Governors Report

The Governors have appointed the Finance Committee to undertake the role of Responsible Officer in the first year of operating as an Academy School and undertake a programme of internal checks on financial control and processes. The Finance Committee receives support through agreed upon procedures performed by the Academy's external auditor. The reports issued during the year contained no significant issues or concerns in relation to the school's financial management.

The Governors have agreed a strategic approach to robust financial management and budgetary control whilst continuing to invest accordingly in Human and Physical resources to sustain the school's development priorities. The governing body has also taken a prudent approach to policy on reserves and investments, in order to protect the organisation from commercial, political and financial risk.

### Financial and Risk Management Objectives and Policies

As an Academy Trust funded directly by the Department of Education, funding streams are considered to be relatively secure subject to management of pupil numbers, although the Governors recognise government policy and overall funding levels present an external risk to manage.

The Governors have a risk management strategy and policy which is managed and reviewed on a regular basis.

The Academy Trust manages its finances to ensure a healthy level of reserves adequate to cover unforeseen circumstances and to make planned use as a part of its medium to longer term financial plan.

The Governors examine the financial health formally every term, reviewing performance against budgets and overall expenditure by means of regular update reports at all full Governors', Academy, Business & Finance Committee and the Audit Committee and Finance Committee meetings. The Governors also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Academy had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

The Governing Body recognises that the defined benefit scheme deficit (Local Government Pension Scheme), which is set out in the financial statements, represents a significant potential liability, however, as the Governors consider that the School is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

### Principal Risks and Uncertainties

Financial - the School has considerable reliance on continued Government funding through the EFA. As the majority of the School's incoming resources were ultimately Government funded, and with the introduction of new funding mechanisms from 2013 academic year, there is no assurances that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms. Cost pressures are already being seen at areas such as Post16 funding, with additional pressures on the horizon in respect to significant changes in Special Educational Needs funding, which will impact schools over the next few years and will increase the need for prudent budgeting and contingency planning.

PFI contract - as the School is part of the Local Authority's PFI Scheme, Governors are mindful of the increasing unitary charges per annum. The PFI contract provides that from the first "Price Adjustment Date" and every five years thereafter the Provider is given the opportunity to revise the annual price charged for specific facilities management (FM) services in line with current market prices. This price is then fixed for the next five years. The first "Price Adjustment Date" for Wirral is 31st August 2013, by which time the revised price has to be agreed and implemented (at the time of this report being produced, the process is behind schedule, with actual costs being unknown). Collectively, the specific FM services are known as the "Tested Services". The Governors are aware that any additional increases

# Hilbre High School Humanities College

## Governors Report

to the annual unitary charge will have an impact on the school's budget setting and subsequent forecasts and will be addressed accordingly.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the School's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Governors continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational - the continuing success of the School is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Governors ensure that student success and achievement are closely monitored and reviewed.

Safeguarding and child protection - the Governors continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

Staffing - the success of the School is reliant on the quality of its staff and so the Governors monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and Mismanagement of Funds - The School has appointed a Responsible Officer to carry out checks on financial systems and records as required by the School's Financial Manual. The Governors have also a Fraud and Corruption Policy. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The School has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on an annual basis.

### Reserves Policy

The Governing Body reviews the reserve levels of the school annually at the year-end and as a part of its medium term budget planning. This review encompasses the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves. Particular regard is given to the likely levels of future income to be received from the Education Funding Agency and the likelihood that these will reduce over the forthcoming years.

Governors determine what the level of uncommitted reserves should be. The aim is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies or in-year expenditure over and above the agreed budget setting.

As a part of its monitoring of in-year financial performance the Governing Body reviews the forecast impact on reserves and considers this as a part of its medium term financial planning. As this is the first year of operation as an academy, the Governing Body plans to establish a reasonable level of restricted and unrestricted general reserves at the year-end in order to enable it to both manage unforeseen emergencies and also to enable planned use over the medium term to mitigate anticipated very challenging budget shortfalls.

As at 31 August 2013 the School held the following reserves:

- Restricted Reserves £(846,000)
- Unrestricted Reserves £826,000

On conversion to academy status, the School inherited the past service deficit in relation to the Local Government Pension Scheme that is provided for our non-teaching staff. On conversion, the deficit transfer was £1,240,000.

It should be noted however that this does not present the Academy with a current liquidity problem. Contributions to the pension scheme to cover this deficit will be paid on an annual basis over 25 years,

# Hilbre High School Humanities College

## Governors Report

increasing at 4.5% and it will be refined as part of the 2013 valuation, based on final membership information.

### Investment Policy

Governors are firmly committed to ensuring that all funds under their control are administered in such a way as to maximise return while minimising risk. Governors do not consider the investment of surplus funds as a primary activity, but rather a requirement for the effective management of the various funds entrusted to the Governing Body.

Governor's management of cashflow should ensure that there are always sufficient funds in the main bank accounts to cover operational costs. Banks must be selected from the FCA Approved List included in the Financial Services Compensation Scheme (FSCS).

Governors will seek to ensure that any cash not required for operating expenses is placed on deposit at the most favourable rate. Arrangements for deposits may include, but are not limited to Treasury Bonds and CCLA Deposit Accounts. Deposit account providers must be selected from the FCA Approved List included in the Financial Services Compensation Scheme (FSCS) or from the CCLA.

Where significant funds are have been accumulated that are not required in the short term for operational expenses, or as part of a planned surplus for a specific project, Governors may consider the investment of these funds in order to generate a longer term income or capital fund. In addition, the school may at times receive investments as part of a legacy or gift.

The approval of the Audit and Academy, Business & Finance Committees is required before any investment is made. The following criteria should be used in selecting an appropriate investment:

- What level of risk does the investment represent? The governors' approach to risk is cautious - typical investments will include corporate bonds and fixed interest funds.
- The anticipated level of return
- Management fees and associated costs
- Any penalties e.g. for early redemption
- Ease of access should governors wish to realise the investment.

The Audit and Academy, Business & Finance Committees will approve any changes to the organisations and/or accounts in which the School's funds are invested. However, in doing so, they will take a low risk approach to investment, particular at a time when investment returns are low, in order to protect the funds generated to date for the benefit of future years.

# Hilbre High School Humanities College

## Governors Report

### Plans for Future Periods

Following the conversion to academy status, the school plans to maintain a clear focus on learning and the teaching that promotes it, including continuing to raise achievement and student skills, as detailed in the School Development Plan.

The key priorities for 2013/14 Academic Year are:

- To ensure that the quality of teaching remains on an upward trajectory, with appropriate support and intervention to bring about improvement.
- To ensure bespoke CPD opportunities continue to meet the training and development needs of the staff so that professional aspiration and career enhancement may be facilitated effectively, and impact positively on individual staff performance.
- To ensure that student progress and achievement are in line with expectation through regular and rigorous monitoring processes involving the Principal, Vice Principal and wider Leadership group.
- To ensure that Hilbre's curriculum continues to develop in line with national/local requirements, and that the curriculum provides excellent opportunities for student engagement and challenge, including homework and ILPs.
- To embed new and emerging practices to promote a cross curricular approach to Literacy and Numeracy.
- To maintain a close and clear overview of School Improvement; to take appropriate action in areas not responding to intervention.
- To ensure that Pastoral Care benefits from consistency of approach across the three Houses, promoting the sharing of best practice and making sure we identify opportunities to support individuals/groups that are vulnerable to potential under-performance.
- To work closely with Governors to support their development as our 'critical friends', making sure they are clear about those aspects of school life which are a strength, those which are improving and those which are in need of further development.
- Smooth induction of the new SLT team; by operating effectively as a team, senior leadership will be best placed to support the whole staff in the challenges ahead.
- To manage the falling rolls situation by deploying diminishing funds effectively.
- To ensure collaborative post-16 arrangements provide good quality extended curricular opportunities whilst maintaining value for money.
- To ensure that Hilbre continues to benefit from Academy freedoms and autonomy.
- To promote our readiness for an imminent Ofsted inspection.
- To seek further opportunities to develop and enhance the school environment.

With school budgets becoming even more challenging and demanding, and the focus on achieving the 'best for less', the need to innovate has never been greater, especially in relation to setting a balanced budget. Being aware of future cost pressures allows the school to continue maintaining, managing and developing a school, offering a broad and balanced curriculum.

### Funds Held as Custodian Trustee on Behalf of Others

The School does not hold funds on behalf of others.

# Hilbre High School Humanities College Governors Report

## Auditor

PKF (UK) LLP was appointed by the Governing Body for this period. However, on March 28<sup>th</sup> 2013, PKF (UK) LLP went into a business combination with BDO LLP. The name of the combined firm is BDO LLP and this is the legal entity which continued to provide professional services to the School for the remaining part of this period. The company has indicated its willingness to continue in office. Insofar as the Governors 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.

Approved by order of the board of Governors on 13/12/13 and signed on its behalf by:

G Kemp  
Chair of Governors

A handwritten signature in black ink, appearing to read 'G Kemp', written over the printed name and title.

# Hilbre High School Humanities College

## Governors Statement

### Scope of Responsibility

As Governors we acknowledge we have overall responsibility for ensuring that Hilbre High School Humanities College 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 Governing Body has delegated the day-to-day responsibility to the Principal, 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 Hilbre High School Humanities College and the Secretary of State for Education.

They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

### Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The Full Governing Body has formally met 4 times during the year.

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

Governor	Meetings attended	Out of a possible
G Kemp (Chair from 27.9.12)	3	4
J Levenson (Principal and Accounting Officer)	4	4
S Wall	4	4
S Reynolds	3	4
C Robinson	1	4
J Jubb	3	3
J Tillotson-Home	3	3
A Downie	2	4
C Steiger	4	4
L Thierry	3	4
C Keenan	4	4
G Kerr *	4	4
P Freeman (reappointed 21.3.13)	0	1
S Jenkinson (appointed 21.3.13)	0	0
P Shenton	1	4
S Green	1	4
E Myers (staff governor)	3	3
C Joyce (staff governor)	3	4
G McElvogue (term ended 19.10.12)	1	2
J Casey (Chair until 22.8.12)	0	0
P Sargeant (resigned 31.8.12)	0	0
C Whiteley (staff governor - term ended 19.10.12)	1	1

As the School only converted in July 2012 and this being the first Annual Report and Financial Statements, the key changes in the composition of the Governing Body, result from the conversion to Academy status and as such are detailed in the Articles of Association for Hilbre High School Humanities College.

Particular challenges that have arisen for the Governors include the appointment of a new Chair of Governors and the complexities and responsibilities held by nominated Members and appointed Governors, under the auspices of an Academy.

# Hilbre High School Humanities College

## Governors Statement

The Academy, Business and Finance Committee is a sub-committee of the main board of Governors. Its purpose is:

- To consider the Academy's indicative funding, notified annually by the DfE/EFA, and to assess its implications for the academy, in consultation with the Principal, in advance of the financial year, drawing any matters of significance or concern to the attention of the Governing Body.
- To consider and recommend acceptance/non-acceptance of the academy's budget, at the start of each financial year.
- To contribute to the formulation of the academy's development plan, through the consideration of financial priorities and proposals, in consultation with the Principal, with the stated and agreed aims and objectives of the academy.
- To receive and make recommendations on the broad budget headings and areas of expenditure to be adopted each year, including the level and use of any contingency fund or balances, ensuring the compatibility of all such proposals with the development priorities set out in the development plan.
- To liaise with and receive reports from the HR, Personnel, Pay and Curriculum committees, as appropriate, and to make recommendations to those committees about the financial aspects of matters being considered by them.
- To monitor and review expenditure on a regular basis and ensure compliance with the overall financial plan for the academy, and with the financial regulations of the DfE, drawing any matters of concern to the attention of the Governing Body.
- To monitor and review procedures for ensuring the effective implementation and operation of financial procedures, on a regular basis, including the implementation of bank account arrangements and, where appropriate to make recommendations for improvement.
- To prepare the financial statement to form part of the annual report of the Governing Body to parents and for filing in accordance with Companies Act and Charity Commission requirements.
- To receive Auditors' and Responsible Officer reports and to recommend to the Full Governing Body action as appropriate in response to audit findings.
- To recommend to the Full Governing Body the appointment or reappointment of the auditors of the academy.
- To advise the Board of Governors on acquisition and disposal of premises.
- Under the auspices of the School's PFI Agreement:
  - To evaluate proposals and quotations relating to major building works and other fixed assets.
  - To monitor/report on all works relating to buildings and other fixed assets.

The particular issues dealt by this committee for this period surrounds the conversion to Academy status and the implementation of practices, procedures and responsibilities in line with the Articles of Association and Funding Agreement.

During the year S Jenkinson, who is a qualified accountant, joined the committee. Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
G Kemp (Chair from 27.9.12)	3	3
J Levenson (Principal and Accounting Officer)	3	3
J Tillotson-Home	2	3
G Kerr	3	3
S Jenkinson (appointed 21.3.13)	0	0

# Hilbre High School Humanities College

## Governors Statement

The Audit Committee is also a sub-committee of the main board of Governors. Its purpose is:

- To review the effectiveness of financial and other control systems.
- To ensure that all significant losses have been properly investigated and reported as appropriate.
- To oversee the academy's policy on fraud and irregularity
- To oversee the academy's corporate governance arrangements including the code of practice.
- To monitor the implementation of approved recommendations relating to both Responsible Officer and the External auditors.
- To monitor the effectiveness of the RO and External auditing service and to promote co-ordination between the two.
- To advise the governing body on the appointment and responsibilities of the RO role.
- To consider and advise the governing body on the audit needs assessment.
- To consider and advise the governing body on RO reports, which should include an opinion on the degree of assurance that can be placed on the system of internal control.
- To monitor the academy's arrangements to secure value for money.
- Becoming familiar with the concepts and requirements of risk management.
- Acting as a catalyst for risk management activity across the school.
- Ensuring appropriate audit work on risk management.
- Collecting information on risks and risk management.
- To advise the governing body on the appointment and remuneration of external auditors and the scope of their work (in line with Academies Financial Handbook reporting requirements).
- To work with the External auditors on the nature and scope of the audit as necessary.
- To consider and advise the governing body on the External auditors Financial Statements and Accounting Reports.
- To consider the academy's financial statements as appropriate.
- To receive and review relevant reports relating to audit.
- To advise on Risk Management, Health & Safety, and Emergency Planning issues in respect of finance, buildings, systems and fixed assets.

The particular issues dealt by this committee for this period surrounds the conversion to Academy status and the implementation of such a Committee as per DfE guidelines and protocols.

Attendance at meetings in the year was as follows:

Governors	Meetings attended	Out of a possible
J Levenson (Principal and Accounting Officer)	2	2
J Tillotson- Home	2	2
S Jenkinson (appointed 21.3.13)	0	0

### 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 Hilbre High School Humanities College for the period 1<sup>st</sup> July 2012 to 31<sup>st</sup> August 2013 and up to the date of approval of the Annual Report and Financial Statements.

# Hilbre High School Humanities College

## Governors Statement

### Capacity to Handle Risk

The Governing Body 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 Governing Body is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 18 May 2012 to 31 August 2013 and up to the date of approval of the Annual Report and Financial Statements. This process is regularly reviewed by the Governing Body.

### 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 Governing Body;
- Regular reviews by the Audit Committee and Academy, Finance and Business 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 Governing Body has considered the need for a specific internal audit function and has decided in their first year of operation:

- Not to appoint an internal auditor. However, the Governing Body have appointed the School's nominated accountants to provide the services on behalf of the 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. The RO reports to the Governing Body on the operation of the systems of control and on the discharge of the board of Governors' financial responsibilities.

### Review of Effectiveness

As Accounting Officer the Principal 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 Audit Committee;
- The work of the Auditors;
- The Financial Management and Governance self-assessment process;
- The work of the Assistant Vice Principal within the School who has responsibility for the development and maintenance of the internal control framework.

# Hilbre High School Humanities College Governors Statement

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Audit Committee and Academy, Finance and Business Committee and a plan to address weaknesses, if relevant and ensure continuous improvement of the system is in place.

13 December 2013

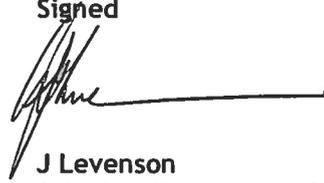
Approved by order of the members of the Governing Body ~~[date]~~ and signed on its behalf by:

Signed



G Kemp  
Chair of Governors

Signed



J Levenson  
Principal/Accounting Officer

## Hilbre High School Humanities College Governors Statement on Regularity, Propriety and Compliance

As Accounting Officer of Hilbre High School Humanities College I have considered my responsibility to notify the School's Governing Body and the Education Funding Agency of material irregularity, impropriety and noncompliance with EFA terms and conditions of funding, under the funding agreement in place between the School and the Secretary of State.

As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the Governing Body are able to identify any material irregular or improper use of funds by the School, or material non-compliance with the terms and conditions of funding under the School's funding agreement and the Academies Financial Handbook.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date.

I confirm that any instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the Governing Body and the EFA or, if occurring after the date of this statement, will be notified to the Governing Body and the EFA.

Signed



J Levenson  
Accounting Officer

13 December 2013

## Hilbre High School Humanities College Statement of Governors' Responsibilities

The Governors (who act as Trustees of Hilbre High School Humanities College and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' Report and the Financial Statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Governing Body 13/12/13 and signed on its behalf by:

Signed



G Kemp  
Chair of Governors

# **Hilbre High School Humanities College**

## **Independent Auditor's report on the Financial Statements to the Board of Trustees of Hilbre High School Humanities College**

We have audited the financial statements of Hilbre High School Humanities College ("the Academy") for the period ended 31 August 2013 which comprise of the statement of financial activities, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2013 issued by the Education Funding Agency ("the EFA").

This report is made solely to the Academy's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006 and to the trustees, as a body, in accordance with the Academies Accounts Direction 2013. Our audit work has been undertaken so that we might state to the Academy's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy, the Academy's members as a body and the Academy's trustees as a body for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of trustees and auditor**

As explained more fully in the trustees' responsibilities statement, the trustees (who act as governors of Hilbre High School Humanities College and are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. We have been appointed as auditor under the Companies Act 2006 and report in accordance with that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2013 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2013 issued by the EFA.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the trustees' annual report for the financial period for which the financial statements are prepared is consistent with the financial statements.

# Hilbre High School Humanities College

## Independent Auditor's report on the Financial Statements to the Board of Trustees of Hilbre High School Humanities College

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

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

- adequate and proper accounting records have not been kept in respect of the Academy, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements do not accord with the accounting records; or
- certain disclosures of governor's remuneration specified by law are not made; or
- any information or explanation to which we are entitled has not been afforded to us.



Mark Sykes (senior statutory auditor)  
For and on behalf of BDO LLP, statutory auditor  
Liverpool  
United Kingdom  
Date 17 December 2013

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# **Hilbre High School Humanities College Independent Reporting Auditor's Assurance Report on Regularity to Hilbre High School Humanities College and the Education Funding Agency**

In accordance with the terms of our engagement letter dated 21 October 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by the Academy during the period to 31 August 2013 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 the Academy and to the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Academy and to the EFA 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 the Academy and to the EFA, for our work, for this report, or for the conclusion we have formed.

## **Respective responsibilities of The Academy's accounting officer and the reporting auditor**

The accounting officer is responsible, under the requirements of The Academy's funding agreement with the Secretary of State for Education dated 29 June 2012 and the Academies Financial Handbook, extant from 1 September 2012, 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 2013. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year to 31 August 2013 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 2013 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusion includes an assessment of the level of risk associated with the specific categories of income and expenditure and the potential for irregularities to be identified.

# Hilbre High School Humanities College Independent Reporting Auditor's Assurance Report on Regularity to Hilbre High School Humanities College and the Education Funding Agency

## 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 year to 31 August 2013 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Mark Sykes (senior statutory auditor)  
For and on behalf of BDO LLP, statutory auditor

Office Location

United Kingdom

Date 17 December 2013

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

**Hilbre High School Humanities College**  
**Statement of Financial Activities for the Period Ended 31 August 2013**  
**(including Income and Expenditure Account and Statement of Total**  
**Recognised Gains and Losses)**

	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2013 £000
<b>Incoming resources</b>					
<i>Incoming resources from general funds:</i>					
- Voluntary income	2	799	97	86	982
- Activities for generating funds	3	16	-	-	16
- Investment income	4	2	-	-	2
<i>Charitable activities:</i>					
Funding for the academy trust's educational operations	5	58	7,179	21	7,258
<b>Total incoming resources</b>		<b>875</b>	<b>7,276</b>	<b>107</b>	<b>8,258</b>
<b>Resources expended</b>					
<i>Fundraising trading</i>					
<i>Charitable activities:</i>					
Academy trust educational operations		49	6,597	54	6,700
<i>Other resources expended:</i>					
Transfer from local authority on conversion		-	1,493	-	1,493
<i>Governance costs</i>		-	22	-	22
<b>Total resources expended</b>	6	<b>49</b>	<b>8,112</b>	<b>54</b>	<b>8,215</b>
<b>Net incoming/(outgoing) resources before transfers</b>		<b>826</b>	<b>(836)</b>	<b>53</b>	<b>43</b>
Gross transfers between funds		-	(31)	31	-
<b>Net income/(expenditure) for the year</b>		<b>826</b>	<b>(867)</b>	<b>84</b>	<b>43</b>
<b>Other recognised gains and losses</b>					
Actuarial (losses)/ gains on defined benefit pension schemes		-	(63)	-	(63)
<b>Net movement in funds</b>		<b>826</b>	<b>(930)</b>	<b>84</b>	<b>(20)</b>
<b>Reconciliation of funds</b>					
Total funds brought forward at 1 September 2012		-	-	-	-
<b>Total funds carried forward at 31 August 2013</b>		<b>826</b>	<b>(930)</b>	<b>84</b>	<b>(20)</b>

All of the academy's activities derive from continuing operations during the above financial period.

A statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

# Hilbre High School Humanities College

BALANCE OF SHEET AS AT 31 AUGUST 2013

Company Number 08075363

	Notes	2013 £000	2013 £000
<b>Fixed assets</b>			
Tangible assets	12		84
<b>Current assets</b>			
Debtors	13	88	
Short Term Asset Investments		300	
Cash at bank and in hand		<u>1,351</u>	
		<u>1,739</u>	
<b>Liabilities</b>			
Creditors: Amounts falling due within one year	14	(204)	
<b>Net current assets</b>			1,535
<b>Total assets less current liabilities</b>			1,619
Pension scheme liability	23		(1,639)
<b>Net assets including pension liability</b>			<u>(20)</u>
<b>Funds of the academy trust:</b>			
<b>Restricted income funds</b>			
- Fixed asset fund	15	84	
- General fund	15	709	
- Pension reserve	15	<u>(1,639)</u>	
<b>Total restricted funds</b>			(846)
<b>Unrestricted income funds</b>			
- General Fund	15	<u>826</u>	
<b>Total unrestricted funds</b>			826
<b>Total Funds</b>			<u>(20)</u>

The financial statements on pages 38 to 61 were approved by the Governors, and authorised for issue on 13<sup>th</sup> December 2013 and are signed on their behalf by:

G Kemp  
Chair of Governors



# Hilbre High School Humanities College

## Cash Flow Statement for the Period Ended 31 August 2013

	Notes	2013 £000
<b>Net cash inflow from operating activities</b>	18	785
Returns on investments and servicing of finance	19	2
Capital expenditure and investment	20	(331)
Cash on conversion	18	895
<b>(Decrease)/Increase in cash in the year</b>		<u>1,351</u>
<b>Reconciliation of net cash flow to movement in net funds</b>		
Net funds at 1 September 2012		-
<b>Net funds at 31 August 2013</b>	21	<u>1,351</u>

All of the cash flows are derived from acquisitions in the current financial period.

# Hilbre High School Humanities College

## Notes to the Financial Statements for the Period Ended 31 August 2013

### 1. Statement of Accounting Policies

#### Basis of Preparation

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction issued by the EFA and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration and has been accounted for under the acquisition accounting method.

The assets and liabilities transferred on conversion from Hilbre High School Humanities College to an academy trust have been valued at their fair value being a reasonable estimate of the current market value that the trustees would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for Hilbre High School Humanities College. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in voluntary income as net income in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transaction are set out in note 25.

#### 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 company to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

#### Incoming Resources

All incoming resources are recognised when the academy trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

- **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 entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund. Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grants are reflected in the balance in the restricted fixed asset fund.

- **Interest Receivable**

Interest receivable is included in the Statement of Financial Activities on a receivable basis, and is stated inclusive of related tax credits.

# Hilbre High School Humanities College

## Notes to the Financial Statements for the Period Ended 31 August 2013 (continued)

### 1. Statement of Accounting Policies (continued)

#### ▪ Donations

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.

#### ▪ Other Income

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the goods have been provided or on completion of the service.

#### ▪ Donated Services and Gifts in Kind

The value of donated services and gifts in kind provided to the academy trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the academy trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with academy trust's policies.

### Resources Expended

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### ▪ Costs of Generating Funds

These are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

#### ▪ Charitable Activities

These are costs incurred on the academy trust's educational operations.

#### ▪ Governance Costs

These included the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management trustees' meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

### Tangible Fixed Assets

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

# Hilbre High School Humanities College

## Notes to the Financial Statements for the Period Ended 31 August 2013 (continued)

### 1. Statement of Accounting Policies (continued)

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.

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 and reducing balance basis over its expected useful life, as follows:-

▪	Fixtures, fittings and equipment	20% straight line
▪	ICT equipment	33% straight line
▪	Motor vehicles	25% reducing balance

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

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.

#### PFI Agreement

The Academy occupies buildings which are owned by Wirral Borough Council and utilised by the Academy under a PFI agreement. The Academy pays revenue contributions in respect of facilities management. The Academy does not have any rights or obligations of ownership in respect of these assets and therefore they are not included on the Academy's balance sheet. The revenue payment is recognised in the SOFA.

#### Leased Assets

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

#### Taxation

The academy trust is considered to pass the tests set out in Paragraph 2 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.

#### 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.

# Hilbre High School Humanities College

## Notes to the Financial Statements for the Period Ended 31 August 2013 (continued)

### 1. Statement of Accounting Policies (continued)

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by Government Actuary on the basis of quin-quennial valuations using a prospective benefit method. As stated in Note 23, the TPS is a multi-employer scheme and the academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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 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 gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

### Fund Accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education Funding Agency/Department for Education/sponsor/other funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency/Department for Education.

# Hilbre High School Humanities College

## Notes to the Financial Statements for the Period Ended 31 August 2013 (continued)

### 2. Voluntary Income

	Unrestricted Funds £000	Restricted Funds £000	Total 2013 £000
Private sponsorship	-	-	-
Other donations	799	183	982
	<u>799</u>	<u>183</u>	<u>982</u>

### 3. Activities for Generating Funds

	Unrestricted Funds £000	Restricted Funds £000	Total 2013 £000
Hire of facilities	16	-	16
Catering income	-	-	-
	<u>16</u>	<u>-</u>	<u>16</u>

### 4. Investment Income

	Unrestricted Funds £000	Restricted Funds £000	Total 2013 £000
Short term deposits	2	-	2
	<u>2</u>	<u>-</u>	<u>2</u>

### 5. Funding for the Academy Trust's Educational Operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2013 £000
<b>DfE/EFA grants</b>			
- General Annual Grant (GAG)	-	6,308	6,308
- Capital Grants	-	21	21
- Other DfE/EFA grants	2	274	276
	<u>2</u>	<u>6,603</u>	<u>6,605</u>

#### Other Government grants

- Local authority grants	7	523	530
- Special educational projects	49	74	123
	<u>56</u>	<u>597</u>	<u>653</u>
	875	7,383	8,258
	<u>875</u>	<u>7,383</u>	<u>8,258</u>



# Hilbre High School Humanities College

## Notes to the Financial Statements for the Period Ended 31 August 2013 (continued)

### 7. Charitable Activities - Academy's Educational Operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2013 £000
<b>Direct costs</b>			
Teaching and educational support staff costs	-	4,222	4,222
Technology costs	-	53	53
Educational supplies	-	132	132
Examination fees	-	110	110
Staff development	14	-	14
Educational consultancy	-	-	-
Other direct costs	10	142	152
	<u>24</u>	<u>4,659</u>	<u>4,683</u>
<b>Allocated support costs</b>			
Support staff costs	6	881	887
Depreciation	-	54	54
Technology costs	-	54	54
Recruitment and support	-	65	65
Maintenance of premises and equipment	-	572	572
Cleaning	-	4	4
Rent & rates	-	33	33
Security and transport	-	25	25
Catering	-	43	43
Other support costs	19	1,754	1,773
	<u>25</u>	<u>3,485</u>	<u>3,510</u>
	<u>49</u>	<u>8,144</u>	<u>8,193</u>

### 8. Governance Costs

	Unrestricted Funds £000	Restricted Funds £000	Total 2013 £000
Legal and professional fees	-	9	9
Auditor's remuneration			
- Audit of financial statements	-	9	9
- Other audit costs	-	4	4
	<u>-</u>	<u>22</u>	<u>22</u>

# Hilbre High School Humanities College

## Notes to the Financial Statements for the Period Ended 31 August 2013 (continued)

### 9. Staff costs

	2013
	£000
Staff costs during the period were:	
Wages and salaries	4,119
Social security costs	284
Pension costs	548
	<hr/>
Supply teacher costs	73
Compensation payments	
	<hr/>

The average number of persons (including senior management team) employed by the academy during the year expressed as full time equivalents was as follows:

	2013
	No.
<b>Charitable Activities</b>	
Teachers	58
Administration and support	66
Management	7
	<hr/>

The number of employees whose emoluments fell within the following band was:

	2013
	No.
£70,001 - £80,000	1
£120,001 - £125,000	1
	<hr/>

Two of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2013, pension contributions for these staff amounted to £19,000.

### 10. Related Party Transactions - Trustees' Remuneration & Expenses

The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff, and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as trustees. The value of trustees' remuneration was as follows:

J Levenson (principal and trustee):	£120,000 - £125,000
C Joyce (staff governor):	£20,000 - £25,000
C Whiteley (staff governor):	£10,000 - £15,000
E Myers (staff governor):	£5,000 - £10,000

During the year ended 31 August 2013, no travel and subsistence expenses were reimbursed to trustees.

Other related party transactions involving the trustees are set out in note 24.

# Hilbre High School Humanities College

## Notes to the Financial Statements for the Period Ended 31 August 2013 (continued)

### 11. Trustees' and Officers' Insurance

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the period ended 31 August 2013 was £6,101.

The cost of this insurance is included in the total insurance cost.

### 12. Tangible Fixed Assets

	Furniture and Equipment £000	Computer Equipment £000	Motor Vehicles £000	Total £0000
<b>Cost</b>				
At 18 May 2012	-	-	-	-
On conversion	27	54	5	86
Additions	-	52	-	52
At 31 August 2013	<u>27</u>	<u>106</u>	<u>5</u>	<u>138</u>
<b>Depreciation</b>				
At 18 May 2012	-	-	-	-
Charged in year	14	39	1	54
At 31 August 2013	<u>14</u>	<u>39</u>	<u>1</u>	<u>54</u>
<b>Net book values</b>				
At 31 August 2013	<u>13</u>	<u>67</u>	<u>4</u>	<u>84</u>
At 31 August 2012	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

# Hilbre High School Humanities College

## Notes to the Financial Statements for the Period Ended 31 August 2013 (continued)

### 13. Debtors

	2013 £000
VAT recoverable	5
Prepayments and accrued income	83
	<u>88</u>

### 14. Creditors: Amounts Falling due within one year

	2013 £000
Taxation and social security	77
Other creditors	69
Accruals and deferred income	58
	<u>204</u>

#### Deferred income

	2013 £000
Deferred income at 18 May 2012	-
Resources deferred in the period	23
Deferred income at 31 August 2013	<u>23</u>

At the balance sheet date the academy trust was holding funds received in advance for school trips booked for the autumn term 2013.

# Hilbre High School Humanities College

## Notes to the Financial Statements for the Period Ended 31 August 2013 (continued)

### 15. Funds

	Balance at 1 September 2012 £000	Incoming Resources £000	Resources Expended £000	Gains, Losses and Transfers £000	Balance at 31 August 2013 £000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	6,308	(5,665)	(31)	612
Transfer to Academy on conversion	-	97	-	-	97
Other/DfE/EFA grants	-	811	(811)	-	-
Pension reserve	-	-	(1,576)	(63)	(1,639)
Restricted Income	-	60	(60)	-	-
		<u>7,276</u>	<u>(8,112)</u>	<u>(94)</u>	<u>(930)</u>
<b>Restricted fixed asset funds</b>					
DfE/EFA capital grant	-	21	(10)	-	11
Capital expenditure from GAG	-	-	-	31	31
Transfer to Academy on conversion	-	86	(44)	-	42
	-	<u>107</u>	<u>(54)</u>	<u>31</u>	<u>84</u>
<b>Total restricted funds</b>		<u>7,383</u>	<u>(8,166)</u>	<u>(63)</u>	<u>(846)</u>
<b>Unrestricted funds</b>					
Unrestricted funds	-	76	(49)	-	27
Transfer to academy on conversion	-	799	-	-	799
		<u>875</u>	<u>(49)</u>	<u>-</u>	<u>826</u>
<b>Total funds</b>	-	<u>8,258</u>	<u>(8,215)</u>	<u>(63)</u>	<u>(20)</u>

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 2013.

# Hilbre High School Humanities College

## Notes to the Financial Statements for the Period Ended 31 August 2013 (continued)

### 16. Analysis of Net Assets between Funds

Fund balances at 31 August 2013 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	84	84
Current assets	849	890	-	1,739
Current liabilities	(23)	(181)	-	(204)
Pension scheme liability	-	(1,639)	-	(1,639)
<b>Total net assets</b>	<b>826</b>	<b>(930)</b>	<b>84</b>	<b>(20)</b>

### 17. Financial Commitments

#### Operating Leases

At 31 August 2013 the academy trust had annual commitments under non-cancellable operating leases as follows:

	2012 £000
<b>Other</b>	
Expiring within two and five years inclusive	15
	<u>15</u>

# Hilbre High School Humanities College

## Notes to the Financial Statements for the Period Ended 31 August 2013 (continued)

<b>18. Reconciliation of Net Income to Net Cash Inflow from Operating Activities</b>		<b>2013</b>	
		<b>£000</b>	
Net income		43	
Depreciation (note 12)		54	
Capital grants from DfE and other capital income		(21)	
Interest receivable (note 4)		(2)	
FRS 17 pension cost less contribution payable (note 23)		1	
FRS 17 pension finance income (note 23)		82	
(increase)/decrease in debtors		(88)	
Increase/(decrease) in creditors		204	
Pension on conversion		1,493	
Non cash on conversion		(86)	
Cash on conversion		(895)	
<b>Net Cash Inflow from Operating Activities</b>		<b><u>785</u></b>	
<b>19. Returns on Investments and Servicing of Finance</b>			
Interest received (note 4)		<u>2</u>	
<b>Net cash inflow from returns on investment and servicing of finance</b>		<b><u>2</u></b>	
<b>20. Capital Expenditure and Financial Investment</b>			
Purchase of tangible fixed assets		(52)	
Capital grants from DfE/EFA		21	
Short term investments		(300)	
<b>Net cash outflow from capital expenditure and financial investment</b>		<b><u>(331)</u></b>	
<b>21. Analysis of Changes in Net Funds</b>			
	<b>At 1 September</b>		<b>At 31 August</b>
	<b>2012</b>	<b>Cash flows</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
Cash in hand and at bank	<u>-</u>	<u>1,351</u>	<u>1,351</u>

### 22. Members' Liability

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

# Hilbre High School Humanities College

## Notes to the Financial Statements for the Period Ended 31 August 2013 (continued)

### 23. Pension and Similar Obligations

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

As described in note 25 the LGPS obligation relates to the employees of the academy trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date."

The pension costs are assessed in accordance with the advice of independent actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2004 and of the LGPS 31 March 2010.

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

#### Teachers' Pension Scheme

##### Introduction

The Teachers' pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010). These regulations apply to teachers in schools that are maintained by local authorities and other educational establishments, including academies in England and Wales. In addition teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and from 1 January 2007 automatic too for teachers and lecturers in part-time employment following appointment of a change of contract. Teachers and lecturers are able to opt out of the TPS.

##### The Teachers' Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and are paid by public funds provided by Parliament. 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 under arrangements governed by the above Act.

The Teachers' Pensions Regulations require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

# Hilbre High School Humanities College

## Notes to the Financial Statements for the Period Ended 31 August 2013 (continued)

### 23. Pension and Similar Obligations (continued)

#### Valuation of the Teachers' Pension Scheme

At the last valuation, contribution rate to be paid into the TPS was assessed in two parts. First, a standard contribution rate (SCR) was determined. This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service. Secondly, a supplementary contribution is payable if, as a result of the actuarial review, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in the future and by the notional fund built up from past contributions. The total contribution rate payable is the sum of the SCR and the supplementary contribution rate.

The last valuation of the TPS related to the period 1 April 2001 to 31 March 2004. The Government Actuary's report of October 2006 revealed that the total liabilities of the Scheme (pensions in payment and the estimated cost of future benefits) amounted to £166,500 million. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at that valuation date) was £163,240 million. The assumed real rate of return was 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth was assumed to be 1.5%. The assumed gross rate of return was 6.5%. From 1 January 2007, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, the design of benefits and many other factors. Many of these assumptions are being considered as part of the work on the reformed TPS, as set out below. Scheme valuations therefore remain suspended. The Public Service Pensions Bill, which is being debated in the House of Commons, provides for future scheme valuations to be conducted in accordance with Treasury directions. The timing for the next valuation has still to be determined, but it is likely to be before the reformed schemes are introduced in 2015.

#### Teachers' Pension Scheme Changes

Lord Hutton published his final report in March 2011 and made recommendations about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation and Ministers engaged in extensive discussions with trade unions and other representative bodies on reform of the TPS. Those discussions concluded on 9 March 2012 and the Department published a Proposed Final Agreement, setting out the design for a reformed TPS to be implemented from 1 April 2015.

The key provisions of the reformed scheme include: a pension based on career average earnings; an accrual rate of 1/57<sup>th</sup>; and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Importantly, pension benefits built up before 1 April 2015 will be fully protected.

# Hilbre High School Humanities College

## Notes to the Financial Statements for the Period Ended 31 August 2013 (continued)

### 23. Pension and Similar Obligations (continued)

#### Teachers' Pension Scheme Changes (continued)

In addition, the Proposed Final Agreement includes a Government commitment that those within 10 years of Normal Pension Age on 1 April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and half year period, for people who would fall just outside of the 10 year protection.

In his interim report of October 2010, Lord Hutton recommended that short term savings were also required, and that the only realistic way of achieving these was to increase member contributions. At the Spending Review 2010 the Government announced an average increase of 3.2 percentage points on the contribution rates by 2014-15. The increases were to be phased in from April 2012 on a 40:80:100% basis.

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the academy has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy has set out above the information available on the scheme.

#### Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee administered funds. The total contribution made for the year ended 31 August 2013 was £226,181, of which employer's contributions totalled £165,082 and employees' contributions totalled £61,099. The agreed contribution rates for future years are currently under discussion with the Local Authority. The Academy has agreed to pay additional contributions to reduce the deficit.

Principal Actuarial Assumptions	At 31 August 2013
Rate of increase in salaries	4.00%
Rate of increase for pensions in payment/inflation	2.50%
Discount rate for scheme liabilities	4.80%
Inflation assumption (CPI)	2.50%
Commutation of pensions to lump sums	50.00%

Sensitivity analysis	Approximate % Increase to Employer Liability	Approximate monetary amount £000
0.1% increase in discount rate	3.5%	(57)
0.1% increase in inflation	3.5%	58
1 year increase in life expectancy	2.5%	41

# Hilbre High School Humanities College

## Notes to the Financial Statements for the Period Ended 31 August 2013 (continued)

### 23. Pension and Similar Obligations (continued)

#### Local Government Pension Scheme (continued)

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

	At 31 August 2013
<i>Retiring today</i>	
Males	21.8 years
Females	24.7 years
<i>Retiring in 20 years</i>	
Males	23.7 years
Females	26.6 years

The academy's share of the assets and liabilities in the scheme and the expected rates of return were:

	Expected return at 31 August 2013	Fair value at 31 August 2013 £000
Equities	7.0%	384
Government bonds	3.4%	102
Other bonds	4.4%	18
Property	5.7%	57
Cash/liquidity	0.5%	13
Other	7.0%	100
		<hr/>
<b>Total market value of assets</b>		<b>674</b>
Present value of scheme liabilities		
- Funded		<hr/> <b>(2,313)</b> <hr/>
		<hr/>
<b>(Deficit) in the scheme</b>		<b>(1,639)</b> <hr/>

The expected rate of return on plan assets is based on market expectations, at the beginning of the period, for investment returns over the entire life of the related obligation. The assumption used is the average of assumptions appropriate to the individual asset classes weighted by the proportion of the assets in the particular asset class.

The actual return on scheme assets was £80,000.

# Hilbre High School Humanities College

## Notes to the Financial Statements for the Period Ended 31 August 2013 (continued)

### 23. Pension and Similar Obligations (continued)

#### Local Government Pension Scheme (continued)

#### Amounts recognised in the statement of financial activities

	2013 £000
Current service cost (net of employee contributions)	(194)
Total operating charge	<u>(194)</u>

#### Analysis of pension finance (costs)

Expected return on pension scheme assets	31
Interest on pension liabilities	<u>(113)</u>
Pension finance income/(costs)	<u>(82)</u>

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £63,000 loss.

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

	2013 £000
At 1 September	-
Current service cost	194
Interest cost	113
Employee contributions	71
Actuarial loss	112
Business combinations	1,823
At 31 August	<u>2,313</u>

# Hilbre High School Humanities College

## Notes to the Financial Statements for the Period Ended 31 August 2013 (continued)

### 23. Pension and Similar Obligations (continued)

#### Local Government Pension Scheme (continued)

Movements in the fair value of academy's share of scheme assets:

	2013 £000
<b>At 1 September</b>	-
Expected return on assets	31
Actuarial gain	49
Employer contributions	193
Employee contributions	71
Business combinations	330
<b>At 31 August</b>	<u>674</u>

The estimated value of employer contributions for the year ended 31 August 2014 is £176,000.

The history of experience adjustments is as follows:-

	2013 £000
<b>Present value of defined benefit obligations</b>	<b>(2,313)</b>
<b>Fair value of share of scheme assets</b>	<b>674</b>
<b>Deficit in the scheme</b>	<u><b>(1,639)</b></u>

#### Experience adjustments on share of scheme assets

Amount £000 49

#### Experience adjustments on scheme liabilities

Amount £000 -

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

# Hilbre High School Humanities College

## Notes to the Financial Statements for the Period Ended 31 August 2013 (continued)

### 24. 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 a trustee 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.

No related party transactions took place in the period of account.

### 25. Conversion to an Academy Trust

On 29 June 2012 the Hilbre High School Humanities College converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Hilbre High School Humanities College from the Wirral Borough Council Local Authority for £nil consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities were transferred at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the Statement of Financial Activities as voluntary income.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the SOFA.

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total £000
Tangible fixed assets				
- Other tangible fixed assets	-	-	86	86
Budget surplus on LA Funds	799	-	-	799
Budget surplus on other school funds	-	97	-	97
LGPS pension (deficit)	-	(1,493)	-	(1,493)
Borrowing obligations	-	-	-	-
<b>Net assets/(liabilities)</b>	<b>799</b>	<b>(1,396)</b>	<b>17</b>	<b>(511)</b>