



Chartered Accountants  
*Local Matters, National Strength.*

# Wolverhampton Girls' High School Report of the Trustees and Financial Statements For the Period Ended 31 August 2015

Registered Company Number: 08918836

WEDNESDAY



\*A4MDIJ5V\*

A09

16/12/2015

#217

COMPANIES HOUSE

WOLVERHAMPTON GIRLS' HIGH SCHOOL

Contents of the Financial Statements  
for the period 3 March 2014 to 31 August 2015

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 8
Governance Statement	9 to 11
Statement on Regularity, Propriety and Compliance	12
Statement of Trustees' Responsibilities	13
Report of the Independent Auditors	14
Independent Auditor's Report on Regularity	15
Statement of Financial Activities	16
Balance Sheet	17
Cash Flow Statement	18
Notes to the Financial Statements	19 to 33

**WOLVERHAMPTON GIRLS' HIGH SCHOOL**

**Reference and Administrative Details**  
**for the Period 3 March 2014 to 31 August 2015**

<b>Members</b>	Mrs A R Ward Miss S M Aston Mr M A Jones
<b>Trustees</b>	Mr R D Anderson (appointed 3/3/2014) Mr G R Anderson (appointed 3/3/2014) Miss S M Aston (appointed 3/3/2014) Mr M Barton (appointed 3/3/2014) Mr P N Beech (appointed 3/3/2014) Mrs M K Bhogal (appointed 8/10/2014) Mrs J Bishop (appointed 3/3/2014) Ms K Clarke (appointed 3/3/2014) Mr C J H Cook (appointed 3/3/2014) Mrs P K Gakhal (appointed 3/3/2014) Mrs K B Harrison (appointed 3/3/2014) Ms J K Jaspal (appointed 3/3/2014) Mr M A Jones (Chair) (appointed 3/3/2014) Mrs S Malhotra (appointed 3/3/2014) Mr J S Randhawa (appointed 3/3/2014) Professor P M Ribbins (appointed 3/3/2014) Mrs L Stoves (appointed 3/3/2014) Mrs W E M Thompson (appointed 3/3/2014) Mrs A R Ward (appointed 3/3/2014) Mrs T Young (appointed 3/3/2014)
<b>Company Secretary</b>	Miss J E Oliver
<b>Senior LeadershipTeam</b>	Mrs T Young (Headteacher) Miss J E Oliver (School Business Manager) Mr Duncan Bowdler (Deputy Headteacher) Ms Sharon Holness (Deputy Headteacher, September 2014 – August 2015) Ms Lynda Leigh (Deputy Headteacher, March 2014 – August 2014) Mr Adam Jones (Assistant Headteacher) Ms Sharon Holness (Assistant Headteacher, March 2014 – August 2014) Mrs Rebecca Brett (Assistant Headteacher, September 2014 – August 2015)
<b>Registered office</b>	Wolverhampton Girls' High School Tettenhall Road Wolverhampton WV6 0BY
<b>Registered company number</b>	08918836
<b>Auditors</b>	Haines Watts Birmingham LLP Sterling House 71 Francis Road Edgbaston Birmingham B16 8SP

## WOLVERHAMPTON GIRLS' HIGH SCHOOL

### Report of the Trustees for the period 3 March 2014 to 31 August 2015

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the period ended 31 August 2015. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005 and the Academies Accounts Direction issued by the Education Funding Agency.

The Trust operates an Academy for students aged 11 to 18. Entrance to the School in Year 7 is via an Entrance Test that is operated in Consortium with grammar Schools in Walsall and Shropshire. The top 145 students who apply to the School are offered places. Students travel to School from Wolverhampton, Walsall, Telford, Shropshire, Dudley, Worcestershire and Sandwell. The vast majority of students continue their studies from Year 11 into the Sixth Form. We also welcome students new to the School in the Sixth Form. The School has a capacity of 950 and had a roll of 840 in the School census in October 2015.

#### **Incorporation**

The charitable company was incorporated on 3 March 2014.

#### **Structure, governance and management**

##### **Constitution**

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Trustees of Wolverhampton Girls' High School are also the directors of the charitable company for the purposes of company law. The charitable company is known as Wolverhampton Girls' High School.

Details of the Trustees who served during the period are included in the Reference and Administrative Details on page 1.

##### **Members' liability**

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

##### **Trustees' Indemnities**

Governors benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Governors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Governors knew to be a breach of trust or breach of duty or which was committed by the Governors in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Governors in their capacity as directors of the Academy Trust.

The liability insurance is provided by Zurich Municipal and provides cover up to £5,000,000 on any one claim.

##### **Recruitment and appointment of new Trustees**

The Board of Trustees refers to all Trustees by the name of Governor.

Staff Governors are appointed through such process as determined by the Governing Body. The current arrangements are to seek nominations for staff Governors from both teaching and support staff. Where multiple nominations arise a ballot amongst the appropriate group (i.e. support staff or teaching staff) is held. The total number of Governors (including the Headteacher) who are employees of the Academy Trust shall not exceed one third of the total number of Governors.

Parent Governors are elected by parents of registered students at the Academy. A Parent Governor must be a parent of a student at the Academy at the time when he or she is elected. Parents are invited to complete a nomination form outlining what they have to offer to the Board of Governors in response to the requirements outlined. Any election of Parent Governors which is contested is held by secret ballot. The Governing Body takes steps to ensure that every person who is known to them to be a parent of a registered student at the Academy is informed of the vacancy and that it is required to be filled by election, informed that s/he is entitled to stand as a candidate, and vote at the election, and given an opportunity to do so. Where insufficient parents put themselves forward for election, the Governing Body shall appoint, a person who is the parent of a child of compulsory School age.

The Community Governors are appointed by the Governing Body provided that the person who is appointed as a Community Governor is:

- (a) a person who lives or works in the community served by the Academy; or
- (b) a person who, in the opinion of the Governing Body, is committed to the government and success of the Academy.

The Articles of Association outlined that the Members (Mr M A Jones, Miss S M Aston and Mrs A R Ward) may also appoint up to 1 additional Governor.

The Governors may appoint Co-opted Governors. A 'Co-opted Governor' means a person who is appointed to be a Governor by being Co-opted by Governors who have not themselves been so appointed.

## WOLVERHAMPTON GIRLS' HIGH SCHOOL

### Report of the Trustees for the period 3 March 2014 to 31 August 2015

#### **Structure, governance and management - continued**

##### **Induction and training of new Trustees**

Newly appointed Trustees meet with the Headteacher, Chair of Governors and Clerk to the Governing Body to discuss the role. In addition such Trustees are invited in for a separate meeting with the Headteacher and tour of the School. The School subscribes to a training package for Trustees enabling them to access training of interest/need. In addition Policy/Project Governors receive specific training pertinent to their role, for example the Safeguarding Governor. Development events focusing upon a specific issue/theme are also provided to ensure Trustees have the knowledge and skills required to support and challenge the School.

##### **Organisational structure**

The leadership and management structure of the Academy comprises of the Governors, Senior Leadership Team and Middle Leaders. The aim of the structure is to devolve responsibility where appropriate and encourage decision-making at all levels.

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

The Governors have delegated decision making and monitoring to a range of governor committees - Finance and General Purposes (incorporating Audit), Pay and Personnel, Curriculum and Development and Admissions.

The Headteacher is the Accounting Officer of the Academy Trust.

The Senior Leadership Team (SLT) consists of the Headteacher, two Deputy Headteachers, the two Assistant Headteachers and the Business Manager. The SLT is responsible for the day to day running of the School and for spending within certain agreed limits. The SLT manages the Academy Trust at an operational level implementing the policies laid down by the Governors and reporting back to them. As a group, the Senior Leadership Team is responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment boards for posts in the Senior Leadership Team always contain a minimum of one Governor. Some spending and day to day operating decisions are further devolved to Heads of Department and other Middle Leaders.

##### **Related parties**

The Academy Trust is not part of a wider network.

The Trust cooperates with the Parents' Guild, Friends' Association and Old Girls' Union in pursuit of charitable activities.

The Wolverhampton Girls' High School Fund is an unincorporated entity and a separate registered charity (charity number 1115406). It is a connected charity by virtue of all of its Trustees also being Trustees and Directors of the Academy Trust; the funds of the Wolverhampton Girls' High School Fund therefore effectively falling under the control of the Academy Trust. These financial statements present the information of the Academy Trust as an individual entity only and do not consolidate the financial statements of the Wolverhampton Girls' High School Fund. Exemption has been taken from the requirement to prepare consolidated group accounts on the grounds that the connected charity is immaterial to the Academy Trust. The funds of the Wolverhampton Girls' High School Fund were £55,311 as at 31 August 2015 and its net movement in funds for the year then ended was a deficit of £34,762.

The Board of Trustees maintains a register of business interests, and "declarations of interest" is a standard agenda item at all Trustees' meetings.

##### **Risk management**

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

## WOLVERHAMPTON GIRLS' HIGH SCHOOL

### Report of the Trustees for the period 3 March 2014 to 31 August 2015

#### **Objectives and activities**

##### **Objectives and aims**

The Academy Trust's object is specifically restricted to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a School offering a broad and balanced curriculum ("the Academy").

##### **Vision**

The School vision summarises the main objectives of our School in providing a high quality, well rounded education in our selective environment.

Our School vision aims to develop:

- happy young women who enjoy their time at School;
- confident and resilient students who believe in their own abilities to achieve and see mistakes and failure as a part of the learning journey and are equipped with the skills for lifelong success; and
- students who achieve fantastic personal results, enabling them to access university courses of their choice and go on to become the leaders of the future in their chosen fields.

The above outcomes are achieved as a result of the focused and supportive learning environment, enabling all students to flourish with the support of outstanding teaching and pastoral care in a climate where high standards are expected and delivered.

##### **Significant activities**

To these ends, the activities provided by the Academy include the following:

- teaching and learning opportunities across a broad and balanced curriculum to enable all students to achieve outstanding academic standards and personal achievements;
- a strong focus on community through the house system in School, developing the students as responsible citizens;
- an extensive range of extra-curricular/enrichment activities, adding both depth and breadth to learning and developing cultural awareness; and
- continuing professional development opportunities for all staff to encourage them to be reflective and to provide the best possible education for the students.

##### **Public benefit**

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives. All our charitable activities are undertaken to further our charitable purposes for the public benefit.

## WOLVERHAMPTON GIRLS' HIGH SCHOOL

### Report of the Trustees for the period 3 March 2014 to 31 August 2015

#### **Strategic report**

#### **Achievement and performance**

##### *Charitable activities*

We have a long and established history of providing outstanding education for girls for over 100 years. We pride ourselves on our traditions, but we do not stand still and constantly strive for continuous improvement.

The School offers a broad and rich curriculum where all students are encouraged and supported to achieve their personal best in all aspects of School life. Our combination of high expectations and support, tailored to meeting individual needs, leads to academic excellence. Students are highly motivated to learn and personalised learning lies at the heart of our provision. The School is respected as one of the best state Schools in the country, regularly achieving examination results which place it near the top of national league tables.

##### **GCSE Results 2015:**

- 43% (up on last year's 39%) of entries were awarded the top grade A\*.
- 80% (up on last year's 77%) of entries were awarded A/A\*.
- The overall pass rate was 99.1%.
- 47 (up on last year's 43) girls achieved A/A\* in all of their subjects.
- 88 students achieved 5 or more A/A\* grades.
- 70% (up on last year's 66%) of girls achieved 8 or more A/A\* grades.
- 46 (up on last year's 43) students achieved 5 or more A\* grades.

##### **A Level Results 2015**

- 50% of entries (64% in 2014) were awarded A/A\*.
- 76% (81% in 2014) of entries were awarded A\*-B.
- 44 students (up on last year's 43) achieved 3 or more A/A\* grades.
- 18 (22 in 2014) achieved 3 or more A/A\* grades.

Achievement success has also been recognised by Ofsted, with the School achieving four successive "Outstanding" inspections. Indeed the School was awarded this highest rating in every category in each of the two most recent inspections, the last one being in March 2009.

Whilst academic achievements are an important part of life at Wolverhampton Girls' High School, students enjoy a wide range of other opportunities. These include participation in the thriving house system; and opportunities in the fields of sport, music and drama. Sixth Formers are an integral part of the School, taking on various leadership posts and acting as role models for the younger students. There is a plethora of activities for the students to engage in from leading whole School events; to organising charity fundraising activities; participating in debating competitions and participating in expeditions abroad.

Our team of dedicated staff all ensure that students are well supported to achieve academic success, within a caring community. Pastoral care is exceptional focusing upon student wellbeing. High quality advice and support is provided to ensure that students are well informed to make their choices when preparing for higher education and their future careers. The School has an impressive record of students going on to read a variety of degree courses including Medicine and Law; and at some of the best institutions in the country including Oxford and Cambridge.

The School's motto: *Ludus Supra Praemium* (the game before the prize), emphasises the value of taking part as a member of the School community. Our students are encouraged to develop skills for life long success in terms of understanding themselves as learners and developing as responsible citizens, demonstrating care and respect for all members of the community. As a result they leave with fond memories, and equipped as confident and independent minded young women ready to take on the challenges ahead and enjoy success in their chosen fields.

In addition to establishing the Academy, four key priorities were identified in the School Development Plan for 2014-15 to contribute towards achieving the School vision.

1. To develop differentiation in all lessons. This included developing strategies to stretch the most able and support weaker students. Developing the use of assessment to inform progress was also a key feature of this priority.

*As a result of these developments increased use of differentiation has been evident in both lesson observations and learning walks. The opportunities to reflect upon the outcomes of assessment have also been extended. These activities have contributed to the examination outcomes of 80% A/A\* at GCSE and 76% A\*-B at A Level.*

2. To develop the curriculum to meet the needs of learners. Preparation for curriculum changes at all levels in response to specification changes featured in this priority, alongside a review of levels and information advice and guidance provision.

*As a result of these actions, new programmes of study are in place where relevant at both GCSE and A Level in response to the introduction of new specifications.*

## WOLVERHAMPTON GIRLS' HIGH SCHOOL

### Report of the Trustees for the period 3 March 2014 to 31 August 2015

#### **Strategic report - continued**

##### **Achievement and performance**

3. To develop resilience across the School. This incorporated developing activities to promote responsible risk taking in the classroom; introducing a new programme for Year 7 students to develop resilience; alongside developing wellbeing provision and student voice across the School.

*Increased provision to support students through the introduction of a Student Support Team, extended Counsellor hours and a Pastoral Welfare Officer, ensure that support is being increasingly tailored to individual needs. Students' resilience has been developed in Year 7 through the effective introduction of the new programme.*

4. To consolidate and develop the effectiveness of procedures and resources across the School. Developments in ICT infrastructure were a key part of this priority. In addition, new systems of self evaluation and reporting and interventions had been introduced in the years prior to this period and these systems were embedded and adapted during the 2014-15 year. Finally the School took positive action to address the recurring in year budget deficit through a process of curriculum review.

*A new email system, internet filtering system and the introduction of Google Drive have significantly improved the use of ICT to support both teaching and learning; and administration across the School. In addition an increase in the cohort in Year 7 has been achieved with no impact on the overall academic ability of the cohort and a new curriculum is in place which has resulted in significant financial savings.*

##### *Going concern*

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

##### *Key financial performance indicators*

These are covered throughout the Report of the Trustees.

#### **Financial review**

##### *Reserves policy*

The Trust's Governing Body regularly reviews the levels of reserves as part of the medium to long term budget planning process. The aim is always to set a balanced budget of income and expenditure within each financial year, with reserves being used for the funding of particular projects or developments as well as providing for unforeseen circumstances. The Trust will always act within the EFA guidelines on levels and appropriate use of reserves.

##### *Current year review*

The main source of funding during the period is the General Annual Grant (GAG) received from the Education Funding Agency. The use of this funding is restricted to furthering the objectives of the Academy Trust; therefore, the grant income and the associated expenditure during the period are shown as restricted funds in the Statement of Financial Activities.

The Trust also received a grant of £102,252 from the Education Funding Agency's Capital Improvement Fund (CIF) and £34,454 devolved capital grant. These grants are shown in the Statement of Financial Activities as restricted fixed asset funds.

On conversion, all of the fixed assets of the former foundation School, including the land and buildings, were transferred to the new Academy Trust and are shown as restricted asset funds. The restricted asset fund on the balance sheet is reduced by depreciation charges, over the expected useful life of the assets, in accordance with the Trust's Fixed Asset Policy.

At 31 August 2015, the net book value of fixed assets was £13,425,854 and movements in tangible fixed assets are shown in Note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the students of the Academy.

Expenditure for the period covered by this report was funded from the GAG and other income, such as activities for generating income and investment income. The General Restricted Fund and Unrestricted Fund, excluding the Pension Reserve, shows a surplus carry forward of £606,915.

##### *Investment policy and objectives*

The Trust has no realisable investments, other than the cash held for the operation of the School. An investment policy has been approved by the Governing Body of the Trust, which adopts a low risk strategy. A current account and a linked business premium account are maintained with the Trust's bankers. In accordance with the policy, when a reliable cash flow pattern has been established the Trust will consider investing any surplus funds, whilst ensuring that adequate liquid funds are available to meet the day to day requirements of the School. In accordance with the policy the aim is to invest surplus cash funds to optimise returns, but ensuring that the investments are risk free and easily accessible.

WOLVERHAMPTON GIRLS' HIGH SCHOOL

Report of the Trustees  
for the period 3 March 2014 to 31 August 2015

**Strategic report - continued**

**Principal risks and uncertainties**

The School has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by Governors and include the financial risks to the School.

The Governing Body has utilised a Risk Register to identify and monitor the potential risks faced by the Academy Trust. The risks considered have encompassed strategic, operational, compliance and financial risks. Where necessary measures have been put in place to mitigate risks and the Risk Register will be regularly reviewed by the Governing Body's Finance and General Purposes Committee. The projected deficit on the Local Government Pension Scheme has been identified as the principal financial risk. This deficit has the effect of reducing the reserves shown in the total funds but it should be noted that there is no current liquidity problem and additional payments are being made with the aim of reducing the deficit.

The School has categorised its risks into the following areas:

- Strategic Risks;
- Operational Risks;
- Compliance Risks; and
- Financial Risks.

For each risk the School has considered the control measures in place and subsequently identified the residual risk.

The following risks have been identified as the most significant risks to the School.

Category	Sub category	Specific	Control Measure
Strategic Risk	Natural Disaster Risk	Risk of the impact an uncontrollable event will have on the School (e.g. fire, flood)	Insurance policy is reviewed every year. Regular Fire/Health and Safety checks in place.
Financial Systems Risk	Disaster Risk	Risk that financial information cannot be recovered in the event of a disaster (e.g. fire, theft, vandalism)	A back-up procedure is in place. Disaster Recovery Plan is in place.
Pension Risk	Funding Risk	Risk that scheme is in significant deficit	Reports from pension fund, reported to Finance and General Purposes Committee. Information provided for financial accounts and monitored.
Pension Risk	Contribution Risk	Risk that employers' contribution rate increases	Planning for additional costs in budget plan.
Human Resources Risk	Management Risk	Key person loss/succession risk	Procedures manuals in place. Succession procedure in place. Headteacher reports to Pay and Personnel on an annual basis.
Treasury Risk	Cash Flow Risk	Risk that cash flow requirements are not forecast	Annual budget signed off by Finance and General Purposes Committee. Cash Flow forecasting to be undertaken by Business Manager. Internal audit checks.
Overall Financial Control Risk	Budget Risk	Risk that the budget will be in deficit	Ensure that a minimum of 3 year budget plan is in place to highlight (potential) problems in future years. Finance and General Purposes Committee to monitor monthly reports. Savings to be made where possible. Redundancy policy and procedure in place and redundancies to take place where necessary.

The Risk Register is reviewed on an annual basis and the highest residual risks are reported on, once per term to Finance and General Purposes Committee as a standing item, to monitor the control measures in place.

**Financial and risk management objectives and policies**

The key controls used by the Academy include:

- Detailed terms of reference for all committees.
- Formal agendas for the Academy Board and committees.
- Schemes of delegation and formal financial regulations.
- Formal written policies.
- Clear authorisation and approval levels.
- Policies and procedures required by law to protect the vulnerable.

WOLVERHAMPTON GIRLS' HIGH SCHOOL

Report of the Trustees  
for the period 3 March 2014 to 31 August 2015

**Strategic report - continued**

**Plans for future periods**

The Academy Trust will continue to deliver and provide education for students between the ages of 11 and 18.

The Academy Trust operates a selective exam entry process and will continue to do so in the future.

The Trust has a long term plan to expand the School to five form entry. The first year group of five forms joined the School in September 2015. In addition the Sixth Form cohort will increase. Governors receive regular income and expenditure reports alongside long term financial plans incorporating the impact of increased number on roll.

**Auditors**

Insofar as the Trustees are aware:

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

The auditors, Haines Watts Birmingham LLP, will be proposed for reappointment.

Report of the Trustees, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on 9 December 2015 and signed on its behalf by:



.....  
Mr M A Jones - Chair

# WOLVERHAMPTON GIRLS' HIGH SCHOOL

## Governance Statement for the Period 3 March 2014 to 31 August 2015

### **Scope of Responsibility**

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

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Wolverhampton Girls' High School and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

### **Governance**

The information on governance included here supplements that described in the Report of the Trustees and in the Statement of Trustees' Responsibilities. The Board of Trustees and the Finance and General Purposes Committee formally met 10 times during the period. Attendance during the period at meetings of the Board of Trustees and the Finance and General Purposes Committee were as follows:

Governor	Category of Membership	Full Board		F&GP	
		Meetings Attended	Out of a possible	Meetings Attended	Out of a possible
Graeme Anderson	Community Governor	7	9	8	9
David Anderson	Community Governor	8	9	7	9
Sue Aston	Community Governor (Vice Chair)	8	9	8	9
Michael Barton	Staff Governor (e)	7	9	6	9
Neil Beech	Parent Governor	5	9	7	9
Manjit Bhogal	Parent Governor (c)	4	6	-	-
Julia Bishop	Staff Governor	8	9	-	-
Kerry Clarke	Staff Governor	7	9	-	-
Chris Cook	Parent Governor (d)	6	9	6	9
Palvinder Gakhal	Parent Governor (a)	8	9	-	-
Kaye Harrison	Community Governor	9	9	-	-
Jasbir Jaspal	Community Governor	4	9	-	-
Mark Jones	Community Governor (Chair)	7	9	7	9
Shila Malhotra	Parent Governor	6	9	-	-
Jas Randhawa	Parent Governor/ Co-opted Governor (b)	5	8	6	8
Peter Ribbins	Community Governor	8	9	-	-
Lynn Stoves	Parent Governor (e)	8	9	-	-
Wendy Thompson	Community Governor (f)	5	9	-	-
Anne Ward	Parent Governor (a)	7	9	7	8
Trudi Young	Headteacher and Accounting Officer	9	9	9	9

(a) Term of Office ended 31.08.14 but was subsequently re-elected from 08.10.14

(b) Term of Office as Parent Governor ended 31.08.14 but was subsequently re-appointed as a Co-opted Governor by the Governing Body from 22.10.14

(c) Appointed 08.10.14

(d) Term of Office ended 31.08.15 but was subsequently re-elected from 08.10.15

(e) Term of Office ended 31.08.15

(f) Term of Office ended 31.08.14 but was subsequently re-appointed by the Governing Body from 22.10.14

Membership of the Board has been stable over the last 12-18 months with one new Parent Governor being appointed and two former Governors being reappointed under different categories, and two Parent Governors being re-appointed.

In the Spring Term 2014, in the lead up to conversion the Governing Body considered at length the future composition of the Board. It was determined that the Board operated successfully in offering both challenge and support to the School in the strategic areas identified in the Governors' Handbook and that the Board of Trustees would therefore reflect that of the former Governing Body. Partnership, Foundation and Local Authority Governors were re-classified as Community Governors. The numbers of Parent and Staff Governors were kept the same.

In June 2014, the Trust completed the Financial Management and Governance Self Assessment to help to assess areas of development which have subsequently been incorporated into the Terms of Reference of the Finance and General Purposes Committee and led to additional Policies and Procedures being developed by the Trust. For example a Business Continuity Plan and Risk Register were developed, along with accounting policies. The Terms of Reference of the Finance and General Purposes Committee incorporates the functions of an Audit Committee.

## WOLVERHAMPTON GIRLS' HIGH SCHOOL

### Governance Statement for the Period 3 March 2014 to 31 August 2015

In addition the School appointed Wolverhampton City Council as Internal Auditors. The first of these audits encompassed a full review of governance arrangements and identified areas to be addressed which have subsequently been acted upon and reported back to Finance and General Purposes.

The Trust intends to carry out its next self evaluation of governance by July 2016.

The Finance and General Purposes Committee is a sub-committee of the main Board of Trustees. Its purpose is to oversee and scrutinise the financial procedures, regulations and management of the Academy Trust's financial budget. The Committee has formally met nine times during the period. During the course of the year the Committee has considered various new policies and procedures arising from Academy conversion. The most significant strategic decisions taken by the Committee have been around the curriculum changes and the increase to the number on roll, both of which have contributed to addressing the in-year budget deficit.

#### **Review of Value for Money**

As Accounting Officer the Headteacher has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

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

- Moving to a new provider for the provision of both payroll and HR functions from 1 April 2014. The new service has resulted in more efficient processes and improved quality of information available to the Academy, as well as resulting in cost savings.
- Restructuring the support staff to continue to deliver the full range of support services at the Trust.
- Increasing the number on roll in the Sixth Form, from 96 in Year 12 in September 2013 to 125 in Year 12 in September 2014, thus ensuring improved value for money in terms of the cost of each Sixth Form class to the School.
- Reviewed the timetable and curriculum and teacher allocations, reducing the staffing budget by £210,645 for September 2015.

In addition:

- The Finance and General Purposes Committee receives benchmarking data to compare costs to other similar institutions.
- Competitive quotations and tenders are sought as part of the procurement processes.
- Contracts for services are kept under regular review to ensure competitive prices.
- Annual Service Level Agreements are discussed by the Senior Leadership Team and the Finance and General Purposes Committee, to ensure the appropriate services are procured to meet the needs of the Academy.

#### **The Purpose of the System of Internal Control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of charitable company policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Wolverhampton Girls' High School for the period 3 March 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

#### **Capacity to Handle Risk**

The Finance and General Purposes Committees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 03 March 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Finance and General Purposes Committees.

#### **The Risk and Control Framework**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;

WOLVERHAMPTON GIRLS' HIGH SCHOOL

Governance Statement  
for the Period 3 March 2014 to 31 August 2015

**The Risk and Control Framework - continued**

- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties; and
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Wolverhampton City Council as The Academy's internal auditors.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. The checks are carried out to provide both an independent oversight of Wolverhampton Girls' High School's financial affairs and also on-going assurance to the Board / Governing Body that:

- the financial responsibilities of the Board / Governing Body are being properly discharged;
- resources are being managed in an efficient, economical and effective manner; and
- sound systems of internal financial control are being maintained.

The checks carried out in the current period included:

- Governance
- Payroll
- Purchasing
- Income
- Budget planning and control
- Assets
- Banking
- Accounting system

The auditor reports to the Board of Trustees, through the Finance and General Purposes Committee, twice per year, on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

**Review of Effectiveness**

As Accounting Officer the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

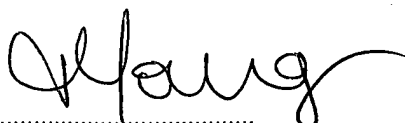
- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process; and
- the work of the Senior Leadership Team within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The Finance and General Purposes Committee has reviewed the systems of control and ensured that a plan to address weaknesses and ensure continuous improvement is in place.

Approved by order of the members of the Board of Trustees on 9 December 2015 and signed on its behalf by:



.....  
Mr M A Jones - Chair



.....  
Mrs T Young - Accounting Officer

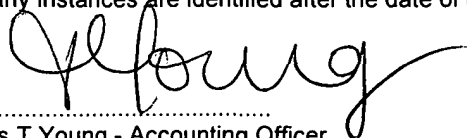
WOLVERHAMPTON GIRLS' HIGH SCHOOL

Statement on Regularity, Propriety and Compliance  
for the period 3 March 2014 to 31 August 2015

As Accounting Officer of Wolverhampton Girls' High School I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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



.....  
Mrs T Young - Accounting Officer

9 December 2015

## WOLVERHAMPTON GIRLS' HIGH SCHOOL

### Statement of Trustees' Responsibilities for the period 3 March 2014 to 31 August 2015

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

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

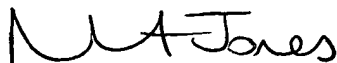
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2005;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 9 December 2015 and signed on its behalf by:



.....  
Mr M A Jones - Chair

Report of the Independent Auditors to the Members of  
Wolverhampton Girls' High School

We have audited the financial statements of Wolverhampton Girls' High School for the year ended 31 August 2015 on pages sixteen to thirty three. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2014 to 2015 issued by the Education Funding Agency (EFA).

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.

**Respective responsibilities of Trustees and auditors**

As explained more fully in the Statement of Trustees' Responsibilities set out on page thirteen, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2014 to 2015 issued by the EFA.

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

In our opinion the information given in the Report of the Trustees for the financial period for which the financial statements are prepared is consistent with the financial statements.

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

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

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



Henry Briggs (Senior Statutory Auditor)  
for and on behalf of Haines Watts Birmingham LLP  
Sterling House  
71 Francis Road  
Edgbaston  
Birmingham  
B16 8SP

Date: 14 December 2015

Independent Reporting Auditor's Assurance Report on Regularity to  
Wolverhampton Girls' High School and the Education Funding Agency

In accordance with the terms of our engagement letter dated 14 April 2014 and further to the requirements of the Education Funding Agency (EFA), as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Wolverhampton Girls' High School during the period 3 March 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of Wolverhampton Girls' High School's Accounting Officer and the reporting auditor**

The Accounting Officer is responsible, under the requirements of Wolverhampton Girls' High School's funding agreement with the Secretary of State for Education dated 19 December 2012 and the Academies Financial Handbook, extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2014 to 2015. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 3 March 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

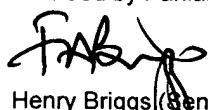
The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

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

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

**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 3 March 2014 to 31 August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Henry Briggs (Senior Statutory Auditor)  
for and on behalf of Haines Watts Birmingham LLP  
Sterling House  
71 Francis Road  
Edgbaston  
Birmingham  
B16 8SP

Date: 14 December 2015

**WOLVERHAMPTON GIRLS' HIGH SCHOOL**

**Statement of Financial Activities  
for the period 3 March 2014 to 31 August 2015**

	Notes	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
<b>Incoming resources</b>					
<b>Incoming resources from generated funds</b>					
Voluntary income	3	220,982	-	-	220,982
Voluntary income - Transfer from Local Authority on conversion	22	710,285	(1,173,000)	13,778,385	13,315,670
Activities for generating funds	4	44,252	-	-	44,252
Investment income	5	194	-	-	194
<b>Incoming resources from charitable activities</b>					
Academy's educational operations	6	<u>1,921</u>	<u>5,707,932</u>	<u>136,706</u>	<u>5,846,559</u>
<b>Total incoming resources</b>		<b>977,634</b>	<b>4,534,932</b>	<b>13,915,091</b>	<b>19,427,657</b>
<b>Resources expended</b>					
<b>Costs of generating funds</b>					
Costs of generating voluntary income	7	231,516	-	-	231,516
<b>Charitable activities</b>					
Academy's educational operations	8	33,932	5,761,616	598,690	6,394,238
<b>Governance costs</b>	9	<u>-</u>	<u>35,134</u>	<u>-</u>	<u>35,134</u>
<b>Total resources expended</b>	7	<b>265,448</b>	<b>5,796,750</b>	<b>598,690</b>	<b>6,660,888</b>
<b>Net incoming/(outgoing) resources before transfers</b>		<b>712,186</b>	<b>(1,261,818)</b>	<b>13,316,401</b>	<b>12,766,769</b>
<b>Gross transfers between funds</b>	19	<u>(109,453)</u>	<u>-</u>	<u>109,453</u>	<u>-</u>
<b>Net incoming/(outgoing) resources before other recognised gains and losses</b>		<b>602,733</b>	<b>(1,261,818)</b>	<b>13,425,854</b>	<b>12,766,769</b>
<b>Other recognised gains/losses</b>					
Actuarial gains/(losses) on defined benefit		<u>-</u>	<u>(401,000)</u>	<u>-</u>	<u>(401,000)</u>
<b>Net movement in funds</b>		<b>602,733</b>	<b>(1,662,818)</b>	<b>13,425,854</b>	<b>12,365,769</b>
<b>Total funds carried forward</b>		<b><u>602,733</u></b>	<b><u>(1,662,818)</u></b>	<b><u>13,425,854</u></b>	<b><u>12,365,769</u></b>

All of the charitable company's activities derive from acquisitions in the current period.

WOLVERHAMPTON GIRLS' HIGH SCHOOL

Balance Sheet  
At 31 August 2015

	Notes	£
<b>Fixed assets</b>		
Tangible assets	13	13,425,854
<b>Current assets</b>		
Debtors	14	238,839
Cash at bank		<u>650,859</u>
		889,698
<b>Creditors</b>		
Amounts falling due within one year	15	(238,221)
<b>Net current assets</b>		<u>651,477</u>
<b>Total assets less current liabilities</b>		14,077,331
<b>Creditors</b>		
Amounts falling due after more than one year	16	(44,562)
<b>Pension liability</b>	20	(1,667,000)
<b>Net assets</b>		<u><u>12,365,769</u></u>
<b>Funds</b>	19	
Unrestricted funds:		
General fund		602,733
Restricted funds:		
Restricted general fund		4,182
Pension fund		(1,667,000)
Fixed asset fund		<u>13,425,854</u>
		<u>11,763,036</u>
<b>Total funds</b>		<u><u>12,365,769</u></u>

The financial statements were approved by the Board of Trustees on 9 December 2015 and were signed on its behalf by:



.....  
Mr M A Jones - Chair

WOLVERHAMPTON GIRLS' HIGH SCHOOL

Cash Flow Statement  
for the period 3 March 2014 to 31 August 2015

	Notes	£
Net cash outflow from operating activities	23	(84,747)
Cash transferred on conversion to an Academy	22	710,285
Returns on investments and servicing of finance	24	194
Capital expenditure and financial investment	24	(22,405)
		<hr/>
		603,327
Financing	24	47,532
		<hr/>
Increase in cash in the period		<u>650,859</u>

---

Reconciliation of net cash flow to movement in net cash

	25	
Increase in cash in the period		<u>650,859</u>
Change in net cash resulting from cash flows		<u>650,859</u>
Movement in net cash in the period		650,859
Net cash at 3 March 2014		<hr/>
Net cash at 31 August 2015		<u>650,859</u>

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

## WOLVERHAMPTON GIRLS' HIGH SCHOOL

### Notes to the Financial Statements for the period 3 March 2014 to 31 August 2015

#### **1. Accounting policies**

##### **Accounting convention**

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2014 to 2015 issued by EFA and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below

##### *Connected charities and subsidiary undertakings*

The Wolverhampton Girls' High School Fund is an unincorporated entity and a separate registered charity (charity number 1115406). It is a connected charity by virtue of all of its Trustees also being Trustees and Directors of the Academy Trust; the funds of the Wolverhampton Girls' High School Fund therefore effectively falling under the control of the Academy Trust. These financial statements present the information of the Academy Trust as an individual entity only and do not consolidate the financial statements of the Wolverhampton Girls' High School Fund. Exemption has been taken from the requirement to prepare consolidated group accounts on the grounds that the connected charity is immaterial to the Academy Trust. The funds of the Wolverhampton Girls' High School Fund were £55,311 as at 31 August 2015 and its net movement in funds for the year then ended was a deficit of £34,762.

##### **Going concern**

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

##### **Incoming resources**

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

##### **Grants receivable**

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

##### **Donations**

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

##### **Other income**

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

##### **Donated goods, facilities and services**

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

## WOLVERHAMPTON GIRLS' HIGH SCHOOL

### Notes to the Financial Statements - continued for the period 3 March 2014 to 31 August 2015

#### **1. Accounting policies - continued**

##### **Resources expended**

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

##### **Cost of generating funds**

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

##### **Charitable activities**

These are costs incurred on the Academy's educational operations.

##### **Governance costs**

These include the costs attributable to the Academy's compliance with constitutional and statutory requirements, including audit, strategic management and Trustees' meetings and reimbursed expenses.

##### **Tangible fixed assets**

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy's depreciation policy.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line/reducing balance basis over its expected useful lives, as follows:

Freehold buildings	50 years straight line method
Furniture, fittings and equipment	7 years straight line method
ICT equipment	5 years straight line method

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

##### **Taxation**

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

##### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

WOLVERHAMPTON GIRLS' HIGH SCHOOL

Notes to the Financial Statements - continued  
for the period 3 March 2014 to 31 August 2015

**1. Accounting policies - continued**

**Pension costs and other post-retirement benefits**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 20, the TPS is a multi employer scheme and the Academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the Academy in separate Trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

**Conversion to an Academy**

The conversion from a state maintained School to an Academy Trust involved the transfer of identifiable assets and liabilities and the operation of the School for £nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion to the Academy Trust have been valued at their fair value. The fair value has been derived based on that of equivalent items.

Land and buildings have been valued using Depreciated Replacement Cost.

The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Voluntary income - transfer from local authority on conversion in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transaction are set out in note 22.

**2. General Annual Grant (GAG)**

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

**3. Voluntary income**

	Unrestricted funds £	Restricted funds £	Total funds £
Music income	136,272	-	136,272
School trips	84,710	-	84,710
	<u>220,982</u>	<u>-</u>	<u>220,982</u>

**WOLVERHAMPTON GIRLS' HIGH SCHOOL**

**Notes to the Financial Statements - continued**  
**for the period 3 March 2014 to 31 August 2015**

**4. Activities for generating funds**

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Examination income	9,255	-	9,255
Hire of facilities	2,086	-	2,086
Catering income	710	-	710
Other income	<u>32,201</u>	<u>-</u>	<u>32,201</u>
	<u><u>44,252</u></u>	<u><u>-</u></u>	<u><u>44,252</u></u>

**5. Investment income**

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Bank interest received	<u>194</u>	<u>-</u>	<u>194</u>

**6. Incoming resources from charitable activities - Academy's educational operations**

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>
DfE/EFA revenue Grant (GAG)	-	5,607,251	5,607,251
Start-up grants	-	25,000	25,000
Capital Grants	-	136,706	136,706
Other DfE/EFA Grants	-	75,681	75,681
Other grants	<u>1,921</u>	<u>-</u>	<u>1,921</u>
	<u><u>1,921</u></u>	<u><u>5,844,638</u></u>	<u><u>5,846,559</u></u>

**7. Resources expended**

	<b>Staff costs</b>	<b>Non-pay expenditure Premises</b>	<b>Other costs</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Costs of generating funds</b>				
Costs of generating voluntary income	146,643	-	84,873	231,516
<b>Charitable activities</b>				
<b>Academy's educational operations</b>				
Direct costs	3,954,568	538,882	448,125	4,941,575
Allocated support costs	<u>689,541</u>	<u>559,352</u>	<u>203,770</u>	<u>1,452,663</u>
	4,790,752	1,098,234	736,768	6,625,754
Governance costs including allocated support costs	<u>-</u>	<u>-</u>	<u>35,134</u>	<u>35,134</u>
	<u><u>4,790,752</u></u>	<u><u>1,098,234</u></u>	<u><u>771,902</u></u>	<u><u>6,660,888</u></u>

Net resources are stated after charging/(crediting):

	<b>£</b>
Auditors' remuneration	9,300
Auditors' remuneration for non-audit work	<u>5,057</u>

**WOLVERHAMPTON GIRLS' HIGH SCHOOL**

**Notes to the Financial Statements - continued**  
for the period 3 March 2014 to 31 August 2015

**8. Resources expended from Charitable activities - Academy's educational operations**

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total funds £</b>
<b>Direct costs</b>			
Teaching and educational support staff	15,702	3,938,866	3,954,568
Depreciation	-	556,072	556,072
Technology costs	-	31,258	31,258
Educational supplies	7,339	98,025	105,364
Examination fees	-	182,843	182,843
Staff development	253	21,049	21,302
Educational consultancy	-	68,596	68,596
Other direct costs	<u>9,538</u>	<u>12,034</u>	<u>21,572</u>
	32,832	4,908,743	4,941,575
<b>Allocated support costs</b>			
Support staff costs	-	689,541	689,541
Depreciation	-	24,478	24,478
Technology costs	-	24,425	24,425
Recruitment and support	-	45,327	45,327
Maintenance of premises and equipment	-	174,274	174,274
Cleaning	-	17,130	17,130
Rent and rates	-	52,994	52,994
Energy costs	-	112,092	112,092
Insurance	-	94,788	94,788
Security and transport	122	21,290	21,412
Catering	933	9,144	10,077
Interest payable and similar charges	32	1,833	1,865
Other support costs	<u>13</u>	<u>184,247</u>	<u>184,260</u>
	1,100	1,451,563	1,452,663
	<u>33,932</u>	<u>6,360,306</u>	<u>6,394,238</u>

**9. Governance costs**

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total funds £</b>
Internal Audit	-	1,500	1,500
Auditors' remuneration	-	9,300	9,300
Auditors' remuneration for non-audit work	-	5,057	5,057
Legal and professional	<u>-</u>	<u>19,277</u>	<u>19,277</u>
	<u>-</u>	<u>35,134</u>	<u>35,134</u>

WOLVERHAMPTON GIRLS' HIGH SCHOOL

Notes to the Financial Statements - continued  
for the period 3 March 2014 to 31 August 2015

**10. Trustees' remuneration and benefits**

Headteacher and staff Trustees only received remuneration in respect of services they provided undertaking the roles of Headteacher and staff and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy in respect of their role as Trustees. The value of Trustees' remuneration was as follows:

	<b>2015 Remuneration</b>	<b>2015 Employer's pension contributions</b>
T Young (Headteacher and Trustee)	£105,000 - £110,000	£15,000 - £20,000
M Barton (Staff Trustee)	£65,000 - £70,000	£5,000 - £10,000
J Bishop (Staff Trustee)	£55,000 - £60,000	£5,000 - £10,000
K Clarke (Staff Trustee)	£35,000 - £40,000	£5,000 - £10,000

**Trustees' expenses**

During the period ended 31 August 2015, travel and subsistence expenses totalling £1,232 were reimbursed to 1 Trustee.

**11. Staff costs**

	<b>£</b>
Wages and salaries	3,318,347
Social security costs	272,068
Other pension costs	<u>1,084,719</u>
	4,675,134
Supply teacher costs	82,257
Staff restructuring costs	<u>33,361</u>
	<u><u>4,790,752</u></u>

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

Teachers	46
Administration	27
Management	<u>6</u>
	<u><u>79</u></u>

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

£70,001 - £80,000	<u><u>1</u></u>
-------------------	-----------------

The above employee participated in the Teacher's Pension Scheme. During the period ended 31 August 2015 pension contributions for this member of staff amounted to £15,040.

**Non statutory/non-contractual staff severance payments**

Included in Staff restructuring costs are non-statutory severance payments totalling £12,000. Individually, the payments were: £12,000.

**12. Trustees' and officers' insurance**

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions accruing whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim and the costs for the period ended 31 August 2015 was £1,268.

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

**WOLVERHAMPTON GIRLS' HIGH SCHOOL**

**Notes to the Financial Statements - continued**  
**for the period 3 March 2014 to 31 August 2015**

**13. Tangible fixed assets**

	<b>Freehold property £</b>	<b>Fixtures and fittings £</b>	<b>Computer equipment £</b>	<b>Totals £</b>
<b>Cost or valuation</b>				
Transfer on conversion	12,931,092	221,146	626,147	13,778,385
Additions	<u>68,908</u>	<u>154,775</u>	<u>4,336</u>	<u>228,019</u>
At 31 August 2015	<u>13,000,000</u>	<u>375,921</u>	<u>630,483</u>	<u>14,006,404</u>
<b>Depreciation</b>				
At 3 March 2014 and 31 August 2015	<u>325,833</u>	<u>76,080</u>	<u>178,637</u>	<u>580,550</u>
<b>Net book value</b>				
At 31 August 2015	<u>12,674,167</u>	<u>299,841</u>	<u>451,846</u>	<u>13,425,854</u>

Included in cost or valuation of Freehold property is freehold land of £1,500,000, which is not depreciated.

**14. Debtors: amounts falling due within one year**

	<b>£</b>
Trade debtors	1,474
VAT recoverable	187,184
Prepayments and accrued income	<u>50,181</u>
	<u>238,839</u>

**15. Creditors: amounts falling due within one year**

	<b>£</b>
Trade creditors	52,037
Social security and other taxes	55,621
CIF loan	2,970
Accruals and deferred income	<u>127,593</u>
	<u>238,221</u>

**Deferred Income**

	<b>2015 £</b>
Deferred income at 3 March 2014	-
Resources deferred in the year	13,775
Amounts released from previous years	<u>-</u>
Deferred income at 31 August 2015	<u>13,775</u>

At the balance sheet date the Academy Trust was holding funds received in advance that relate to the 2015/16 academic year.

**16. Creditors: amounts falling due after more than one year**

	<b>£</b>
CIF loan	<u>44,562</u>

**WOLVERHAMPTON GIRLS' HIGH SCHOOL**

**Notes to the Financial Statements - continued**  
**for the period 3 March 2014 to 31 August 2015**

**17. Operating lease commitments**

The following operating lease payments are committed to be paid within one year:

	<b>Operating leases £</b>
Expiring:	
Within one year	903
Between one and five years	<u>13,372</u>
	<u><u>14,275</u></u>

**18. Analysis of net assets between funds**

	<b>Unrestricted fund £</b>	<b>Restricted funds £</b>	<b>Fixed Asset Fund £</b>	<b>2015 Total funds £</b>
Fixed assets	-	-	13,425,854	13,425,854
Current assets	602,733	286,965	-	889,698
Current liabilities	-	(238,221)	-	(238,221)
Long term liabilities	-	(44,562)	-	(44,562)
Pension liability	-	(1,667,000)	-	(1,667,000)
	<u>602,733</u>	<u>(1,662,818)</u>	<u>13,425,854</u>	<u>12,365,769</u>

**19. Movement in funds**

	<b>Balance at 3 March 2014 £</b>	<b>Incoming Resources £</b>	<b>Resources Expended £</b>	<b>Gains, Losses and Transfers £</b>	<b>Balance at 31 August 2015 £</b>
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	5,607,251	(5,603,069)	-	4,182
Start up Grant	-	25,000	(25,000)	-	-
Other DfE/EFA Grants	-	75,681	(75,681)	-	-
	<u>-</u>	<u>5,707,932</u>	<u>(5,703,750)</u>	<u>-</u>	<u>4,182</u>
<b>Restricted pension fund</b>					
Pension reserve	-	(1,173,000)	(93,000)	(401,000)	(1,667,000)
	<u>-</u>	<u>(1,173,000)</u>	<u>(93,000)</u>	<u>(401,000)</u>	<u>(1,667,000)</u>
<b>Restricted fixed asset funds</b>					
DfE/EFA capital grants	-	136,706	(101,380)	-	35,326
Transfer on conversion	-	13,778,385	(497,310)	109,453	13,390,528
	<u>-</u>	<u>13,915,091</u>	<u>(598,690)</u>	<u>109,453</u>	<u>13,425,854</u>
<b>Total restricted funds</b>	<u>-</u>	<u>18,450,023</u>	<u>(6,395,440)</u>	<u>(291,547)</u>	<u>11,763,036</u>
<b>Unrestricted funds</b>	<u>-</u>	<u>977,634</u>	<u>(265,448)</u>	<u>(109,453)</u>	<u>602,733</u>
<b>Total funds</b>	<u><u>-</u></u>	<u><u>19,427,657</u></u>	<u><u>(6,660,888)</u></u>	<u><u>(401,000)</u></u>	<u><u>12,365,769</u></u>

WOLVERHAMPTON GIRLS' HIGH SCHOOL

Notes to the Financial Statements - continued  
for the period 3 March 2014 to 31 August 2015

**19. Movement in funds - continued**

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

General Annual Grant (GAG): must be used for the normal running costs of the Academy. Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

Other DfE/EFA Grants: are utilised for the purposes intended by the donor.

Other Restricted General Funds: include payments made towards Academy trips.

The Pension Fund: is the surplus/(deficit) in the Local Government Pension Scheme.

Restricted Fixed Asset Funds: include the fixed assets transferred on conversion to Academy, capital grants, additions and depreciation.

Unrestricted Funds: are all those income and expenses for general use in the Academy.

**20. Pension and similar obligations**

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

There were no outstanding contributions payable to the scheme as at 31 August 2015.

**Teachers' pension scheme**

**Introduction**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

**Valuation of the Teachers' Pension Scheme**

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge currently 14.1%);
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million;
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations; and
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

WOLVERHAMPTON GIRLS' HIGH SCHOOL

Notes to the Financial Statements - continued  
for the period 3 March 2014 to 31 August 2015

**20. Pension and similar obligations**  
**- continued**

**Valuation of the Teachers' Pension Scheme – continued**

During the period the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4% from September 2015, which will be payable during the implementation period until the next valuation as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The pension costs paid to TPS in the period amounted to £414,787.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Trust has set out above the information available on the scheme.

**Local government pension scheme (LGPS)**

The LGPS is a funded defined-benefit scheme, with the assets held in separate Trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £147,963 of which employer's contributions totalled £107,646 and employees' contributions totalled £40,316. The agreed contribution rates for future years are 12.9% for employers and between 5.5% and 12% for employees.

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

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

In February 2014, the Trust was notified by Wolverhampton City Council that additional employers' contributions are to be introduced from 2014/15 over a 15 year period. These will be phased lump sum contributions and the amounts notified as payable over the next two years are: 2015/16 £55,500 and 2016/17 £58,500. The rate payable from 01/04/2017 onwards will be further revised following the next valuation of the Pension Fund on 31/03/2016.

WOLVERHAMPTON GIRLS' HIGH SCHOOL

Notes to the Financial Statements - continued  
for the period 3 March 2014 to 31 August 2015

**20. Pension and similar obligations**  
**- continued**

**Sensitivity analysis as at 31 August 2015**

	<b>Sensitivity 1</b>	<b>Sensitivity 2</b>	<b>Sensitivity 3</b>
	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>
Adjustment to discount rate:	+0.1 %	0.0%	-0.1%
Present value of total obligation	2,251	2,318	2,387
Projected service cost	93	93	96
Adjustment to 1% p.a short term salary increase		no change	further 4 years
Present value of total obligation		2,318	2,164
Projected service cost		93	93
Adjustment to pension increases and deferred revaluation	+0.1%	0.0%	-0.1%
Present value of total obligation	4,706	2,318	2,404
Projected service cost	189	93	90
Adjustment to life expectancy assumptions	+ 1 year	None	- 1 year
Present value of total obligation	2,385	2,318	2,253
Projected service costs	95	93	91

The amounts recognised in the balance sheet are as follows:

	<b>Defined benefit pension plans</b>
	<b>£</b>
Present value of funded obligations	(2,318,000)
Fair value of plan assets	<u>651,000</u>
	<u>(1,667,000)</u>
Deficit	<u>(1,667,000)</u>
Liability	<u>(1,667,000)</u>

WOLVERHAMPTON GIRLS' HIGH SCHOOL

Notes to the Financial Statements - continued  
for the period 3 March 2014 to 31 August 2015

**20. Pension and similar obligations**  
**- continued**

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

	<b>Defined benefit pension plans £</b>
Current service cost	108,000
Interest cost	115,000
Expected return	<u>(48,000)</u>
	<u>175,000</u>

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a loss of £401,000.

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

	<b>Defined benefit pension plans £</b>
Defined benefit obligation - on conversion 1 April 2014	(1,728,000)
Current service cost	(108,000)
Contributions by scheme participants	(27,000)
Interest cost	(115,000)
Actuarial losses/(gains)	(422,000)
Benefits paid	106,000
Curtailments	<u>(24,000)</u>
	<u>(2,318,000)</u>

Changes in the fair value of scheme assets are as follows:

	<b>Defined benefit pension plans £</b>
Fair value of scheme assets - on conversion 1 April 2014	555,000
Contributions by employer	106,000
Contributions by scheme participants	27,000
Expected return	48,000
Actuarial gains/(losses)	21,000
Benefits paid	<u>(106,000)</u>
	<u>651,000</u>

WOLVERHAMPTON GIRLS' HIGH SCHOOL

Notes to the Financial Statements - continued  
for the period 3 March 2014 to 31 August 2015

**20. Pension and similar obligations**  
**- continued**

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

	Defined benefit pension plans
Equities	60%
Bonds	7%
Other bonds	10%
Cash/liquidity	5%
Property	9%
Other	9%
Actual return on plan assets	<u>69,000</u>

For accounting years beginning on or after 1 January 2015, the expected return and the interest cost will be replaced with a single net interest cost, which will effectively set the expected return equal to the discount rate.

Therefore we are not required to disclose an expected return assumption for the year to 31 August 2016. For the year to 31 August 2015, the expected return was 5.9% p.a, which has been used to determine the profit and loss change for the year ended 31 August 2015.

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

Discount rate	4%
Future salary increases	4.15%
Future pension increases	2.4%
CPI increases	2.4%

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

	At 31 August 2015 (years)
<b>Retiring today</b>	
Males	23
Females	25.2
<b>Retiring in 20 years</b>	
Males	25.6
Females	28.0

Amounts for the current period are as follows:

	£
<b>Defined benefit pension plans</b>	
Defined benefit obligation - on conversion 1 April 2014	(2,318,000)
Fair value of scheme assets - on conversion 1 April 2014	651,000
Deficit	(1,667,000)
Experience adjustments on scheme assets	21,000

**21. Related party disclosures**

Owing to the nature of the Academy Trust's operations and the composition of the Board of Trustees which includes individuals who work for local public and private sector organisations, transactions may take place with organisations in which the Trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procurement procedures.

There were no transactions with related parties during the period other than as disclosed in note 10 to the financial statements.

WOLVERHAMPTON GIRLS' HIGH SCHOOL

Notes to the Financial Statements - continued  
for the period 3 March 2014 to 31 August 2015

**22. Conversion to an Academy**

On 1 April 2014 the Wolverhampton Girls' High School converted to Academy Status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Wolverhampton Girls' High School from Wolverhampton City Council and the Governing Body of Wolverhampton Girls' High School for £nil consideration.

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

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

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total £
Tangible fixed assets				
- Freehold land and buildings	-	-	13,000,000	13,000,000
- Other tangible fixed assets	-	-	778,385	778,385
Budget surplus LA funds	710,285	-	-	710,285
LGPS pension (deficit)	-	(1,173,000)	-	(1,173,000)
<b>Net assets</b>	<b>710,285</b>	<b>(1,173,000)</b>	<b>13,778,385</b>	<b>13,315,670</b>

**23. Reconciliation of net incoming resources to net cash outflow from operating activities**

	£
Net incoming resources	12,766,769
Depreciation charges	580,550
Capital grants from DfE/EFA	(136,706)
Transfer from Local Authority on conversion	(13,315,670)
Interest received	(194)
Increase in debtors	(238,839)
Increase in creditors	166,343
Difference between pension charge and cash contributions	93,000
<b>Net cash outflow from operating activities</b>	<b>(84,747)</b>

**24. Analysis of cash flows for headings netted in the cash flow statement**

	£
<b>Returns on investments and servicing of finance</b>	
Interest received	194
<b>Net cash inflow for returns on investments and servicing of finance</b>	<b>194</b>
<b>Capital expenditure and financial investment</b>	
Purchase of tangible fixed assets	(159,111)
Capital grants from DfE/EFA	136,706
<b>Net cash outflow for capital expenditure and financial investment</b>	<b>(22,405)</b>

WOLVERHAMPTON GIRLS' HIGH SCHOOL

Notes to the Financial Statements - continued  
for the period 3 March 2014 to 31 August 2015

**24. Analysis of cash flows for headings netted in the cash flow statement - continued**

	£
<b>Financing</b>	
New loans in year	<u>47,532</u>
<b>Net cash inflow from financing</b>	<u><u>47,532</u></u>

**25. Analysis of changes in net cash**

	At 3/3/14 £	Cash flow £	At 31/8/15 £
Net cash:			
Cash at bank	-	650,859	650,859
	<u>          </u>	<u>          </u>	<u>          </u>
Total	<u><u>-</u></u>	<u><u>650,859</u></u>	<u><u>650,859</u></u>