

HULME HALL EDUCATIONAL TRUST LIMITED

England & Wales · Charity number 525931

Details

Other names HULME HALL SCHOOL

Status Registered

Legal form Charitable company

Company number [00773867](#)

Registered 1965-03-16

Register [View on the Charity Commission register](#)

Contact

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Cale Green
Stockport CHESHIRE
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Email secretary@hulmehallschool.org

Website www.hulmehallschool.org

Activities

Objects: 1. TO ESTABLISH AND MAINTAIN HULME HALL SCHOOL AND AS AN INDEPENDENT OBJECT1.1 TO ESTABLISH OR ACQUIRE AS A GOING CONCERN AND CARRY ON OR MANAGE ELSEWHERE ANY SUBSIDIARY AFFILIATED OR OTHER SCHOOLS FOR THE EDUCATION OF BOYS AND GIRLS EITHER IN CONNECTION WITH HULME HALL SCHOOL OR AS INDEPENDENT SCHOOLS AND1.2 TO SUPPLY TO THE PUPILS GENERAL INSTRUCTION OF THE HIGHEST CLASS TOGETHER WITH PHYSICAL AND MORAL TRAINING BUT SO THAT EACH SUCH SCHOOL SHALL BE CARRIED ON AS AN EDUCATIONAL CHARITY AND3.2 TO OPERATE ANY SCHOOLS ACQUIRED BY THE CHARITY AS EDUCATIONAL CHARITIES AND TO USE AND APPLY FOR THAT PURPOSE ALL MONEYS AND PROPERTY COMING TO IT

Activities: We are a School that provides full time education to children and young people between the ages of 2 to 16 in a supportive and high quality environment. The School's aims are to be recognised as a school in which pupils obtain high levels of personal and academic achievement. Our mission is to realise our pupils' true potential.

Classification

- **How:** Provides Services
- **What:** Education/training
- **Who:** Children/young People

Geography

- Cheshire East
- Cheshire West & Chester
- Stockport

Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£2,649,378	£3,023,948	£2,572,400	60
2023-08-31	£2,386,115	£2,737,142	£1,520,740	55
2022-08-31	£1,852,454	£2,446,811	£1,871,767	57
2021-08-31	£1,492,788	£2,144,229	£2,466,740	58
2020-08-31	£5,523,758	£2,066,213	£3,118,342	57

Trustees

Name	Role	Appointed
Timothy Lowe	Chair	2013-12-16
Christopher Milton Robertson		2026-03-25
Edward William Nicholls		2021-06-13
John Shackelton		2014-04-22
LAURENCE HOWARTH CARR		2017-03-23
Richard Charles Shonfeld		2026-03-25

HULME HALL EDUCATIONAL TRUST LIMITED

England & Wales - Charity number 525931

Accounts

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 2024

HULME HALL EDUCATIONAL TRUST LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr L H Carr Mr. J A Shackleton Mr E W Nicholls Mr T R Lowe
Secretary	Mr S Malkin
Charity number	525931
Company number	00773867 (England and Wales)
Registered office	Hulme Hall Grammar School Beech Avenue Stockport United Kingdom SK3 8HA
Auditor	Azets Audit Services Alpha House 4 Greek Street Stockport 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 2024

The trustees present their annual report and financial statements for the year ended 31 August 2024.

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.

Mr Timothy Lowe (Chairman)
Mr Laurence Carr
Mr Edward Nicholls
Mr John Shackleton

Recruitment and Training of Trustees

The charity's trustees and Trustees are appointed by the Board of Trustees after due consideration given to eligibility, personal competence, specialist skills and local availability. New trustees and Trustees 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.

HULME HALL EDUCATIONAL TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

Organisational Management

The Trustees 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 normally 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 normally 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.

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.

HULME HALL EDUCATIONAL TRUST LIMITED

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

FOR THE YEAR ENDED 31 AUGUST 2024

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 Trustees 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.
- 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.

HULME HALL EDUCATIONAL TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

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 159 (2023:155) pupils and the Pre-School averaged 67 (2023:65) pupils. The number of staff employed during the year, including part-time staff, was; teaching related staff 49 and non-teaching staff 11.

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 Trustees 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 18 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 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.

Grant-making policy

Every year, bursaries and other awards are made to the School's pupils out of unrestricted funds. The Trustees' 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 £135k (2023:£116k) to help 31 (2023:32) 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.

HULME HALL EDUCATIONAL TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 AUGUST 2024*

Going Concern

In 2017 the School relocated to its current 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 were used to strengthen the School's financial position. In May 2024 the School completed the disposal of the Buttersfield site to boost reserves further and provide the necessary capital funding to purchase the current school building from the Department of Education.

Trustees continue to act proactively to safeguard the long-term future of the school by exploring possible options such as the merger of the charity into a larger entity to provide financial, operational and governance support, providing greater certainty for the school.

The Trustees have reviewed the financial forecasts and projections which demonstrate that, despite the future challenges of VAT on school fees, abolition of business rate relief and additional National Insurance contributions (all due to take effect in 2025), 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.

HULME HALL EDUCATIONAL TRUST LIMITED

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

FOR THE YEAR ENDED 31 AUGUST 2024

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) and other fee discounts. This meant that a total of 31 pupils were assisted at a cost of £135k, which represents 6.6% of the total gross fees in the senior school.

The Trustees 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.

This year, the Year 11 cohort consisted of 33 pupils, many of whom had joined the school part way through their senior school careers. Our GCSE pass rates (grades 4-9 inclusive) were at 85%, very similar to last year's 86%, though there was a further, very pleasing increase in the percentage of top grades (grades 7-9 inclusive) awarded, up to over 22%, an increase on last year's figure of 18%, which in itself was a big increase from 2022.

On a subject level, the Mathematics department are worthy of special mention, securing a 97% pass rate – this is in a subject where pass rates nationally were around the 60% mark.

Results in English and Science also clearly beat the national average in terms of pass rates, with English achieving 82%** (national average 62%) and science 88% (national average 57%). Art, Craft and Design, Photography, Food Preparation and Nutrition, Music and Psychology all achieved 100% pass rates.

Unlike some other independent schools, Hulme Hall is not an academically selective school as such, and we cater for children with a wide range of academic abilities. Therefore, simply looking at raw results doesn't necessarily provide an accurate picture of an individual child's achievements. For example, achieving a grade 4 or 5 may actually be a very good result for a child if that result exceeds their predicted or expected grade.

For that reason, we also look closely at our Value Added data for each individual pupil. Every pupil completes a baseline assessment in years 7 and 10 (CAT4), which provides a prediction of what that child might be expected to achieve in each GCSE subject. As a school, we aim, through the use of small class sizes, high quality teaching and individually tailored support, to help that child achieve beyond their baseline targets. In other words, we try to "add value" for that child. This year our GCSE pupils, on average, were able to score close to a full grade (+0.7) better per subject than was predicted by the baseline data collected at the start of their Hulme Hall careers. That is very encouraging, especially as the examination boards have reverted to tighter pre-pandemic grading levels.

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 the 2024 Careers Fair. As a result of a planned and varied careers programme, we are pleased to report that only one of our Year 11 Class of 2024 Leavers was NEET (Not in Education, Employment or Training).

HULME HALL EDUCATIONAL TRUST LIMITED

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

FOR THE YEAR ENDED 31 AUGUST 2024

- 33/34 Year 11 Leavers went on to further education, training or employment.
- BTECs & Diplomas continue to be popular choices alongside traditional A Level subjects.
- This year the most popular college was Stockport.
- One Hulme Hall Leaver have gone on to follow an Apprenticeship in accounting.
- Two Hulme Hall Leavers have continued in Independent education.

To celebrate a successful set of GCSE Results and to end their schooling at HHGS on a high, the Annual Leavers' Prom was reinstated in 2024 after a hiatus following the COVID pandemic. Over 65 staff and students enjoyed a formal evening where dressing up, arriving in style, eating, dancing and receiving Prom Poll Awards and voting for our Prom King and Prom Queen were enjoyed by all!

School continues to participate, where possible, in National ISA Sports events and strives for success in both team and individual pursuits. HHGS performed well at the North ISA Cross Country race with a Year 9 pupil placing overall 3rd in their race and gaining selection for the 3rd successive year to the North team at the National Finals, placing 12th overall in the country for her age group. Athletes also performed well at the ISA North Athletics Championships, with one Year 10 student gaining selection to represent the North at the National Finals at the Alexander Stadium, Birmingham.

Girls' sporting opportunities have developed over the past 12 months, with Netball teams once again competing in friendlies against other small ISA schools and some local Grammar Schools. A successful competitive netball weekend residential took place at Boreatton Park, Shropshire in May 2024. The netball girls were introduced to the possibilities open to elite / talented players, when England Roses Academy Player / Manchester Thunder Netball Super League Player Ella Bowen visited school and ran both a coaching session and a Q&A. This was then followed by a visit to the AO Arena Manchester to attend a fixture and support our local Manchester Thunder team in defence of their 2023 Super League title.

Football continues to be the most popular sporting activity pursued by the boys in school. Teams were busy with a number of friendly fixtures throughout the season. As with the girls' netball, age groups come together to establish teams and compete both locally and at ISA tournaments. Two notable players in Year 8 are linked to football Academies, one playing at Stoke City FC and one playing at Macclesfield Town FC.

Sports clubs have continued to be popular both at lunchtimes and after school, with attendance continuing to grow. Rugby training has been added as an extra club this year at the request of the School Council.

Individual Sporting Achievements include a Year 10 student who, to add to her North of England representational honours, continues her Windsurfing journey by competing and medalling in Inter-Club series at both Burton and Nottingham Sailing Clubs. A Year 9 student is following in his dad's footsteps by aiming to become a professional racing driver. He trains and competes both nationally and internationally in the Junior Karting Circuit and is hoping to move on to car track races during the next academic year.

On Sports Day, tournaments for each Year Group saw all school pupils compete in tug-of-war, rounders, football, beachball volleyball, silly games relays and welly-wanging and water games! Once again, Lyme House were crowned the overall Sports Day winners and Dunham House also won the overall Annual House Competition.

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, school had pupils participating in both the Bronze and Silver Duke of Edinburgh's Award. Pupils involved themselves in a variety of Skill, Physical and Volunteer activities, both in and out of, school. 17 participants passed their Bronze Expedition, and 5 participants passed their Silver Expedition section, and all are working towards full certification.

Notable academic achievements this year include HHGS Year 10 students competing in the Stockport Grammar Annual Science Team Challenge.

HULME HALL EDUCATIONAL TRUST LIMITED

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

FOR THE YEAR ENDED 31 AUGUST 2024

Arts subjects have endeavoured to stretch and challenge our students this year. The Art and Design and Photography Exhibition was once again a feature of the Summer Term with pieces on display from GCSE candidates, Key Stage 3 artists and also pieces of art, photography and crafts submitted by members of staff.

Our Music Department continues to increase the number of pupils playing instruments, singing and taking exams. School held two concerts this year - The Movie Soundtrack themed Spring Concert and the Summer Showcase where pupils who receive peripatetic music lessons were able to demonstrate their talents in a variety of disciplines including singing, drums, piano, violin, flute and guitar.

LAMDA (London Academy of Music and Dramatic Arts) continues to be a thriving peripatetic lesson and a popular addition to our enrichment programme. 3 students completed LAMDA exams in the summer as follows:

Year 9 (FB) - DISTINCTION - 91/100 - Grade 3
Year 8 (LF) - DISTINCTION - 90/100 - Grade 3
Year 8 (HR) - DISTINCTION - 90/100 - Grade 2

The Drama and Music Departments collaborated at Christmas by presenting an Elizabethan penned by Head of Drama Ahsan entitled (Have Yourself) A Merry Tudor Christmas. This drew on the talents of a large number of performers, over 50, from Years 7-11 both performing on stage, in the band and behind the scenes helping with the technical aspects of the show.

Annually the school endeavours to provide our students with an array of visits to stimulate interest, enrich their education and provide them with opportunities that go beyond the classroom. During the academic year 2023/4, students participated in Curriculum Enrichment Days which included: Year 7 Bonding Day; Catalyst Science Discovery Centre; Castleton Caverns and Mam Tor; Rock & River Outdoor Pursuits; Lowry Art Gallery and Imperial War Museum North. They attended the Bolton Octagon for a Christmas Panto and GCSE Drama students also had a visit to Manchester's Royal Exchange Theatre to enjoy a live performance of the Shelagh Delaney play, "A Taste of Honey."

Our annual trip to London was attended by 40 students as a reward for their involvement with the Christmas Production and visit to Manchester City's Etihad Stadium allowed sports and nutrition students to experience a day in the life of an MCFC professional footballer.

2023/24 was another successful year for fundraising for local and national charities. In school the pupils nominated suicide prevention charity POPYRUS UK as our recipients this year. Through a variety of events, staff and pupils went on to raise £1,783.45. In addition, school raised £741.01 at our annual Macmillan Coffee Morning. 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.

HULME HALL EDUCATIONAL TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The School made a surplus after depreciation of £1,052k (2023: deficit of £351k). Included within the surplus was £1,426k net profit on disposal of the Butterfield site and £272k costs associated with the rental and subsequent purchase of the current site and work on an aborted sale to a third party.

The Unrestricted Funds at 31 August 2024 were £2,572k in surplus (2023: £1,521).

Trustees recognise that the continuing very significant economic pressures on parents may have an impact on future recruitment and retention.

However, they note the huge commitment of families to Hulme Hall Grammar School and their children's education and that the level of fee debt owed to the School has not increased significantly. The new Labour Government's intention to introduce VAT on School fees and withdraw Business Rates Relief for Charities causes significant uncertainty in the sector and will pose significant further financial pressures on the School throughout 2025 and beyond. The Trustees are mindful of this and continue to ensure that efficiencies are made where possible to cushion against financial shocks.

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 Trustees 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 Trustees 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 2024

FUTURE PLANS

It remains the Trustees' 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 2024/2025 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, in order to promote their well-being. 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. A co-curricular programme is in place to support this.

The Trustees 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 Trustees, assisted by the Senior Leadership Team is responsible for the management of the risks faced by the School. The Trustees 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 Trustees 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 2024

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 Trustees 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 Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The Trustees 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 Lowe - Chairman

Date: 12.05.25

HULME HALL EDUCATIONAL TRUST LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2024

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Trustees (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 Trustees' 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 Trustees 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 Trustees 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 Trustees 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 Trustees 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 2024 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 2024 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.

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 charity'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.

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.

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.

HULME HALL EDUCATIONAL TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF HULME HALL EDUCATIONAL TRUST LIMITED

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.

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 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 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

15/5/2025

Chartered Accountants
Statutory Auditor



Alpha House
4 Greek Street
Stockport
United Kingdom
SK3 8AB

HULME HALL EDUCATIONAL TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	Unrestricted funds 2024 £	Unrestricted funds 2023 £
<u>Income and endowments from:</u>			
Charitable activities	4	2,630,751	2,363,527
Investments	3	-	142
Other income	5	18,627	22,446
Total income		<u>2,649,378</u>	<u>2,386,115</u>
<u>Expenditure on:</u>			
Charitable activities	6	3,023,948	2,737,142
Gain on disposal of tangible fixed asset	10	(1,426,230)	-
Total resources expended		<u>1,597,718</u>	<u>2,737,142</u>
Net income/(expenditure) for the year/ Net movement in funds		1,051,660	(351,027)
Fund balances at 1 September 2023		<u>1,520,740</u>	<u>1,871,767</u>
Fund balances at 31 August 2024		<u><u>2,572,400</u></u>	<u><u>1,520,740</u></u>

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 2024

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Tangible assets	12		2,652,038		1,661,272
Current assets					
Debtors	13	124,861		117,323	
Cash at bank and in hand		799,344		80,358	
		<u>924,205</u>		<u>197,681</u>	
Creditors: amounts falling due within one year	14	<u>(815,953)</u>		<u>(338,213)</u>	
Net current assets/(liabilities)			108,252		(140,532)
Total assets less current liabilities			<u>2,760,290</u>		<u>1,520,740</u>
Creditors: amounts falling due after more than one year	15		(187,890)		-
Net assets			<u><u>2,572,400</u></u>		<u><u>1,520,740</u></u>
Income funds					
Unrestricted funds			2,572,400		1,520,740
			<u><u>2,572,400</u></u>		<u><u>1,520,740</u></u>

The financial statements were approved by the Trustees on 16TH MAY 2025



Mr E W Nicholls
Trustee

Company registration number 00773867 (England and Wales)

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

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

The Trustees have reviewed the financial forecasts and projections for the next twelve-month period and therefore believe that 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.

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.

Fee income is recognised in the period the income relates.

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.

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies (Continued)

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

On acquisition of tangible fixed assets the assets are charged with a full year of depreciation.

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).

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.

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

(Continued)

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.

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.

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies (Continued)

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.

From 1 January 2025 independent school fees will be subject to VAT and the charity will be required to register for VAT.

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

	Total Unrestricted funds	
	2024	2023
	£	£
Interest receivable	-	142

4 Charitable activities

	Charitable Income	Charitable Income
	2024	2023
	£	£
School Meals	92,924	83,165
Tuition	2,526,641	2,272,227
Rent and room hire	11,186	8,135
	<u>2,630,751</u>	<u>2,363,527</u>

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

5 Other income	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
Other income	7,885	7,915
Assessment fees and other recoverable expenses	10,742	14,531
	<u>18,627</u>	<u>22,446</u>
6 Charitable activities	Charitable Expenditure	Charitable Expenditure
	2024	2023
	£	£
Staff costs	1,868,863	1,721,055
Depreciation and impairment	167,318	113,719
Premises costs	190,441	129,531
Supplies, equipment and tools	436,591	406,593
Establishment costs	122,253	140,816
Sundry costs	69,195	61,803
Financial costs	(13,824)	29,784
	<u>2,840,837</u>	<u>2,603,301</u>
Share of governance costs (see note 7)	183,111	133,841
	<u>3,023,948</u>	<u>2,737,142</u>
7 Governance costs	2024	2023
	£	£
Audit fees	11,000	10,975
Legal and professional	172,111	122,866
	<u>183,111</u>	<u>133,841</u>
Analysed between Charitable activities	<u>183,111</u>	<u>133,841</u>

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

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:

	2024	2023
	Number	Number
Teaching staff	49	50
Administrative staff	7	4
Maintenance staff	4	1
Total	<u>60</u>	<u>55</u>

Employment costs	2024	2023
	£	£
Wages and salaries	1,573,334	1,452,277
Social security costs	139,756	125,399
Other pension costs	155,773	143,379
	<u>1,868,863</u>	<u>1,721,055</u>

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

	2024	2023
	Number	Number
£70,000 - £79,999	1	1
£90,000 - £99,999	1	1
	<u>2</u>	<u>2</u>

Total key management remuneration includes: Gross Pay, Employer Pension and Employer National Insurance Contributions.

The total key management remuneration for the year was £207,063.46 (2023: £195,563.42). This is made up of gross pay, employer national insurance and employers pension contributions.

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

10 Other

	Unrestricted funds	Unrestricted funds
	2024 £	2023 £
Net gain on disposal of tangible fixed assets	1,426,230	-
	<u>1,426,230</u>	<u>-</u>
	<u><u>1,426,230</u></u>	<u><u>-</u></u>
For the year ended 31 August 2023		

11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

12 Tangible fixed assets

	Freehold land and buildings	Leasehold improvements	Fixtures and fittings	Total
	£	£	£	£
Cost				
At 1 September 2023	1,213,412	370,227	505,989	2,089,628
Additions	1,152,295	-	51,106	1,203,401
Disposals	(98,412)	-	-	(98,412)
Transfer of asset type upon purchase of school site	370,227	(370,227)	-	-
	<u>2,637,522</u>	<u>-</u>	<u>557,095</u>	<u>3,194,617</u>
At 31 August 2024	2,637,522	-	557,095	3,194,617
Depreciation and impairment				
At 1 September 2023	53,094	123,600	251,661	428,355
Depreciation charged in the year	45,346	24,694	97,278	167,318
Eliminated in respect of disposals	(53,094)	-	-	(53,094)
Transfer of asset type upon purchase of school site	148,294	(148,294)	-	-
	<u>193,640</u>	<u>-</u>	<u>348,939</u>	<u>542,579</u>
At 31 August 2024	193,640	-	348,939	542,579
Carrying amount				
At 31 August 2024	<u>2,443,882</u>	<u>-</u>	<u>208,156</u>	<u>2,652,038</u>
At 31 August 2023	<u>1,160,318</u>	<u>246,627</u>	<u>254,328</u>	<u>1,661,272</u>

On 1 May 2024, the charity sold the Buttersfield land for £1.5 million and the proceeds from this were used to purchase the remaining 50% of the school building, at a cost of £1.115 million.

As the Charity now owns the site in full, leasehold improvements have been transferred to freehold land and buildings.

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

13 Debtors		
	2024	2023
Amounts falling due within one year:	£	£
Trade debtors	54,575	42,924
Prepayments and accrued income	70,286	74,399
	<u>124,861</u>	<u>117,323</u>
14 Creditors: amounts falling due within one year		
	2024	2023
	£	£
Other taxation and social security	31,893	31,581
Trade creditors	99,035	29,148
Other creditors	10,666	14,427
Accruals and deferred income	674,359	263,057
	<u>815,953</u>	<u>338,213</u>
15 Creditors: amounts falling due after more than one year		
	2024	2023
	£	£
Accruals and deferred income	187,890	-
	<u>187,890</u>	<u>-</u>
16 Analysis of net assets between funds		
	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
Fund balances at 31 August 2024 are represented by:		
Tangible assets	2,652,038	1,661,272
Current assets/(liabilities)	108,252	(140,532)
Long term liabilities	(187,890)	-
	<u>2,572,400</u>	<u>1,520,740</u>

All funds are unrestricted.

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

17 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:

	2024 £	2023 £
Within one year	17,155	92,155
Between two and five years	50,035	62,902
	<u>67,190</u>	<u>155,057</u>

Lessor

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

	2024 £	2023 £
Within one year	<u>-</u>	<u>9,000</u>

18 Capital commitments

At 31 August 2024 the charity had capital commitments as follows:

Contracted for but not provided in the financial statements:

Acquisition of property, plant and equipment

	2024 £	2023 £
Acquisition of property, plant and equipment	<u>-</u>	<u>1,115,000</u>

In the prior year the charity was committed to the purchase of the school site at Beech Avenue, Stockport, SK3 8HB.

19 Events after the reporting date

From 1 January 2025 private school fees will be charged with standered rated value added tax and the charity will be required to register for VAT.

20 Related party transactions

There were no disclosable related party transactions during the year (2023 - none).

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

21 Pension Schemes

In February 2021 the school commenced a defined contribution scheme with Aviva (the "APTIS" scheme) which became the sole scheme for teaching staff and Senior Leadership from 1 February 2021. The assets of the scheme are held separately from those of the School in an independently administered fund. The cost for the year represents the school's contributions to this scheme of £144,015 (2023: £132,694).

The school also administers an auto enrolment scheme, The Peoples Pension, for its non-teaching staff. The assets of the scheme are held separately from those of the School in an independently administered fund. The cost for the year represents the school's contributions to the auto enrolment scheme of £8,926 (2023: £8,082).

HULME HALL EDUCATIONAL TRUST LIMITED

England & Wales - Charity number 525931

Accounts

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 2023

HULME HALL EDUCATIONAL TRUST LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr L H Carr 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 United Kingdom SK3 8AB
Bankers	National Westminster Bank pic 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 DIRECTOR'S REPORT)

FOR THE YEAR ENDED 31 AUGUST 2023

The trustees present their annual report and financial statements for the year ended 31 August 2023.

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.

Mr Timothy Lowe (Chairman)
Mr Laurence Carr
Mr Edward Nicholls
Mr John Shackleton

Recruitment and Training of Trustees

The charity's trustees and Trustees are appointed by the Board of Trustees after due consideration given to eligibility, personal competence, specialist skills and local availability. New trustees and Trustees 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.

HULME HALL EDUCATIONAL TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Organisational Management

The Trustees 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.

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.

HULME HALL EDUCATIONAL TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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 Trustees 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.
- 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.

HULME HALL EDUCATIONAL TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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 155 (2022:117) pupils and the Pre-School averaged 65 (2022:69) pupils. The number of staff employed during the year, including part-time staff, was; teaching related staff 45 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 Trustees 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 18 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.

Grant-making policy

Every year, bursaries and other awards are made to the School's pupils out of unrestricted funds. The Trustees' 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 £116k (2022:£105k) to help 32 (2022:29) 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.

HULME HALL EDUCATIONAL TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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. In May 2024 the School completed the disposal of the Buttersfield site to boost reserves further and provide the necessary capital funding to purchase the current school building from the Department of Education.

Trustees continue to act proactively to safeguard the long-term future of the school by exploring possible options for the merger of the charity into a larger entity to provide financial, operational and governance support, providing greater certainty for the school.

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) and other fee discounts. This meant that a total of 32 pupils were assisted at a cost of £116k, which represents 5.7% of the total gross fees in the senior school.

The Trustees 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.

This year, our Year 11 cohort consisted of 28 pupils, many of whom had joined the school part way through their senior school careers. This year, examination boards reverted to stricter grade boundaries based on the pre-pandemic levels of 2019, so we were doubly delighted that not only did our GCSE pass rates (grades 4-9 inclusive) increase significantly to 86%, (compared to 74% in 2019 and 73% in 2022), but we also saw an increase in the percentage of top grades (grades 7-9 inclusive) awarded to our pupils at 18%.

On a subject level, Art, Craft and Design, Photography, Biology, Chemistry, Food Preparation and Nutrition, Spanish, French, Further Mathematics and Sports Studies, who all achieved 100% pass rates.

Importantly, results in Mathematics, English and Science all comfortably outperformed the national average in terms of pass rates. In Mathematics, our pass rate (grade 4 and above) of 75% exceeded the national average of 61%, whilst our English pass rate of 86% was well above the national average of 65%.

HULME HALL EDUCATIONAL TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Unlike some other independent schools, at Hulme Hall we are not an academically selective school as such, and we cater for children with a wide range of academic abilities. Therefore, simply looking at raw results doesn't necessarily provide an accurate picture of an individual child's achievements. For example, achieving a grade 4 or 5 may actually be a very good result for a child if that result exceeds their predicted or expected grade.

For that reason, we also look closely at our Value Added data for each individual pupil. Every one of our pupils completes a baseline assessment in years 7 and 10 (CAT4), which provides us with a prediction of what that child might be expected to achieve in each GCSE subject. As a school, we aim, through the use of small class sizes, high quality teaching and individually tailored support, to help that child achieve beyond their baseline targets. In other words, we try to "add value" for that child. This year our GCSE pupils, on average, were able to score a full grade (+1) better per subject than was predicted by the baseline data collected at the start of their Hulme Hall careers. That is very encouraging, especially as the examination boards reverted to those tighter pre-pandemic grading levels.

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 2022/23.
- BTECs / CTECS / Diplomas/ T Levels continue to be polar choices alongside traditional A Level subjects.
- Once again, the most popular college is Aquinas.
- No Hulme Hall Leaver have gone on to follow an Apprenticeship.
- One Hulme Hall Leaver has continued in Independent education.

School participates, where possible, in National ISA Sports events and strives for success in sport. HHGS performed well at the North ISA Cross Country gaining selection to the North team at the National Finals at Workson College. Girls' sporting opportunities have developed over the past 12 months, with netball teams once again competing at ISA tournaments and a competitive netball weekend residential is planned for May 2024. This year has also seen an increase in girls playing football and competing in local festival / tournaments organised by Stockport County FC Community Hub. 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! Lyme House were crowned the overall Sports Day winners and Dunham House also won the overall Annual House Competition.

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! Our Headmaster's Annual Award was given to Year 10 pupil for their continued high academic standards, teamed with their dedication to being an ambassador for the school in music, sport and community events.

During the last academic year, school had pupils participating in both the Bronze and Silver Duke of Edinburgh's Award. 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. 8 participants passed their Bronze Expedition and 4 participants passed their Silver Expedition section and all are working towards full certification by the end of this academic year. 3 students have completed their Full Bronze Award.

HULME HALL EDUCATIONAL TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Notable academic achievements this year include HHGS Year 10 students placing 2nd in the Stockport Grammar Annual Science Team Challenge. Furthermore, a Year 11 student came runner up in a writing competition run by the Norland Nannies College in Bath, gaining a Highly Commended Certificate for her submission.

Arts subjects have endeavoured to stretch and challenge our students this year. The Art and Design and Photography Exhibition was once again a feature of the Summer Term with pieces on display from GCSE candidates, Key Stage 3 artists and also pieces of art, photography and crafts submitted by members of staff.

The Music Department has significantly increased the number of pupils both playing instruments and taking exams. School held two concerts this year - The Greatest Show and the Summer Showcase where pupils who receive peripatetic music lessons were able to demonstrate their talents in a variety of disciplines including singing, drums, piano, violin, flute and guitar. LAMDA (London Academy of Music and Dramatic Arts) continues to be a popular peripatetic lesson for many students with teacher Miss Day-Smith being a popular new recruit! She prepared her students for a variety of spoken word performances at this year's Summer Showcase and the monologues performed were excellent. The next stage now is for these students to begin preparing for LAMDA exams. The Drama and Music Departments collaborated at Christmas by presenting a magical musical showcase of the Hans Christian Andersen fairy tale, The Little Match Girl. This drew on the talents of a large number of performers, over 40, from Years 7-10 both performing on stage, in the band and behind the scenes helping with the technical aspects of the show.

2022/23 was another successful year for fundraising for local and national charities. In school the pupils nominated three cancer charities as our recipients this year. Through a variety of events, staff and pupils went on to raise £1,152.92 divided between Blood Cancer UK, Cancer Research UK and Macmillan. In addition, school raised £741.01 at our annual Macmillan Coffee Morning. Fundraising for The Stockport Branch of the Royal British Legion Poppy Appeal will begin after the October half term. Our nominated charity for 2023/24 is PAPHOS UK – Prevention of Young Suicide. 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.

HULME HALL EDUCATIONAL TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The School made a deficit after depreciation of £351k (2022: deficit of £594k). 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 2023 were £1,521k in surplus (2022: £1,872k).

Trustees recognise that the continuing very significant economic pressures on parents may have an impact on future recruitment and retention. However, they note the huge commitment of families to Hulme Hall Grammar School and their children's education and that the level of fee debt owed to the School has not increased significantly. Statements made by political parties about the intention to introduce VAT on School fees, withdraw Business Rates Relief for Charities and possible changes to the charitable status for independent schools causes significant uncertainty in the sector and would pose significant further financial pressures on the School. The Trustees are mindful of this and continue to ensure that efficiencies are made where possible to cushion against financial shocks.

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 Trustees 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 Trustees 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 DIRECTOR'S REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

FUTURE PLANS

It remains the Trustees' 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 2023/2024 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.
2. 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.
3. To continue to improve the GCSE results, both in terms of raw results and value-add.
4. 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.
5. To create continuous opportunities for pupils to develop the skills of initiative, application, resilience, perseverance and independence.

The Trustees 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 Trustees, assisted by the Senior Leadership Team is responsible for the management of the risks faced by the School. The Trustees 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 Trustees 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 DIRECTOR'S REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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 Trustees 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 Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The Trustees 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: 23rd May 2024

HULME HALL EDUCATIONAL TRUST LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2023

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Trustees (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 Trustees' 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 Trustees 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 Trustees 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 Trustees 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 Trustees 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 2023 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 2023 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.

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 charity'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.

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.

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.

HULME HALL EDUCATIONAL TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF HULME HALL EDUCATIONAL TRUST LIMITED

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.

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 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 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

23 / 5 / 2024
.....

Chartered Accountants
Statutory Auditor



Alpha House
4 Greek Street
Stockport
United Kingdom
SK3 8AB

HULME HALL EDUCATIONAL TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £
<u>Income and endowments from:</u>			
Charitable activities	4	2,363,527	1,835,247
Investments	3	142	1,545
Other income	5	22,446	15,662
Total income		2,386,115	1,852,454
<u>Expenditure on:</u>			
Charitable activities	6	2,737,142	2,446,811
Net expenditure for the year/ Net movement in funds		(351,027)	(594,357)
Fund balances at 1 September 2022		1,871,767	2,466,124
Fund balances at 31 August 2023		1,520,740	1,871,767

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 2023

	Notes	2023		2022	
		£	£	£	£
Fixed assets					
Tangible assets	11		1,661,272		1,693,724
Current assets					
Debtors	12	117,323		171,092	
Cash at bank and in hand		80,358		432,777	
		<u>197,681</u>		<u>603,869</u>	
Creditors: amounts falling due within one year	13	<u>(338,213)</u>		<u>(425,826)</u>	
Net current (liabilities)/assets			<u>(140,532)</u>		<u>178,043</u>
Total assets less current liabilities			<u>1,520,740</u>		<u>1,871,767</u>
Income funds					
Unrestricted funds			<u>1,520,740</u>		<u>1,871,767</u>
			<u>1,520,740</u>		<u>1,871,767</u>

The financial statements were approved by the Trustees on 23rd May 2024


.....
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 2023

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

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. In May 2024 the School completed the disposal of the Buttersfield site to boost reserves further and provide the necessary capital funding to purchase the current school building from the Department of Education.

Trustees continue to act proactively to safeguard the long-term future of the school by exploring possible options for the merger of the charity into a larger entity to provide financial, operational and governance support, providing greater certainty for the school.

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.

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.

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

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).

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.

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

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 2023

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
	2023	2022
	£	£
Interest receivable	142	1,545

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

4 Charitable activities

	Charitable Income 2023 £	Charitable Income 2022 £
School Meals	83,165	68,930
Ordinary tuition	2,272,227	1,754,065
Rent and room hire	8,135	12,252
	<u>2,363,527</u>	<u>1,835,247</u>

5 Other Income

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Other income	7,915	6,177
Assessment fees and other recoverable expenses	14,531	9,485
	<u>22,446</u>	<u>15,662</u>

6 Charitable activities

	Charitable Expenditure 2023 £	Charitable Expenditure 2022 £
Staff costs	1,721,055	1,626,242
Depreciation and impairment	113,719	105,799
Premises costs	129,531	123,455
Supplies, equipment and tools	406,593	323,734
Establishment costs	140,816	141,112
Sundry costs	61,803	62,220
Financial costs	29,784	20,346
	<u>2,603,301</u>	<u>2,402,908</u>
Share of governance costs (see note 7)	133,841	43,903
	<u>2,737,142</u>	<u>2,446,811</u>

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

7 Support costs

	Support costs £	Governance costs £	2023 £	2022 £
Audit fees	-	10,975	10,975	7,625
Legal and professional	-	122,866	122,866	36,278
	-	133,841	133,841	43,903
Analysed between Charitable activities	-	133,841	133,841	43,903

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:

	2023 Number	2022 Number
Teaching staff	50	46
Administrative staff	4	7
Maintenance staff	1	4
Total	55	57

Employment costs

	2023 £	2022 £
Wages and salaries	1,452,277	1,370,893
Social security costs	125,399	120,554
Other pension costs	143,379	134,795
	1,721,055	1,626,242

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

9 Employees

(Continued)

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

	2023 Number	2022 Number
£70,000 - £79,999	-	1
£80,000 - £89,999	1	1
£90,000 - £99,999	1	-
	<u> </u>	<u> </u>

The total key management remuneration for the year was £176,847 (2022: £163,450).

10 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

11 Tangible fixed assets

	Freehold land and buildings £	Leasehold improvements £	Fixtures and fittings £	Total £
Cost				
At 1 September 2022	1,213,412	370,227	424,722	2,008,361
Additions	-	-	81,267	81,267
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 August 2023	1,213,412	370,227	505,989	2,089,628
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Depreciation and impairment				
At 1 September 2022	51,126	98,906	164,605	314,637
Depreciation charged in the year	1,968	24,694	87,057	113,719
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 August 2023	53,094	123,600	251,662	428,356
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Carrying amount				
At 31 August 2023	1,160,318	246,627	254,327	1,661,272
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 August 2022	1,162,286	271,321	260,117	1,693,724
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

12 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	42,924	66,573
Prepayments and accrued income	74,399	104,519
	<u> </u>	<u> </u>
	117,323	171,092
	<u> </u>	<u> </u>

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

13 Creditors: amounts falling due within one year

	2023 £	2022 £
Other taxation and social security	31,581	30,879
Trade creditors	29,148	171,371
Other creditors	14,427	2,653
Accruals and deferred income	263,057	220,923
	<u>338,213</u>	<u>425,826</u>

14 Analysis of net assets between funds

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Fund balances at 31 August 2023 are represented by:		
Tangible assets	1,661,272	1,693,724
Current assets/(liabilities)	(140,532)	178,043
	<u>1,520,740</u>	<u>1,871,767</u>

All funds are unrestricted.

15 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:

	2023 £	2022 £
Within one year	92,155	30,552
Between two and five years	62,902	-
	<u>155,057</u>	<u>30,552</u>

Lessor

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

	2023 £	2022 £
Within one year	<u>9,000</u>	<u>9,000</u>

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

16 Capital commitments	2023 £	2022 £
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At 31 August 2023 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	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

17 Events after the reporting date

On 1 May 2024, the charity sold the Buttersfield land for £1.5 million. The proceeds from this were used to purchase the remaining 50% of the school building, at a cost of £1.115 million.

18 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

19 Pension Schemes

In February 2021 the school commenced a defined contribution scheme with Aviva (the "APTIS" scheme) which became the sole scheme for teaching staff and Senior Leadership from 1 February 2021. The assets of the scheme are held separately from those of the School in an independently administered fund. The cost for the year represents the school's contributions to this scheme of £132,694 (2022: £124,578).

The school also administers an auto enrolment scheme, The Peoples Pension, for its non-teaching staff. The assets of the scheme are held separately from those of the School in an independently administered fund. The cost for the year represents the school's contributions to the auto enrolment scheme of £8,082 (2022: £7,762).

HULME HALL EDUCATIONAL TRUST LIMITED

England & Wales - Charity number 525931

Accounts

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

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			178,043		2,023,751
Total assets less current liabilities			<u>1,871,767</u>		<u>2,466,740</u>
Income funds					
Unrestricted funds			1,871,767		2,466,740
			<u>1,871,767</u>		<u>2,466,740</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

	2022 £	2021 £
Employment costs		
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
	<u>1</u>	<u>1</u>

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
	<u>1,213,412</u>	<u>370,227</u>	<u>424,722</u>	<u>2,008,361</u>
At 31 August 2022				
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
	<u>51,126</u>	<u>98,906</u>	<u>164,605</u>	<u>314,637</u>
At 31 August 2022				
Carrying amount				
At 31 August 2022	<u>1,162,286</u>	<u>271,321</u>	<u>260,117</u>	<u>1,693,724</u>
At 31 August 2021	<u>49,254</u>	<u>296,015</u>	<u>97,720</u>	<u>442,989</u>

11 Debtors

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

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	-
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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).

HULME HALL EDUCATIONAL TRUST LIMITED

England & Wales - Charity number 525931

Accounts

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 2021**

HULME HALL EDUCATIONAL TRUST LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs. Y Bradbury Mr L H Carr Mrs. M Harris Mr T R Lowe (Chairman) Mr. J A Shackleton Mr E W Nicholls	(Appointed 13 June 2021)
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 2021

The trustees present their annual report and financial statements for the year ended 31 August 2021.

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

Mrs Y O Bradbury	
Mr L H Carr	
Mr J Dunlop	(Resigned 23 June 2021)
Mrs M Harris	
Mr D J Goulbourn	(Resigned 31 August 2022)
Mr T R Lowe	(Chairman)
Mr E W Nicholls	(Appointed 13 June 2021)
Mrs E Palmer	(Resigned 13 June 2021)
Mr J A Shackleton	
Mr I S Anfield	(Resigned 31 August 2022)

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.

HULME HALL EDUCATIONAL TRUST LIMITED

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

FOR THE YEAR ENDED 31 AUGUST 2021

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.

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.

HULME HALL EDUCATIONAL TRUST LIMITED

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

FOR THE YEAR ENDED 31 AUGUST 2021

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.
- 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.

The onset of the Covid-19 pandemic and subsequent closure of schools from March 2020 to September and then from January 2021 to March 2021 necessitated a re-evaluation of objectives and a swift move to remote learning. Staff and pupils adapted quickly and the school was able to offer a full programme of remote learning via live lessons and the use of an online work portal to ensure as little disruption to education as possible.

Judging from responses of parents to an Independent Schools Council (ISC) survey, those who responded were generally happy with what the school offered in terms of a remote learning package and many useful lessons were learned should remote learning need to be adopted again.

HULME HALL EDUCATIONAL TRUST LIMITED

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

FOR THE YEAR ENDED 31 AUGUST 2021

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 9 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 106 (2020: 115) pupils, the Junior School had an average of 2 (2020: 4) pupils and the Pre-School averaged 48 (2020: 45) pupils. The number of staff employed during the year, including part-time staff, was; teaching related staff 44 and non-teaching staff 11.

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 18 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.

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 £83k (2020: £51k) to help 18 (2020: 17) 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.

HULME HALL EDUCATIONAL TRUST LIMITED

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

FOR THE YEAR ENDED 31 AUGUST 2021

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. 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.

The School secured the services of an external property consultant to advise and assist with the disposal of the Buttersfield land which led to several bids. Having assessed all bids received the School entered contractual discussion with the intention to complete the sale in October 2022. Unfortunately, the deal to sell Buttersfield fell through at the last minute with the prospective buyers quoting the uncertain economic times the country is facing.

The School are now in active discussions with the Department for Education and other possible partners to look at other options allowing the school to purchase the building in the coming months. All parties are keen to work together to ensure the school continues to grow and thrive and the Governors remain optimistic that a solution will be found. The School does continue to actively market the Buttersfield site and is still hopeful of a sale within a reasonable timeframe.

The School's forecasts and projections, considering continued increases in pupil numbers and the hope to reach a new agreement to purchase of the current building show that the School should be able to operate for the foreseeable future.

The Governors 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

The most recent ISI inspection was a Regulatory Compliance Inspection in September 2018. The report relating to this inspection can be studied in detail on the ISI website. There were many positive comments made by the Reporting Inspector and the School was compliant in all eight areas.

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 17 pupils were assisted at a cost of £51k, which represents 3.7% of the total gross fees.

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.

When considering academic results for the summer of 2021, it should be noted results were ultimately awarded via a combination of Teacher Assessed Grades (TAGs). That said public examination (GCSE) results for 2021 were very positive for the school.

This year, our Year 11 cohort consisted of 24 pupils. Whilst pass rates (grades 4-9) remained broadly in line with last year at 85% (national average 77%), there has been a sizeable increase in the number of top grades (grades 7-9) received, with 36% of entries resulting in a grade 7, 8 or 9 (compared to approximately 20% last year and a national average of 29% this year).

50% of the cohort (12 out of 24) achieved 8 or more passes, with 4 of those gaining 9 passes and 4 more gaining 10 passes, including Further Mathematics. Our Deputy Head Girl achieved 11 passes, including 4 top grades. Other notable individual performances came from our Head Boy whose 10 passes included 2 grade 9s and four grade 8s. LW also excelled with 3 grade 9s and 4 grade 8s included in her results. Overall, 20 out of the 24 pupils gained 5 passes or more.

Six different subjects recorded at least one grade 9, and there were 3 grade 9s in Mathematics, which returned a pass rate of 88% (national average 69%). In English Language the pass rate was an excellent 92% (national average 76%). 19 out of 24 pupils passed both English and Mathematics at grade 4 or above (of the 5 who didn't pass English and Mathematics, all of the 5 passed one or the other).

HULME HALL EDUCATIONAL TRUST LIMITED

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

FOR THE YEAR ENDED 31 AUGUST 2021

In Double Award Science almost 40% of entries were graded at 7 or above and 100% pass rates were achieved in the Separate Sciences. Other subjects to achieve 100% pass rates include Spanish, History, Food & Nutrition, Music, Drama, 3D Design and Photography.

The results in terms of value add suggest that we have returned a positive value add score of 0.45 per pupil per subject. This indicates that on average pupils were scoring almost half a grade above their CAT 4 prediction for each examination they entered. 6 pupils performed significantly above their CAT 4 predictions (i.e., by one full grade per subject on average).

In subject terms, the vast majority of subjects returned positive results in terms of value add, with combined Science, Art and Design, Biology, Food Preparation & Nutrition, Geography, French and Spanish all averaging +0.75 or above per pupil.

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. We have done particularly well with over-age pupils who joined us at end of Year 9 / start of Year 10 having school refused due to anxiety. Three of these (girls) achieved some of the top results in the cohort.

Hulme Hall continues to maintain close links with a number of colleges and apprenticeship providers in the Greater Manchester and Stockport areas. We are thankful to our 16+ colleagues who have supported us either face to face or virtually, despite the restrictions caused by COVID. As a result, our varied and packed careers programme has been uninterrupted, and 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 2020/21. A Levels this year are once again the most popular choice for HHGS Leavers
- Maths / Further Maths / The Sciences/ Business & Geography are the most popular A Levels this year
- New A Level for 2020 is Statistics
- BTECs / CTECS / Diplomas are a popular vocational alternative to A Levels for students looking to access equivalent L3 courses or a GCSE equivalent L2 course
- Many students now choose to mix A Levels with Vocational Courses
- Once again, the most popular colleges are Aquinas, Xaverian and Cheadle & Marple (same as in 2019/20).
- One Hulme Hall Leaver have gone on to follow an Apprenticeship.
- One Hulme Hall Leaver has continued in Independent education

The School usually participates, where possible, in National ISA Sports events and strives for success in sport. Unfortunately, all local, regional and national events were cancelled this year and school sport comprised mostly of Inter-House Year Group (bubble) competitions. We were delighted to be able to host four separate Sports Day tournaments for each Year Group bubble to compete in tug-of-war, rounders, football, inflatable body suit gladiator jousts and water games! Lyme House were crowned the overall Sports Day winners and Dunham House winning the overall Annual House Competition.

During the last academic year, our Bronze and Silver Duke of Edinburgh's Award had to run virtually. Thankfully changes at a national level made The Award programme more accessible and rules regarding pupils' involvement in Skill, Service and Volunteer sections were made more flexible. As a result, school was unable to run our own expeditions, but three of our Year 11 students did manage to gain certification and complete their Silver once study leave commenced.

HULME HALL EDUCATIONAL TRUST LIMITED

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

FOR THE YEAR ENDED 31 AUGUST 2021

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, we were once again proud to organise for forty Year 10 and Year 11 pupils and five members of staff 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 we supported our local homeless charity The Wellspring– which is a resource centre for homeless and disadvantaged people, providing meals, clothing, housing support and education for rough sleepers. We were proud to present a cheque for £844.64 to the charity. In addition, school raised over £31 for cancer charity Macmillan and one of our Year 11 cadets raised money for the Royal British Legion Poppy Appeal by selling handmade tea light holders. Fundraising was a challenge due to lockdown and restrictions on social gatherings, so any money raised this year was a bonus.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The School made a deficit after depreciation of £651k (2020: surplus of £3,458k). This was mainly due to the reduction in pupil numbers, the difficulty in attracting new in-year pupils due to the Covid-19 pandemic and continued investment in the school.

On 20th March 2020, as instructed by the Government in response to the Covid-19 pandemic the School closed to all pupils, except those who were deemed vulnerable or whose parents were categorised as key workers. The School partially reopened in June 2020 and fully reopened in September 2020 for all year groups although operating strictly in line with Government guidelines impacting the movement around the school as well as preventing extra-curricular clubs and sports.

In January 2021 there was a further national lockdown where schools again were forced to return to remote teaching in Senior School apart from those who were deemed vulnerable or whose parents were categorised as key workers. Due to the level of remote education provided the Governing Body decided not to discount tuition fees. The School did not furlough and staff during the second school lockdown and therefore were unable to recover or reduce some staff costs during this period.

The Unrestricted Funds at 31 August 2021 were £2,467k in surplus (2020: £3,118k).

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.

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 2021

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 2021/22 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.
2. 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.
3. To continue to improve the GCSE results, both in terms of raw results and value-add.
4. 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 reduction in pupil numbers because of changing economic circumstances many of which are the direct result of the coronavirus pandemic or government decisions. Fees were frozen until January 2021 with increases after this date being kept as low as possible. Expenditure has been impacted due to additional costs incurred making the school 'covid secure' and by legislative changes to the employment costs for teaching staff and therefore these may need to be increased moving forward.

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 2021

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 (Chairman)
Director

Date: 9th December 2022

HULME HALL EDUCATIONAL TRUST LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

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 2021 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 2021 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. That commitment was due to be serviced by the disposal of land at Buttersfield; however, the deal with the property developers "fell through" prior to completion in October 2022. The commitment to service remains and the charity continues to explore options to secure a buyer for the land and/or seek alternative funding arrangements whilst continuing to work with the Department of Education and other potential partners to secure the funding for purchase of the school site. 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

9 / 12 / 2022 .
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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 2021

	Notes	Unrestricted funds 2021 £	Unrestricted funds 2020 £
<u>Income and endowments from:</u>			
Charitable activities	4	1,473,465	1,403,094
Investments	3	3,109	15,223
Other income	5	16,214	4,105,441
Total income		1,492,788	5,523,758
<u>Expenditure on:</u>			
Charitable activities	6	2,144,229	2,066,213
Net (expenditure)/income for the year/ Net movement in funds		(651,441)	3,457,545
Fund balances at 1 September 2020		3,118,181	(339,203)
Fund balances at 31 August 2021		2,466,740	3,118,342

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 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	10		442,989		473,121
Current assets					
Debtors	11	146,972		137,761	
Cash at bank and in hand		2,115,302		2,717,691	
		<u>2,262,274</u>		<u>2,855,452</u>	
Creditors: amounts falling due within one year	12	<u>(238,523)</u>		<u>(210,231)</u>	
Net current assets			<u>2,023,751</u>		<u>2,645,221</u>
Total assets less current liabilities			<u>2,466,740</u>		<u>3,118,342</u>
Income funds					
Unrestricted funds			<u>2,466,740</u>		<u>3,118,342</u>
			<u>2,466,740</u>		<u>3,118,342</u>

The financial statements were approved by the Trustees on 9th December 2022



Mr T R Lowe (Chairman)
Trustee

Company registration number 00773867 (England and Wales)

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

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. 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.

The School secured the services of an external property consultant to advise and assist with the disposal of the Buttersfield land which led to several bids. Having assessed all bids received the School entered contractual discussion with the intention to complete the sale in October 2022. Unfortunately, the deal to sell Buttersfield fell through at the last minute with the prospective buyers quoting the uncertain economic times the country is facing.

The School are now in active discussions with the Department for Education and other possible partners to look at other options allowing the school to purchase the building in the coming months. All parties are keen to work together to ensure the school continues to grow and thrive and the Governors remain optimistic that a solution will be found. The School does continue to actively market the Buttersfield site and is still hopeful of a sale within a reasonable timeframe.

The School's forecasts and projections, considering continued increases in pupil numbers and the hope to reach a new agreement to purchase of the current building show that the School should be able to operate for the foreseeable future.

The Governors 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 2021

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 2021

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 2021

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.

1.15 COVID-19

On 20th March 2020, as instructed by the Government in response to the Covid-19 pandemic the School closed to all pupils, except those who were deemed vulnerable or whose parents were categorised as key workers. The School partially reopened in June 2020 and fully reopened in September 2020 for all year groups although operating strictly in line with Government guidelines impacting the movement around the school as well as preventing extra-curricular clubs and sports.

Due to the forced school closure and the move to remote teaching the Governing Body decided to discount the main tuition fees for the summer term and agreed to defer any fee increases until January 2021 which has had a financial impact on the fees received in this financial year.

In January 2021 there was a further national lockdown where schools again were forced to return to remote teaching in Senior School apart from those who were deemed vulnerable or whose parents were categorised as key workers. Due to the level of remote education provided the Governing Body decided not to discount tuition fees. The School did not furlough and staff during the second school lockdown and therefore were unable to recover or reduce some staff costs during this period. The school continued to consider extended payment terms to those parents who were facing financial difficulties

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.

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

3 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Interest receivable	3,109	15,223

4 Charitable activities

	Charitable Income	Charitable Income
	2021	2020
	£	£
School Meals	46,055	33,118
Ordinary tuition	1,417,157	1,344,455
Rent and room hire	10,253	25,521
	<u>1,473,465</u>	<u>1,403,094</u>

5 Other income

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Profit on disposal of the old school site	-	3,997,944
Other income	14,505	2,643
Locker rentals, assessment fees and other recoverable expenses	1,709	7,176
Government Grants	-	97,678
	<u>16,214</u>	<u>4,105,441</u>

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

6 Charitable activities

	Charitable Expenditure 2021 £	Charitable Expenditure 2020 £
Staff costs	1,529,986	1,489,824
Depreciation and impairment	58,278	52,713
Premises costs	140,725	132,454
Supplies, equipment and tools	221,474	152,066
Establishment costs	93,151	105,216
Sundry costs	58,329	72,964
Financial costs	7,719	23,994
	<u>2,109,662</u>	<u>2,029,231</u>
Share of governance costs (see note 7)	34,567	36,982
	<u>2,144,229</u>	<u>2,066,213</u>

7 Support costs

	Support costs £	Governance costs £	2021 Support costs £	Governance costs £	2020 £
Audit fees	-	13,828	13,828	-	14,668
Legal and professional	-	20,739	20,739	-	22,314
	<u>-</u>	<u>34,567</u>	<u>34,567</u>	<u>-</u>	<u>36,982</u>
Analysed between Charitable activities	<u>-</u>	<u>34,567</u>	<u>34,567</u>	<u>-</u>	<u>36,982</u>

8 Trustees

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

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

9 Employees

The average monthly number of employees during the year was: 58

	2021 Number	2020 Number
Teaching staff	44	46
Administrative staff	7	7
Maintenance staff	4	4
Total	55	57

Employment costs	2021 £	2020 £
Wages and salaries	1,273,757	1,222,220
Social security costs	110,547	106,149
Other pension costs	145,682	161,455
	1,529,986	1,489,824

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

	2021 Number	2020 Number
£60,000 - £69,999	1	1
£70,000 - £79,999	1	1

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

10 Tangible fixed assets

	Freehold land and buildings £	Leasehold improvements £	Fixtures and fittings £	Total £
Cost				
At 1 September 2020	98,412	370,227	155,043	623,682
Additions	-	-	28,146	28,146
At 31 August 2021	98,412	370,227	183,189	651,828
Depreciation and impairment				
At 1 September 2020	47,190	49,518	53,853	150,561
Depreciation charged in the year	1,968	24,694	31,616	58,278
At 31 August 2021	49,158	74,212	85,469	208,839
Carrying amount				
At 31 August 2021	49,254	296,015	97,720	442,989
At 31 August 2020	51,222	320,709	101,190	473,121

11 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	73,153	61,465
Prepayments and accrued income	73,819	76,296
	146,972	137,761

12 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	26,011	25,698
Trade creditors	49,499	73,051
Other creditors	1,500	-
Accruals and deferred income	161,513	111,482
	238,523	210,231

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

13 Analysis of net assets between funds

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Fund balances at 31 August 2021 are represented by:		
Tangible assets	442,989	473,121
Current assets/(liabilities)	2,023,751	2,645,221
	<u>2,466,740</u>	<u>3,118,342</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:

	2021 £	2020 £
Within one year	11,930	19,795
Between two and five years	7,565	15,110
	<u>19,495</u>	<u>34,905</u>

Lessor

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

	2021 £	2020 £
Within one year	4,000	12,000
Between two and five years	-	4,000
	<u>4,000</u>	<u>16,000</u>

15 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

16 Teachers' Pension 2021

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 £61,787 (2020 £150,800) and the year-end £nil (2020: £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 £72,740 (2020: £nil).

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 £8,602 (2020: £8,467).

HULME HALL EDUCATIONAL TRUST LIMITED

England & Wales - Charity number 525931

Accounts

Charity Registration No. 525931

Company Registration No. 00773867 (England and Wales)

HULME HALL EDUCATIONAL TRUST LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

HULME HALL EDUCATIONAL TRUST LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees / Directors	Mrs Y O Bradbury Mr L H Carr Mr J S Dunlop Mrs M Harris Mr D G Goulbourn Mr T R Lowe (Chairman) Mrs E A Palmer Mr J A Shackleton Mr I S Anfield
Secretary	Mr M Lynch
Company Number	00773867 (England and Wales)
Charity Number	525931
Registered Address	Hulme Hall School 4 Beech Avenue Stockport Cheshire SK3 8HA
Bankers	National Westminster Bank plc Cheadle Hulme PO Box 2027 Horwich BL6 4YU
Auditors	Azets Audit Services Alpha House 4 Greek Street Stockport SK3 8AB
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)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

The trustees present their report and financial statements for the year ended 31 August 2020.

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.

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)

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 2 to 16 years and to continually strive for excellence in all areas.
- To provide a challenging, yet caring and supportive environment, which caters for a wide range of academic abilities.

HULME HALL EDUCATIONAL TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

- 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.
- 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.

The onset of the Covid-19 pandemic and subsequent closure of schools from March 2020 to the end of the summer term necessitated a re-evaluation of objectives and a swift move to remote learning.

Staff and pupils adapted quickly and the school was able to offer a full programme of remote learning via live lessons and the use of an online work portal to ensure as little disruption to education as possible.

Judging from responses of parents to an Independent Schools Council (ISC) survey, those who responded were generally happy with what the school offered in terms of a remote learning package and many useful lessons were learned should remote learning need to be adopted again.

Principal activities in the year

The Charity principally provides education in the Greater Manchester and Cheshire area to boys and girls from the ages of 2 to 16.

This year the Senior School averaged 115 (2019: 122) pupils, the Junior School had an average of 7 (2019: 7) pupils and the Pre-School averaged 45 (2019: 37) pupils. The number of staff employed during the year, including part-time staff, was; teaching related staff 43 and non-teaching staff 12.

HULME HALL EDUCATIONAL TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

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 17 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.

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 £51k (2019: £76k) to help 17 (2019: 21) 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

Following the disposal of the old school site and relocation to the new site the proceeds received have been used to strengthen the School's financial position. There are now significant reserves and the school continues to assess options relating to the disposal of the Butterfields site in order to boost reserves further. The School's forecasts and projections, considering likely changes in pupil numbers in September 2021 show that the School will be able to operate for the foreseeable future.

HULME HALL EDUCATIONAL TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

The Governors 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

The most recent ISI inspection was a Regulatory Compliance Inspection in September 2018. The report relating to this inspection can be studied in detail on the ISI website. There were many positive comments made by the Reporting Inspector and the School was compliant in all eight areas.

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 17 pupils were assisted at a cost of £51k, which represents 3.7% of the total gross fees.

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.

When considering academic results for the summer of 2020, it should be remembered that teaching for examination pupils was effectively ended in March 2020 and results were ultimately awarded via a combination of Centre Assessed Grades (CAGs) and the controversial Government algorithm.

That said public examination (GCSE) results for 2020 were very positive for the school. This year, our Year 11 cohort consisted of 39 pupils, although 2 of those pupils followed very individual programmes and were only entered for one or two full GCSE courses. These results included some outstanding individual achievements and of the remaining 37 pupils in the year group, 20 (54%) achieved 8 or more passes, and of those 10 gained 9 passes and a further 4 passes in 10 subjects (including Further Maths). Overall 33 out of 37 (89%) students gained 5 passes or more.

The overall pass rate among the cohort (i.e. grade 4 and above) was 88% (national average 79%), whilst 20% of grades were awarded at grade 7 or above. This included 7 grade 9s, each in different subjects, which is very encouraging and indicates a high standard of teaching across the curriculum.

In the all-important core subjects of English and Mathematics, pass rates were excellent at 84% and 89% respectively (national averages – English 80%, Mathematics 77%), meaning that 78% of students (29/37) achieved passes in both English and Mathematics. The pass rate in English Literature was also high at 86%.

Science results, especially in the separate sciences, also remained very strong, with only one grade below 4 across the 3 disciplines (30 entries) and 19 out of 30 grades (63%) at 7 or above (equivalent to the old grade A). A pleasing number of other subjects returned a 100% pass rate. Subjects such as Modern Foreign Languages and Geography also continued to impress in terms of academic results.

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 a number of colleges and apprenticeship providers in the Greater Manchester and Stockport areas. We are thankful to our 16+ colleagues who have supported us either face to face or virtually, despite the restrictions caused by the COVID crisis. As a

HULME HALL EDUCATIONAL TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

result, our varied and packed careers programme has been uninterrupted and 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 2019/20.
- There has been a shift this year away from a purely A Level focus, with a large number of students choosing to study a combination of A Levels & BTEC courses.
- The most popular A Level choices this year have been Maths / Further Maths, Sciences, Sociology and Law. The popularity of Maths could be due to the Further Mathematics extension course offered to our Gifted and Talented Year 11 pupils, which provides them with a useful insight into what studying the subject beyond GCSE level might look like.
- Currently, the most popular colleges are Aquinas, Xaverian and Cheadle & Marple.
- BTECs / CTECs / Diplomas are also popular, with Business Studies and Sport featuring higher up the list
- One Hulme Hall Leaver have gone on to follow an Apprenticeship.

The School has continued to participate, where possible, in National ISA Sports events and strive for success in sport. Once again, the COVID lockdown did restrict these possibilities with the main highlight being ISA North representation, earned for the second successive year, by an U16 Senior boy in the National Cross-Country Finals.

Music and Drama continue to be studied and enjoyed at GCSE and lower down the school and we are thankful to our dedicated team of expert peripatetic music teachers, who have adapted to be able to deliver virtual music lessons in lockdown. They continue to encourage pupils to aim for their music exam performance grades in drums, guitar, woodwind, piano and strings. They have also arranged for pre-recorded concerts to be played to our community when live events could not take place. Whole school Drama productions continue to be a highlight of the year, with a musical version of Treasure Island being a firm favourite during 2019.

2019/20 was another fantastic year for fundraising for local and national charities. In school we supported two neonatal charities – Tommy's which is a national fundraiser and Wings which is based at a local hospital. We were proud to present a cheque for £1,750 to the charities at our annual Presentation / Awards Evening. In addition, school raised over £300 for cancer charity Macmillan and over £80 for the annual Royal British Legion Poppy Appeal.

HULME HALL EDUCATIONAL TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The School made a surplus after depreciation of £3,458k (2019: deficit of £478k) however there was a net gain of £3,998k on the disposal of the old site. Taking this into account the trading performance incurred a deficit after depreciation of £540k (2019: deficit of £478k) which was due to the reduction in pupil numbers and the impact of the coronavirus pandemic.

On 20th March 2020, as instructed by the Government in response to the Covid-19 pandemic the School closed to all pupils, except those who were deemed vulnerable or whose parents were categorised as key workers. As a result of this closure led the governors to make the decision to discount tuition fees for the summer term by 25%. Fees for Enrichment services and school lunches were not charged as those services were not delivered, though some support to pupils was still offered via the Enrichment department. This, of course, led to a reduction in income for the year.

Conversely, the school was able to recover / reduce some costs for the period, most notably through the use of the Government's Coronavirus Job Retention Scheme where 19 staff were placed of furlough for the summer term. Some other running costs were also reduced due to the school closure. The School liaised with travel companies, its insurance brokers and parents to ensure that trip refunds were maximised and returned to parents as quickly as possible. The School also decided to offer deferred payment plans to parents whose financial circumstances had been directly affected by the pandemic which meant the fee debtors were higher at the year end than originally anticipated.

The sale of the old site was completed on 3rd June 2020. The structure of the sale provided funds over the past two years to allow investment in the new site and marketing to make the school attractive to parents. The trustees continue to take action to deal with the effects of falling income by looking at growing pupil numbers, generating additional income and keeping a control on costs. The trustees are fully aware that it is very important to take the necessary actions to restore the School to profitability again as soon as possible.

The Unrestricted Funds at 31 August 2020 were £3,118k in surplus (2019: deficit £339k).

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)

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 2020/21 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.
2. 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.
3. To continue to improve the GCSE results, both in terms of raw results and value-add.
4. 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 reduction in pupil numbers because of changing economic circumstances many of which are the direct result of the coronavirus pandemic or government decisions. Fees were frozen until January 2021 with increases after this date being kept as low as possible. Expenditure has been impacted due to additional costs incurred making the school 'covid secure' and by legislative changes to the employment costs for teaching staff and therefore these may need to be increased moving forward.

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)

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

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

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


.....

T R Lowe – Chairman

Date: 23rd June 2021

HULME HALL EDUCATIONAL TRUST LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2020

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).

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- 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 2020 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 2020 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.

Conclusions relating to going concern

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

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

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. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

HULME HALL EDUCATIONAL TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF HULME HALL EDUCATIONAL TRUST LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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 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 section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

A further description of our responsibilities for the audit of the financial statements is located 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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees 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

28/6/2021
.....

Chartered Accountants
Statutory Auditor

Alpha House
4 Greek Street
Stockport
Cheshire
SK3 8AB

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

HULME HALL EDUCATIONAL TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted funds 2020 £	Unrestricted funds 2019 £
<u>Income and endowments from:</u>			
Donations and legacies	3	-	1,158
Charitable activities	4	1,403,094	1,610,767
Investments	5	15,223	7,945
Other income	6	4,105,441	16,286
Total income		5,523,758	1,636,156
<u>Expenditure on:</u>			
Charitable activities	7	2,066,213	2,113,849
Net income/(expenditure) for the year/ Net movement in funds		3,457,545	(477,693)
Fund balances at 1 September 2019		(339,203)	138,490
Fund balances at 31 August 2020		3,118,342	(339,203)

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 2020

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Tangible assets	11		473,121		754,660
Current assets					
Debtors	12	137,761		75,851	
Cash at bank and in hand		2,717,691		3,255,569	
		<u>2,855,452</u>		<u>3,331,420</u>	
Creditors: amounts falling due within one year	13	<u>(210,231)</u>		<u>(4,425,283)</u>	
Net current assets/(liabilities)			<u>2,645,221</u>		<u>(1,093,863)</u>
Total assets less current liabilities			<u><u>3,118,342</u></u>		<u><u>(339,203)</u></u>
Income funds					
Unrestricted funds			<u>3,118,342</u>		<u>(339,203)</u>
			<u><u>3,118,342</u></u>		<u><u>(339,203)</u></u>

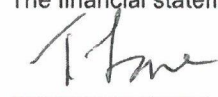
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2020, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 23rd June 2021



.....
Mr T Lowe
Trustee

Company Registration No. 00773867

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

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.

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 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

Following the disposal of the old school site and relocation to the new site the proceeds received have been used to strengthen the School's financial position significantly. In addition, the school continues to assess all options relating to the disposal of the all or part of the Butterfields site in order to boost reserves further. On 18th May 2020 the school obtained a Certificate of Lawful Use on part of the Buttersfield land which increases the potential to dispose and develop on that part of the land.

The School have secured the services of an external property consultant to advise and assist with the disposal of the Buttersfield land. There are a number of interested parties and work is ongoing to agree the right deal for the School.

The School's forecasts and projections, considering likely changes in pupil numbers in September 2020 and September 2021, the potential sale of Buttersfield and the purchase of the current building show that the School should be able to operate for the foreseeable future.

The Governors 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.

1.4 Incoming resources

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.

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

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 net income/(expenditure) for the year.

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).

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.

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies (Continued)

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 that 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 2020

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.

1.15 COVID-19

On Wednesday 18 March 2020 the Government announced that due to the Coronavirus Crisis all schools would close from Friday 20 March until further notice; however schools were expected to remain open to support children of Key Workers and those who were vulnerable. As a direct result the school closed its site to all pupils from this date and moved to the provision of remote education for all year groups.

Due to the forced school closure and the move to remote teaching the Governing Body made a decision to discount the main tuition fees for the summer term by 25%. In addition, it was also agreed that there will be no charge for Enrichment services, school meals or charges relating to the Pre School whilst the school site remained closed during the summer term. The Governing Body also announced to defer any fee increases until January 2021.

The decisions resulted in the loss of income and in addition there was an impact on cash flow as a result of some parents who faced financial difficulties due to the crisis and found it difficult to pay fees when they were due. Extended payment terms were given to those parents who were facing financial difficulties.

In order to mitigate the financial losses, the School has taken advantage of the Coronavirus Job Retention Scheme (CJRS) and furloughed as many non-essential support staff as possible as well as those who were either shielding and could not work from home. In addition, the school actively considered all financial support that was available for Independent Schools and small businesses.

Whilst the School may not be able to mitigate all the financial losses it has been able to continue to operate due to the high level of reserves and making savings where possible. It is difficult to say what the full impact of the Coronavirus will have on independent schools however all the risks and challenges will be assessed by the Governing Body.

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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.

3 Donations and legacies

	Total	Unrestricted
	2020	2019
	£	£
Donations and gifts	-	1,158

4 Charitable activities

	Charitable	Charitable Income
	Income	2019
	2020	2019
	£	£
School Meals	33,118	55,080
Ordinary tuition	1,344,455	1,537,859
Rent and room hire	25,521	17,828
	<u>1,403,094</u>	<u>1,610,767</u>

5 Investments

	Unrestricted	Unrestricted
	funds	funds
	2020	2019
	£	£
Interest receivable	15,223	7,945

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

6 Other income

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Profit on disposal of the old school site	3,997,944	-
Other income	2,643	6,204
Locker rentals, assessment fees and other recoverable expenses	7,176	6,143
Government Grants	97,678	3,939
	<u>4,105,441</u>	<u>16,286</u>

7 Charitable activities

	Charitable Expenditure	Charitable Expenditure
	2020	2019
	£	£
Staff costs	1,489,824	1,471,431
Depreciation and impairment	52,713	53,784
Premises costs	132,454	139,482
Supplies, equipment and tools	152,066	179,571
Establishment costs	105,216	101,692
Sundry costs	72,964	53,482
Financial costs	23,994	(8,615)
	<u>2,029,231</u>	<u>1,990,827</u>
Share of governance costs (see note 8)	36,982	123,022
	<u>2,066,213</u>	<u>2,113,849</u>

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

8 Support costs

	Support costs £	Governance costs £	2020 £	Support costs £	Governance costs £	2019 £
Audit fees	-	14,668	14,668	-	14,431	14,431
Legal and professional	-	22,314	22,314	-	108,591	108,591
	-	36,982	36,982	-	123,022	123,022
Analysed between						
Charitable activities	-	36,982	36,982	-	123,022	123,022

Governance costs includes payments to the auditors of £6,500 (2019- £9,000) for audit fees.

9 Trustees

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

10 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Teaching staff	46	48
Administrative staff	7	7
Maintenance staff	4	4
Total	57	59

Employment costs

	2020 £	2019 £
Wages and salaries	1,222,220	1,261,557
Social security costs	106,149	106,839
Other pension costs	161,455	103,035
	1,489,824	1,471,431

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

	2020 Number	2019 Number
£60,000 - £69,999	1	1
£70,000 - £79,999	1	1

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

10 Employees

(Continued)

11 Tangible fixed assets

	Freehold land and buildings £	Leasehold improvements £	Fixtures and fittings £	Total £
Cost				
At 1 September 2019	653,223	370,227	81,810	1,105,260
Additions	-	-	73,232	73,232
Disposals	(554,811)	-	-	(554,811)
At 31 August 2020	98,412	370,227	155,042	623,681
Depreciation and impairment				
At 1 September 2019	297,976	24,759	27,866	350,601
Depreciation charged in the year	1,968	24,759	25,986	52,713
Eliminated in respect of disposals	(252,754)	-	-	(252,754)
At 31 August 2020	47,190	49,518	53,852	150,560
Carrying amount				
At 31 August 2020	51,222	320,709	101,190	473,121
At 31 August 2019	355,247	345,468	53,945	754,660

12 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	61,465	32,946
Prepayments and accrued income	76,296	42,905
	137,761	75,851

13 Creditors: amounts falling due within one year

	2020 £	2019 £
Other taxation and social security	25,698	51,282
Trade creditors	73,051	100,953
Other creditors	-	4,200,000
Accruals and deferred income	111,482	73,048
	210,231	4,425,283

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

14 Analysis of net assets between funds

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Fund balances at 31 August 2020 are represented by:		
Tangible assets	473,121	754,660
Current assets/(liabilities)	2,645,221	(1,093,863)
	<u>3,118,342</u>	<u>(339,203)</u>

All funds are unrestricted.

15 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:

	2020 £	2019 £
Within one year	19,795	19,795
Between two and five years	27,360	47,155
	<u>47,155</u>	<u>66,950</u>

Lessor

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

	2020 £	2019 £
Within one year	12,000	-
Between two and five years	4,000	-
	<u>16,000</u>	<u>-</u>

16 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).

HULME HALL EDUCATIONAL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17 Teachers' Pension 2020

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £150,800 (2019: £91,061).

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%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. A consultation was launched by the government on 16 July 2020, and closed to responses on 11 October 2020.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020 and the government is preparing to complete the cost control element of the 2016 valuations, which is expected to be completed in 2021.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until a remedy to the discrimination conclusion has been determined by the Employment Tribunal it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

18 Analysis of changes in net funds

The charity had no debt during the year.

