

HINCHINGBROOKE SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013
Company Registration No 07732319 (England and Wales)



COPY FOR SUBMISSION TO THE
REGISTRAR OF COMPANIES

HINCHINGBROOKE SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION

Governors

Mr P Fenney
Mrs C Sheffield
Mr L Sice
Mr M Ager
Mrs M Bartimus
Mrs M Chisholm
Mrs G Haverson
Mrs L Hilton
Mr M Joyner
Mr D McMillan
Mr J Parker
Mr A Rankine
Mr D Tandy
Mr J Brown
Mrs S Simpson
Mr T Wheeley
Mr A Goulding

Senior management team

Mr A Goulding	Principal
Dr D Riddick	Director of Operations
Mrs D Beddow	Vice Principal (development)
Mr L Walker	Vice Principal (achievement)
Mr J Norris	Assistant Principal (upper school)
Mr T Heath	Assistant Principal (inclusion)
Ms L Cunningham	Assistant Principal (progress & targets)

Company secretary

Dr D Riddick

Company number

07732319

Principal address and registered office

Brampton Road
Huntingdon
Cambridgeshire
PE29 3BN

Auditors

Rawlinsons
Ruthlyn House
90 Lincoln Road
Peterborough
Cambridgeshire
PE1 2SP

Bankers

Lloyds TSB plc
99 High Street
Huntingdon
Cambridgeshire
PE29 3DU

HINCHINGBROOKE SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION

Solicitors

LGSS
John Dryden House
8-10 The Lakes
Northampton
NN4 7YD

HINCHINGBROOKE SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
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HINCHINGBROOKE SCHOOL

(A COMPANY LIMITED BY GUARANTEE)

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2013

The governors present their report and accounts for the year ended 31 August 2013

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the academy trust's Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005

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 company was incorporated on 8 August 2011. On 1 September 2011 Hinchingsbrooke School converted from a community school to academy trust status under the Academies Act 2010 and all the operations, and assets and liabilities were transferred to Hinchingsbrooke School Academy Trust from the Governors of Hinchingsbrooke School. The charitable company is known as Hinchingsbrooke School.

Principal activities

The academy trust's principal activity is to advance, for the public benefit, education in the area served by the school, by establishing, maintaining, managing and developing a school offering a broad and balanced curriculum to its pupils.

The academy trust operates under a funding agreement issued by the Department for Education on 1 September 2011 and commenced operations on 1 September 2011.

The governors, who are also the directors for the purpose of company law, and who served during the year were:

Mr P Fenney

Mrs C Sheffield

Mr L Sice

Mr M Ager

Mrs M Bartimus

Mrs M Chisholm

Mrs G Haverson

Mrs L Hilton

Mr M Joyner

Miss L Lindfield

(Resigned 4 October 2013)

Mr D McMillan

Mr J Parker

Mr A Rankine

Mr D Tandy

Mr J Brown

Mrs S Simpson

Mr T Wheeley

J P Winter

(Resigned 19 May 2013)

Mr A Goulding

(Appointed 1 September 2012)

HINCHINGBROOKE SCHOOL

(A COMPANY LIMITED BY GUARANTEE)

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2013

Method of recruitment and appointment or election of governors

The governing body has places for five foundation governors, six elected parent governors, three elected staff governors and three co-opted governors. Governors are elected to serve for a four year period, the Principal is governor ex-officio.

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. The members of the charitable company are

P Fenney
C Sheffield
L Sice

None of the governors has any beneficial interest in the company.

Policies and procedures adopted for the induction and training of governors

New governors attend an induction meeting with the Chairman and Clerk, receive an induction pack of information and attend an introductory meeting with the Principal and a visit to the school. New governors attend full governing body meetings and subsequently populate committees, often according to interests and personal expertise. All governors are encouraged to attend the County Council's induction training and further training as appropriate. The governing body holds an in-house training workshop for governors once a term. The Training Governor disseminates training information throughout the year and conducts an annual audit of governor training which is reviewed by the governing body.

Trustees Indemnity

In accordance with normal commercial practice the academy trust has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business.

Organisational structure

The leadership structure of the academy consists of the governors and the senior leadership team. The aim of the management structure is to devolve responsibility and encourage decision making at all levels.

The governors are responsible for the strategic development of the academy, adopting an annual School Development Plan and budget, monitoring the academy by the use of budgets and management accounts and making major decisions about the direction of the academy, capital expenditure and senior staff appointments.

To ensure an efficient and effective committee structure with the academy's School Development Plan at its core, there are governor committees responsible for strategy, finance and premises, curriculum and standards, development and welfare.

The senior leadership team is the Principal (Chief Executive), Vice Principals, Assistant Principals and the Director of Operations. These leaders direct the academy at an executive level implementing the policies adopted by the governors and reporting back to them. The Principal undertakes the key leadership role overseeing educational, pastoral and administrative functions in consultation with the senior leadership team. The senior managers are responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment panels for posts in the senior leadership team always contain a governor. Some spending control is devolved to members of the senior leadership team, with limits above which the Principal must countersign.

Heads of Department are responsible for the day to day operation of curriculum subject areas and accordingly organise their teaching staff, capital resources, facilities and students.

HINCHINGBROOKE SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2013

Connected organisations, including related party relationships

As part of its operation the academy liaises with organisations such as the Local Authority, The Specialist Schools Trust, five local partner academies, partner primary schools, ASCL, Department for Education as well as with other education providers and trainers such as further education institutions, teacher training colleges and universities. These links are maintained in the interests of supporting good practice and information sharing and consolidate well established, mutually supportive associations.

The academy is a member of a legal partnership, the Huntingdonshire Academies Secondary Partnership, whose aim is to raise standards across Huntingdonshire's secondary schools.

The Foundation of Hinchingsbrooke School owns the school premises and possesses endowments, the income from which can be used for the benefit of pupils and young people from Huntingdon who are under 25, in financial need and have had at least two years' education in a Huntingdon secondary level school or college. The present governing body has places for five Foundation Governors. The academy trust occupies the premises on a 125 year lease from the Foundation.

Cambridgeshire County Council owns the playing fields that the school occupies on a 125 year lease.

Risk management

The governors have responsibility to assess the strategic risks to which the academy is exposed and has commissioned a systematic analysis of all risks to produce a risk management register.

The governors are implementing a number of systems to assess risks that the academy faces, especially in the strategic risks areas and in relation to the control of finance. They have introduced systems, including operational procedures and internal financial controls in order to minimise risk. The academy has an effective system of internal financial controls and this is explained in more detail in this report.

Objectives and activities

Object and aims

The academy's objectives are encompassed in its mission statement to inspire excellence and fulfil potential.

We aim for all students to be nurtured as uniquely talented individuals, finding fulfilment through their learning and the development of their intellectual, creative, physical and emotional capabilities.

We aim for our students to develop the moral integrity to become responsible global citizens, so that they may take their place in society with confidence. We are confident that anyone associated with the Hinchingsbrooke learning community, student or adult, will leave the richer for their experience.

Our values

We aim to instil values in our students such as compassion, tolerance and a sense of justice. We are committed to building a learning community based on

- Mutual respect,
- Moral integrity,
- Freedom of expression,
- Tolerance, and
- An appreciation of religious and cultural diversity

Our staff

We are committed to

- Developing the quality of teaching and learning,
- Supporting innovation and enterprise, and
- Promoting the well-being of all staff

HINCHINGBROOKE SCHOOL

(A COMPANY LIMITED BY GUARANTEE)

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2013

Our partnerships

We are committed to

- Building a strong and effective partnership with parents,
- Forging links with other educational providers to enrich opportunities for our students and to support others in their educational endeavours,
- Working with local businesses to provide work related learning and to develop pathways to employment, and
- Encouraging our students to make a contribution to the local and wider communities

Our future

We are committed to

- Valuing our heritage whilst remaining forward-looking,
- Being at the forefront of educational change,
- Making the best use of technology to support learning,
- Providing an all-round education of the whole child, and
- Building our reputation as a centre of excellence

Public benefit

The governors have paid due regard to guidance issued by the Charity Commission in deciding what activities the academy trust should undertake

Achievements and performance

Examination performance

At GCSE, the Summer 2013 results were pleasing in some areas, and require improvement in others

	ACTUAL %
A*-C in En and Ma	68
5+ A*/A	20.7
5+ A*-C	70.1
5+ A*-C (GCSE only)	67.3
5+ A*-G	98.6
8+ A*/A	11.9
5+ A*-C inc EM	65.3
EBacc	34.4

The rise of 14% in the 5ACEM figure since last year is very pleasing, as is the EBacc figure and the reduction in the gap between FSM and non-FSM attainment at the 5ACEM threshold. There are some excellent individual performances from students. Subjects doing particularly well are English (exceptional results in each exam and in terms of progress - eg 25 students made at least 5 levels of progress in their English course). Maths is much improved from 2012 - up 15% at A*-C to 72%. This is the best result for Maths since 2008. MFL have also done very well, as has Geography, boosting our EBacc score. Catering, IT, Pottery, BTEC Sport and Dance, PE and Media have also done well in terms of converting potential to actual performance.

Progress at KS3, based on this Summer's Year 9 exam results, is variable. Whilst we are pleased with the percentage making 2 or more levels of progress in Maths (71%), the figure for English is 22%. This is explained by the fact that the Y9 exam only assessed reading and writing.

At KS4, the percentage of pupils making expected progress in Maths and English is significantly above national figures (86% and 71% respectively) and in English the percentage of pupils making better than expected progress is very good at 52% (the figure is 36% for Maths). The percentage of pupils making expected progress in Dance, English Literature, ICT OCR National, PE, Pottery, and RE Full Course are also well above 70%.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2013

A2 results were encouraging in the light of our A-C and A-E performance which were in line with our previous best scores and in particular our A*-A rate of 16.54% contrasted well with the ALIS prediction of 11.3%. Four Year 13 Students gained places at Oxbridge this year.

However, we are disappointed with our A*-B rate of 43.85% which compares poorly to our ALIS target of 49%. It is clear that we need a renewed focus on the D/C area with some students needing a push up to C/B.

As always the overall performance masks significant differential performance between subjects. In addition, teacher estimated grades remain a very unreliable indicator of student achievement.

In terms of gender, Girls significantly outperformed Boys in all categories. At A*-A, A*-B, and A*-C, girls achieved +3%, +11% and +6% over Boys. As the cohort numbers show 75 Boys and 105 girls, this is significant.

Improving **A/S results** has continued to be a priority since the last Ofsted inspection and there is some evidence that our policy of guiding average students onto 3 A/S courses and a focus on choosing the right courses is having some impact, whilst still remaining a work in progress.

Our A*-B performance of 33.2% whilst slightly below 2012, was nevertheless a significant increase over the ALIS target of 19.9%. (Although as per A2, teacher estimates of 42.1% were very wide of the mark). A-C of 57.7% was in line with the ALIS target of 58%. The overall pass rate of 91.9% was our best ever.

Of the larger entry subjects, Geography achieved a grade A pass rate of 28%, followed by History, with 25.4%,

Many subjects achieved a 100% pass rate but there were too many failures in Science, Maths, Psychology, RE, Philosophy and PE. The gender performance at A/S mirrors A2 perhaps even more so. At A-B, A-C, A-E, girls outperformed boys by 11%, 17% and 5%.

Financial review

For a long time Cambridgeshire has received less funding for education than lots of other authorities and, in the last few years, the county's position has slipped even further. It is currently the 143rd lowest funded out of 152 authorities. Hinchingsbrooke School is the second lowest funded secondary school in Cambridgeshire.

The majority of the school's funding was provided by the Education Funding Agency (EFA).

The school's total incoming revenue resources for the year to 31 August 2013 amounted to £10,325,993. The school's total incoming capital resources for the year to 31 August 2013 amounted to £330,687.

The school held revenue fund balances of £671,695, excluding the pension deficit of £848,000, and capital fund balances of £17,193,181 at 31 August 2013.

Key performance indicators

Number on Role was 1871 down from 1931, the variance being a significant drop in external sixth form recruitment.

Academic achievement at Key Stage 4 has improved on 2011/12 by 15% to 69% including English and Maths.

General annual grant income saw a drop of £188K, largely due to the fall in sixth form numbers.

Expenditure was an in year deficit of £44K due in part to costs of restructuring the management, curricular and pastoral structures in the school to deliver a more cost effective and value for money school.

HINCHINGBROOKE SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2013

Going concern

The full governing body approves the budget each year and is mindful of the need to balance expenditure against income to ensure the academy trust remains a 'going concern'. The governing body also receives and approves the annual accounts and the external auditors management report.

After making appropriate enquiries, the governing body has a reasonable expectation that the academy 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.

Investment and reserves policy

It is the policy of the academy trust that unrestricted funds which have not been designated for a specific use should be maintained at a level of approximately £200,000. The governors consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the academy trust's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The academy trust ensures that all surplus cash balances are invested in interest bearing accounts to maximise interest earning potential. Indeed the selection of the academy's banking provider was put out to tender with investment opportunities being one of the key selection criteria.

Employee involvement

Employee involvement

Consultation with employees or their representatives has continued at all levels, with the aim of ensuring that their views are taken into account when decisions are made that are likely to affect their interests and that all employees are aware of the financial and economic performance of their business units and of the company as a whole.

Disabled persons

Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the company continues and the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of a disabled person should, as far as possible, be identical to that of a person who does not suffer from a disability.

Disabled students

Lifts, ramps and disabled toilets are installed across the academy and door widths are adequate to enable wheelchair access to the main areas of the academy.

HINCHINGBROOKE SCHOOL
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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2013

Plans for the future

The main objectives for the period are stated in the 2013/14 School Development Plan as follows

- 1 To put in place a series of actions to ensure the school achieves its threshold targets at Key Stage 4 in 2014, namely 70% 5A*-C (including English & Maths)
 - To achieve an above-average measure for value-added progression (Key Stage 2 to Key Stage 4),
 - To ensure 80% of students make 3 or more Levels of progress in English and Maths,
 - To be judged 'Outstanding' for Achievement at Key Stage 4,
 - To co-ordinate the work of all departments and teachers towards achieving the published targets,
 - To share and promote best practice within and across departments, and
 - To provide a strategy which can be developed for use with all subsequent Key Stage 4 cohorts
- 2 To eradicate any teaching which is less than 'good' and to ensure that teaching is 'outstanding' overall by 2014
- 3 To develop a curriculum that is rich, broad, relevant and engaging and which provides clear opportunities for students to fulfil their potential and progress to the next stage of their education
- 4 To improve the consistency of behaviour management across the school and thus ensure an exceptionally positive climate for learning throughout the curriculum
- 5 Developing the quality and consistency of leadership and management at all levels
- 6 Developing provision for ICT and educational technologies to enhance teaching and learning

Disclosure of information to auditors

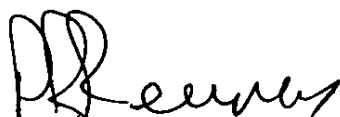
The governors have confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information

Auditors

A resolution proposing that Rawlinsons be reappointed as auditors of the company will be put to the members

On behalf of the board of governors

Mr P Fenney
Governor
Dated



5.12.2013

HINCHINGBROOKE SCHOOL

(A COMPANY LIMITED BY GUARANTEE)

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2013

Scope of responsibility

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

The governing body has delegated the day-to-day responsibility to the Principal, Mr A Goulding, 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 Hinchingsbrooke School 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 governing body has formally met 4 times during the year. Attendance during the year at meetings of the governing body was as follows:

Governor	Meetings attended	Out of a possible
Mr M Ager	3	4
Mrs M Bartimus	4	4
Mr J Brown	4	4
Mrs M Chisholm	4	4
Miss L Lindfield	2	4
Mr P Fenney	2	4
Mr A Goulding	4	4
Mrs G Haverson	4	4
Mrs L Hilton	3	4
Mr M Joyner	4	4
Mr D McMillan	2	4
Mr J Parker	3	4
Mr A Rankine	4	4
Mrs C Sheffield	4	4
Mr L Sice	4	4
Mrs S Simpson	3	4
Mr D Tandy	3	4
Mr T Wheeley	4	4
Mrs J Winter	2	3

No key changes in the composition of the governing body have occurred in the year, nor have there been any particular challenges that have arisen.

HINCHINGBROOKE SCHOOL

(A COMPANY LIMITED BY GUARANTEE)

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2013

The finance and premises committee is a sub-committee of the main governing body. Its purpose is to provide guidance and assistance to the full governing body in all matters relating to budgeting and finance. Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
Mr M Ager	6	6
Mr P Fenney	6	6
Mr A Goulding	6	6
Mr M Joyner	6	6
Mr D McMillan	3	6
Mr Parker	3	4
Mrs C Sheffield	6	6
Mr L Sice	6	6
Mrs J Winter	2	5

The purpose of the system on 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 Hinchingsbrooke School for the year ended 31 August 2013 and up to the date of approval of the annual report and financial statements.

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 year ending 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 finance and premises 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.

HINCHINGBROOKE SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2013

The governing body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the governors have appointed the Centre for Education and Finance Management (CEFM) to perform the duties of a Responsible Officer ('RO'). The RO's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. On a quarterly basis, the RO reports to the governing body on the operation of the systems of control and on the discharge of the governing body's financial responsibilities.

During the year three RO reports were produced and no details of any material control issues were identified.

Review of effectiveness

As Accounting Officer, Mr A Goulding has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by

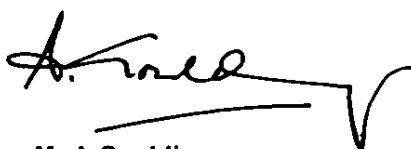
- the work of the Responsible Officer,
- the work of the external auditor,
- the financial management and governance self assessment process,
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Governing Body on 5.12.2013 and signed on its behalf by



Mr P Fenney
Chair of Governors



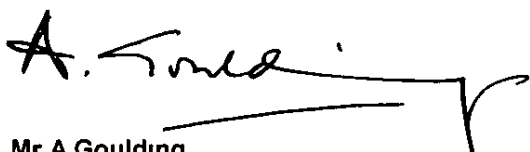
Mr A Goulding
Accounting Officer

HINCHINGBROOKE SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2013

As accounting officer of Hinchingsbrooke School I have considered my responsibility to notify the academy governing body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy 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 academy governing body are able to identify any material irregular or improper use of funds by the academy, or material non-compliance with the terms and conditions of funding under the academy'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.



Mr A Goulding
Accounting Officer

5.12.2013

HINCHINGBROOKE SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF GOVERNORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2013

The governors (who act as trustees and are also the directors of Hinchingsbrooke School 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 governors of the academy on *5.12.2013* and signed on its behalf by

Mr P Fenney
Governor



HINCHINGBROOKE SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF HINCHINGBROOKE SCHOOL

We have audited the financial statements of Hinchingsbrooke School for the year ended 31 August 2013 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2013 issued by the Education Funding Agency.

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

Respective responsibilities of governors and auditors

As explained more fully in the statement of governors' responsibilities, the governors, who are also the directors of Hinchingsbrooke School 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.

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 accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the academy trust's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the governors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Governors' Annual Report to identify material inconsistencies with the audited accounts. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

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

Opinion on other matter prescribed by the Companies Act 2006

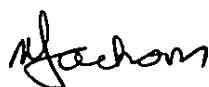
In our opinion the information given in the Governors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**HINCHINGBROOKE SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITORS' REPORT (CONTINUED)
TO THE MEMBERS OF HINCHINGBROOKE SCHOOL**

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 accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of governors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Mark Jackson FCA DChA, (Senior Statutory Auditor)
for and on behalf of Rawlinsons

Chartered Accountants

Statutory Auditor

Ruthlyn House
90 Lincoln Road
Peterborough
Cambridgeshire
PE1 2SP

Dated 5 12 2013

HINCHINGBROOKE SCHOOL

(A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO HINCHINGBROOKE SCHOOL AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 11 September 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 Hinchingsbrooke School during the period 1 September 2012 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 Hinchingsbrooke School and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Hinchingsbrooke School and 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 Hinchingsbrooke School and the EFA, for our work, for this report, or for the conclusion we have formed

Respective responsibilities of Hinchingsbrooke School's accounting officer and the reporting auditor

The accounting officer is responsible, under the requirements of Hinchingsbrooke School funding agreement with the Secretary of State for Education dated 1 September 2011 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 period 1 September 2012 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 trust's income and expenditure. This work includes

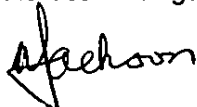
- a review of the activities of the academy, by reference to sources of income and other information available to us,
- sample testing of expenditure, including payroll,
- a review of minutes of governors' meetings

**HINCHINGBROOKE SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY
(CONTINUED)**

TO HINCHINGBROOKE SCHOOL 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 period 1 September 2012 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 Jackson FCA DChA, (Senior Statutory Auditor)
for and on behalf of Rawlinsons**

**Chartered Accountants
Statutory Auditor**

Ruthlyn House
90 Lincoln Road
Peterborough
Cambridgeshire
PE1 2SP

Dated 5.12.2013

HINCHINGBROOKE SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2013

		Unrestricted funds	Designated funds	Restricted General funds	Restricted Fixed Asset funds	Total 2013	Total 2012
	Notes	£	£	£	£	£	£
<u>Incoming resources from generated funds</u>							
Donations and legacies	3	-	-	1,195	-	1,195	17,422,763
Investment income	4	15,128	-	1,248	-	16,376	16,945
		<u>15,128</u>	<u>-</u>	<u>2,443</u>	<u>-</u>	<u>17,571</u>	<u>17,439,708</u>
Incoming resources from charitable activities	5	348,618	662,388	9,297,416	330,687	10,639,109	10,442,979
Total incoming resources		<u>363,746</u>	<u>662,388</u>	<u>9,299,859</u>	<u>330,687</u>	<u>10,656,680</u>	<u>27,882,687</u>
<u>Resources expended</u>							
Charitable activities							
Core educational operations		317,383	400,801	9,334,025	407,322	10,459,531	10,382,484
Sports and leisure facilities		-	217,405	-	-	217,405	223,969
Total charitable expenditure		<u>317,383</u>	<u>618,206</u>	<u>9,334,025</u>	<u>407,322</u>	<u>10,676,936</u>	<u>10,606,453</u>
Governance costs		-	-	23,476	-	23,476	19,626
Total resources expended		<u>317,383</u>	<u>618,206</u>	<u>9,357,501</u>	<u>407,322</u>	<u>10,700,412</u>	<u>10,626,079</u>
Net incoming/(outgoing) resources before transfers		<u>46,363</u>	<u>44,182</u>	<u>(57,642)</u>	<u>(76,635)</u>	<u>(43,732)</u>	<u>17,256,608</u>
Gross transfers between funds		<u>(254,778)</u>	<u>78,951</u>	<u>(7,335)</u>	<u>183,162</u>	<u>-</u>	<u>-</u>
Net (outgoing)/incoming resources		<u>(208,415)</u>	<u>123,133</u>	<u>(64,977)</u>	<u>106,527</u>	<u>(43,732)</u>	<u>17,256,608</u>
Other recognised gains and losses							
Actuarial (loss)/gain on defined benefit pension schemes		-	-	129,000	-	129,000	(325,000)
Net income / (expenditure) for the period		<u>(208,415)</u>	<u>123,133</u>	<u>64,023</u>	<u>106,527</u>	<u>85,268</u>	<u>16,931,608</u>
Fund balances at 1 September 2012		<u>444,880</u>	<u>84,767</u>	<u>(684,693)</u>	<u>17,086,654</u>	<u>16,931,608</u>	<u>-</u>
Fund balances at 31 August 2013		<u><u>236,465</u></u>	<u><u>207,900</u></u>	<u><u>(620,670)</u></u>	<u><u>17,193,181</u></u>	<u><u>17,016,876</u></u>	<u><u>16,931,608</u></u>

HINCHINGBROOKE SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2013

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006

All of the academy's activities derive from acquisitions in the above two financial periods

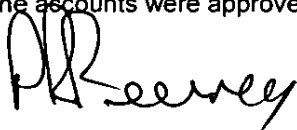
A statement of total recognised gains and losses is not required as all gains and losses are included in the statement of financial activities

HINCHINGBROOKE SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET

AS AT 31 AUGUST 2013

	Notes	2013 £	£	2012 £	£
Fixed assets					
Tangible assets	13		17,004,956		16,981,076
Current assets					
Stocks		-		6,183	
Debtors	15	298,178		254,584	
Cash at bank and in hand		1,056,975		1,086,304	
			1,355,153		1,347,071
Creditors, amounts falling due within one year	16	(439,199)		(443,539)	
Net current assets			915,954		903,532
Total assets less current liabilities			17,920,910		17,884,608
Creditors, amounts falling due after more than one year	17	(56,034)		-	
Net assets excluding pension liability			17,864,876		17,884,608
Defined benefit pension liability	18	(848,000)		(953,000)	
Net assets			17,016,876		16,931,608
Funds of the Academy					
Restricted funds					
Restricted fixed asset fund	19		17,193,181		17,086,654
Restricted general fund	20				
Other restricted funds		227,330		268,307	
Pension reserve		(848,000)		(953,000)	
			(620,670)		(684,693)
Unrestricted funds					
General fund		236,465		444,880	
Designated funds	21	207,900		84,767	
			444,365		529,647
Total funds			17,016,876		16,931,608

The accounts were approved by the governors on 5.12.2013



Mr P Fenney
Governor

Company Registration No. 07732319

HINCHINGBROOKE SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2013

		2013	2012
	Notes	£	£
Net cash (outflow)/inflow from operating activities	23	(76,661)	(13,836)
Cash transferred on conversion		-	984,384
Capital income / (expenditure)			
Capital grants and income	330,687	323,020	
Payments to acquire tangible fixed assets	(361,802)	(207,264)	
Net cash outflow from capital expenditure		(31,115)	115,756
Net cash outflow before financing		(107,776)	(1,086,304)
Financing			
New other loan	89,654	-	
Repayment of other loan	(11,207)	-	
Net cash inflow from financing		78,447	-
(Decrease)/increase in cash	24	(29,329)	1,086,304

HINCHINGBROOKE SCHOOL

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2013

1 Accounting policies

1.1 Basis of preparation

The accounts 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 governors assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The governors have made this assessment in respect of a period of one year from the date of approval of the financial statements and consider that the going concern basis is appropriate.

1.2 Incoming resources

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

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

The value of donated services and gifts in kind provided to the academy are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the academy 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 the academy's policies. The value of donated time from volunteers has not been included in these accounts.

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 grant are reflected in the balance sheet in the restricted fixed asset fund.

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.

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

HINCHINGBROOKE SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2013

1 Accounting Policies

(continued)

Charitable activities costs are costs incurred on the academy's educational operations

Governance costs include the costs attributable to the academy's compliance with constitutional and statutory requirements, including audit, strategic management and governors' meetings and reimbursed expenses

All resources expended are inclusive of irrecoverable VAT

1.4 Tangible fixed assets and depreciation

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

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

Furniture and equipment transferred into the academy from the previous local authority school has not been valued and introduced into these accounts.

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 or reducing balance basis over its expected useful lives, as follows:

Leasehold property	2% straight line
ICT equipment	3 years straight line
Fixtures, fittings & equipment	10 years straight line

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

The land and buildings from which the academy operate are leased from the local authority and from The Foundation of Hinchingsbrooke School. A valuation was undertaken on the property by a professional valuer at 31 August 2012, commissioned by the EFA, using a depreciated replacement cost basis. Depreciation is charged in accordance with the accounting policies set out above.

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

1.5 Leasing and hire purchase commitments

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

1.6 Stock

Unsold uniform stock is valued at the lower of cost and net realisable value.

HINCHINGBROOKE SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2013

1 Accounting Policies

(continued)

1.7 Pensions

Retirement benefits to employees of the academy are provided by the Teachers' Pensions Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes, and are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of the academy.

The TPS is an unfunded scheme and contributions are calculated so as to spread the costs of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 18, the TPS is a multi employer scheme and the academy 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 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 costs 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.

1.8 Accumulated funds

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

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

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

Designated funds are where the governors have ring fenced unrestricted income for specific projects.

1.9 Taxation

The academy is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy is potentially exempt from taxation in respect of income or capital gains received within the 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.

HINCHINGBROOKE SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2013

1 Accounting Policies

(continued)

1 10 Conversion

The conversion from a state maintained school to an academy 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 Hinchingsbrooke School to an academy have been valued at their fair value. Their fair value is in accordance with the accounting policies set out for Hinchingsbrooke School. 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.

2 General Annual Grant (GAG)

Under the funding agreement with the Secretary of State the academy was subject to limits at 31 August 2013 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The academy trust has not exceeded these limits during the year ended 31 August 2013.

HINCHINGBROOKE SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2013

3 Donations and legacies

	2013	2012
	£	£
Donations and gifts	1,195	13,589
Transfer from Local Authority on conversion	-	1,016,669
Leasehold property transferred on conversion	-	17,056,505
Pension deficit transferred on conversion	-	(664,000)
	<u>1,195</u>	<u>17,422,763</u>

4 Investment income

	Unrestricted funds £	Restricted funds £	Total 2013 £	Total 2012 £
Rental income	1,264	-	1,264	2,816
Interest receivable	13,864	1,248	15,112	14,129
	<u>15,128</u>	<u>1,248</u>	<u>16,376</u>	<u>16,945</u>

HINCHINGBROOKE SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2013

5 Incoming resources from charitable activities

	Unrestricted funds	Designated funds	Restricted funds	Restricted Fixed Asset funds	Total 2013	Total 2012
	£	£	£	£	£	£
Core educational operations	348,618	394,553	9,297,416	330,687	10,371,274	10,187,810
Sports and leisure facilities	-	267,835	-	-	267,835	255,169
	<u>348,618</u>	<u>662,388</u>	<u>9,297,416</u>	<u>330,687</u>	<u>10,639,109</u>	<u>10,442,979</u>

Included within income relating to core educational operations are the following grants

Hardship grant	-	2,750
General Annual Grant (GAG)	8,299,908	8,488,143
Other EFA grants	274,839	74,364
Other Government grants	449,565	393,699
Other grants	132,030	117,042
HSSP grants	37,991	38,978
Capital grant	330,687	323,020
	<u>9,525,020</u>	<u>9,437,996</u>

HINCHINGBROOKE SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2013

6 Total resources expended

	Staff costs £	Depreciation £	Other costs £	Total 2013 £	Total 2012 £
Charitable activities					
<u>Core educational operations</u>					
Activities undertaken directly	7,581,238	337,922	1,020,290	8,939,450	9,004,149
Support costs	-	-	1,520,081	1,520,081	1,378,335
Total	7,581,238	337,922	2,540,371	10,459,531	10,382,484
 <u>Sports and leisure facilities</u>					
Activities undertaken directly	156,799	-	60,606	217,405	223,969
	7,738,037	337,922	2,600,977	10,676,936	10,606,453
 Governance costs	-	-	23,476	23,476	19,626
	7,738,037	337,922	2,624,453	10,700,412	10,626,079

Included in support costs is £12,062 (2012 £529) in relation to operating lease payments

Auditors' remuneration

Fees payable to the auditor for the audit of the academy trust's annual accounts	11,000	11,000
Fees payable to the auditor and its associates for other services	12,451	-

HINCHINGBROOKE SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2013

7 Activities undertaken directly

	2013 £	2012 £
Other costs relating to core educational operations comprise		
Educational supplies and services	550,035	582,425
Technology costs	34,061	19,446
HSSP	26,402	41,809
Staff development and training	8,991	3,354
Trips	227,564	367,862
Awards	-	8,529
General school fund expenses	123,071	129,025
Duke of Edinburgh	18,587	16,532
Year books	-	1,920
Charities	5,056	3,917
Concerts / productions	-	9,246
Social events	20,340	12,381
School uniform	6,183	30,546
	<u>1,020,290</u>	<u>1,226,992</u>
Other costs relating to sports and leisure facilities comprise		
Operational costs	17,772	19,660
Occupancy costs	11,291	20,031
Equipment costs	4,990	8,938
Staff development	4,298	4,621
Other costs	22,255	20,826
	<u>60,606</u>	<u>74,076</u>

HINCHINGBROOKE SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2013

8 Support costs

	2013 £	2012 £
Restricted funds		
Maintenance of premises	173,099	169,062
Other occupancy costs	570,271	562,276
Other supplies and services	308,823	341,777
Furniture and equipment	12,510	10,138
Staff development	24,950	40,614
Other staff costs	44,441	33,057
HSSP	15,645	24,137
	<u>1,149,739</u>	<u>1,181,061</u>
Unrestricted funds		
Other expenditure	300,942	16,153
	<u>300,942</u>	<u>16,153</u>
Restricted fixed asset funds		
Premises improvements	69,400	181,121
	<u>69,400</u>	<u>181,121</u>
	<u><u>1,520,081</u></u>	<u><u>1,378,335</u></u>

9 Governance costs

	2013 £	2012 £
Other governance costs comprise		
Legal and professional fees	12,476	8,626
Audit fees	11,000	11,000
	<u>23,476</u>	<u>19,626</u>

HINCHINGBROOKE SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2013

10 Governors

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

	<u>Remuneration</u>
Mr A Goulding (Principal and governor)	£105,000 - £110,000 (2012 £nil)
Mr J Parker (staff governor)	£20,000 - £25,000 (2012 £15,000 - £20,000)
Mr T Wheeley (staff governor)	£35,000 - £40,000 (2012 £30,000 - £35,000)
Mr D Tandy (staff governor)	£35,000 - £40,000 (2012 £35,000 - £40,000)

Three of the above staff governors participated in the Teachers' Pension Scheme. During the year ended 31 August 2013, pension contributions for these staff amounted to £25,822 (2012 £10,005 for two staff governors)

During the year ended 31 August 2013, travel and subsistence expenses amounting to £nil (2012 £nil) were reimbursed to governors

Other related party transactions involving the governors are set out in note 28

11 Governor' and Officers' Insurance

In accordance with normal commercial practice the academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2013 was £619 (2012 £619)

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

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12 Employees

Number of employees

The average monthly number of employees during the year was

	2013	2012
	Number	Number
Teachers	119	120
Administration and support	136	134
Management	9	9
	264	263

The average monthly number of employees during the year expressed as full time equivalents was

	2013	2012
	Number	Number
Teachers	117	125
Administration and support	80	76
Management	8	10
	205	211

Employment costs

	2013	2012
	£	£
Wages and salaries	6,156,295	6,247,104
Social security costs	424,193	433,482
Other pension costs	937,330	887,965
	7,517,818	7,568,551
Supply teacher costs	4,388	9,308
Agency supply costs	133,084	66,498
Compensation payments	82,747	-
	7,738,037	7,644,357

HINCHINGBROOKE SCHOOL
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NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2013

12 Employees

(continued)

The number of employees whose equivalent annual remuneration was £60,000 or more were

	2013	2012
	Number	Number
£60,001 - £70,000	2	3
£70,001 - £80,000	2	1
£90,001 - £100,000	1	-
£110,001 - £120,000	1	1

Five of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2013, pension contributions for these staff amounted to £48,332 (2012 £38,919 for four employees). The other employee participated in the Local Government Pension Scheme, pension contributions amounted to £16,541 (2012 £16,141).

13 Tangible fixed assets

	Leasehold land and buildings	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 September 2012	17,179,055	84,714	-	17,263,769
Additions	127,102	199,950	34,750	361,802
At 31 August 2013	17,306,157	284,664	34,750	17,625,571
Depreciation				
At 1 September 2012	278,765	3,928	-	282,693
Charge for the year	282,831	47,575	7,516	337,922
At 31 August 2013	561,596	51,503	7,516	620,615
Net book value				
At 31 August 2013	16,744,561	233,161	27,234	17,004,956
At 31 August 2012	16,900,290	80,786	-	16,981,076

14 Fixed asset investments

The academy is a member of Huntingdonshire Academies Secondary Partnership, a company limited by guarantee.

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NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2013

15 Debtors	2013	2012
	£	£
Trade debtors	42,273	126,488
Other debtors	80,908	123,120
Prepayments and accrued income	174,997	4,976
	298,178	254,584
16 Creditors: amounts falling due within one year	2013	2012
	£	£
Other loans	22,413	-
Trade creditors	71,068	91,236
Taxes and social security costs	141,916	144,409
Accruals	33,447	26,125
Deferred income	170,355	181,769
	439,199	443,539

Deferred income relates to amounts received in advance for the 2013/14 school year for school trips and EOTAS funding

HINCHINGBROOKE SCHOOL
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NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2013

17 Creditors amounts falling due after more than one year	2013	2012
	£	£
Other loans	56,034	-
	=====	=====
Analysis of loans		
Wholly repayable within five years	78,447	-
Included in current liabilities	(22,413)	-
	=====	=====
	56,034	-
	=====	=====
Loan maturity analysis		
Debt due in one year or less	22,413	-
In more than one year but not more than two years	22,414	-
In more than two years but not more than five years	33,620	-
	=====	=====
	78,447	-
	=====	=====

HINCHINGBROOKE SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2013

18 Pension and other post-retirement benefit commitments

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

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

Contributions amounting to £nil (2012 £nil) were payable to the schemes at 31 August 2013 and are included within creditors

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) 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 or 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

Valuation of the Teachers' Pension Scheme

At the last valuation, the contribution rate 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 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

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18 Pension and other post-retirement benefit commitments

(continued)

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 1/57th, 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.

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 a 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.

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(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
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18 Pension and other post-retirement benefit commitments

(continued)

Local Government Pension Scheme (LGPS)

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 £413,464, of which employer's contributions totalled £328,565 and employees' contributions totalled £84,899. The agreed contribution rates for future years are 23.3% for employers and between 5.5% and 7.5% for employees.

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

Defined contribution (TPS)

	2013	2012
	£	£
Contributions payable by the company for the year	584,764	610,324

Employee benefit obligations (LGPS)

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	2013	2012
	£	£
Present value of funded obligations	3,390,000	2,768,000
Fair value of plan assets	(2,542,000)	(1,815,000)
	<u>848,000</u>	<u>953,000</u>

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NOTES TO THE ACCOUNTS (CONTINUED)
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18 Pension and other post-retirement benefit commitments **(continued)**

The amounts recognised in the statement of financial activities are as follows:

	Defined benefit pension plans	
	2013	2012
	£	£
Included in staff costs within total resources expended		
Current service cost	326,000	249,000
	<u>326,000</u>	<u>249,000</u>
Net pension finance costs included within total resources expended		
Interest on obligation	122,000	115,000
Expected return on pension scheme assets	(97,000)	(87,000)
	<u>25,000</u>	<u>28,000</u>
Total	<u><u>351,000</u></u>	<u><u>277,000</u></u>
 Actual return on plan assets	 <u>315,000</u>	 <u>83,000</u>
 Included with other recognised gains and losses		
	Defined benefit pension plans	
	2013	2012
	£	£
Actual return less expected return on pension scheme assets	218,000	(4,000)
Experience gains and losses arising on scheme liabilities	(89,000)	(321,000)
	<u>129,000</u>	<u>(325,000)</u>

The actuarial gains and losses for the current period 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 £196,000 (2012: £325,000) loss.

HINCHINGBROOKE SCHOOL
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NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2013

18 Pension and other post-retirement benefit commitments **(continued)**

Changes in the present value of the defined benefit obligation are as follows

	Defined benefit pension plans	
	2013	2012
	£	£
Opening defined benefit obligation	2,768,000	2,001,000
Current service cost	326,000	249,000
Interest cost	122,000	115,000
Contributions by scheme participants	85,000	82,000
Actuarial losses (gains)	89,000	321,000
Total	3,390,000	2,768,000

Changes in fair value of plan assets are as follows:

	Defined benefit pension plans	
	2013	2012
	£	£
Opening fair value of plan assets	1,815,000	1,337,000
Expected return	97,000	87,000
Actuarial gains / (losses)	218,000	(4,000)
Contributions by employer	327,000	313,000
Contributions from scheme participants	85,000	82,000
	2,542,000	1,815,000

The major categories of plan assets as a percentage of total plan assets are as follows:

	2013	2012
	%	%
Equities	69.00%	71.02%
Bonds	14.99%	15.98%
Property	7.00%	7.00%
Other assets	9.01%	6.01%

HINCHINGBROOKE SCHOOL
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NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2013

18 Pension and other post-retirement benefit commitments (continued)

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)

	2013	2012
	%	%
Discount rate at 31 August 2013	4.60	4.10
Expected return on plan assets at 31 August 2013	5.80	4.80
Future salary increases	5.10	4.50
Future pension increases	2.80	2.20

Mortality rates

The average future life expectancies at age 65 are summarised below

	2013	2012
	years	years
Current pensioners		
Males	21	21
Females	24	24
Future pensioners		
Males	23	23
Females	26	26

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below

<u>Change in assumptions at 31 August 2013</u>	<u>Approximate % increase to Employer Liability</u>	<u>Approximate monetary amount</u>
0.5% decrease in Real Discount Rate	14%	£484,000
1 year increase in member life expectancy	3%	£102,000
0.5% increase in the Salary Increase Rate	8%	£261,000
0.5% increase in the Pension Increase Rate	6%	£207,000

Amounts for the current and previous periods are as follows:

Defined benefit pension plans

	2013	2012
	£	£
Defined benefit obligation	(3,390,000)	(2,768,000)
Plan assets	2,542,000	1,815,000
Surplus/(deficit)	(848,000)	(953,000)
Experience adjustments on plan liabilities	(89,000)	(321,000)
Experience adjustments on plan assets	218,000	(4,000)

The estimated value of employer contributions for the year ended 31 August 2014 is £332,000

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NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2013

19 Restricted fixed asset fund

	Movement in funds				Balance at 31 August 2013
	Balance at 1 September 2012	Incoming resources	Resources expended	Transfers	
	£	£	£	£	£
EFA capital funding	(89,736)	205,891	(1,140)	(84,484)	30,531
S106 fund	15,926	115,073	(50,358)	(80,641)	-
HAS capital funding	-	9,723	-	(9,723)	-
Foundation of Hinchingsbrooke School	144,266	-	(17,902)	-	126,364
Carry forward balance	35,122	-	-	(3,792)	31,330
Fixed asset fund	16,981,076	-	(337,922)	361,802	17,004,956
	<u>17,086,654</u>	<u>330,687</u>	<u>(407,322)</u>	<u>183,162</u>	<u>17,193,181</u>

The grant received from The Foundation of Hinchingsbrooke School is to be used towards improvements and capital maintenance to Hinchingsbrooke House £17,902 has been spent in the year

£169,322 ACMF funding has been received in the year for expenditure incurred in the prior year on roof repairs. A balance of £30,531 remains unspent at the year end, and is included within the EFA capital funding balance carried forward

Devolved formula capital funding from the EFA of £36,569 has been received in the year and has been fully utilised in the year, together with brought forward funds of £20,460. £55,889 has been utilised on the purchase of fixed assets, and is shown as a transfer to the fixed asset fund

Other EFA capital funding brought forward of £28,595 has been spent on fixed asset acquisitions in the year and is shown as a transfer to the fixed asset fund

£80,641 of S106 funding has been utilised in the year on the community reception project. This is shown as a transfer to the fixed asset fund. The work was completed in the year. A further £50,358 has been expended on improvements to the property in the year, against which income has been accrued on the basis this will be received after date

The carry forward balance fund is the balance of capital funds transferred to the academy on conversion from the Local Authority school. £3,792 has been spent in the year on fixed assets and has been transferred to the fixed asset fund. A balance of £31,330 is carried forward

HAS funding has been utilised on fixed assets and is shown as a transfer to the fixed asset fund

The fixed asset fund represents the net book value of fixed assets purchased. Additions of £183,162 have been made in the year from revenue funds, being £7,335 of GAG funds, £6,727 of HBKL designated funds and £169,100 of unrestricted funds. These are shown as a transfer into the fixed asset fund

HINCHINGBROOKE SCHOOL
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NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2013

20 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes

	Movement in funds				
	Balance at 1 September 2012	Incoming resources	Resources expended	Transfers	Investments gains/losses
	£	£	£	£	£
General Annual Grant	-	8,299,908	(8,292,573)	(7,335)	-
Other EFA funding	-	274,839	(254,839)	-	-
Other government funding	-	449,565	(449,565)	-	-
Other funding	-	132,030	(132,030)	-	-
Huntingdon Schools Sports Partnership (HSSP)	268,307	101,037	(162,014)	-	-
Other income	-	42,480	(42,480)	-	-
LGPS pension deficit	(953,000)	-	(24,000)	-	129,000
	<u>(684,693)</u>	<u>9,299,859</u>	<u>(9,357,501)</u>	<u>(7,335)</u>	<u>129,000</u>
					(620,670)

The restricted grant income in the year all relates to the provision of education for the pupils of the academy

£7,335 of GAG funding has been spent on fixed asset acquisitions in the year and is shown as a transfer to the restricted fixed asset fund

Under the funding agreement with the Secretary of State, the academy was subject to a limit on the amount of GAG that it could carry forward at 31 August 12 Note 2 discloses whether the limit was exceeded

£20,000 of year 7 catch up funding received from the EFA is unspent at the year end

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

HINCHINGBROOKE SCHOOL
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NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2013

21 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the governors for specific purposes

	Movement in funds				Balance at 31 August 2013
	Balance at 1 September 2012	Incoming resources	Resources expended	Transfers	
	£	£	£	£	£
School fund	84,767	394,553	(400,801)	-	78,519
Hinchingbrooke Leisure (HBKL)	-	267,835	(217,405)	78,951	129,381
	<u>84,767</u>	<u>662,388</u>	<u>(618,206)</u>	<u>78,951</u>	<u>207,900</u>

The school fund balances are designated by the governors for use in a variety of different areas

Hinchingbrooke Leisure balances are designated towards future capital improvements

22 Analysis of net assets between funds

	Unrestricted funds	Designated funds	Restricted funds	Restricted fixed asset funds	Total
	£	£	£	£	£
Fund balances at 31 August 2013 are represented by					
Tangible fixed assets	-	-	-	17,004,956	17,004,956
Current assets	236,465	248,754	681,709	188,225	1,355,153
Creditors amounts falling due within one year	-	(40,854)	(398,345)	-	(439,199)
Creditors amounts falling due after more than one year	-	-	(56,034)	-	(56,034)
Defined benefit pension liability	-	-	(848,000)	-	(848,000)
	<u>236,465</u>	<u>207,900</u>	<u>(620,670)</u>	<u>17,193,181</u>	<u>17,016,876</u>

HINCHINGBROOKE SCHOOL
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NOTES TO THE ACCOUNTS (CONTINUED)
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23 Net cash inflow from operating activities	2013	2012
	£	£
Reconciliation to changes in resources		
Changes in resources before revaluations	(43,732)	17,256,608
Cash transferred on conversion	-	(984,384)
Pension deficit transferred from local authority school	-	664,000
Restricted fixed asset fund income	(330,687)	(17,379,525)
Depreciation of tangible fixed assets	337,922	282,693
Difference between pension charge and cash contributions	24,000	(36,000)
Decrease/(increase) in stocks	6,183	(6,183)
Increase in debtors	(43,594)	(254,584)
(Decrease)/Increase in creditors	(26,753)	443,539
	(76,661)	(13,836)

24 Reconciliation of net cash flow to movement in net funds	2013	2012
	£	£
(Decrease)/increase in cash	(29,329)	1,086,304
Repayment of other loan	(78,447)	-
Movement in net funds	(107,776)	1,086,304
Net funds at 1 September 2012	1,086,304	-
Net funds at 31 August 2013	978,528	1,086,304

25 Analysis of net cash less debt	At 1 September 2012	Cash flow	Non-cash changes	At 31 August 2013
	£	£	£	£
Cash at bank and in hand	1,086,304	(29,329)	-	1,056,975
Debt due within one year	-	(78,447)	56,034	(22,413)
Debt due after one year	-	-	(56,034)	(56,034)
	1,086,304	(107,776)	-	978,528

HINCHINGBROOKE SCHOOL
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NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2013

26 Commitments under operating leases

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

	2013 £	2012 £
Expiry date		
Within one year	9,285	-
Between two and five years	16,479	1,661
	<u>25,764</u>	<u>1,661</u>

27 Members' Liability

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

No individual has a controlling interest in the charitable company

28 Related parties

Owing to the nature of the academy's operations and the composition of the governing body being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the governing body may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy's financial regulations and normal procurement procedures.

During the year the school received £75,515 (2012 £226,837) from The Hinchingsbrooke Foundation. There are trustees common to both organisations. The school also occupies property owned by The Hinchingsbrooke Foundation on a rent free basis.

Some of the governors have children who are pupils at the academy, consequently there will be transactions between those governors and the academy in respect of their children's education. These are on the same basis as other pupils at the academy.