

NOWER HILL HIGH SCHOOL

(A Company Limited by Guarantee)

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details	1 - 2
Trustees' Report	3 - 10
Governance Statement	11 - 17
Statement on Regularity, Propriety and Compliance	18
Statement of Trustees' Responsibilities	19
Independent Auditors' Report on the Financial Statements	20 - 22
Independent Reporting Accountant's Report on Regularity	23 - 24
Statement of Financial Activities Incorporating Income and Expenditure Account	25
Balance Sheet	26
Statement of Cash Flows	27
Notes to the Financial Statements	28 - 52

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	K Ward J Buckingham (resigned 23 October 2020) R Sutcliffe D La Rue L Smith L Voden (appointed 1 September 2019)
Trustees	K Ward, Chair J Buckingham, Vice Chair (resigned 23 October 2020) L Voden, Headteacher & Accounting Officer (appointed 1 September 2019) D La Rue A Lane (resigned 10 December 2019) R McKerracher A Omar S Kassam A Chowdhry C Byrne (resigned 10 December 2019) J Gardner (resigned 7 July 2020) J Herson (resigned 7 July 2020) M Weerasekera A Karmoun K Bhogal K Jeram C Parkin K Nair H Bramble (appointed 5 March 2020) S Syed (appointed 5 March 2020) H Freed (appointed 1 September 2020) M Berry (appointed 21 September 2020)
Company registered number	07690023
Principal and registered office	Nower Hill High School George V Avenue Pinner London Middlesex HA5 5RP
Company secretary	A Shah

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

**Senior Leadership
Team**

L Voden, Headteacher & Accounting Officer
N Hardy, Deputy Headteacher
J Sabbagh, Deputy Headteacher
G Nagle, Assistant Headteacher
J Wilkinson, Assistant Headteacher
C Serrao, Assistant Headteacher
F Ward, Assistant Headteacher
B Wooding, Assistant Headteacher (resigned 31 July 2020)
C Cox, Assistant Headteacher
C Stratton, Assistant Headteacher
L Kitchen, Assistant Head teacher (appointed 1 September 2020)

Independent auditors

Price Bailey LLP
Chartered Accountants
Causeway House
1 Dane Street
Bishop's Stortford
Hertfordshire
CM23 3BT

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees present their Annual Report together with the financial statements and Auditor's Report of Nower Hill High School ("the Trust", "the Charitable Company" or "the Academy") for the year to 31 August 2020. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' Report under company law.

The Charitable Company operates an academy for pupils aged 11 to 19 serving a catchment area in Pinner and North Harrow. It has a pupil capacity of 1,995 including sixth form places and had a roll of 2,018 in the school census on 1 October 2020.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy is a company limited by guarantee and an exempt charity. The Charitable Company's memorandum and articles of association are the primary governing documents. The Trustees of Nower Hill High School are also the Directors of the Charitable Company for the purposes of company law. The Charitable Company operates as Nower Hill High School ("the School").

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

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' and Officers' Indemnities

The Academy has opted to be covered under the Government's Risk Protection Arrangements (RPA) scheme to protect Trustees and Officers, from claims arising from negligent acts, omissions or errors whilst performing Academy business.

Method of Recruitment and Appointment or Election of Trustees

The arrangements are as set out in the Articles and Funding Agreement.

Trustees are appointed for a fixed term. The Headteacher is an ex officio member of the Board of Trustees. Parent Trustees and the staff Trustees are elected to office or appointed if there are insufficient candidates offering themselves for election. The Articles of Association make provision for up to 22 Trustees (8 Parents, 2 Staff – Teaching, 1 Staff non-teaching, 6 Member appointed, 3 co-opted, 1 LA nominated and the Headteacher).

Policies and Procedures Adopted for the Induction and Training of Trustees

The Academy is committed to providing adequate opportunities for Trustees to undertake and receive suitable training so as to enable them to perform their role effectively. To this end the Academy provides internal training led by School staff and also links with a number of local training providers.

All new Trustees have an induction programme, according to their need, which includes introductory sessions, mentoring, formal training courses, and a tour of the School. This process will involve a meeting with the Chair of Trustees, and the Headteacher. All Trustees are provided with copies of policies and procedures documents that are appropriate to the role they undertake as Trustees with particular emphasis on the committee work that they will undertake.

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Organisational Structure

The governance of the Academy is defined in the Memorandum and Articles of Association together with the Funding Agreement with the Department of Education.

The Board of Trustees, which meets on at least 6 occasions per year and each individual committee at least 3 times per year, is responsible for the strategic direction of the Academy. The Board reviews progress towards educational objectives and results; approves major expenditure requests; sets the budget for the following year; sets the organisational staffing structure; agrees the performance objectives of the Headteacher and reviews them.

The Headteacher is the designated Accounting Officer and has overall responsibility for the day to day financial management of the Academy. The Headteacher has delegated responsibility for low values of expenditure to specific budget holders who are responsible for managing their own departments within their allocated budgets. A system of financial controls is in place to manage this process.

The Headteacher manages the Academy on a daily basis supported by a Senior Leadership Team (SLT). The SLT meets frequently to discuss emerging matters and to help to develop strategies for future development to be put to the Headteacher and the Board of Trustees as required for approval. Each member of the SLT has specific responsibilities to assist the Headteacher to manage certain aspects of the Academy.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

Key management personnel include Trustees and those staff to whom the Trustees have delegated significant authority and responsibility in the day-to-day running of the Academy.

Pay and remuneration of key management personnel is decided by a variety of contributory factors, such as the school group size, ISR, the pay scales for each role and the level of experience of each staff member. In addition, pay levels may be affected by nationally agreed pay awards, the ability to recruit and retain in post, all of which are in accordance with the Academy's appointment and pay policies.

All amendments to key management's pay and remuneration is approved by the Finance, Premises and Audit Committee and ratified by the Board of Trustees.

Trade Union Facility Time

During the year 2 employees of the Academy, on a 100% full time equivalent contract, acted as union officials. The employees spent 22 hours (equating to less than 2%) of their time on union facility. The total cost of facility time is £881.30 for the year.

Related Parties and Other Connected Charities and Organisations

Owing to the nature of the Academy's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, it is inevitable that from time to time transactions will take place with organisations in which a Trustee may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procedures. Any transaction where the Trustee may have a pecuniary interest is only undertaken in accordance with the 'at cost' principle described in the Academies Financial Handbook.

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

OBJECTIVES AND ACTIVITIES

The Academy's vision, aim and objectives are as follows:

Vision

Nower Hill High School exists to enhance the future life chances and opportunities of all our students, whatever their starting point, by providing a centre of educational excellence at the heart of our community in which all of our students can fulfil their potential. We aspire to be a world class school developing world class students.

Aim

Our aim is to realise our vision by a relentless focus on the development of highly literate, articulate, numerate, resilient and confident students who are equipped with the ambition, qualities and qualifications necessary to compete in the 21st century global economy.

Objectives

We will meet the challenges ahead and achieve our mission by having very high expectations and standards and working hard to deliver the following objectives:

- We will develop high levels of articulacy with an emphasis in every classroom on oracy and effective communication.
- We will ensure a strong emphasis on planning and delivering engaging and challenging lessons.
- We will develop high levels of literacy and numeracy.
- We will explicitly develop intellectual, emotional and physical well-being amongst the students.
- We will recruit and retain only high quality and very hard-working staff.
- We will deliver a curriculum of breadth, depth and opportunity with an emphasis on knowledge and deep learning.
- We will provide access to cutting edge technology for teaching and learning.
- We will target additional resources for disadvantaged students / under-achieving groups to ensure there are no 'gaps'.
- We will be a well-disciplined, hard-working, well-mannered, smart, kind and safe School.
- We will celebrate achievement and success.
- We will provide a world class Sixth Form.
- We will promote and develop strong, collaborative leadership and management.
- We will carry out systematic monitoring, review and evaluation of all areas of School life.
- We will work closely with a supportive Board of Trustees which challenges us as a critical friend.
- We will provide high quality professional development for staff.
- We will provide a high-quality learning environment with excellent facilities.
- We will manage the School's finances responsibly to ensure future sustainability.
- We will develop strong partnerships with home, the community and other schools and organisations.
- We will provide a thriving programme of outside hours' activities.
- We will maintain an exemplary reputation locally and further afield ensuring that we remain the school of choice for our community.

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Objectives, Strategies and Activities

During the year the Academy has worked towards these aims by:

- Ensuring that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- Raising the standard of educational achievement of all pupils;
- Developing resilient and resourceful students;
- Adapting and applying skills for flexible life-long learning;
- Improving the effectiveness of the School by keeping the curriculum and organisational structure under continual review;
- Providing value for money for the funds expended; and
- Conducting the Academy's business in accordance with the highest standards of integrity.

Our success in fulfilling our aims can be measured by:

- GCSE and A level results;
- Closing gaps between different groups of students groups;
- Absence of Not in Education, Employment, or Training (NEETs) at the end of both Year 11 and 13; and
- High percentage of students progressing to Higher Education and apprenticeships.

Public Benefit

In setting our objectives and planning our activities the Trustees have carefully considered the Charity Commission's general guidance on public benefit.

STRATEGIC REPORT

Achievements and Performance

The Academy continued its mission to ensure that students achieved their potential in public examinations; encouraged a wide range of extra-curricular activities; developed and retained suitable staff and guided students in suitable progression when they left the School.

Specific achievements were as follows:

- Over 90% of students progressing to Higher education over the last 12 years;
- Sustained improvement in both GCSE and A Level examinations, both in terms of progress and raw scores, placing us within the top 15% of schools for the past 3 years;
- Full staffing complement achieved with below average rates of staff turnover and absenteeism.

Key Performance Indicators

The Trustees receive regular information at each committee meeting to enable them to monitor the performance of the Academy compared to aims, strategies and financial budgets.

Financial

As funding is based on pupil numbers this is a KPI. Pupil numbers for 2019/20 were 2,012, this included 42 guest students from October 2019 against a budget of 1,938.

A further KPI is staffing costs as a percentage of total recurring income. For 2019/20 this was 84% against set parameters of 85%.

The Board of Trustees is confident that staffing levels are closely monitored to agreed Full Time Equivalent and staffing structures.

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

The Finance Committee also monitor premises costs to General Annual Grant (GAG) income, capitation spend for curriculum departments to GAG income, total income less grants and cash flow on a regular basis to ensure that the budget is set and managed appropriately. All of the above KPI's were within the parameters set by the Board.

Non-Financial

At the last inspection (May 2012), Ofsted rated the Academy as outstanding in all 5 categories; as an outstanding School we are currently exempt from inspection, but an observant Board of Trustees and self-critical senior team ensure that we continue to evaluate our performance and seek improvements where possible.

We continued to enjoy good attendance averaging around 96% over the year. During the school closure attendance was not reported to the DFE. Our attendance officer is proactive in ensuring children attend School regularly to maximise their progress and all cases of persistent absenteeism (less than 90%) are rigorously followed up. We take a supportive approach to families experiencing challenges with their children's attendance and only refer to the local authority in cases of non-engagement.

Results both at A Level and GCSE remain strong, as is our very healthy recruitment data in Year 7.

Going Concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. For this reason, 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.

In making this statement the Board of Trustees have taken into due consideration the effects upon the Academy of the COVID-19 pandemic, the partial closure of the School during the period and the changes in practices introduced from the 2020 Autumn term.

Further consideration on the Trust's ability to continue as a going concern as a result of the COVID-19 pandemic can be found in Note 1.2.

Financial Review

The principal source of funding for the Academy is the GAG and other grants that it receives from the Education and Skills Funding Agency (ESFA). For the year ended 31 August 2020 the Academy received £11,952,596 of GAG and other income. A high percentage of this income is spent on wages and salaries and support costs to deliver the Academy's primary objective of the provision of education. During the year the Academy spent a total of £11,710,248 including capital projects. The Academy brought forward from 18/19, £15,817 of restricted funds and £1,208,525 of unrestricted. The carry forward for 19/20 is £259,295 of restricted funds and £1,392,353 of unrestricted funds.

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Academy is recognising a significant pension fund deficit of £3,873,000. This does not mean that an immediate liability for this amount crystallises and such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years.

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Reserves Policy

The Trustees are aware of the requirement to balance current and future needs and always aim to set a balanced budget with annual income balancing annual expenditure. The Trustees monitor estimated year-end carry forward figures via the monthly reports from the Business Manager. The budget plan identifies how any carry forward will be allocated in the plan for the following academic year, including the identification of any funds earmarked for a specific project or purpose.

The Academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £1,392,353. This has been built up from a mixture of locally raised income and balances transferred from the predecessor school.

The Academy's balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds at 31 August 2020 was £1,651,648.

The cash balance of the Academy has been very healthy all year, ending the year with a balance of £2,279,301. A significant proportion of this cash is held against specific projects and is not available to meet normal recurring expenditure.

Investment Policy

An Investment Policy was approved by the Board of Trustees in March 2019.

The aim of the policy is to ensure funds that the Academy does not immediately need to cover anticipated expenditure are invested to maximise the Academy's income but with minimal risk. The aim is to research where funds may be deposited applying prudence in ensuring there is minimum risk. The Trustees do not consider the investment of surplus funds as a primary activity, rather as good stewardship and as and when circumstances allow.

Principal Risks and Uncertainties

The Trustees maintain a risk register identifying the major risks to which the Academy is exposed, and identifying actions and procedures to mitigate those risks. A formal review of the risk register process is undertaken on a regular basis and the internal control systems and the exposure to said risks are monitored on behalf of the Trustees at each Committee meeting. The principal risks facing the Academy are outlined below; those facing the Academy at an operational level are addressed by its systems and by internal financial and other controls.

The Trustees report that the Academy's financial and internal controls conform to guidelines issued by the ESFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

As an academy school, the level of financial risk is low. Cash flows can be reliably forecast, monitored and reported. Staff costs make up the majority of expenditure and are relatively stable with contingencies in place to cover such items as sickness and maternity.

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees assess the other principal risks and uncertainties facing the Academy as follows:

- The Academy has considerable reliance on continued Government funding through the ESFA and whilst there has been a small injection of additional funding this will not be enough to counteract the rise of the minimum wage, teachers pensions contribution rise and any other additional costs that the Government may choose to introduce;
- Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks;
- Reputational - the continuing success of the School is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student progress and outcomes are closely monitored and reviewed;
- Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline;
- Staffing - the success of the School is reliant on the quality of its staff and the Trustees monitor and review policies and procedures and recruitment to ensure continued development and training of staff as well as ensuring there is clear succession planning;
- Fraud and mismanagement of funds - the Trustees have appointed Price Bailey LLP to carry out a programme of internal scrutiny which includes independent and external checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep up to date with financial practice requirements and develop their skills in this area;
- Financial instruments – the Academy only deals with bank balances, cash and trade creditors, with limited trade (and other) debtors. The risk in this area is considered to be low;
- COVID-19 – the disruption to the School during the 2019/20 academic year brought a reduction in external income and a number of additional costs, not all of which were recoverable from Government. Autumn term 2020 opened with new restrictions around class sizes and social distancing among other things. The risk of the School having to close due to localised infections has been mitigated by extensive risk assessment planning and amended working practices; and
- Defined benefit pension liability – as the Government has agreed to meet the defined benefit pension liability of any school ceasing to exist the main risk to the Academy is the annual cash flow funding of part of the deficit. Trustees take these payments into account when setting the annual budget plan.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness.

Fundraising

Parental contributions are invited on a voluntary basis to contribute towards a range of extracurricular trips and activities. The Academy does not work with professional fundraisers or companies who carry out fundraising on its behalf. During the year no complaints or issues have arisen as a result of the fundraising events. All fundraising undertaken during the year was monitored by the Trustees.

Plans for Future Periods

Our vision, aims and objectives remain as they were last year and we continue to work towards these. In addition, we are putting in place specific plans for catching the students up on the learning they have missed during the period of school closure to ensure that they will not be disadvantaged in future assessments.

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Funds Held as Custodian Trustee on Behalf of Others

The Academy does not hold any funds on behalf of others.

Provision of Information to Auditors

Insofar as the Trustees are aware there is no relevant audit information of which the Charitable Company's Auditors are 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 Auditors are aware of that information.

Auditors

The Auditors, Price Bailey LLP, are willing to continue in office and a resolution to appoint them will be proposed at the Annual General Meeting.

The Trustees' Report was approved by order of the Board of Trustees, as the company directors, on 10 December 2020 and signed on its behalf by:

K Ward
Chair

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Nower Hill 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 Nower Hill High School and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 7 times during the year.

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

Trustees	Meetings attended	Out of a possible
K Ward, Chair	6	7
J Buckingham, Vice Chair	7	7
L Voden, Headteacher & Accounting Officer	7	7
D La Rue	5	7
A Lane	2	2
R McKerracher	7	7
A Omar	5	7
S Kassam	6	7
A Chowdhry	7	7
C Byrne	2	2
J Gardner	4	7
J Herson	4	7
M Weerasekera	5	7
A Karmoun	5	7
K Bhogal	4	7
K Jeram	5	7
C Parkin	5	7
K Nair	7	7
H Bramble	2	4
S Syed	3	4
H Freed	0	0
M Berry	0	0

Review of the year:

The Board of Trustees is always reviewing its skills especially when new Trustees need to be appointed. Governance structures, committee membership and terms of reference for all committees are reviewed annually in the autumn term. A skills audit of the members of the Finance Committee is carried out regularly.

Governance reviews:

The Board of Trustees had intended to carry out a review in this academic year however it was de-prioritised due to Covid 19, this will be replanned for the next academic year.

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Committees

The Finance Premises and Audit Committee is a sub-committee of the main Board of Trustees. Its purpose is detailed below:

FINANCE

This Committee focuses on the budget and serves the financial needs of the other Committees:

- To provide guidance and assistance to the Board on all financial and budgetary matters;
- To deal with any financial matter raised by the Headteacher or designated representative;
- To review and recommend to the Board appropriate financial policies and procedures;
- To ensure compliance with the requirements of the Funding Agreement, Financial Regulations, financial policies and procedures;
- To prepare and review financial policy statements, including consideration of long term planning and resourcing;
- To consider each year's priorities and present an annual budget to the Board for approval;
- To monitor income and expenditure of all funds and report the financial situation to the Board each term;
- To recommend the level of delegation to the Headteacher for the day-to-day financial management of the school;
- To monitor and approve virement of funds, if necessary, within limits set by the Board;
- To receive and, where appropriate, respond to periodic audit reports of all funds;
- To monitor and review risks associated with the finances of the Academy.
- To review the risk register.

PREMISES

This Committee covers the physical resources of the site:

- To ensure the efficient and effective maintenance and general appearance of the School site;
- To review the security of the site and ensure the safety of pupils, staff and Trustees;
- To review the Health and Safety Policy and liaise with the Health and Safety Committee to ensure all works carried out meet Health and Safety standards;
- To monitor arrangements for the purchase and/or replacement of equipment and furniture;
- To monitor contracts for the provision of premises related services;
- To review Lettings Policy and charges;
- To monitor the lettings and out of hours use of the school premises;
- To oversee the catering arrangements;
- To support and promote environmental responsibility;
- To deal with any premises related matter raised by the Headteacher or designated representative;
- To make recommendations to the Board for the long-term development of the school site.

AUDIT

Risk management and internal control

- Gaining assurance that the Academy's risk management, control and governance arrangements are adequate and effective
- Monitoring implementation and maintenance of the institution's risk management plan
- Reviewing the effectiveness of the Academy's systems of internal control and advising the Board of Trustees accordingly

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Internal Scrutiny

- Considering and advising the Board of Trustees on the appointment and terms of engagement of the Internal Auditor
- Considering the findings of Internal Scrutiny and management responses
- Approving the audit Internal Scrutiny plan
- Monitoring the implementation of audit-based recommendations
- Establishing and monitoring appropriate performance indicators to measure the effectiveness of the work of the Internal Auditor and advising the Board of Trustees accordingly
- Considering the adequacy of resources for audit

External audit

- Advising the Board of Trustees on the appointment of the external Auditors
- Monitoring the effectiveness and performance of the external Auditors through appropriate performance indicators
- Approving the external audit plan
- Reviewing the annual external audit management letter and financial statements
- Value for money
- Ensuring satisfactory arrangements are in place to promote the economical, efficient and effective management of all the institution's resources.

Attendance during the year at meetings was as follows:

Trustees	Meetings attended	Out of a possible
J Buckingham	7	7
A Chowdhry	4	6
A Karmoun	1	7
A Lane	2	2
L Voden	7	7
R McKerracher	4	7
A Omar	0	7
K Ward	7	7
K Bhogal	4	7
S Syed	3	3

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of Value for Money

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

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

- Effectiveness
- Efficiency
- Economy
- Ethics

Each is dealt with separately below:

Effectiveness through improved educational performance

The School focusses on student achievement with the following key indicators:

Please note that outcome data from August 2019 will continue to be used for comparison due to the fact that the outcomes from August 2020 were not achieved as the result of nationally moderated external tests.

- Excellent Examination results at KS4. The headline figure of 5 or more A* to C (9-4) with English and Maths is 80% with a progress score (P8) of 0.53, amongst the top 15% of schools nationally.
- Excellent Examination results at KS5. 54% of all A2 grades at A*, A and B in 2019. A Value Added analysis (ALPS) of 2 'Outstanding' and inside the top 10% of schools nationally.
- Targeted use of Pupil Premium funding to close the gap. Pupil Premium students have a positive P8 (above the national rate of progress for all students).
- Excellent and well-resourced student support, strong links between home and school.
- Extensive suite of professional development opportunities both in house and accessed through Harrow Collegiate Teaching Schools Alliance. Large numbers of Nower Hill teachers currently participating in HCTSA leadership courses with many others having completed the courses previously.
- An Ofsted judgement of Outstanding in all five categories in May 2012.
- A very broad curriculum offer at KS4 including Ancient Greek, Latin, Ancient History, Dance and Astronomy to GCSE as well as 29 A level subjects in the 6th Form.
- Excellent facilities including a fitness suite, all weather field, 16 science laboratories, outstanding school hall, state of the art wireless network.
- The School of first choice for over 400 new families each year, with over 1600 preferences expressed annually.

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of Value for Money (continued)

Efficiency through financial governance and management

There is robust financial governance and oversight including the following:

- Financial regulations and procedures regularly reviewed;
- Written delegations annually reviewed and signed;
- Purchasing procedures based on clear separation of duties and a requirement for written quotations and tenders when specified thresholds are reached;
- Regular budget monitoring including comprehensive monthly management accounts;
- Two-year financial planning and cash-flow forecasting;
- Business continuity planning and regular review of the risk register by Trustees;
- Suite of finance policies reviewed regularly and rigorously enforced;
- Regular self-assessment based on Financial Management and Governance Self-assessment (FMGS);
- Trustee competencies matrix and finance staff competencies matrix completed annually;
- A full programme of audit assurance work agreed by Trustees, delivered by external Auditors, with follow-up through the Finance Committee;
- Use is made of specialist advice including legal, property and actuarial services where appropriate and justified on cost grounds.

Economy through working collaboratively to share best practice and reduce costs

The School actively participates in a wide range of collaborative initiatives:

- Member of Harrow Collegiate Teaching School Alliance;
- Extensive programme of CPD delivered across Harrow secondary schools;
- Member of Harrow 6th Form collegiate allowing students to undertake studies at a number of different schools contributing to more efficient class sizes and greater student choice;
- Collaborative procurement programme managed by Chief Finance Officers covering a range of services including catering, cleaning, financial software, audit, energy, property management, banking, HR and payroll services;
- Shared services including project management and financial advice;
- Member of two purchasing consortia accessing contracts for a range of goods and services;
- Benchmarking with other Harrow secondary schools and other families of school.

The School is also committed to ethical procurement which respects people and the environment.

The School will apply an Ethical Procurement Policy which will seek to ensure all parties employed by and for the School are treated with respect and have rights with regard to employment including the rights to freely choose employment, freedom of association, payment of a living wage, working hours that comply with national laws, equal opportunities, recognised employment relationship, freedom from intimidation and to a safe and healthy working environment.

As a community centric organisation, the School will seek, where practicable, to procure from suppliers that:

- Contribute their fair share of national and local taxes (e.g. corporation tax, and business rates);
- Employ local people;
- Support continuing education e.g. apprenticeships;
- Promote ethical and sustainable living.

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy's 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 Nower Hill High School for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the Annual Report and financial statements.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the Annual Report and financial statements. This process is regularly reviewed by the Board of Trustees.

The Risk and Control Framework

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- Regular reviews by the Finance 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.

Internal Scrutiny/Audit

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Price Bailey as Internal Auditor.

Price Bailey also undertook external audit and due to the new Ethical Standards we have appointed Alliotts to undertake our internal scrutiny arrangements going forward.

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

- Key Financial Controls
- ESFA musts as per the Academies Financial Handbook

The Internal Auditor reports to the Board of Trustees, through the Finance, Premises and Audit Committee prepares an annual summary report to the Committee outlining the areas reviewed, key findings, recommendations and conclusions to help the Committee consider actions and assess year on year progress.

The Internal Auditor has delivered their schedule of work as planned and there were no material control issues arising as a result of their work.

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

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 or the school resource management self-assessment tool;
- The work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance, Premises and Audit Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 10 December 2020 and signed on their behalf by:

K Ward
Chair

L Voden
Accounting Officer

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Nower Hill High School I have considered my responsibility to notify the Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook 2019.

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

L Voden
Accounting Officer

Date: 14 December 2020

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2020

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 10 December 2020 and signed on its behalf by:

K Ward
Chair

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF NOWER HILL HIGH SCHOOL

Opinion

We have audited the financial statements of Nower Hill High School (the 'Academy') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF NOWER HILL HIGH SCHOOL (CONTINUED)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Other information includes the Trustees' Report including the Strategic Report, the Governance Statement and the Accounting Officer's Statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our Report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement, 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, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF NOWER
HILL HIGH SCHOOL (CONTINUED)**

Auditors' responsibilities for the audit of the financial statements

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

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

Use of our Report

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

Gary Miller (Senior Statutory Auditor)

for and on behalf of

Price Bailey LLP

Chartered Accountants

Statutory Auditors

Causeway House

1 Dane Street

Bishop's Stortford

Hertfordshire

CM23 3BT

14 December 2020

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO NOWER HILL
HIGH SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 6 April 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Nower Hill High School during the year 1 September 2019 to 31 August 2020 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 Nower Hill High School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Nower Hill High School and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Nower Hill High School and ESFA, for our work, for this Report, or for the conclusion we have formed.

Respective responsibilities of Nower Hill High School's Accounting Officer and the Reporting Accountant

The Accounting Officer is responsible, under the requirements of Nower Hill High School's funding agreement with the Secretary of State for Education dated 1 November 2011 and the Academies Financial Handbook, extant from 1 September 2019, 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 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material irregularity, impropriety and non-compliance.
- Consideration and corroboration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance and how the Academy complies with the framework of authorities.
- Evaluation of the general control environment of the Academy, extending the procedures required for financial statements to include regularity, propriety and compliance.
- Discussions with and representations from the Accounting Officer and other key management personnel.
- An extension of substantive testing from our audit of the financial statements to cover matters pertaining to regularity, in order to support the regularity conclusion, including governance, internal controls, procurement and the application of income.

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant

Price Bailey LLP

Date: 14 December 2020

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	As restated Total funds 2019 £
Income from:						
Donations and capital grants	3	-	131,113	38,830	169,943	1,008,436
Charitable activities	4	25,657	11,449,078	-	11,474,735	10,625,461
Other trading activities	5	222,130	75,669	-	297,799	363,769
Investments	6	10,119	-	-	10,119	13,149
Total income		<u>257,906</u>	<u>11,655,860</u>	<u>38,830</u>	<u>11,952,596</u>	<u>12,010,815</u>
Expenditure on:						
Charitable activities	7	74,078	11,651,846	686,444	12,412,368	12,676,261
Total expenditure		<u>74,078</u>	<u>11,651,846</u>	<u>686,444</u>	<u>12,412,368</u>	<u>12,676,261</u>
Net income / (expenditure)		<u>183,828</u>	<u>4,014</u>	<u>(647,614)</u>	<u>(459,772)</u>	<u>(665,446)</u>
Transfers between funds	17	-	(112,536)	112,536	-	-
Net movement in funds before other recognised gains/(losses)		<u>183,828</u>	<u>(108,522)</u>	<u>(535,078)</u>	<u>(459,772)</u>	<u>(665,446)</u>
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	25	-	269,000	-	269,000	(1,075,000)
Net movement in funds		<u>183,828</u>	<u>160,478</u>	<u>(535,078)</u>	<u>(190,772)</u>	<u>(1,740,446)</u>
Reconciliation of funds:						
Total funds brought forward		1,208,525	(3,774,183)	22,232,064	19,666,406	21,406,852
Net movement in funds		183,828	160,478	(535,078)	(190,772)	(1,740,446)
Total funds carried forward		<u>1,392,353</u>	<u>(3,613,705)</u>	<u>21,696,986</u>	<u>19,475,634</u>	<u>19,666,406</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 28 to 52 form part of these financial statements.

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07690023

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	As restated 2019 £
Fixed assets			
Tangible assets	13	21,685,582	22,035,702
Current assets			
Debtors	14	367,908	564,882
Cash at bank and in hand		2,279,301	2,081,613
		2,647,209	2,646,495
Creditors due within one year	15	(914,077)	(1,138,191)
Net current assets		1,733,132	1,508,304
Total assets less current liabilities		23,418,714	23,544,006
Creditors due after more than one year	16	(70,080)	(87,600)
Net assets excluding pension liability		23,348,634	23,456,406
Defined benefit pension scheme liability	25	(3,873,000)	(3,790,000)
Total net assets		19,475,634	19,666,406
 Funds of the Academy			
Restricted funds:			
Fixed asset funds	17	21,696,986	22,232,064
Restricted income funds	17	259,295	15,817
Pension reserve	17	(3,873,000)	(3,790,000)
Total restricted funds		18,083,281	18,457,881
Unrestricted income funds	17	1,392,353	1,208,525
Total funds		19,475,634	19,666,406

The financial statements on pages 25 to 52 were approved by the Trustees, and authorised for issue on 10 December 2020 and are signed on their behalf, by:

K Ward
Chair

The notes on pages 28 to 52 form part of these financial statements.

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	19	278,795	(307,444)
Cash flows from investing activities	21	(63,587)	422,774
Cash flows from financing activities	20	(17,520)	(17,520)
Change in cash and cash equivalents in the year		197,688	97,810
Cash and cash equivalents at the beginning of the year		2,081,613	1,983,803
Cash and cash equivalents at the end of the year	22, 23	<u>2,279,301</u>	<u>2,081,613</u>

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies

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

The Academy is a company limited by guarantee. The Members of the Company are named on page 1. In the event of the Academy being wound up, the liability in respect of the guarantee is limited to £10 per Member. The Academy's registered office is Nower Hill High School, George V Avenue, Pinner, London, Middlesex, HA5 5RP.

1.1 Basis of preparation of financial statements

The financial statements of the Academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Nower Hill High School meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

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

Following the year end the Academy has been affected to a limited extent by restrictions imposed by the UK Government in response to the COVID-19 pandemic.

The Academy derives the majority of its income from local and national government grant funding which is secured for a number of years, under the terms of the Academy Funding Agreement with the Secretary of State for Education. This will ensure that the Academy can continue operating for a period of at least 12 months following the date of this Report. The financial statements do not contain any adjustments that would be required if the Academy were not able to continue as a going concern.

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.3 Income

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

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

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

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

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

1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.6 Taxation

The Academy is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the Academy is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 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.

1.7 Tangible fixed assets

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following bases:

Long-term leasehold property	- 50 - 116 years
Furniture and equipment	- 5 - 25 years
Computer equipment	- 3 years

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

1.8 Debtors

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

1.9 Cash at bank and in hand

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

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.10 Liabilities

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

1.11 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 15 and 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.12 Operating leases

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

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.13 Pensions

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

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

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

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

1.14 Fund accounting

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

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

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

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

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and capital grants

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	As restated Total funds 2019 £
Donations	-	131,113	-	131,113	355,126
Capital Grants	-	-	38,830	38,830	653,310
	<u>-</u>	<u>131,113</u>	<u>38,830</u>	<u>169,943</u>	<u>1,008,436</u>
Total 2019 as restated	<u>1,394</u>	<u>868,886</u>	<u>138,156</u>	<u>1,008,436</u>	

In 2019, income from donations was £1,394 all of which related to unrestricted funds.

In 2019, income from capital grants was £653,310 all of which related to restricted fixed asset funds.

In 2019, restricted donations for school trip income of £353,732 was net against the expenditure to which it relates, this has been reclassified to represent its true form.

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

4. Funding for the Academy's educational operations

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	As restated Total funds 2019 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	10,131,836	10,131,836	9,740,194
Other DfE group grants	-	906,153	906,153	435,096
	-	11,037,989	11,037,989	10,175,290
Other Government grants				
Local Authority grants	-	411,089	411,089	399,568
	-	411,089	411,089	399,568
Other funding				
Catering income	25,657	-	25,657	50,603
	25,657	-	25,657	50,603
Total 2020	25,657	11,449,078	11,474,735	10,625,461
Total 2019 as restated	49,118	10,576,343	10,625,461	

In 2019, income from DfE/ESFA grants was £10,175,290 all of which related to restricted funds.

In 2019, income from Other Government grants was £399,568 all of which related to restricted funds.

In 2019, income from other funding was £50,603, of which £49,118 related to unrestricted funds and £1,485 related to restricted funds.

This note has been restated from the prior year to more accurately categorise income and to eliminate elements of catering income against expenditure to better reflect its true form.

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

5. Income from other trading activities

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	As restated Total funds 2019 £
Hire of facilities	80,983	-	80,983	97,593
Other income	141,147	75,669	216,816	266,176
	<u>222,130</u>	<u>75,669</u>	<u>297,799</u>	<u>363,769</u>
Total 2019 as restated	<u>292,006</u>	<u>71,763</u>	<u>363,769</u>	

In 2019, income from hire of facilities was £97,593 all of which related to unrestricted funds.

In 2019, other income was £176,533, of which £71,763 related to restricted funds and £104,770 related to unrestricted funds.

In 2019, other income of £89,643 was net against the expenditure to which it relates, this has been reclassified to represent its true form.

This note has been restated from the prior year to eliminate catering income against expenditure to better reflect its true form.

6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Interest received	10,119	10,119	13,149
	<u>13,149</u>	<u>13,149</u>	
Total 2019	<u>13,149</u>	<u>13,149</u>	

In 2019, interest received was £13,149 all of which related to unrestricted funds.

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

7. Expenditure

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £	As restated Total 2019 £
Direct costs	7,963,294	111,930	464,038	8,539,262	8,677,666
Support costs	1,982,492	1,195,731	694,883	3,873,106	3,998,595
	<u>9,945,786</u>	<u>1,307,661</u>	<u>1,158,921</u>	<u>12,412,368</u>	<u>12,676,261</u>
Total 2019 as restated	<u>9,431,136</u>	<u>1,614,425</u>	<u>1,630,700</u>	<u>12,676,261</u>	

In 2019, of total expenditure £390,775 was on unrestricted funds, £11,591,054 was on restricted funds and £694,432 was on restricted fixed asset funds.

In 2019, direct costs consisted of £7,570,211 staff costs and £1,107,455 other costs.

In 2019 support costs consisted of £1,860,925 staff costs, £1,614,425 premises costs and £523,245 other costs.

As referenced in notes 3, 4 and 5 this note has restated from the prior year.

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

8. Charitable activities

	2020	As restated 2019
	£	£
Direct costs	8,539,262	8,677,666
Support costs	3,873,106	3,998,595
	12,412,368	12,676,261
	12,412,368	12,676,261

	2020	As restated 2019
	£	£
Analysis of support costs		
Support staff costs	1,982,492	1,894,126
Depreciation	462,656	399,886
Premises costs	733,075	1,214,539
Governance costs	14,499	18,355
Technology	28,445	31,338
Legal	7,531	3,603
Other support costs	644,408	436,748
	3,873,106	3,998,595
	3,873,106	3,998,595

9. Net expenditure

Net expenditure for the year includes:

	2020	2019
	£	£
Operating lease rentals	27,412	31,470
Depreciation of tangible fixed assets	462,656	399,886
Fees paid to Auditors for:		
- audit	7,400	7,795
- other services	7,450	4,260
	7,850	12,055
	7,850	12,055

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2020	As restated 2019
	£	£
Wages and salaries	7,220,690	7,221,137
Social security costs	744,056	737,818
Pension costs	1,895,516	1,425,763
	9,860,262	9,384,718
Amounts paid to employees		
Agency staff costs	85,524	46,418
	9,945,786	9,431,136
Total staff expenditure	9,945,786	9,431,136

This note has been restated from the prior year as a result of reclassifications noted in notes 4 and 5.

b. Staff numbers

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

	2020	2019
	No.	No.
Teachers	129	135
Administration and support	101	116
Management	2	2
	232	253
	232	253

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

10. Staff (continued)

c. Higher paid staff

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

	2020 No.	2019 No.
In the band £60,001 - £70,000	5	6
In the band £70,001 - £80,000	2	1
In the band £80,001 - £90,000	1	1
In the band £90,001 - £100,000	1	-
In the band £100,001 - £110,000	-	1
	-	1

d. Key management personnel

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £1,086,899 (2019 - £1,037,778).

Employer National Insurance contributions included within key management personnel remuneration was £95,394 (2019 - £96,422). Employer pension contributions included within key management personnel remuneration was £188,205 (2019 - £133,137).

11. Trustees' remuneration and expenses

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

		2020 £	2019 £
L Voden, Headteacher & Accounting Officer	Remuneration	95,000 - 100,000	NIL
	Pension contributions paid	20,000 - 25,000	NIL
J Herson	Remuneration	25,000 - 30,000	25,000 - 30,000
	Pension contributions paid	5,000 - 10,000	0 - 5,000
J Gardner	Remuneration	55,000 - 60,000	50,000 - 55,000
	Pension contributions paid	10,000 - 15,000	5,000 - 10,000
C Parkin	Remuneration	10,000 - 15,000	5,000 - 10,000
	Pension contributions paid	0 - 5,000	0 - 5,000

During the year ended 31 August 2020, no Trustee expenses have been incurred (2019 - £235).

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

12. Trustees' and Officers' insurance

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

13. Tangible fixed assets

	Long-term leasehold property £	Assets under construction £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation					
At 1 September 2019	24,754,528	-	1,011,110	532,557	26,298,195
Additions	-	59,067	31,696	21,773	112,536
At 31 August 2020	<u>24,754,528</u>	<u>59,067</u>	<u>1,042,806</u>	<u>554,330</u>	<u>26,410,731</u>
Depreciation					
At 1 September 2019	2,788,160	-	991,400	482,933	4,262,493
Charge for the year	410,737	-	22,880	29,039	462,656
At 31 August 2020	<u>3,198,897</u>	<u>-</u>	<u>1,014,280</u>	<u>511,972</u>	<u>4,725,149</u>
Net book value					
At 31 August 2020	<u>21,555,631</u>	<u>59,067</u>	<u>28,526</u>	<u>42,358</u>	<u>21,685,582</u>
At 31 August 2019	<u>21,966,368</u>	<u>-</u>	<u>19,710</u>	<u>49,624</u>	<u>22,035,702</u>

Included in the net book value of property displayed above are the following amounts relating to land:

	2020 £	2019 £
Long-term leasehold land	<u>7,412,833</u>	<u>7,412,833</u>

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

14. Debtors

	2020	As restated 2019
	£	£
Due within one year		
Trade debtors	68,922	75,271
Other debtors	4,723	-
Prepayments and accrued income	259,392	436,049
VAT recoverable	34,871	53,562
	<u>367,908</u>	<u>564,882</u>
	<u>367,908</u>	<u>564,882</u>

15. Creditors: Amounts falling due within one year

	2020	As restated 2019
	£	£
Other loans	17,520	17,520
Trade creditors	92,694	191,583
Other taxation and social security	174,895	184,469
Other creditors	235,198	46,506
Accruals and deferred income	393,770	698,113
	<u>914,077</u>	<u>1,138,191</u>
	<u>914,077</u>	<u>1,138,191</u>

This note has been restated from the prior year due to a reclassification between other creditors and accruals and deferred income.

	2020	2019
	£	£
Deferred income at 1 September 2019	296,286	202,457
Resources deferred during the year	373,243	296,286
Amounts released from previous periods	(296,286)	(202,457)
	<u>373,243</u>	<u>296,286</u>
	<u>373,243</u>	<u>296,286</u>

At the balance sheet date, the Academy was holding funds received in advance for SEN services, the rates rebate, educational trips and music & lettings income received in advance for the following year.

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

16. Creditors: Amounts falling due after more than one year

	2020 £	2019 £
Other loans	70,080	87,600

Included within the above are amounts falling due as follows:

	2020 £	2019 £
Between one and two years		
Other loans	17,520	17,520
Between two and five years		
Other loans	52,560	52,560
Over five years		
Other loans	-	17,520

Included with other loans due both within and more than one year is a Salix loan of £87,600 (2019 - £105,120) from the ESFA which is provided interest-free and is repayable in equal, twice-yearly instalments over 5 years.

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

17. Statement of funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
Unrestricted fund	1,208,525	257,906	(74,078)	-	-	1,392,353
Restricted general funds						
General Annual Grant (GAG)	15,817	10,131,836	(9,775,822)	(112,536)	-	259,295
Other DfE / ESFA grants	-	906,153	(906,153)	-	-	-
Other Government grants	-	411,089	(411,089)	-	-	-
Other restricted funds	-	75,669	(75,669)	-	-	-
Restricted donations	-	131,113	(131,113)	-	-	-
Pension reserve	(3,790,000)	-	(352,000)	-	269,000	(3,873,000)
	<u>(3,774,183)</u>	<u>11,655,860</u>	<u>(11,651,846)</u>	<u>(112,536)</u>	<u>269,000</u>	<u>(3,613,705)</u>
Restricted fixed asset funds						
Restricted fixed assets	22,035,702	-	(462,656)	112,536	-	21,685,582
Devolved Formula Capital	-	38,830	(38,830)	-	-	-
Conditional Improvement Funding	196,362	-	(184,958)	-	-	11,404
	<u>22,232,064</u>	<u>38,830</u>	<u>(686,444)</u>	<u>112,536</u>	<u>-</u>	<u>21,696,986</u>
Total Restricted funds	<u>18,457,881</u>	<u>11,694,690</u>	<u>(12,338,290)</u>	<u>-</u>	<u>269,000</u>	<u>18,083,281</u>
Total funds	<u><u>19,666,406</u></u>	<u><u>11,952,596</u></u>	<u><u>(12,412,368)</u></u>	<u><u>-</u></u>	<u><u>269,000</u></u>	<u><u>19,475,634</u></u>

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

17. Statement of funds (continued)

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

General Annual Grant: This fund is for the purpose of running the Academy in accordance with the Funding Agreement with the Secretary of State and along guidelines as set out in the Academies Financial Handbook.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2020.

Other DfE/ESFA grants: This fund has also arisen from funding received from the Department for Education and the Education and Skills Funding Agency for the furtherance of the Academy's activities that are not funded through the General Annual Grant.

Other Government grants: This fund has also arisen from funding received for the furtherance of the Academy's activities that are funded by the Local Authority.

Other restricted funds: This restricted fund has arisen from other income that the Academy has received. The monies have to be used for the benefit of the Academy and there are restrictions on how these monies can be spent.

Restricted donations: This fund largely represents contributions made by parents to the running of educational visits for the pupils of the Academy and the associated costs of running the trips.

Pension reserve: This liability has arisen from the Local Government Pension Scheme, which was inherited by the Academy on conversion.

Restricted fixed asset funds: These funds have arisen from fixed assets inherited upon conversion and from the subsequent purchases of new assets for the use by the Academy. All assets are held specifically for the use of the Academy.

Unrestricted funds: These funds have arisen from activities carried out by the Academy for raising funds and are unrelated to any form of government assistance and therefore the Academy can spend it however it chooses.

Devolved Formula Capital: This represents funding received from ESFA for the maintenance and improvement of the Academy's buildings and facilities.

Conditional Improvement Funding: This represents brought forward Conditional Improvement Funding and funding received from the ESFA for specific capital projects.

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

17. Statement of funds (continued)

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

	Balance at 1 September 2018 £	As restated Income £	As restated Expenditure £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds					
General Funds	1,241,892	357,408	(390,775)	-	1,208,525
Restricted general funds					
General Annual Grant (GAG)	215,695	9,739,938	(9,939,816)	-	15,817
Other Dfe / ESFA grants	-	339,437	(339,437)	-	-
Other Government grants	-	496,968	(496,968)	-	-
Other restricted funds	-	70,022	(70,022)	-	-
Restricted donations	-	353,732	(353,732)	-	-
Pension reserve	(2,439,000)	-	(276,000)	(1,075,000)	(3,790,000)
	<u>(2,223,305)</u>	<u>11,000,097</u>	<u>(11,475,975)</u>	<u>(1,075,000)</u>	<u>(3,774,183)</u>
Restricted fixed asset funds					
Restricted fixed assets	22,388,265	-	(399,886)	47,323	22,035,702
DfE group capital grants	-	47,323	-	(47,323)	-
Condition Improvement Funding	-	605,987	(409,625)	-	196,362
	<u>22,388,265</u>	<u>653,310</u>	<u>(809,511)</u>	<u>-</u>	<u>22,232,064</u>
Total Restricted funds	<u>20,164,960</u>	<u>11,653,407</u>	<u>(12,285,486)</u>	<u>(1,075,000)</u>	<u>18,457,881</u>
Total funds	<u>21,406,852</u>	<u>12,010,815</u>	<u>(12,676,261)</u>	<u>(1,075,000)</u>	<u>19,666,406</u>

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

18. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	21,685,582	21,685,582
Current assets	1,429,206	1,081,013	136,990	2,647,209
Creditors due within one year	(36,853)	(821,718)	(55,506)	(914,077)
Creditors due in more than one year	-	-	(70,080)	(70,080)
Provisions for liabilities and charges	-	(3,873,000)	-	(3,873,000)
Total	<u>1,392,353</u>	<u>(3,613,705)</u>	<u>21,696,986</u>	<u>19,475,634</u>

Analysis of net assets between funds - prior period restated

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	22,035,702	22,035,702
Current assets	1,260,962	763,974	621,559	2,646,495
Creditors due within one year	(52,437)	(748,157)	(337,597)	(1,138,191)
Creditors due in more than one year	-	-	(87,600)	(87,600)
Provisions for liabilities and charges	-	(3,790,000)	-	(3,790,000)
Total	<u>1,208,525</u>	<u>(3,774,183)</u>	<u>22,232,064</u>	<u>19,666,406</u>

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

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

	2020 £	2019 £
Net expenditure for the period (as per Statement of Financial Activities)	(459,772)	(665,446)
Adjustments for:		
Depreciation	462,656	399,886
Capital grants from DfE/ESFA	(38,830)	(653,310)
Interest receivable	(10,119)	(13,149)
Defined benefit pension scheme cost	352,000	276,000
Decrease in debtors	196,974	3,581
(Decrease)/increase in creditors	(224,114)	344,994
Net cash provided by/(used in) operating activities	278,795	(307,444)

20. Cash flows from financing activities

	2020 £	2019 £
Repayments of borrowing	(17,520)	(17,520)

21. Cash flows from investing activities

	2020 £	2019 £
Interest receivable	10,119	13,149
Purchase of tangible fixed assets	(112,536)	(47,323)
Capital grants from DfE/ESFA	38,830	456,948
Net cash (used in)/provided by investing activities	(63,587)	422,774

22. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	2,279,301	2,081,613

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

23. Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	Other non- cash changes £	At 31 August 2020 £
Cash at bank and in hand	2,081,613	197,688	-	2,279,301
Debt due within 1 year	(17,520)	17,520	(17,520)	(17,520)
Debt due after 1 year	(87,600)	-	17,520	(70,080)
	<u>1,976,493</u>	<u>215,208</u>	<u>-</u>	<u>2,191,701</u>

24. Capital commitments

	2020 £	2019 £
Contracted for but not provided in these financial statements		
Repairs, maintenance or enhancements to property	-	239,616
	<u>-</u>	<u>239,616</u>

25. Pension commitments

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

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

Contributions amounting to £180,306 were payable to the schemes at 31 August 2020 (2019 - £NIL) and are included within creditors.

Teachers' Pension Scheme

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

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

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

25. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £1,212,861 (2019 - £829,014).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate Trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £490,000 (2019 - £483,000), of which employer's contributions totalled £391,000 (2019 - £387,000) and employees' contributions totalled £99,000 (2019 - £96,000). The agreed contribution rates for future years are 19.9 per cent for employers and 5.5-12.5 per cent for employees.

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

Principal actuarial assumptions

	2020	2019
	%	%
Rate of increase in salaries	2.9	2.6
Rate of increase for pensions in payment/inflation	2.2	2.3
Discount rate for scheme liabilities	1.7	1.8
Inflation assumption (CPI)	2.2	2.3

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

25. Pension commitments (continued)

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

	2020 Years	2019 Years
Retiring today		
Males	22.0	21.2
Females	24.3	23.5
Retiring in 20 years		
Males	23.1	22.3
Females	26.3	25.0

As at 31 August 2020 the Academy had a pension liability of £3,873,000 (2019 - £3,790,000). The sensitivity analysis detailed below would increase / (decrease) the closing defined benefit obligation in the following way:

Sensitivity analysis

	2020 £000	2019 £000
Discount rate +0.1%	(222)	(239)
Discount rate -0.1%	222	239
Mortality assumption +1 year	404	384
Mortality assumption -1 year	(404)	(384)
CPI rate +0.1%	222	210
CPI rate -0.1%	(222)	(210)

Share of scheme assets

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

	2020 £	2019 £
Equities	4,792,000	4,593,000
Bonds	809,000	814,000
Property	436,000	407,000
Cash and other liquid assets	187,000	-
Total market value of assets	6,224,000	5,814,000

The actual return on scheme assets was £70,000 (2019 - £442,000).

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

25. Pension commitments (continued)

The amounts recognised in the Statement of Financial Activities are as follows:

	2020 £	2019 £
Current service cost	(672,000)	(562,000)
Past service cost	-	(30,000)
Interest income	108,000	145,000
Interest cost	(179,000)	(216,000)
Total amount recognised in the Statement of Financial Activities	(743,000)	(663,000)

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

	2020 £	2019 £
At 1 September	9,604,000	7,423,000
Current service cost	672,000	562,000
Interest cost	179,000	216,000
Employee contributions	99,000	96,000
Actuarial (gains)/losses	(307,000)	1,372,000
Benefits paid	(150,000)	(95,000)
Past service costs	-	30,000
At 31 August	10,097,000	9,604,000

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

	2020 £	2019 £
At 1 September	5,814,000	4,984,000
Interest income	108,000	145,000
Actuarial (losses)/gains	(38,000)	297,000
Employer contributions	391,000	387,000
Employee contributions	99,000	96,000
Benefits paid	(150,000)	(95,000)
At 31 August	6,224,000	5,814,000

NOWER HILL HIGH SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

26. Operating lease commitments

At 31 August 2020 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	22,634	27,412
Later than 1 year and not later than 5 years	49,056	60,224
Later than 5 years	-	11,466
	<u>71,690</u>	<u>99,102</u>

27. Members' liability

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

28. Related party transactions

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

During the year, the Academy raised donations of £1,076 (2019 - £3,301) for the charity, Friends of St Marcellin's Children, which is chaired by the Accounting Officer. No balance was payable at the year end.

In entering into the transactions above, the Academy has complied with the requirements of the Academies Financial Handbook.

No other related party transactions took place in the period of account, other than certain Trustees' remuneration and expenses already disclosed in note 11.