

Charity registration number 525931

Company registration number 00773867 (England and Wales) (England and Wales)

HULME HALL EDUCATIONAL TRUST LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

HULME HALL EDUCATIONAL TRUST LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

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|--------------------------|---|
| Trustees | Mr L H Carr Mrs M Harris Mr. J A Shackleton Mr E W Nicholls Mr T R Lowe |
| Secretary | Mr M Lynch |
| Charity number | 525931 |
| Company number | 00773867 (England and Wales) |
| Registered office | Hulme Hall Grammar School Beech Avenue Stockport United Kingdom SK3 8HB |
| Auditor | Azets Audit Services Alpha House 4 Greek Street Stockport Cheshire United Kingdom SK3 8AB |
| Bankers | National Westminster Bank plc Cheadle Hulme PO Box 2027 Howrich BL6 4YU |
| Solicitors | Squire Patton Boggs (UK) LLP No 1 Spinningfields 1 Hardman Street Manchester M3 3EB |

HULME HALL EDUCATIONAL TRUST LIMITED

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HULME HALL EDUCATIONAL TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2022

The trustees present their annual report and financial statements for the year ended 31 August 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's [governing document], the Companies Act 2006 and "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) (effective 1 January 2019)".

REFERENCE AND ADMINISTRATION INFORMATION

The Hulme Hall Educational Trust Limited is a registered charity (No. 525931) and a company (No. 00773867) limited by membership guarantees. Its registered office is shown on the information sheet.

The trustees who served during the year together with the details of external advisors are noted on the company information sheet.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The charity is governed by its Memorandum and Articles of Association adopted on 12 September 1963 as amended by Special Resolution dated 21 February 2008.

Governing Body

The affairs of the charity are managed by a governing body. The trustees of the charity are also members of the governing body.

| | |
|-------------------|---------------------|
| Mrs Y O Bradbury | (Resigned 17/03/23) |
| Mr L H Carr | |
| Mrs M Harris | |
| Mr T R Lowe | (Chairman) |
| Mr E W Nicholls | |
| Mr J A Shackleton | |

Recruitment and Training of Trustees

The charity's trustees and governors are appointed by the Board of Trustees after due consideration given to eligibility, personal competence, specialist skills and local availability. New trustees and governors are inducted in the workings of the charity and the school by the Board of Trustees, the Headmaster and Business Manager. Ongoing training is provided periodically. The Board continues to actively replace itself with suitable candidates who can demonstrate a passion for continuous improvement and who can offer any skill required of a diverse voluntary group.

Organisational Management

The Governors are legally responsible for the overall management and control of the School. The work of implementing most of their policies is carried out by members of various committees. The Finance Committee meets before each meeting of the governing body and on other occasions. They review management accounts, approve revenue budgets, consider capital projects and costs and finalise the audited accounts and annual report for approval by the governing body. The Education Committee meets at least once each term and focus on all academic matters including analysis of public examination results and curriculum review.

The Full Governing Body meet at least three times a year (once per term) but the various other committees will meet more often if necessary. The Headmaster and the Business Manager attend the meetings of the above Committees.

HULME HALL EDUCATIONAL TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

The day to day running of the schools is delegated to the Headmaster supported by his Senior Leadership Team including the Business Manager.

Risk Management

The governing body is responsible for the management of the risks faced by the school. Detailed considerations of risk are delegated to the Finance Committee and Education Committee who are assisted by members of the Senior Leadership Team. Risks are identified, assessed and controls established throughout the year.

The key controls used by the charity include:

- formal agenda for all Committee and Board activity
- terms of reference for all Committees
- comprehensive strategic planning, budgeting and management accounting
- formal written policies
- clear authorisation and approval levels
- vetting procedures as required by law for the protection of the vulnerable.

Through the risk management processes established by the trust, the trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurances that major risks have been adequately managed.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Objects

The Charity's Objects, as set out in the Memorandum of Association, are for the public benefit to provide education for children between the ages of 2 and 16 by way of management of Hulme Hall Pre-School, Junior Learning Centre and Senior School. In setting objectives, the Governors have also considered the Charity Commission's general guidance on public benefit.

In furthering the Charity's objectives, the school furnishes, maintains and equips its buildings and sports facilities. The school awards means-tested bursaries to deserving pupils who could not otherwise afford to attend the school.

Aims and Intended Impact

The Hulme Hall Educational Trust's aim is to provide a first-class independent education, both through strong academic tuition and through developing wider sporting, artistic and social skills in all its pupils. This is intended to provide an environment where each pupil can develop and fulfil his or her potential, thus to help build self-confidence and inculcate a desire to contribute to the wider community.

The objectives of the school were as follows:

- To provide a complete education package from the age of 11 to 16 years and to continually strive for excellence in all areas.
- To provide a Pre-School offering for children between the ages of 2 and 4.
- To provide a challenging, yet caring and supportive environment, which caters for a wide range of academic abilities.
- To provide a caring, nurturing environment combined with excellent pastoral care, which allows every individual to thrive; personally, socially and morally, as well as academically.
- To ensure that every child achieves, if not exceeds his / her academic potential and has the opportunity to participate in a wide-ranging programme of co-curricular activities.
- To develop the effectiveness of pastoral tutoring in smaller groups so that every pupil is known and valued.

HULME HALL EDUCATIONAL TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

- To focus on the needs of the individual and to tailor the curriculum and associated support and pastoral care to that individual to deliver the best possible results.
- To encourage every pupil to develop all facets of their character: spiritual, intellectual, moral, social, cultural, charitable and emotional.
- To nurture and develop independent learning techniques and approaches to pupils taking ownership of their outcomes.
- To improve public examination results through raising standards of assessment, marking, tracking and intervention.
- To continue to review the content and delivery of the academic curriculum.
- To improve further the quality of teaching through staff development and by ensuring that good practice is promulgated throughout the school.
- To continue to improve the facilities through a managed schedule of maintenance and major works.

Principal activities in the year

The Charity principally provides secondary and primary education in the Greater Manchester and Cheshire area to boys and girls from the ages of 11 to 16. In addition, the Charity provides pre-school education for boys and girls from the ages of 2 to 4.

This year the Senior School averaged 117 (2021:106) pupils and the Pre-School averaged 69 (2021:48) pupils. The number of staff employed during the year, including part-time staff, was; teaching related staff 39 and non-teaching staff 10.

Public Benefit, Aims and Intended Impact

The Trust's public benefit aim is to provide an excellent independent education through a strong academic tradition and through developing wider social, moral and personal skills. These are encouraged through the development of a supportive community which places a strong emphasis on the individual development of boys and girls. Such an environment helps pupils to learn self-discipline, participate in and be enriched by the challenges of many extra-curricular activities which will contribute to their success in life beyond school and university by equipping them with high moral values, personal qualities and a thirst for knowledge which will serve them all their lives and enable them to become worthwhile and responsible citizens.

In setting out policy and planning these activities the Trustees and Governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular the requirement to demonstrate that public benefit for any charitable purpose where it had previously been presumed in the absence of evidence to the contrary.

The School continues to provide means-tested bursaries to children whose parents would not otherwise be able to pay the fees. Financial assistance was provided to 23 pupils across the school for the academic year.

Links with local schools and cricket clubs have continued to be developed with a local primary school and cricket clubs using the school's sports facilities. The school continues to host the annual ISA North netball competition which utilises the recently refurbished all weather facility.

The School continues to enjoy running the Duke of Edinburgh Award Scheme and provides opportunities for training pupils to learn about the environment beyond the walls of the school.

HULME HALL EDUCATIONAL TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Grant-making policy

Every year, bursaries and other awards are made to the School's pupils out of unrestricted funds. The Governors' policy is to make these awards on the basis of the individual's educational potential and, in the case of bursaries, of financial aid. All bursaries granted are means-tested. This year the School gave bursaries and other discounts of £105k (2021:£83k) to help 29 (2021:18) pupils.

External Relations

The School has maintained its membership of a recognised national association throughout the year. The Headmaster is a member of the Independent Schools Association (ISA). The School are also members of the Association of Governing Bodies for Independent Schools (AGBIS) and the Independent Schools Bursar Association (ISBA).

The membership of these associations allows the school to draw on considerable expertise from those associations in matters of compliance and educational excellence.

Going concern

In 2017 the School relocated to a new site by entering into a lease agreement with the Department for Education with an option to purchase the site at a later date. The proceeds from the sale of the old school site have been used to strengthen the School's financial position significantly since the relocation. The lease agreement and option agreement were extended further to February 2024. In addition, the school continued to assess all options relating to the disposal of the all or part of the Butterfields site to boost reserves further and provide the necessary capital funding to purchase the new building.

Trustees have acted proactively to safeguard the long-term future of the school by exploring options for the merger of the charity into a larger entity to provide financial, operational and governance support, providing greater certainty for the school. Significant progress has been made with the school now in advanced discussions and close to signing an agreement which will ensure the required cash inputs to maintain the 'Going Concern' status of the school for the next twelve months.

The Trustees have reviewed the financial forecasts and projections which demonstrate that with the additional cash injections over the next twelve-month period the school is able to meet its obligations as they fall due for a period of at least twelve months from the date of signing these financial statements.

The Trustees have therefore adopted the going concern basis of accounting in preparing the financial statements.

ACHIEVEMENTS AND PERFORMANCE REVIEW

Operational performance of the schools and public benefit

At the beginning of October 2022, the school received a Focused Compliance Inspection (FCI), along with an Educational Quality Inspection (EQI). Once again, the school was judged as being fully compliant in the FCI part of that inspection process. The EQI part of that process offers more detail and judgements relating to the quality of education on offer at Hulme Hall. Judgements are made regarding the quality of pupils' academic and other achievements, as well as the quality of pupils' personal development. The inspection report can be studied in detail on the School and ISI website.

As noted within the grant making policy above, the principal public benefit provided by the School is means-tested fee assistance (see details of bursaries within this policy above). This meant that a total of 23 pupils were assisted at a cost of £99k, which represents 6.7% of the total gross fees in the senior school.

The Governors confirm that they have had regard to guidance on public benefit issued by the Charities Commission in the exercise of their powers and duties where the guidance is relevant to the operations of the School.

HULME HALL EDUCATIONAL TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

This year, our Year 11 cohort consisted of 19 pupils, many of whom had joined the school part way through their senior school careers. Nationally, schools had reverted to traditional examination and assessments, with grades generally expected to fall slightly, especially at the top end. We did experience a fall in our GCSE pass rates (grades 4-9) to 73%, which matched the national average.

Overall, 13 out of the 19 pupils gained 5 passes or more. In the core subjects, English Language pass rates were at 58%, compared to the national average of 70% (English Literature pass rates were better at 76%). Mathematics, however, held up well with 90% of pupils achieving at least a grade 4 (national average 65%) and science also performed relatively well with a pass rate of 78%.

In a very small cohort, there were some excellent individual results. One pupil achieved 9 passes, including 4 at grade 7, and another also secured 9 passes. Several pupils obtained 8 passes (i.e., grade 4 and above). Another pupil received 7 passes included grade 8s in Mathematics and Science, and three others also gained 7 passes. We saw an improvement in value added for our pupils, when compared to the results from last year. This was a positive, given that we returned to traditional examinations, rather than centre assessed grades.

The school is about more than just achieving examination results though and the excellent pastoral care and the support offered by the unique Enrichment Department enabled some pupils who may have struggled to complete their education elsewhere, to not only do just that, but to do so successfully and achieve some creditable results.

Hulme Hall continues to maintain close links with several colleges and apprenticeship providers in the Greater Manchester and Stockport areas. We are thankful to our 16+ colleagues who have supported us by delivering application assemblies; 1:1 Mock Interviews and attending our Careers Fair. As a result of a planned and varied careers programme, we are once again proud to report that none of our Year 11 Leavers are NEET (Not in Education, Employment or Training).

- Annually 100% of Year 11 Leavers go on to further education, training or employment. This has been the case again for 2021/22. A Levels this year are once again the most popular choice for HHGS Leavers.
- New courses this year include T Level in Construction, Design, Surveying & Planning.
- BTECs / CTECs / Diplomas are for the first time more popular than A levels. They are a popular vocational alternative to A Levels for students looking to access equivalent L3 courses or a GCSE equivalent L2 course.
- Once again, the most popular college is Aquinas and this year Macclesfield was the second most popular destination.
- No Hulme Hall Leaver have gone on to follow an Apprenticeship.
- No Hulme Hall Leaver has continued in Independent education.

School usually participates, where possible, in National ISA Sports events and strives for success in sport. After the COVID hiatus, school sport and competitions are back on the map! HHGS performed well at the North ISA Cross Country with a Year 7 girl and Year 10 boy placing in the top 10 and both gained selection for the North team at the National Finals at Worksop College. Unfortunately, illness meant our Year 7 athlete had to withdraw. Our Year 10 runner was placed 4th overall in the country – which was a great result! The same athlete also went on to represent the North Athletics team at the 2022 ISA National Athletics Championships, held at The City of Manchester Stadium. Competing in the Inter Boys' (U16s) 1500m he again placed 4th overall.

Individual sporting successes out of school has seen a Year 8 girl gaining selection for RYA British Youth Sailing Team for the North Windsurfing division. Furthermore, a Year 10 boy became British U15 Weightlifting Champion (81kg class) and after being nominated for the ISA Athlete of the Term, he was voted to participate in a Q&A session with an Olympic athlete – to further his ambitions to become a world class adult athlete.

Sports Day tournaments for each Year Group saw all school pupils compete in tug-of-war, rounders, football, inflatable body suit gladiator jousts and water games! Dunham House were crowned the overall Sports Day winners and Dunham House also won the overall Annual House Competition.

HULME HALL EDUCATIONAL TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

School ended the year with our Annual Awards Presentation Morning with prizes given to our top athletes and to pupils in all academic, arts, music and performance subjects for Achievement, Commitment & Excellence – our ACE Awards!

During the last academic year, our Bronze Duke of Edinburgh's Award was back up and running face to face, after a year of running virtually. Pupils involved themselves in a variety of Skill, Physical and Volunteer activities, both in and out of, school. Thanks goes once again to Mr Ryan, our D of E manager for overseeing the Award. Also, to subject staff and our Head of Pre-School who facilitated skill and volunteer sessions. Practice walks, training and expeditions were once again supported by our provider from NACRO Outdoor Learning. All 14 participants passed their expedition section and are working towards full certification by the end of this academic year.

School has always encouraged staff and pupils to gain a qualification in Emergency First Aid at Work. We feel that the skills developed not only benefit our community, but also know of occasions outside of school where staff and pupils have put their training to good use and made a significant difference to other people's lives. So, this year, we were once again proud to organise for all teaching staff and Learning Support Assistants to attend a full day course and receive their certification.

2020/21 was another successful year for fundraising for local and national charities. In school the pupils nominated the RMCH – Royal Manchester Children's Hospital – as our recipient. Through a variety of events, staff and pupils went on to raise £1,768.25 for the charity. In addition, school raised over £673.24 at our annual Macmillan Coffee Morning. Fundraising for The Royal British Legion Poppy Appeal totalled £101.70. Our ISI Inspection Report for 2022 noted the great charity and community work that school does – for a small school, we are proud to make a big difference.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The School made a deficit after depreciation of £594k (2020: deficit of £651k). Included within the deficit was £98k relating to additional rent paid to the Department for Education following the extension of the current lease.

The Unrestricted Funds at 31 August 2022 were £1,872k in surplus (2021: £2,467k).

Investment Policy and Performance

At present the investment policy is to maximise the long-term total return of the charity's investment funds subject to the risk normally associated with a balanced approach to portfolio management. All available funds were invested with National Westminster Bank plc deposit accounts. The Trust's Finance Committee will be examining the best returns available on investments.

Reserves Policy

Free reserves available for the use of the charity are deemed to be those that are readily realisable. This excludes property and other fixed assets that will continue to be used for the day-to-day running of the charity.

As a matter of policy, each year the trustees review the value of the reserves required to be held in investments, cash and cash equivalents not restricted to any particular purpose. The governors consider the charity's exposure to the risk of any significant loss of income, and to the risk of unforeseen expenditure, which cannot be mitigated by executive action, and the agreed degree of the risk ascribed to each such event is assessed.

The governors have determined that the free reserves should be equivalent to approximately three to six months direct charitable expenditure. The present level of funding is adequate to support the continuation of the School's activities in the short-term.

HULME HALL EDUCATIONAL TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

FUTURE PLANS

It remains the Governors' and Headmaster's intention to ensure that pupils continue to achieve the best academic results that they can, as this will enable them to gain entry to sixth form colleges or to pursue the next stage of their education as they choose. The aim is also to educate the whole child and to prepare them for life beyond school by having the opportunity to participate in a wide range of pastoral and co-curricular activities, which will enable the individual to make a positive contribution to society once they leave the school.

The key objectives for 2022/2023 are:

1. To increase the number on pupil roll through a clear marketing strategy and continuing to raise the standards right across the School to attract more families to our outstanding school.
1. To make greater use of the data available through the recently introduced baseline testing and half-termly tracking system to better target interventions where required, so that improved outcomes for individual pupils are achieved. Pupils will be encouraged to take an active part in this process.
1. To continue to improve the GCSE results, both in terms of raw results and value-add.
1. Ensure that all pupils receive the highest levels of care, collaborating, as appropriate, with external agencies and other schools. The School will continue to offer additional support to those pupils who need it.
1. To create continuous opportunities for pupils to develop the skills of initiative, application, resilience, perseverance and independence.

The Governors continue to be acutely aware of the economic pressure on parents caused by the level of fees. They will continue to ensure that the fees for tuition offer excellent value for money as well as seeking ways to reduce costs wherever possible without compromising the high standards of teaching, pastoral care, co-curricular opportunities, the provision of other services, and long term investment in the new site and the School's facilities.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Governors, assisted by the Senior Leadership Team is responsible for the management of the risks faced by the School. The Governors view the most significant risk to the future of the School to be a possible future financial implication because of changing economic and political pressures facing the sector.

Health and Safety risk management underpins many of the activities of the School, from daily management of infrastructure risks such as fire to personal risks, particularly when pupils are involved in offsite co-curricular activities. Careful planning and detailed risk assessment procedures are in place to minimise these.

Through the risk management processes established for the School, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. The Senior Leadership of the School regularly reviews these risks and day-to-day management of those risks is delegated to the Senior Leadership Team. Risks are identified, assessed and controls established throughout the year.

HULME HALL EDUCATIONAL TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

AUDITOR

In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed as auditor of the company will be put at a General Meeting.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

The governors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the governors have confirmed that they have taken all the steps that they ought to have taken as governors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The Governors have also taken all necessary steps to comply with their obligations as set out by the Charity Commission to act in the best interests of the charity and comply with their legal duties under charity law, including their duty of prudence.

Approval

By Order of the Board

Approved on behalf of the Trustees



.....
Mr T R Lowe
Chair of Trustees

Date: 27th June 2023

HULME HALL EDUCATIONAL TRUST LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2022

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Governors (who are also directors of Hulme Hall Educational Trust Limited for the purposes of company law and trustees of the charitable company for the purposes of charity law) are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period.

In preparing these financial statements, the governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.
- The governors are responsible for keeping proper accounting records that 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

HULME HALL EDUCATIONAL TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF HULME HALL EDUCATIONAL TRUST LIMITED

Opinion

We have audited the financial statements of Hulme Hall Educational Trust Limited (the 'charity') for the year ended 31 August 2022 which comprise the statement of financial activities, the balance sheet and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice)

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Material uncertainty related to going concern

We draw attention to note 1.2 in the financial statements concerning the charity's ability to continue as a going concern. The charity has an agreement in place to purchase the school site that is currently leased from the Department of Education. The charity continues to explore options to secure a buyer for the Butterfields site and is in advanced discussions and close to signing an agreement for the merger of the charity to provide financial, operational and governance support to maintain the going concern status for at least the next twelve months. The above indicates that a material uncertainty exists that may cast significant doubt on the charity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

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

Other information

The 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.

HULME HALL EDUCATIONAL TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF HULME HALL EDUCATIONAL TRUST LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

HULME HALL EDUCATIONAL TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF HULME HALL EDUCATIONAL TRUST LIMITED

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

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

Jonathan Ward (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

27/4/2023

Chartered Accountants
Statutory Auditor



Alpha House
4 Greek Street
Stockport
Cheshire
United Kingdom
SK3 8AB

HULME HALL EDUCATIONAL TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2022

| | Notes | Unrestricted funds 2022 £ | Unrestricted funds 2021 £ |
|--|-------|---------------------------------|---------------------------------|
| <u>Income and endowments from:</u> | | | |
| Charitable activities | 4 | 1,835,247 | 1,473,465 |
| Investments | 3 | 1,545 | 3,109 |
| Other income | 5 | 15,662 | 16,214 |
| Total income | | 1,852,454 | 1,492,788 |
| <u>Expenditure on:</u> | | | |
| Charitable activities | 6 | 2,446,811 | 2,144,229 |
| Net expenditure for the year/ Net movement in funds | | (594,357) | (651,441) |
| Fund balances at 1 September 2021 | | 2,466,124 | 3,118,181 |
| Fund balances at 31 August 2022 | | 1,871,767 | 2,466,740 |

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

All income and expenditure derive from continuing activities.

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

HULME HALL EDUCATIONAL TRUST LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2022

| | Notes | 2022 £ | £ | 2021 £ | £ |
|---|-------|------------------|-------------------------|------------------|-------------------------|
| Fixed assets | | | | | |
| Tangible assets | 10 | | 1,693,724 | | 442,989 |
| Current assets | | | | | |
| Debtors | 11 | 171,092 | | 146,972 | |
| Cash at bank and in hand | | 432,777 | | 2,115,302 | |
| | | <u>603,869</u> | | <u>2,262,274</u> | |
| Creditors: amounts falling due within one year | 12 | <u>(425,826)</u> | | <u>(238,523)</u> | |
| Net current assets | | | <u>178,043</u> | | <u>2,023,751</u> |
| Total assets less current liabilities | | | <u><u>1,871,767</u></u> | | <u><u>2,466,740</u></u> |
| Income funds | | | | | |
| Unrestricted funds | | | <u>1,871,767</u> | | <u>2,466,740</u> |
| | | | <u><u>1,871,767</u></u> | | <u><u>2,466,740</u></u> |

The financial statements were approved by the Trustees on 27th June 2023



Mr T R Lowe
Trustee

Company registration number 00773867 (England and Wales)

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

Charity information

Hulme Hall Educational Trust Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Hulme Hall Grammar School, Beech Avenue, Stockport, SK3 8HB, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document dated 12th September 1963 as amended by Special Resolution dated 21 February 2008, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

These financial statements are prepared on the going concern basis. The trustees have a reasonable expectation that the charity will continue in operational existence for the foreseeable future, however, the trustees are aware of certain material uncertainties which may cause doubt on the charity's ability to continue as a going concern.

In 2017 the School relocated to a new site by entering into a lease agreement with the Department for Education with an option to purchase the site at a later date. The proceeds from the sale of the old school site have been used to strengthen the School's financial position significantly since the relocation. The lease agreement and option agreement were extended further to February 2024. In addition, the school continued to assess all options relating to the disposal of the all or part of the Butterfields site to boost reserves further and provide the necessary capital funding to purchase the new building.

Trustees have acted proactively to safeguard the long-term future of the school by exploring options for the merger of the charity into a larger entity to provide financial, operational and governance support, providing greater certainty for the school. Significant progress has been made with the school now in advanced discussions and close to signing an agreement which will ensure the required cash inputs to maintain the 'Going Concern' status of the school for the next twelve months.

The Trustees have reviewed the financial forecasts and projections which demonstrate that with the additional cash injections over the next twelve-month period the school is able to meet its obligations as they fall due for a period of at least twelve months from the date of signing these financial statements.

The Trustees have therefore adopted the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Government grants are recognised when there is reasonable assurance that the entity will comply with the conditions attaching to the grant and the grant will be received.

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Fee income is measured at the fair value of the consideration received or receivable and represents amounts receivable for tuition, learning support and other school related activities.

1.5 Resources expended

Resources expended are included in the statement of financial activities on an accruals basis. Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories in the Statement of Financial Activities (SOFA) on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly whilst others are apportioned on an appropriate basis

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|-----------------------------|------------------------------------|
| Freehold land and buildings | 2% per annum, straight line |
| Leasehold improvements | 7% - 10% per annum, straight line |
| Fixtures and fittings | 20% - 25% per annum, straight line |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

In view of the fact the company is a registered charity, no provision is made for either current or deferred taxation.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

1.13 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

1.14 Value Added Tax

Value added tax is not recoverable by the charity, and as such is included in the relevant costs in the statement of financial activities.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

There are no critical accounting estimates or judgements.

3 Investments

| | Unrestricted funds | Unrestricted funds |
|---------------------|-----------------------|-----------------------|
| | 2022 | 2021 |
| | £ | £ |
| Interest receivable | 1,545 | 3,109 |

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

4 Charitable activities

| | Charitable Income 2022 £ | Charitable Income 2021 £ |
|--------------------|-----------------------------------|--------------------------------|
| School Meals | 68,930 | 46,055 |
| Ordinary tuition | 1,754,065 | 1,417,157 |
| Rent and room hire | 12,252 | 10,253 |
| | <u>1,835,247</u> | <u>1,473,465</u> |

5 Other income

| | Unrestricted funds 2022 £ | Unrestricted funds 2021 £ |
|--|------------------------------------|------------------------------------|
| Other income | 6,177 | 14,505 |
| Locker rentals, assessment fees and other recoverable expenses | 9,485 | 1,709 |
| | <u>15,662</u> | <u>16,214</u> |

6 Charitable activities

| | Charitable Expenditure 2022 £ | Charitable Expenditure 2021 £ |
|--|--|--|
| Staff costs | 1,626,242 | 1,529,986 |
| Depreciation and impairment | 105,799 | 58,278 |
| Premises costs | 123,455 | 140,725 |
| Supplies, equipment and tools | 323,734 | 221,474 |
| Establishment costs | 141,112 | 93,151 |
| Sundry costs | 62,220 | 58,329 |
| Financial costs | 20,346 | 7,719 |
| | <u>2,402,908</u> | <u>2,109,662</u> |
| Share of governance costs (see note 7) | 43,903 | 34,567 |
| | <u>2,446,811</u> | <u>2,144,229</u> |

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

7 Support costs

| | Support costs £ | Governance costs £ | 2022 Support costs £ | Governance costs £ | 2021 £ |
|---|--------------------|-----------------------|-------------------------|-----------------------|-----------|
| Audit fees | - | 13,640 | 13,640 | - | 13,828 |
| Legal and professional | - | 30,263 | 30,263 | - | 20,739 |
| | - | 43,903 | 43,903 | - | 34,567 |
| Analysed between Charitable activities | - | 43,903 | 43,903 | - | 34,567 |

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

9 Employees

The average monthly number of employees during the year was:

| | 2022 Number | 2021 Number |
|----------------------|----------------|----------------|
| Teaching staff | 46 | 44 |
| Administrative staff | 7 | 7 |
| Maintenance staff | 4 | 4 |
| Total | 57 | 55 |

| Employment costs | 2022 £ | 2021 £ |
|-----------------------|-----------|-----------|
| Wages and salaries | 1,370,893 | 1,273,757 |
| Social security costs | 120,554 | 110,547 |
| Other pension costs | 134,795 | 145,682 |
| | 1,626,242 | 1,529,986 |

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

9 Employees

(Continued)

The number of employees whose annual remuneration was more than £60,000 is as follows:

| | 2022 Number | 2021 Number |
|-------------------|----------------|----------------|
| £60,000 - £69,999 | 1 | 1 |
| £70,000 - £79,999 | 1 | 1 |

10 Tangible fixed assets

| | Freehold land and buildings £ | Leasehold improvements £ | Fixtures and fittings £ | Total £ |
|------------------------------------|-------------------------------------|--------------------------------|-------------------------------|------------|
| Cost | | | | |
| At 1 September 2021 | 98,412 | 370,227 | 183,189 | 651,828 |
| Additions | 1,115,000 | - | 241,533 | 1,356,533 |
| At 31 August 2022 | 1,213,412 | 370,227 | 424,722 | 2,008,361 |
| Depreciation and impairment | | | | |
| At 1 September 2021 | 49,158 | 74,212 | 85,469 | 208,839 |
| Depreciation charged in the year | 1,968 | 24,694 | 79,136 | 105,798 |
| At 31 August 2022 | 51,126 | 98,906 | 164,605 | 314,637 |
| Carrying amount | | | | |
| At 31 August 2022 | 1,162,286 | 271,321 | 260,117 | 1,693,724 |
| At 31 August 2021 | 49,254 | 296,015 | 97,720 | 442,989 |

11 Debtors

| | 2022 £ | 2021 £ |
|---|-----------|-----------|
| Amounts falling due within one year: | | |
| Trade debtors | 66,573 | 73,153 |
| Prepayments and accrued income | 104,519 | 73,819 |
| | 171,092 | 146,972 |

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

12 Creditors: amounts falling due within one year

| | 2022 £ | 2021 £ |
|------------------------------------|----------------|----------------|
| Other taxation and social security | 30,879 | 26,011 |
| Trade creditors | 171,371 | 49,499 |
| Other creditors | 2,653 | 1,500 |
| Accruals and deferred income | 220,923 | 161,513 |
| | <u>425,826</u> | <u>238,523</u> |

13 Analysis of net assets between funds

| | Unrestricted funds 2022 £ | Unrestricted funds 2021 £ |
|---|------------------------------------|------------------------------------|
| Fund balances at 31 August 2022 are represented by: | | |
| Tangible assets | 1,693,724 | 442,989 |
| Current assets/(liabilities) | 178,043 | 2,023,751 |
| | <u>1,871,767</u> | <u>2,466,740</u> |

All funds are unrestricted.

14 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

| | 2022 £ | 2021 £ |
|----------------------------|---------------|---------------|
| Within one year | 30,552 | 11,930 |
| Between two and five years | - | 7,565 |
| | <u>30,552</u> | <u>19,495</u> |

Lessor

At the reporting end date the charity had contracted with tenants for the following minimum lease payments:

| | 2022 £ | 2021 £ |
|-----------------|--------------|--------------|
| Within one year | <u>9,000</u> | <u>4,000</u> |

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

| | | |
|-------------------------------|-------------|-------------|
| 15 Capital commitments | 2022 | 2021 |
| | £ | £ |

At 31 August 2022 the charity had capital commitments as follows:

Contracted for but not provided in the financial statements:

| | | |
|--|-----------|---|
| Acquisition of property, plant and equipment | 1,115,000 | - |
|--|-----------|---|

The charity is committed to the purchase of the school site at Beech Avenue, Stockport, SK3 8HB. During the year, an initial payment of £1,115,000 was paid. The total consideration is £2,230,000

16 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

17 Teachers' Pension 2022

The School participated in the Teachers' Pension Scheme ("the TPS") for its teaching staff until 31 January 2021. The pension charge for the year includes contributions to the TPS of £nil (2021: £61,787) and the year-end £nil (2021: £nil) was accrued in respect of contributions to the scheme.

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

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%. Had the charitable company not left the scheme on 31 January 2021 this employer rate would have been payable until the outcome of the next actuarial valuation.

In February 2021 the school commenced a defined contribution scheme with Aviva which became the sole scheme for teaching staff from 1 February 2021. The cost for the year represents the school's contributions to this scheme of £124,578 (2021: £72,740).

The school also administers an auto enrolment scheme, The Peoples Pension, for its non-teaching staff. The cost for the year represents the school's contributions to the auto enrolment scheme of £7,762 (2021: £8,602).