

Company Registration Number: 08286295 (England & Wales)

HITCHIN BOYS' SCHOOL
(A company limited by guarantee)

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

HITCHIN BOYS' SCHOOL
(A company limited by guarantee)

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HITCHIN BOYS' SCHOOL
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Dr H Corkill (Ex-Officio) Mr A Gilbert Ms S Kiernan Mr M Page Mrs J Shale Professor R Slater (resigned 7 November 2022)
Trustees	Mr P Addison Mr N Broughton Dr H Corkill, Chair Mr B Gillingham Mrs C Grainger, Vice Chair Mrs K Harvey Mr D Hutchinson Mr D Ingledew (resigned 21 September 2022) Mrs H Jones Mr P Laws Mr S Marlow Mrs J McCall, Trustee (Staff) (resigned 14 November 2022) Mr F Moane, Head Teacher (resigned 31 August 2023) Mrs J Radley Mr C Schanschieff Mr B Singh Mrs E Taplin, Trustee (Staff) (resigned 14 November 2022) Mr M Taylor Cllr R Thake Mr J Turney, Vice Chair Mrs J Weston Ms K White, Trustee (Staff) (resigned 14 November 2022) Mr K Whitmore Mrs V Whent (appointed 13 December 2022) Mr M Monks, Acting Co-Head Teacher (appointed 1 September 2023)
Company registered number	08286295
Company name	Hitchin Boys' School
Principal and registered office	Grammar School Walk Hitchin Hertfordshire SG5 1JB
Company secretary	Mrs D Ivory-Webb

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

Senior management team

Mr F Moane, Head Teacher (resigned 31 August 2023)
Mr M Monks, Deputy Head Teacher (until 31 August 2023),
Acting Co-Head Teacher (from 1 September 2023)
Mr P Dawson, Assistant Head Teacher
Mr D Ajagbonna, Deputy Head Teacher (appointed 1 September 2022 to 31 August 2023),
Acting Co-Head Teacher (from 1 September 2023)
Ms A Hetherington, Assistant Head Teacher
Mr A McPherson, Assistant Head Teacher
Mr J Rayner, Assistant Head Teacher
Mr M Wilson, SENDCo
Mrs D Ivory-Webb, School Business Manager
Mrs K Graham, Associate Assistant Head Teacher (appointed 1 September 2022)

Independent auditor

Streets Audit LLP
Chartered Accountants and Statutory Auditor
Potton House
Wyboston Lakes
Great North Road
Wyboston
Bedford
MK44 3BZ

Bankers

Lloyds Bank PLC
Bancroft
Hitchin
Hertfordshire
SQ5 1JQ

Solicitors

Stone King LLP
Boundary House
30 Station Road
Cambridge
CB1 2RE

HITCHIN BOYS' SCHOOL
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

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

The Academy Trust is an all ability school serving the local population, providing education for boys aged 11-18. It has a pupil capacity of 1,400 and had a roll of 1,307 in the school census on 18 May 2023.

Structure, governance and management

a. Constitution

The Academy is a charitable company limited by guarantee and an exempt charity.

The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust.

The Trustees of Hitchin Boys' School are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Hitchin Boys' School.

Details of the Trustees who served during the year, and to the date these accounts are approved are included in the Reference and administrative details on page 1.

b. 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.

c. Trustees' indemnities

Trustees benefit from indemnity insurance to cover the liability of Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be found guilty in relation to the Academy Trust. Further details are provided in note 13.

d. Method of recruitment and appointment or election of Trustees

There were three Trustees who are members of staff, two representing the teaching staff and one representing the support staff at the start of the year, all of which resigned on 14 November 2022. The Head Teacher is a Trustee appointed by virtue of their office.

A review of skills needed for the Board takes place before the appointment of new Trustees, and a full audit of skills takes place annually.

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

Structure, governance and management (continued)

e. Policies adopted for the induction and training of Trustees

Induction information is provided in an online folder for all newly appointed Trustees which describes their role as a Trustee and gives some basic information about the Academy, academy governance and the Board of Trustees (organisation structure, finance, personnel).

The Chair and the Clerk to the Trustees manage the induction of Trustees. Trustees are encouraged to identify their training needs, which the Academy endeavours to meet either through mentoring, bespoke training or generic training. The process of training is noted at each Trustees' meeting and a full record kept on the governance portal.

All Trustees receive Child Protection (Safeguarding in Education) training and this is renewed every three years. Trustees are also trained each autumn term on the changes to the 'Keeping Children Safe in Education' document that is updated annually by the Department for Education. The Academy subscribes to both the Hertfordshire Governors' Service through Herts for Learning and the National Governors' Association (NGA), both of which provide training for Trustees. Presentations by staff are made regularly at committee meetings to provide information, training, and support for Trustees.

f. Organisational structure

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

The Board of Trustees normally meets six times per year. The Board establishes an overall framework for the governance of the Academy and agrees membership of committees, statutory and other panels. It receives reports, and in particular policy documents, from its committees for ratification. It monitors the activities of the committees through the minutes of their meetings. It also ratifies the terms of reference and procedures for its committees. The Board of Trustees may also, from time to time, establish working groups to perform specific tasks over a limited timescale.

The Senior Leadership Team controls the Academy at an executive level implementing the policies laid down by the Trustees and reporting back to them. The Senior Leadership Team is responsible for the authorisation of spending with agreed budgets and the appointment of staff up to senior positions. Some spending control is devolved to Cost Centre Heads. The Trustees and the Academy Trust's Accounting Officer has appointed an independent Internal Scrutineer 2022/23. The Trustees' Resources Committee also act as the internal audit committee.

g. Arrangements for setting pay and remuneration of key management personnel

This is governed by the School Teachers Pay & Conditions annual document and all senior teachers have annual appraisals with performance related pay targets, with reviews completed by an appraisal system verified by the governors. The Head Teacher is subject to a separate appraisal review by a new Pay and Performance Committee that assumed the role from 2022. The Trustees consider sector parameters and benchmarks.

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

Structure, governance and management (continued)

h. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	2
Full-time equivalent employee number	2

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	2
1%-50%	-
51%-99%	-
100%	-

Percentage of pay bill spent on facility time

	£
Total cost of facility time	-
Total pay bill	-
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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i. Related parties and other connected charities and organisations

The Academy is part of the Hitchin Schools' Sixth Form Consortium along with Hitchin Girls' School and The Priory School. The Consortium provides students from all three schools with access to a broad curriculum. The Consortium operates as a soft federation and is overseen by the Consortium Governance Committee comprising the Head Teachers and representatives from all three schools. The Academy is also a delivery partner with the Alban Teaching School Hub and coordinates the Schools Direct link with the University of Hertfordshire for Initial Teacher Training on behalf of North Hertfordshire schools.

Hitchin Boys' School Charitable Trust (Registered Charity Number 801251) is a separate Charitable Trust which exists to support the School by helping to provide facilities for education and encouraging participation from the wider community in sports and recreation through the provision of facilities. The charity is a separate trust independent of the Academy. Mrs D Ivory-Webb is School Business Manager of the Academy and a trustee of the Charitable Trust.

Hitchin Educational Foundation (Registered Charity Number 311024) provides educational grants (including for uniform) for students under the age of 25 years who meet defined criteria in schools in Hitchin and the surrounding villages.

Hitchin Churches Schools' Worker Trust (Registered Charity Number 1154364), also known as Phase, provides help and support in education through methods such as lessons, assemblies, pastoral support, and mentoring. There is one Member Trustee of the Academy (Mr M Taylor) who is also a Member Trustee of the Charity.

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

Objectives and activities

a. Objects and aims

The Academy Trust's object is to:

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

The principal aim of The Academy Trust is to provide high quality learning that helps all students to fulfil their intellectual potential and become well balanced young people who will be able to take their place in society.

Further aims are to:

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

b. Objectives, strategies and activities

Key activities and targets have included the following:

- Raising attainment and achievement through the provision of a relevant and effective curriculum;
- Preparing students for GCSE and A Level examinations;
- Implement a revised assessment policy that is meaningful, manageable and motivational;
- Improved support for SEND and Pupil Premium students to reduce attainment and progress gaps;
- Preparation of students for the higher standards in public exams in summer 2023;
- Further develop the High-Performance Group. Embed the Super Curriculum into school life and develop A system to recognise and reward those who engage with it;
- Continuing the rollout of digital technologies in the classroom, including the Chromebook programme; and
- Improved professional development of all staff via CPD opportunities.

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

Objectives and activities (continued)

c. Public benefit

In setting our objectives and planning our activities, the Trustees have carefully considered the Charity Commission's general guidance on public benefit and in particular its supplementary guidance on education.

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

- Balanced and broadly based;
- Promotes the spiritual, moral, cultural, mental and physical development of students at the school and of society;
- Provides a 'personal development' and enrichment programme that develops life skills, character, values and also fulfils statutory obligations around relationships, sex and health education;
- Prepares students at the school for the opportunities, responsibilities and experiences of later life; and
- Promotes, sustains and increases individual and collective knowledge and understanding of specific areas of study, skills and expertise.

The Academy Trust is an all-ability school serving Hitchin and the surrounding area. It is subject to the current statutory arrangements as laid down in the national Admissions Code.

d. Employees and disabled persons

Detailed disclosure of employees and provisions for disabled persons is not required as the Academy currently has under 250 employees. However, we have made provision within our general classroom area to accommodate the needs of hearing-impaired staff members should this be required, and we constantly take professional advice from our Occupation Health advisors on how we can best support the changing needs of our staff.

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

Strategic report

Achievements and performance

The school website and updated Prospectus gives a more detailed overview of the school and the offer to students, particularly curriculum options and choices that are adjusted each year for those entering GCSE or A level study. The school publishes a regular newsletter and the archive will contain further details on previous events and actions: <https://www.hbs.herts.sch.uk/information/newsletter/archive>.

The last OSFTED inspection was in September 2021. Ofsted judged that the school continues to be an outstanding school, The full report can be read here: <https://files.ofsted.gov.uk/v1/file/50171788>.

Some highlights include:

- "The school's curriculum is highly ambitious for all pupils. It is designed very well and ensures pupils not only learn rich subject knowledge, but also grow in their awareness of the world around them"
- "Pupils enjoy their time at school. They care about each other and get on well with staff and with their peers. Pupils are polite and respectful. They bring to life the Hitchin Boys' School values of respect, teamwork and kindness"
- "Leaders accurately identify the needs of pupils with special educational needs and/or disabilities (SEND). Teachers use information from 'pupil passports' to make well considered adjustments to their lessons. This means that pupils with SEND have full access to leaders' outstanding curriculum and achieve very well."
- "In all year groups, pupils access a carefully planned, high-quality 'personal development' curriculum. This supports pupils to become active, respectful citizens"
- "The arrangements for safeguarding are effective. Throughout the school, there is a strong safeguarding culture"
- "Staff have very high expectations and want the best for all pupils. Consequently, pupils behave extremely well and feel safe. No one in the school community tolerates unkind words or acts against others. Bullying is rare. Pupils know that if bullying does happen, staff deal with it effectively and promptly. The school is a calm place for pupils to learn and be themselves."

There were significant impacts again upon school finances, due to inflationary factors escalating costs in many areas such as utilities and agency cover staff. A wave of industrial action by the NEU union meant that there were a series of days throughout the year when a significant proportion of staff were on strike. This impacted our ability to run the school safely, and various year groups were made to work from home on strike days on a rolling programme.

Despite these challenges, significant progress was made with the school development plan, including highlights such as:

- Creation and staffing of a bespoke support unit within school to teach pro-social skills called Launchpad;
- Enriched the sixth form offer with three additional courses being run onsite, Business BTEC, Criminology and Applied Science A levels;
- Development of Blended learning approaches within the classroom;
- Deploying a new assessment policy that ensures that feedback is meaningful, manageable and motivating, in line with the DfE Workload Challenge findings;
- Further development of the site, including the second phase of the roofing replacement in the 1930's main block and a new café and breakout area in the Woodland building for our 13 pupils and staff;
- Further training and work on EDI (Equality, Diversity and Inclusion) including whole staff INSET training run by the NEU; and
- Working on creating a timetable which increased average class sizes to support the tight financial situation.

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

Strategic report (continued)

Achievements and performance (continued)

The school expansion continued, with an additional planned 45 students joining year 7 as another 210 student intake feeds through to year 11. The school now has over 1300 students with year groups of 210 in each of years 7-11. This provides additional income that has been balanced against commensurate increase in staffing to support the expanded student numbers. The sixth form is expected to grow further for the subsequent two years as the additional students feed forward and our retention into sixth form is usually above 70%.

Creative Arts

With well over 250 boys learning and performing music on an extra-curricular basis this is a vital element in the life of the school. We were able to make full use of the excellent rehearsal and performance in the new Performing Arts building after having to put live music and audiences on hold during the pandemic.

Three major concerts took place – one in each of the three terms - showcasing some outstanding talent and entertaining audiences with music of a quality one might pay to hear. The Carol Services were excellent as always, with a mixture of the familiar and the less well-known in both the Monday evening and Tuesday school services held in St Mary's Church. Music is also a strong element of the House competition, with performances in the atrium on each of the House days and the music competition and Battle of the Bands showing the high standards of musicianship across genres from Jazz and Rock to Classical and Blues.

At the start of July, Founders' Day at St Mary's Church was attended by all of years 11 and 13 from the Boys' and the Girls' school. As always, the music at the service in St Mary's was outstanding and a real credit to the young students involved. Of particular note was the fanfare written especially by a Year 13 Music student to accompany the procession.

This year's school production was "Young Frankenstein", where the horror was hammed up by an engaging cast. The staff team always try to choose a production which will allow as many boys as possible to participate, while offering the chance for some star performers to shine. As ever the boys performed to a very high standard and the staff performed miracles to bring together costume, scenery, music, lighting and over 100 students involved in acting, the music, stagehands and managing the audio and lighting. The production aims for 'West End' standards and was a great success.

The next production will be 'Lucky Stiff', which is already shaping up to be hilarious. Performances will be in February 2024.

Former Students' Association

The Former Students' Association returned to face to face meetings this year, with a successful BBQ in the summer term welcoming former students to revisit their old school.

Parents' Society

The Parents' Society appointed a new Chair this year, as the previous Chair's son left school to go to University. They continued to support the school through an online presence, and also by returning to run some on site physical events. The plans for next year are to increase the number of face to face events to raise money throughout the year.

Charitable events

Due to world events, we changed focus during the year to undertake fundraising for the Humanitas charity to support people in Ukraine. This is a Hitchin charity that delivers medical supplies to those on the front line.

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

Strategic report (continued)

Achievements and performance (continued)

Comic Relief raised a similar amount, and further amounts were raised on the four House days towards the House Festival in July 2023.

House Events

Throughout the year the boys are in competition with each other for house points, which are rewards for good attitude, commitment, effort and contribution to the school. In addition to all the sports you can think of the House competitions provide a chance for many boys to represent Mattocke, Pierson, Skynner or Radcliffe, in many non-sporting events such as the General knowledge Quiz, Scrabble, Chess, Debating, Graphic Design, Music, History and this year for the first time Poetry. This year, each house had their own 'House Day' when they fundraise for charity and have competitions, music performances and bake sales. The competition culminates on the last day of term when the winning house is revealed in a colourful display of (biodegradable) confetti. At this point the House Captain takes possession of the much-prized Times Shield, with this year's winners being Mattocke.

Sport

We are incredibly proud of our sports provision, and aim to support pupils under two strands, Participation and Performance. Our performance Groups aim to represent the school or county at county, national or international level. We have had over 600 students represent the school in some form last year, from Saturday rugby, hockey and cricket fixtures through to individual racquet sports or track and field. The day that the Under 15 rugby team triumphed in the National Vase competition at Twickenham stadium will live long in the memory, with over 1,000 students making the journey to support the team and a large accompanying group of parents and students back at school watching the live stream. This is the first time that we have won a national competition in rugby and defeated the finest independent schools along the way.

We also celebrate the success of the U18 hockey team, reaching the national final in Nottingham in 2022 also. Sadly, we lost by a single goal, but the 3-0 win over Eton College in the final pool stages will also live long in the memory. In 2023, we had several teams qualify for the regional finals, our U14 team finishing second in the East and becoming the National Vase state school champions. Our Yr7 team finished in the top 32 teams in the county. Finally, our U18 indoor team became Herts champions for the first time in the school's recent history. A promising few years ahead for the hockey programme. We are now into the third year of HBS entering teams into the National Cup in football, and the teams did incredibly well considering that we lack a football pitch in school. Every age group reached the last 64 in the country, with several reaching the last 32 stage. The introduction of football has been well received by students, without detriment to our traditional sports.

In the summer sports, our Athletics continues to be a strong area of school sport. In 2023 several year groups became District and County Champions. In 2022, the Year 9 and 10 squad finished in 5th place in England in the National Athletics finals in Oxfordshire. We also had 8 students who represented Hertfordshire at the English Schools Athletics Championships in Manchester. The cricket programme is rapidly growing again post Covid, with our Yr7 team becoming the Herts Champions, a rare achievement and one we are very proud of.

The breadth of sports on offer is remarkable, with further success in cricket, badminton, tennis, basketball, trampolining and swimming and it is a testament to the dedication of our PE staff that training for sports run every lunchtime and training or fixtures each weekday after school and a number of Saturday mornings.

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

Strategic report (continued)

Achievements and performance (continued)

Trips

It would be difficult to provide an exhaustive list of the trips offered to the boys because there are so many. Most are curriculum-related and are local or national such as theatre, museum, art gallery, places of worship, the Lake District, and coastal locations plus the annual Year 7 teambuilding experience. However, notably residential trips that took place this year were the Sports Tours to Paris and Canada for Year 8 and 9 and Year 10 and 11 respectively and the expedition to Malaysia again over the summer, with over 50 boys undertaking a series of challenges during the month-long expedition. The Duke of Edinburgh award scheme continues to grow with significant numbers of Year 10 students undertaking the bronze award, developing their skills in route-finding, camping and volunteering. Furthermore, a group of sixth formers completed the gold award that is a test of endurance over an extended period. UK-based field work in Geography and Biology continued to run successfully and we also introduced this year a Year 9 PGL trip which we would like to expand to the whole year group moving forward. In the year ahead, we have planned trips to Austria for the annual school ski trip, a technology trip to Munich, a history trip to Berlin and a resumption of the MFL trip to Spain. After the success of the Costa Rica trip in 2022 they are returning for another Geography linked trip during Easter 2024. Staff give up their holiday time to support these life-changing experiences for our students and regularly come up with innovative ideas for new trips and experiences.

a. Key performance indicators

Outcomes in Public exams were excellent again this year. We are particularly proud of this accomplishment as boys at a national level trail behind girls in academic achievement and progress in nearly every measure. For example, the latest figures available (Nov 2022) state that on a national level girls achieve a progress 8 score of +0.15 and attainment 8 of 53.9, whilst boys achieve a progress 8 score of -0.21 and attainment 8 of 48.1.

Below is a summary of KS4 performance measures due to be published on the DFE performance website 2023.

Measure	Hitchin Boys' school
Progress 8	+0.39
Attainment 8	57
5+ in English and maths	71%
% entering Ebacc	82%
Ebacc APS	5.49
5+ in all Ebacc subjects	41%

Results at A level achieved an APS of 33.5 which is an average of a C+. This masks some of the outstanding individual achievements by our pupils who were achieving top grades in all their subjects. There are no reliable progress measures for KS5 this year, as GCSE's for this cohort were based on teacher assessed grades and not examinations.

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

Strategic report (continued)

Achievements and performance (continued)

Attendance

Overall attendance was 94.1% attendance versus a target of 96% and against a national figure for secondary schools of 90.7%. This level of attendance is encouraging as we are very aware of the correlation between attendance and attainment. Persistent absence of 14% is stubbornly high and some of this is accountable from the effects of Covid lockdowns. A significant number of the absentees suffer from EBSA (emotionally based school avoidance), many of whom are suffering anxiety about re-socialising after Covid. Others take a more cautious approach to illnesses such as colds, flu and covid than was the norm prior to the pandemic and remain at home due to symptoms triggering an isolation period. The NHS guidance on attendance if you have covid symptoms has remained unchanged since the end of the pandemic.

b. Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Financial review

Most of the Academy Trust's income is obtained from the Department of Education via the Education Skills Funding Agency in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the Department for Education during the year ended 31 August 2023 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities and are detailed in the financial statements. During the year ended 31 August 2023, total expenditure of £10,116,391 was covered by recurrent grant funding from the Department for Education together with other income resources of £9,722,238. The excess of income over expenditure for the year (excluding restricted fixed asset funds, actuarial gains and before transfers) was £107,128. Excluding the pension cost of £57,000, the academy made a surplus of £164,128.

At 31 August 2023 the net book value of fixed assets was £21,736,840 and movements in tangible fixed assets are shown on note 14 in the financial statements. The assets were used for providing education and the associated support services to the pupils of the Academy Trust.

a. Reserves policy

The Academy's policy is to hold a minimum reserve of 4% of the trust's general annual grant (GAG) excluding 16-19 allocation, pupil premium, etc. which is reviewed regularly by Trustees.

At the end of the financial year August 2023 Hitchin Boys' School held reserves of £609,133 (excluding pension and fixed assets) comprising £359,012 of restricted general funds and £250,121 of unrestricted funds. The purposes of the reserves includes the following:

(a) The deficit on the pension reserve relates to the non-teaching staff pension scheme (Local Government Pension Scheme) where, unlike the teachers' scheme, separate assets are held to fund future liabilities as discussed in note 27. The deficit can be met in the longer term from any combination of increased employer or employee contributions increased government funding or changes to scheme benefits.

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

At 31 August 2023 the total funds comprised:

Unrestricted Funds	£250,121
Restricted Funds:	
Fixed asset funds	£21,696,586
Pension reserve	(£141,000)
Other	£359,012

	£22,164,719
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b. Investment policy

The Trust's policy is to continue to ensure that funds which the Academy does not immediately need to cover anticipated activities are invested in such a way as to maximise the Academy's income but without risk.

c. Principal risks and uncertainties

The Academy Trust continues to operate in a period of uncertainty with regards to public funds. Financial planning and maintaining the breadth and quality of future work is being undertaken in the context of diminishing budgets. Funding is also directly linked to the number of students attending the school and the Trustees continue to monitor student numbers, in particular with regards to the Sixth Form. Trustees have also given due consideration to the risks associated with financial mismanagement and/or compliance failure.

Risk due to global Coronavirus pandemic

Operations of the school from March 2020 were severely curtailed by government controls imposed to reduce the spread of Coronavirus which continued into 2022. This created significant income loss due to restrictions on sports centre activities, lettings business and loss of income from the sale of food to students in the school canteen which has been slow to recover, however strong marketing campaigns have helped to improve this situation.

Risk of failures in governance and management

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

Reputational risk

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

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

Risk from significant changes in staff

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

In July 2023, a new Headteacher was appointed and will take up post from January 2024.

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

d. Risk Management

The Academy Trust's activities expose it primarily to cash flow risk. The Board of Trustees continually monitors cash flow to ensure the Academy Trust has sufficient funds available to meet debts as they fall due. The Board of Trustees maintains significant cash reserves at all times. A reserve is stipulated by the Reserves policy and the cash position of the Academy is monitored by the Audit, Risk and Resources Committee, scrutinising the monthly management accounts. A Risk Register is maintained and regularly reviewed by the full Board of Trustees.

Fundraising

This is not our main source of income but on occasions a necessary addition to the Academy's income. The Senior Leadership Team work closely with the Chair of the Parents' Society and monitor the fundraising activities of its Parents' Society by attending meetings and functions and scrutinising its accounts. The Academy is extremely mindful to ensure that it does not put undue pressure on stakeholders and their need to donate to fundraising activities and continually reviews its marketing and promotion of such activities. The Academy Trust does not use any external fundraisers. The Chair of the Parents' Society provides minutes from their AGM to the Chair of Trustees and is invited to give updates to the Board of Trustees on their activities.

Streamlined energy and carbon reporting

The Academy's greenhouse gas emissions and energy consumption are as follows:

	2023	2022
Energy consumption used to calculate emissions (kWh)	1,558,775	1,522,326
Scope 1 emissions (in tonnes of CO2 equivalent):		
Gas consumption	210	208
Owned transport	3	2
Total scope 1	213	210
Scope 2 emissions (in tonnes of CO2 equivalent):		
Purchased electricity	85	59
Total gross emissions (in tonnes of CO2 equivalent):	298	269
Intensity ratio:		
Tonnes of CO2 equivalent per pupil	0.2	0.2

The Academy has followed and used the following quantification and reporting methodologies:

- the 2019 HM Government Environmental Reporting Guidelines;
- the GHG Reporting Protocol - Corporate Standard; and
- the 2020 UK Government's Conversion Factors for Company Reporting.

The chosen intensity ratio is total gross emissions in tonnes of CO2 equivalent per pupil, the recommended ratio for the sector.

HITCHIN BOYS' SCHOOL
(A company limited by guarantee)

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

Streamlined energy and carbon reporting (continued)

Measures taken to improve energy efficiency:

We have added additional insulation as part of the roof upgrades across the site.

Plans for future periods

As the larger year groups (210 students in each year 7-11) move through the school, there are further demands upon the space and facilities. Additional accommodation will be required for expanding numbers in our sixth form space and SEND provision. These areas of the school are being monitored continually and funding opportunities constantly scrutinised to help accommodate this issue. We were successful in gaining a £10k grant from charity Edufund this year to improve the facilities in the SEND base. A bid to the T-level capital fund to provide an additional four classrooms for sixth form teaching was made this year, but was unsuccessful. We continue to explore opportunities for grant capital funding and through the annual rounds of Condition Improvement Funding operated by the Department for Education.

Funds held as custodian on behalf of others

No funds are held by the Academy as a custodian trustee on behalf of others.

Disclosure of information to auditor

Insofar as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 12 December 2023 and signed on its behalf by:


.....
Dr H Corkill
Chair of Trustees

HITCHIN BOYS' SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Hitchin Boys' 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.

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The Board of Trustees has delegated the day-to-day responsibility to the Head Teacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Hitchin Boys' School and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of trustees' responsibilities. The Board of Trustees has formally met 5 times during the year. Due to Covid, one meeting was cancelled with Trustees sub committees maintaining effective oversight of funds. Subcommittee minutes are available through Governor Hub at all times.

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

Trustee	Meetings attended	Out of a possible
Dr H Corkill, Chair	5	5
Mr P Addison	4	5
Mr N Broughton	4	5
Mr B Gillingham	2	5
Mrs K Harvey	2	4
Mr D Hutchinson	1	5
Mr D Ingledew (R: 21 Sep 2022)	0	0
Mrs H Jones	5	5
Mr P Laws	4	5
Mr S Marlow	3	5
Mrs J McCall, Trustee (Staff) (R: 14 Nov 2022)	1	1
Mr F Moane, Head Teacher (R: 31 Aug 2023)	5	5
Mrs J Radley	5	5
Mr C Schanschieff	5	5
Mr B Singh	4	5
Mrs E Taplin, Trustee (Staff) (R: 14 Nov 2022)	1	1
Mr M Taylor	5	5
Cllr R Thake	5	5
Mr J Turney, Vice Chair	5	5
Mrs J Weston	5	5
Ms K White, Trustee (Staff) (R: 14 Nov 2022)	1	1
Mr K Whitmore	5	5
Mrs V Whent (A: 13 Dec 2022)	4	4
Mr M Monks, Acting Co-Head Teacher	0	0

HITCHIN BOYS' SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

In addition to the above Trustees, Mrs D Ivory-Webb attended all meetings in an advisory capacity as a result of being School Business Manager and CFO.

Furthermore, whilst Mrs J McCall, Mrs E Taplin and Ms K White all resigned as Trustees on 14 November 2022, all were invited to attend Board of Trustees meetings during the year in a specialist advisory capacity.

The Audit, Risk & Resources Committee is a sub committee of the main Board of Trustees. Its purpose is to cover all aspects of finance and human resources, policy and actions and to ensure the risks of the school, financial and otherwise, are effectively reviewed and to ensure that the annual financial statements give a true and fair view of the activities of the school.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr B Singh, Chair	2	3
Mrs J Radley, Joint Vice-Chair	3	3
Mr F Moane, Head Teacher (R: 31 Aug 2023)	3	3
Mr P Addison	2	3
Mr B Gillingham, Joint Vice-Chair	3	3
Mr D Hutchinson	2	3
Mrs H Jones	3	3
Mr S Marlow	2	3
Cllr R Thake	3	3
Mr J Turney	2	3

The Health, Safety & Premises Committee is also a sub-committee of the main Board of Trustees. Its purpose is to cover all aspects of the School's infrastructure including health and safety policy and actions.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr J Turney, Chair	3	3
Mr F Moane, Head Teacher (R: 31 Aug 2023)	3	3
Mrs K Harvey	3	3
Mr P Laws	3	3
Mr S Marlow	2	3
Mrs E Taplin (R: 14 Nov 2022)	1	1
Cllr R Thake	3	3
Mr K Whitmore	2	3

HITCHIN BOYS' SCHOOL
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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Pastoral Committee is also a sub-committee of the main Board of Trustees. Its purpose is to consider all aspects of student conduct and welfare, including safeguarding. It also forms appeal committees.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr P Addison, Chair	3	3
Mr M Taylor	3	3
Mr F Moane, Head Teacher (R: 31 Aug 2023)	3	3
Mr D Hutchinson	3	3
Mr P Laws	3	3
Mrs J Radley	3	3
Mr C Schanschieff	2	3
Mrs J Weston	3	3

The Teaching & Learning Committee is also a sub-committee of the main Board of Trustees. Its purpose is to evaluate teaching and learning targets, progress and attainment data and reviews. It also reviews policies relating to attainment and the curriculum.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr N Broughton, Chair	3	3
Dr H Corkill	3	3
Mr B Gillingham	2	3
Mrs K Harvey	3	3
Mrs V Whent (A: 21 Dec 2022)	1	2
Mrs J McCall (R: 14 Nov 2022)	1	1
Mr F Moane, Head Teacher (R: 31 Aug 2023)	3	3
Ms K White (R: 14 Nov 2022)	1	1
Mr C Schanschieff, Vice Chair	3	3
Mr B Singh	2	3
Mr K Whitmore	3	3

HITCHIN BOYS' SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

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

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

Improving Educational Outcomes

We have ensured that resources are directed where they are most needed and most effective in meeting educational requirements, in order to meet the School Development Plan (SDP) priorities, including for instance:

- Continued professional development for Senior and Middle leaders to develop leadership skills, including the NPQ programme from the Department for Education that is currently fully funded;
- Developing the assessment, tracking and monitoring processes to ensure data are used to inform planning, target interventions and support differentiation;
- Further development of staff Performance Review and Appraisal processes for effective monitoring of performance, including the provision of internal and external coaches for staff; and
- Shaping the offer of student pastoral support, wellbeing and counselling to meet the evolving needs of students.

For the most disadvantaged, where necessary and appropriate, we have also used resources for:

- Counselling to overcome barriers to success;
- Developing cultural capital;
- Funding music fees and school trips;
- One to one maths and English intervention;
- Purchasing school uniform; and
- Purchasing Revision Guides for Key Stage 3 and 4.

The effect of this expenditure on the educational attainment of our disadvantaged pupils has been very positive.

Financial Governance and Oversight

Our governance arrangements include regular monitoring by the Board of Trustees and its committees, including the Audit, Risk & Resources and Health and Safety Committee. They receive regular financial reports and ask relevant questions as evidenced in the minutes. There are accountants and a finance specialist on the Board of Trustees. We also benefit from the advice of our auditor and accountants Streets Chartered Accountants.

Better Purchasing

Examples of steps taken to ensure value for money when purchasing include:

- Exploring alternative purchasing options both on line and direct through suppliers to find the best value;
- Working with other local schools in partnership to identify products and services that can be procured across a number of schools in order to drive down cost and/or negotiate favourable rates e.g. assessment data systems, maintenance and H&S contracts;
- Collective purchase arrangements where combined buying power will encourage vendors to lower prices e.g. energy buying scheme;

HITCHIN BOYS' SCHOOL
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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

- DfE Purchasing packages;
- Continuing to work with the local authority and Herts for Learning where tenders that they have operated can deliver best value for Hertfordshire schools e.g. on management information systems, payroll etc.;
- Implementing a tender process for significant purchases and/or contracts, for example a major building projects and classroom refurbishment provision; and joint tendering with partner schools to share the tendering costs; and
- A minimum of three price comparisons for any significant purchases where there is price advantage.

The Business Manager continues to drive down costs through better procurement and negotiation including catering, property management, school insurances, photocopiers, cleaning.

All contracts are reviewed on a regular basis to ensure they are fit for purpose and best value.

Better Income Generation

Examples of steps to maximise income include:

- The school's banking arrangements and BACS payments systems are now in place.
- The school employs a manager responsible solely for income generation from our three main specialist facilities (Astroturf, Tennis Centre, and Sports Centre) and also for income generation from lettings of the main non specialist areas, and additional marketing strategies are now in place.

Reviewing Controls and Managing Risks

The Trustees' Resources Committee, the Business Manager and the Head Teacher (also the Academy accounting officer) review budget reports every half term including future recommendations. This has ensured that spending is within budget and forward plans are agreed and implemented when there has been any variance. All Trustees continue to be involved in annual Risk Register reviews.

Future Objectives

We recognise the need to continue developing relationships with other academies and/or local schools, in order to benefit from economies of scale in procuring products and services, developing staff and sharing knowledge, skill and expertise.

We are currently leading locally in the School Direct Consortium and have 8 other schools in the area which will lead to increased income and reduction in administration costs through synergy. We are better able to attract candidates for Initial Teacher Training by operating as a consortium, offering training in a wider set of subjects and sharing the administrative costs across the schools.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on going process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Hitchin Boys' School for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

HITCHIN BOYS' SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

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

The risk and control framework

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

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

The Board of Trustees has decided not to appoint an internal auditor. However, the Trustees have appointed Mr Hankin, the Director of Finance and Resources of Hitchin Girls' School, to perform a peer review.

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

- testing of recruitment processes
- testing of payroll/HR processes
- testing of business continuity processes
- testing of control account / bank reconciliations

On a termly basis, the internal scrutineer reports to the Board of Trustees through the audit and risk committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and annually prepares a short annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The Trustees can confirm that the schedule of internal scrutiny work has been delivered as planned. There were found to be no material control issues arising from the reports and any areas of recommendation were discussed, addressed and minute.

HITCHIN BOYS' SCHOOL
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GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

As accounting officer, the Head Teacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

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

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

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


.....

Dr H Corkill
Chair of Trustees


.....

Mr M Monks
Accounting Officer

Date: 12 December 2023

HITCHIN BOYS' SCHOOL
(A company limited by guarantee)

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Hitchin Boys' School I have considered my responsibility to notify the Academy Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022.

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

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



.....

Mr M Monks
Accounting Officer

Date: 12 December 2023

HITCHIN BOYS' SCHOOL
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees and signed on its behalf by:



Dr H Corkill
Chair of Trustees

Date: 12 December 2023

HITCHIN BOYS' SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HITCHIN BOYS' SCHOOL**

Opinion

We have audited the financial statements of Hitchin Boys' School (the 'academy') for the year ended 31 August 2023 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Academy's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

HITCHIN BOYS' SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HITCHIN BOYS' SCHOOL (CONTINUED)**

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic report.

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

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

Responsibilities of trustees

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

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

HITCHIN BOYS' SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HITCHIN BOYS' SCHOOL (CONTINUED)**

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the academy through discussions with management, and from our knowledge and experience of the sector in which it operates;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the academy, including relevant DfE and ESFA guidance, the Companies Act 2006, taxation legislation and employment legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

HITCHIN BOYS' SCHOOL
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**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HITCHIN BOYS' SCHOOL (CONTINUED)**

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the governors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the Academy's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy's members those matters we are required to state to them in an 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 and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Alan Endersby ACA (Senior Statutory Auditor)

for and on behalf of

Streets Audit LLP

Chartered Accountants and Statutory Auditor

Potton House

Wyboston Lakes

Great North Road

Wyboston

Bedford

MK44 3BZ

Date: 12/12/2023

HITCHIN BOYS' SCHOOL
(A company limited by guarantee)

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

In accordance with the terms of our engagement letter dated 12 July 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Hitchin Boys' School during the year 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Hitchin Boys' School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Hitchin Boys' School and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Hitchin Boys' School and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Hitchin Boys' School's funding agreement with the Secretary of State for Education dated 1 January 2013 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2022 to 2023. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusions included:

- Review of the Academy's systems and controls to ensure effective design;
- Confirmation of satisfactory operation of controls during the year, including authorisation of invoices, payments and salary adjustments;
- Review of a sample of expenses focusing on those nominal codes considered to include transactions of a greater risk;
- Review of the reports from internal scrutiny work undertaken during the year;
- Discussions with the finance team.

HITCHIN BOYS' SCHOOL
(A company limited by guarantee)

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

Conclusion

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



Reporting Accountant
Streets Audit LLP
Chartered Accountants and Statutory Auditor

Potton House
Wyboston Lakes
Great North Road
Wyboston
Bedford
MK44 3BZ

Date: 19/12/2023

HITCHIN BOYS' SCHOOL
(A company limited by guarantee)

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

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:						
Donations and capital grants	3	4,091	210,855	195,923	410,869	504,936
Other trading activities	5	1,235,069	86,833	-	1,321,902	698,927
Investments	6	176	-	-	176	158
Charitable activities	4	-	7,989,291	-	7,989,291	7,283,259
Total income		1,239,336	8,286,979	195,923	9,722,238	8,487,280
Expenditure on:						
Charitable activities	9	-	8,179,916	697,204	8,877,120	8,490,200
Other expenditure	8	1,232,307	6,964	-	1,239,271	630,133
Total expenditure		1,232,307	8,186,880	697,204	10,116,391	9,120,333
Net income/(expenditure)		7,029	100,099	(501,281)	(394,153)	(633,053)
Transfers between funds	20	-	(73,113)	73,113	-	-
Net movement in funds before other recognised gains		7,029	26,986	(428,168)	(394,153)	(633,053)
Other recognised gains:						
Actuarial gains on defined benefit pension schemes	27	-	325,000	-	325,000	2,805,000
Net movement in funds		7,029	351,986	(428,168)	(69,153)	2,171,947

HITCHIN BOYS' SCHOOL
(A company limited by guarantee)

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

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Reconciliation of funds:					
Total funds brought forward	243,092	(133,974)	22,124,754	22,233,872	20,061,925
Net movement in funds	7,029	351,986	(428,168)	(69,153)	2,171,947
Total funds carried forward	<u>250,121</u>	<u>218,012</u>	<u>21,696,586</u>	<u>22,164,719</u>	<u>22,233,872</u>

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 36 to 63 form part of these financial statements.

HITCHIN BOYS' SCHOOL
(A company limited by guarantee)
REGISTERED NUMBER: 08286295

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	14		21,736,840		21,983,625
			<u>21,736,840</u>		<u>21,983,625</u>
Current assets					
Debtors	15	312,595		657,372	
Cash at bank and in hand		1,453,045		1,287,248	
		<u>1,765,640</u>		<u>1,944,620</u>	
Creditors: amounts falling due within one year	16	<u>(1,024,249)</u>		<u>(1,069,629)</u>	
Net current assets			741,391		874,991
Total assets less current liabilities			<u>22,478,231</u>		<u>22,858,616</u>
Creditors: amounts falling due after more than one year	18		<u>(172,512)</u>		<u>(215,744)</u>
Net assets excluding pension liability			22,305,719		22,642,872
Defined benefit pension scheme liability	27		<u>(141,000)</u>		<u>(409,000)</u>
Total net assets			<u><u>22,164,719</u></u>		<u><u>22,233,872</u></u>

HITCHIN BOYS' SCHOOL
(A company limited by guarantee)
REGISTERED NUMBER: 08286295

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

	Note	2023 £	2023 £	2022 £	2022 £
Funds of the Academy					
Restricted funds:					
Fixed asset funds	20	21,696,586		22,124,754	
Restricted income funds	20	359,012		275,026	
Restricted funds excluding pension asset	20	22,055,598		22,399,780	
Pension reserve	20	(141,000)		(409,000)	
Total restricted funds	20		21,914,598		21,990,780
Unrestricted income funds	20		250,121		243,092
Total funds			22,164,719		22,233,872

The financial statements on pages 31 to 63 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



Dr H Corkill
 Chair of Trustees

Date: 12 December 2023

The notes on pages 36 to 63 form part of these financial statements.

HITCHIN BOYS' SCHOOL
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	22	463,349	(67,575)
Cash flows from investing activities	24	(254,320)	159,152
Cash flows from financing activities	23	(43,232)	59,715
Change in cash and cash equivalents in the year		165,797	151,292
Cash and cash equivalents at the beginning of the year		1,287,248	1,135,956
Cash and cash equivalents at the end of the year	25, 26	1,453,045	1,287,248

The notes on pages 36 to 63 form part of these financial statements

HITCHIN BOYS' SCHOOL
(A company limited by guarantee)

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

1. Accounting policies

Hitchin Boys' School is a private company limited by guarantee, incorporated in England. Its registered number and address of registered office are detailed on page 1. The nature of the academy trust's operations and principal activity are detailed in the Trustees' Report.

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

The financial statements are prepared in £ sterling, rounded to the nearest £1.

1.1 Basis of preparation of financial statements

The financial statements of the Academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Hitchin Boys' School meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

HITCHIN BOYS' SCHOOL
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.3 Income

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

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

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

HITCHIN BOYS' SCHOOL
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.5 Interest receivable

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

1.6 Tangible fixed assets

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful life.

Depreciation is provided on the following bases:

Long-term leasehold property	- Not depreciated, see note 14
Improvements to property	- 15 years
Plant and machinery	- Over 3 to 5 years
Furniture and equipment	- 10 years

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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

1.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

HITCHIN BOYS' SCHOOL
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.9 Liabilities

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

1.10 Financial instruments

The Academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy and their measurement bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 16 and 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.11 Operating leases

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

HITCHIN BOYS' SCHOOL
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.12 Pensions

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

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

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

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

1.13 Agency arrangements

The Academy Trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Trust does not have control over the charitable application of the funds. The Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received and paid, as well as any balances still held, are disclosed in note 19.

The Academy Trust acts as a hub in distributing payments received from the National College for Teaching and Leadership (NCTL) to other schools. The income is excluded from the Statement of Financial Activities. The Academy Trust does not have control over the charitable applications of these funds. The funds received and paid, as well as any balances still held, are disclosed in note 19.

HITCHIN BOYS' SCHOOL
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.14 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

Investment income, gains and losses are allocated to the appropriate fund.

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The judgments that have had a significant effect on amounts recognised in the Financial Statements are those concerning the choice of depreciation policies and asset lives.

HITCHIN BOYS' SCHOOL
(A company limited by guarantee)

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

3. Income from donations and capital grants

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Donations	4,091	210,855	120,000	334,946	232,370
Capital Grants	-	-	75,923	75,923	272,566
	<u>4,091</u>	<u>210,855</u>	<u>195,923</u>	<u>410,869</u>	<u>504,936</u>
<i>Total 2022</i>	<u><u>13,286</u></u>	<u><u>219,084</u></u>	<u><u>272,566</u></u>	<u><u>504,936</u></u>	

4. Funding for the Academy's charitable activities

	Restricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
DfE/ESFA grants			
General Annual Grant (GAG)	7,031,733	7,031,733	6,413,640
Other DfE/ESFA grants			
Pupil Premium	111,774	111,774	107,014
Supplementary Grant	172,365	172,365	71,435
Others	241,877	241,877	322,493
	<u>7,557,749</u>	<u>7,557,749</u>	<u>6,914,582</u>
Other Government grants			
Local Authority Grants	407,799	407,799	346,647
	<u>407,799</u>	<u>407,799</u>	<u>346,647</u>
Other income from the academy trust's educational operations	23,743	23,743	22,030
	<u>7,989,291</u>	<u>7,989,291</u>	<u>7,283,259</u>
<i>Total 2022</i>	<u><u>7,283,259</u></u>	<u><u>7,283,259</u></u>	

HITCHIN BOYS' SCHOOL
(A company limited by guarantee)

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

5. Income from other trading activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Stationery and other sales income	29,307	810	30,117	21,291
Hire of facilities	272,656	4,800	277,456	279,661
Catering income	323,289	-	323,289	265,109
Trip income	609,817	-	609,817	56,912
Music lesson income	-	81,223	81,223	75,954
	<u>1,235,069</u>	<u>86,833</u>	<u>1,321,902</u>	<u>698,927</u>
<i>Total 2022</i>	<u>618,173</u>	<u>80,754</u>	<u>698,927</u>	

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Bank interest receivable	176	176	158
	<u>176</u>	<u>176</u>	<u>158</u>
<i>Total 2022</i>	<u>158</u>	<u>158</u>	

HITCHIN BOYS' SCHOOL
(A company limited by guarantee)

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

7. Expenditure

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £	<i>Total 2022 £</i>
Expenditure on educational operations:					
Direct costs	5,594,720	-	397,935	5,992,655	5,817,375
Allocated support costs	843,051	1,384,498	656,916	2,884,465	2,672,825
Other expenditure	273,739	-	965,532	1,239,271	630,133
	<u>6,711,510</u>	<u>1,384,498</u>	<u>2,020,383</u>	<u>10,116,391</u>	<u>9,120,333</u>
<i>Total 2022</i>	<u><u>6,488,169</u></u>	<u><u>1,262,887</u></u>	<u><u>1,369,277</u></u>	<u><u>9,120,333</u></u>	

8. Other expenditure

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Catering costs	366,226	6,964	373,190	299,957
Trip costs	592,192	-	592,192	32,850
Music lesson costs	150	-	150	850
Sports centre - wages and salaries	215,742	-	215,742	231,428
Sports centre - NI	11,082	-	11,082	12,744
Sports centre - pension costs	46,915	-	46,915	52,304
	<u>1,232,307</u>	<u>6,964</u>	<u>1,239,271</u>	<u>630,133</u>
<i>Total 2022</i>	<u><u>628,234</u></u>	<u><u>1,899</u></u>	<u><u>630,133</u></u>	

HITCHIN BOYS' SCHOOL
(A company limited by guarantee)

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

9. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Charitable activities	5,992,655	2,884,465	8,877,120	8,490,200
<i>Total 2022</i>	<u>5,817,375</u>	<u>2,672,825</u>	<u>8,490,200</u>	

Analysis of direct costs

	2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Staff costs	5,557,234	5,557,234	5,357,989
Educational supplies	255,361	255,361	342,971
Examination costs	150,220	150,220	84,323
Educational equipment	11,966	11,966	11,114
Reprographics expenditure	17,874	17,874	20,978
	<u>5,992,655</u>	<u>5,992,655</u>	<u>5,817,375</u>
<i>Total 2022</i>	<u>5,817,375</u>	<u>5,817,375</u>	

HITCHIN BOYS' SCHOOL
(A company limited by guarantee)

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

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2023 £	<i>Total funds 2022 £</i>
Pension cost	19,000	49,000
Staff costs	843,051	772,355
Depreciation	697,204	674,238
Maintenance of equipment	245,566	161,314
Maintenance of premises and equipment	328,214	393,112
Rent and rates	104,160	79,273
Light and heat	254,920	116,356
Staff development	13,020	10,275
Other support costs	318,409	346,759
Insurance	26,964	23,275
Capital expenditure	-	6,397
Governance costs	33,957	40,471
	2,884,465	<i>2,672,825</i>

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023 £	<i>2022 £</i>
Operating lease rentals	65,442	57,988
Depreciation of tangible fixed assets	697,204	674,238
Fees paid to auditor for:		
- audit	10,650	10,550
- other services	2,345	1,825

HITCHIN BOYS' SCHOOL
(A company limited by guarantee)

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

11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023	2022
	£	£
Wages and salaries	5,012,094	4,532,113
Social security costs	506,125	456,822
Pension costs	1,155,805	1,437,885
	<u>6,674,024</u>	<u>6,426,820</u>
Agency staff costs	37,486	61,349
	<u>6,711,510</u>	<u>6,488,169</u>

b. Staff numbers

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

	2023	2022
	No.	No.
Teachers	84	81
Administration and support	57	61
Management	8	8
	<u>149</u>	<u>150</u>

The average headcount expressed as full-time equivalents was:

	2023	2022
	No.	No.
Teachers	77	76
Administration and support	38	41
Management	8	8
	<u>123</u>	<u>125</u>

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11. Staff (continued)

c. Higher paid staff

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

	2023	2022
	No.	No.
In the band £60,001 - £70,000	4	4
In the band £70,001 - £80,000	-	2
In the band £80,001 - £90,000	3	-
In the band £90,001 - £100,000	-	1
In the band £100,001 - £110,000	1	-

The above employees participated in the Teachers' Pension Scheme and Local Government Pension Scheme. During the year ended 31 August 2023, pension contributions for these staff members amounted to £146,575 (2022: £92,943).

d. Key management personnel

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £989,129 (2022 - £758,609).

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12. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

	2023	2022
	£	£
Ms K White, Trustee (Staff) (R: 14 Nov 2022) Remuneration	5,000 -	40,000 -
	10,000	45,000
Pension contributions paid	0 - 5,000	5,000 -
		10,000
Mrs E Taplin, Trustee (Staff) (R: 14 Nov 2022) Remuneration	0 - 5,000	15,000 -
		20,000
Pension contributions paid	0 - 5,000	0 - 5,000
Mrs J McCall, Trustee (Staff) (R: 14 Nov 2022) Remuneration	10,000 -	40,000 -
	15,000	45,000
Pension contributions paid	0 - 5,000	10,000 -
		15,000
Mr F Moane, Head Teacher (R: 31 Aug 2023) Remuneration	105,000 -	90,000 -
	110,000	95,000
Pension contributions paid	25,000 -	20,000 -
	30,000	25,000

During the year ended 31 August 2023, expenses totalling £218 were reimbursed or paid directly to 3 Trustees (2022 - £9,634). The expenses reimbursed were in respect of the purchase of art resources, school supplies, fuel and a train fare for a conference.

13. Trustees' and Officers' insurance

During the year the Academy has opted into the Department of Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the Governors and officers indemnity element from the overall cost of the RPA scheme membership.

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**NOTES TO THE FINANCIAL STATEMENTS
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14. Tangible fixed assets

	Long-term leasehold property £	Plant and machinery £	Furniture and equipment £	Total £
Cost or valuation				
At 1 September 2022	24,058,971	412,920	149,136	24,621,027
Additions	426,179	12,225	13,268	451,672
Disposals	(632)	(126,009)	(14,467)	(141,108)
Transfers between classes	-	(11,038)	11,038	-
At 31 August 2023	<u>24,484,518</u>	<u>288,098</u>	<u>158,975</u>	<u>24,931,591</u>
Depreciation				
At 1 September 2022	2,191,467	326,873	119,062	2,637,402
Charge for the year	650,997	37,251	8,956	697,204
On disposals	-	(126,009)	(13,846)	(139,855)
At 31 August 2023	<u>2,842,464</u>	<u>238,115</u>	<u>114,172</u>	<u>3,194,751</u>
Net book value				
At 31 August 2023	<u>21,642,054</u>	<u>49,983</u>	<u>44,803</u>	<u>21,736,840</u>
At 31 August 2022	<u>21,867,504</u>	<u>86,047</u>	<u>30,074</u>	<u>21,983,625</u>

Included in leasehold property is the value of leasehold improvements since the date of conversion to an Academy. Additions to leasehold property during the year ended 31 August 2023 amounted to £426,179 and relate to CIF works completed in respect of roofing and gas safety, along with final invoices in respect of the Performing Arts and Junior blocks.

15. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	554	26,929
Other debtors	85,455	72,826
Prepayments and accrued income	226,586	557,617
	<u>312,595</u>	<u>657,372</u>

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

16. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Other loans	38,770	23,785
Trade creditors	105,599	79,675
Other taxation and social security	128,251	117,476
Other creditors	208,842	155,348
Accruals and deferred income	542,787	693,345
	1,024,249	1,069,629
	1,024,249	1,069,629

Other loans of £38,770 (2022: £23,785) relate to the short term element of two Salix and three CIF loans. Further details of these loans can be seen in note 18.

17. Accruals and deferred income

	2023	2022
	£	£
Deferred income at 1 September 2022	580,111	607,474
Resources deferred during the year	431,109	580,111
Amounts released from previous periods	(580,111)	(607,474)
Deferred income at 31 August 2023	431,109	580,111
	431,109	580,111

At the balance sheet date the Academy was holding funds received in advance for the following purposes: Trip income £360,151 (2022: £305,190), phone mast annual income £4,635 (2022: £4,248), additional pupil/growth funding £nil (2022: £166,930), music income £27,139 (2022: £29,416), Chromebook income £3,016 (2022: £45,590), rates relief income £32,256 (2022: £27,136) and other smaller amounts totalling £3,912 (2022: £1,601).

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Creditors: Amounts falling due after more than one year

	2023 £	2022 £
Other loans	<u>172,512</u>	<u>215,744</u>

Other loans of £172,512 (2022: £215,744) relate to the long term element of two Salix and four CIF loans.

The Salix loans were originally for £13,048 and £61,633 and given as part of the CIF funding for 2016/17 and 2017/18.

The first loan of £13,048 is interest free and repayable in 16 twice yearly instalments of £816 and will be fully repaid on 1 March 2025. A total balance of £3,266 (2022: £4,897) is outstanding as at 31 August 2023.

The second loan is also interest free and is repayable in 14 twice yearly instalments of £4,402 and will be fully repaid on 1 September 2024. A balance of £13,204 (2022: £22,009) is outstanding at 31 August 2023.

The CIF loans were provided as part of CIF funding in 2019/20, 2020/21 and 2021/22.

The first loan of £106,972 is interest free and repayable in 16 twice yearly instalments of £6,675 and will be fully repaid on 1 March 2028. A total balance of £66,925 (2022: £80,274) is outstanding as at 31 August 2023.

The second loan of £17,850 is repayable in 20 twice yearly instalments of £985 and will be fully repaid on 1 March 2032. Interest is payable on the loan at a rate of 2% per annum. A total balance of £16,225 (2022: £17,850) is outstanding as at 31 August 2023.

The third loan of £31,000 is repayable in 20 twice yearly instalments of £1,721 and will be fully repaid on 1 March 2032. Interest is payable on the loan at a rate of 2% per annum. A total balance of £28,163 (2022: £31,000) is outstanding as at 31 August 2023.

Repayments have not yet commenced for the final loan of £83,500 however these are expected to be made in 20 twice year instalments.

Included within the above are amounts falling due as follows:

Between two and five years

Other loans	<u>120,460</u>	<u>141,017</u>
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Over five years

Other loans	<u>52,052</u>	<u>74,727</u>
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

19. Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the year ended 31 August 2023, the Trust received £7,921 and distributed £8,196 from the fund. A balance of £510 (2022: £785) has been carried forward within bursary funds carried forward.

The Academy Trust also acts as a hub in distributing Schools Direct funding. This funding is received from the ESFA and distributed to schools with regards to trainee teachers who meet the required criteria. During the year, no monies were received from Schools Direct however £1,600 was received from three schools in respect of membership and placement fees. The University of Hertfordshire provided funding of £11,000 as a contribution towards new teachers training. Of this, £3,750 was distributed to other schools and £8,850 was used by the Academy to cover its teacher training costs. All transactions were reflected through the Statement of Financial Activities.

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NOTES TO THE FINANCIAL STATEMENTS
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20. Statement of funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
Unrestricted funds	243,092	1,239,336	(1,232,307)	-	-	250,121
Restricted general funds						
General Annual Grant (GAG)	274,241	7,031,733	(7,074,953)	(73,113)	-	157,908
Other restricted funds	785	1,255,246	(1,054,927)	-	-	201,104
Pension reserve	(409,000)	-	(57,000)	-	325,000	(141,000)
	(133,974)	8,286,979	(8,186,880)	(73,113)	325,000	218,012
Restricted fixed asset funds						
Fixed asset fund	21,937,090	-	(697,204)	456,700	-	21,696,586
CIF - Roof replacement	187,664	71,093	-	(258,757)	-	-
Other capital works	-	124,830	-	(124,830)	-	-
	22,124,754	195,923	(697,204)	73,113	-	21,696,586
Total Restricted funds	21,990,780	8,482,902	(8,884,084)	-	325,000	21,914,598
Total funds	22,233,872	9,722,238	(10,116,391)	-	325,000	22,164,719

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

The General Annual Grant (GAG) must be used for the normal running costs of the Academy. Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount that it could carry forward at 31 August 2023.

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**NOTES TO THE FINANCIAL STATEMENTS
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20. Statement of funds (continued)

The other restricted funds relate to various school and educational activities which are not funded by the General Annual Grant. This predominantly includes pupil premium and other Local Authority funding for which income received is used to cover costs associated with these activities. Unrestricted funds are used towards meeting the charitable objectives of the Academy at the discretion of the Trustees.

The defined benefit pension scheme relates to the pension deficit arising on the LGPS pension scheme. The fund is in deficit but given the nature of the liability this is not payable immediately. Contributions paid by the Academy to the LGPS pension scheme are set by the Fund Actuary at each triennial actuarial valuation. Plans are in place to meet the deficit such that it is not a constraint on funds going forward.

The restricted fixed asset fund was funded predominantly by the funds inherited on conversion from the local authority. Depreciation of tangible fixed assets is allocated to this fund.

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

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2022 £</i>
Unrestricted funds						
Unrestricted funds	239,709	631,617	(628,234)	-	-	243,092
Restricted general funds						
General Annual Grant (GAG)	20,430	6,413,640	(6,155,792)	(4,037)	-	274,241
Other restricted funds	-	1,169,457	(1,168,672)	-	-	785
Pension reserve	(2,727,000)	-	(487,000)	-	2,805,000	(409,000)
	<u>(2,706,570)</u>	<u>7,583,097</u>	<u>(7,811,464)</u>	<u>(4,037)</u>	<u>2,805,000</u>	<u>(133,974)</u>
Restricted fixed asset funds						
Fixed asset fund	22,528,786	26,097	(674,238)	56,445	-	21,937,090
CIF - Roof replacement	-	194,061	(6,397)	-	-	187,664
Other capital works	-	52,408	-	(52,408)	-	-
	<u>22,528,786</u>	<u>272,566</u>	<u>(680,635)</u>	<u>4,037</u>	<u>-</u>	<u>22,124,754</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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20. Statement of funds (continued)

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2022 £</i>
Total Restricted funds	19,822,216	7,855,663	(8,492,099)	-	2,805,000	21,990,780
Total funds	20,061,925	8,487,280	(9,120,333)	-	2,805,000	22,233,872

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	40,254	-	21,696,586	21,736,840
Current assets	209,867	1,555,773	-	1,765,640
Creditors due within one year	-	(1,024,249)	-	(1,024,249)
Creditors due in more than one year	-	(172,512)	-	(172,512)
Provisions for liabilities and charges	-	(141,000)	-	(141,000)
Total	250,121	218,012	21,696,586	22,164,719

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**NOTES TO THE FINANCIAL STATEMENTS
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21. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Restricted fixed asset funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	-	-	21,983,625	21,983,625
Current assets	243,092	1,560,399	141,129	1,944,620
Creditors due within one year	-	(1,069,629)	-	(1,069,629)
Creditors due in more than one year	-	(215,744)	-	(215,744)
Provisions for liabilities and charges	-	(409,000)	-	(409,000)
Total	<u>243,092</u>	<u>(133,974)</u>	<u>22,124,754</u>	<u>22,233,872</u>

22. Reconciliation of net expenditure to net cash flow from operating activities

	2023 £	2022 £
Net expenditure for the year (as per Statement of financial activities)	<u>(394,153)</u>	<u>(633,053)</u>
Adjustments for:		
Depreciation	697,204	674,238
Capital grants from DfE and other capital income	(195,923)	(272,566)
Interest receivable	(176)	(158)
Defined benefit pension scheme cost less contributions payable	38,000	438,000
Defined benefit pension scheme finance cost	19,000	49,000
Decrease/(increase) in debtors	344,777	(279,751)
Decrease in creditors	(45,380)	(43,285)
Net cash provided by/(used in) operating activities	<u><u>463,349</u></u>	<u><u>(67,575)</u></u>

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23. Cash flows from financing activities

	2023 £	2022 £
Cash inflows from new borrowing	-	83,500
Repayments of borrowing	(43,232)	(23,785)
Net cash (used in)/provided by financing activities	(43,232)	59,715

24. Cash flows from investing activities

	2023 £	2022 £
Interest receivable	176	158
Purchase of tangible fixed assets	(451,672)	(113,572)
Proceeds from the sale of tangible fixed assets	1,253	-
Capital grants from DfE Group	195,923	272,566
Net cash (used in)/provided by investing activities	(254,320)	159,152

25. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand and at bank	1,453,045	1,287,248

26. Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	1,287,248	165,797	1,453,045
Debt due within 1 year	(23,785)	(14,985)	(38,770)
Debt due after 1 year	(215,744)	43,232	(172,512)
	1,047,719	194,044	1,241,763

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27. Pension commitments

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

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

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £826,503 (2022 - £731,591).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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

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27. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £359,000 (2022 - £336,000), of which employer's contributions totalled £281,000 (2022 - £264,000) and employees' contributions totalled £ 78,000 (2022 - £72,000). The agreed contribution rates for future years are 22.65 per cent for employers and varying per cent for employees.

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

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

Principal actuarial assumptions

	2023	2022
	%	%
Rate of increase in salaries	3.50	3.45
Rate of increase for pensions in payment/inflation	3.00	3.05
Discount rate for scheme liabilities	5.20	4.25

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

	2023	2022
	Years	Years
<i>Retiring today</i>		
Males	20.0	21.9
Females	24.5	24.4
<i>Retiring in 20 years</i>		
Males	21.4	22.9
Females	25.7	26.0

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**NOTES TO THE FINANCIAL STATEMENTS
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27. Pension commitments (continued)

Sensitivity analysis

	2023	2022
	£000	£000
Discount rate +0.1%	(92)	(91)
Discount rate -0.1%	92	91
Mortality assumption - 1 year increase	163	155
Mortality assumption - 1 year decrease	(155)	(155)
CPI rate +0.1%	89	87
CPI rate -0.1%	(87)	(87)

Share of scheme assets

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

	At 31 August 2023	At 31 August 2022
	£	£
Equities	2,009,000	1,731,000
Corporate bonds	946,000	796,000
Property	551,000	519,000
Cash and other liquid assets	433,000	416,000
Total market value of assets	3,939,000	3,462,000

The actual return on scheme assets was £412,000 (2022 - £342,000).

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

	2023	2022
	£	£
Current service cost	(319,000)	(702,000)
Interest income	153,000	58,000
Interest cost	(172,000)	(107,000)
Total amount recognised in the Statement of financial activities	(338,000)	(751,000)

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27. Pension commitments (continued)

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

	2023 £	2022 £
At 1 September	3,871,000	6,131,000
Current service cost	319,000	702,000
Interest cost	172,000	107,000
Employee contributions	78,000	72,000
Actuarial losses/(gains)	(307,000)	(3,089,000)
Benefits paid	(53,000)	(52,000)
At 31 August	4,080,000	3,871,000

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

	2023 £	2022 £
At 1 September	3,462,000	3,404,000
Interest income	153,000	58,000
Actuarial gains/(losses)	18,000	(284,000)
Employer contributions	281,000	264,000
Employee contributions	78,000	72,000
Benefits paid	(53,000)	(52,000)
At 31 August	3,939,000	3,462,000

28. Operating lease commitments

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

	2023 £	2022 £
Not later than 1 year	15,312	29,113
Later than 1 year and not later than 5 years	946	8,989
	16,258	38,102

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29. 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.

30. Related party transactions

Owing to the nature of the Academy and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy's financial regulations and normal procurement procedures relating to connected and related party transactions.

The following related party transactions took place in the financial period:

Income from related party transactions

During the year, the Academy received donations of £145,439 (2022: £40,256) from Hitchin Boys' School Charitable Trust, a separate Charitable Trust which is not controlled by the Academy. Mrs D Ivory-Webb is School Business Manager of the Academy and a trustee of the Charitable Trust. There were amounts totalling £10,389 outstanding from the Charitable Trust as at 31 August 2023 (2022: £12,986).

In addition, the Academy also received grant income and donations for trips of £22,853 Hitchin Educational Foundation, a separate Charitable Trust which is not controlled by the Academy. Dr H Corkill is chair of trustees for the Academy and a trustee of the Hitchin Educational Foundation. There were no amounts outstanding from Hitchin Educational Foundation as at 31 August 2023.

Finally, the Academy received consortium, exam fee and Schools Direct income totalling £4,799 from The Priory School, a foundation maintained school which is not controlled by the Academy. Mrs K Harvey is a trustee for the Academy and a trustee of the The Priory School. There were no amounts outstanding from The Priory School as at 31 August 2023.

Expenditure from related party transactions

During the year, the Academy made payments of £nil (2022: £nil) to Hitchin Boys' School Charitable Trust, a separate Charitable Trust which is not controlled by the Academy. Mrs D Ivory-Webb is School Business Manager of the Academy and a trustee of the Charitable Trust. There were amounts totalling £2,971 payable to the Charitable Trust as at 31 August 2023 (2022: £nil).

In addition, the Academy made payments of £11,268 to The Priory School, a foundation maintained school which is not controlled by the Academy in respect of exam fees and consortium expenditure. Mrs K Harvey is a trustee for the Academy and a trustee of the The Priory School. There were no amounts payable to The Priory School as at 31 August 2023.

No further related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 12.

