

Bradford Girls' Grammar School Trust
(A Company Limited by Guarantee)

Annual Report and Financial Statements

Year ended 31 August 2021

**Company Registration Number:
7951118 (England and Wales)**

Bradford Girls' Grammar School Trust

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Bradford Girls' Grammar School Trust

Reference and Administrative Details

Year ended 31 August 2021

Members:

Mrs A J Cooper
Mr N J Shaw
Miss L-D Morris
Mrs R J Hicks

Governors:

Mrs A J Cooper #
Miss H J Roberts #
Mrs C Day
Mrs L N Khan * - resigned 15 November 2021
Miss J Jenkinson
Miss K H Brooke
Mrs V Clarke
Mr I Hussain *
Miss J Peters #
Ms S Alam – resigned 5 July 2021
Mr C J Sutcliffe – appointed 4 February 2021
Mr N Barton – appointed 1 May 2021

Members of the finance and resources committee are denoted by #

Parent governors are denoted by *

Company Secretary:

Mrs M Taylor

Accounting Officer:

Mrs C Martin – appointed 1 September 2020

Senior Management Team:

Mrs C Martin - Principal and Chief Executive Officer
Mrs M Taylor - Director of Finance and Administration
Mrs R Howarth - Assistant Principal
Mrs K Poole - Principal of Lady Royd Primary
Miss M Harris - Safeguarding Lead
Mr N Bates – Teacher – resigned 31 August 2021
Miss C Jackson - Teacher
Mrs R E Shields - Teacher
Mrs N Hughes - Teacher
Mrs V Sutcliffe - Teacher

Company Name:

Bradford Girls' Grammar School Trust

Principal and Registered Office:

Bradford Girls' Grammar School
Squire Lane
Bradford
BD9 6RB

Company Registration Number:

7951118 (England and Wales)

Independent Auditor:

BHP LLP
New Chartford House
Centurion Way
Cleckheaton
BD19 3QB

Bankers:

Barclays Bank plc
10 Market Street
Bradford
BD1 1NR

Bradford Girls' Grammar School Trust

Governors' Report

Year ended 31 August 2021

The governors present their annual report together with the consolidated financial statements and auditor's report of the academy trust for the period 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a governors' report and a directors' report under company law.

The academy trust operates an academy for pupils aged 4 to 19 serving a catchment area in the city of Bradford. It has a current pupil capacity of 1,061 and had a roll of 1,009 in the school census in October 2020. Following a review of the academy trust's ability to meet the demand for places in its secondary phase, the governors resolved to close its sixth form as from September 2021. This was approved by the DfE and is reflected in the academy trust's revised Funding Agreement.

Structure, Governance and Management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association, dated 15 February 2012, are the primary governing documents of the academy trust. The governors of Bradford Girls' Grammar School Trust are also the directors of the charitable company for the purposes of company law. The charitable company is called Bradford Girls' Grammar School Trust but operates under the name of Bradford Girls' Grammar School. The charitable company owns 100% of the share capital of Lady Castle Nursery Limited, a company registered in England and Wales, which provides nursery facilities and forms part of these consolidated accounts.

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

Members' Liability

Each member of the academy trust undertakes to contribute to the assets of the academy trust 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.

Governors' Indemnities

In accordance with normal commercial practice the academy trust has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2021 was £1,000 (2020 - £1,000). The cost of this insurance is included in the total cost of insurance.

Method of Recruitment and Appointment or Election of Governors

The members' aim is to recruit responsible people as governors who are actively interested in the academy trust and can give the necessary time commitment. The members may appoint up to twelve governors. The members may also appoint staff governors through such process as they may determine, provided that the total number of governors (including the Principal) who are employees of the academy trust does not exceed one third of the total number of governors. There must be a minimum of two parent governors who shall be elected by parents of registered pupils at the academy trust. A parent governor must be a parent of a pupil at the academy trust at the time the parent governor is elected. The governors may appoint up to three co-opted governors and the Secretary of State may appoint additional governors. The Principal shall be treated for all purposes as being an ex-officio governor of the academy. The term of office for any governor shall be four years, save that this time shall not apply to the Principal. Subject to remaining eligible to be a particular type of governor, any governor may be re-appointed or re-elected. New governors are given the appropriate level of training to carry out their responsibilities.

Policies and Procedures Adopted for the Induction and Training of Governors

All new governors participate in an induction programme and are given an induction pack giving a wide range of information and guidance relating to the governance of the academy trust. The Chair of Governors is responsible for arranging a programme of governor training. Typically this is provided for internally by academy staff but complementary outside resources are used where this is considered appropriate.

Bradford Girls' Grammar School Trust

Governors' Report (continued)

Year ended 31 August 2021

Organisational Structure

The governors held eight meetings during the year. The governors determine the strategy and the general policy of the academy trust. The day to day running of the academy trust is delegated to the Principal, supported by senior staff. The Principal undertakes the key leadership role overseeing educational, pastoral and administrative functions in consultation with the senior staff. The day to day administration of both junior and senior school is undertaken within the policies and procedures approved by the governors which provide for only significant expenditure decisions and major capital projects to be referred to the governors for prior approval as per scheme of delegation.

Arrangements for setting Pay and Remuneration of Key Management Personnel

When setting the pay range for key management personnel consideration is given to the following:

- Reference to the "School teachers' pay and conditions document and guidance on school teachers' pay and conditions"
- Challenges that are specific to the role
- Number of pupils
- Management structure
- Benchmarking against similar size schools

Related Parties and other Connected Charities and Organisations

The academy trust is related to Bradford Girls' Grammar School, a registered company and charity, which had one member/governor in common during the year. Certain assets, including the land and buildings, were transferred from Bradford Girls' Grammar School to the academy trust on conversion from an independent school to a free school.

Objectives and Activities

Objects and Aims

We aim, through our junior and senior schools, to provide a first class education for girls from the ages of 4 to 16, and for boys from the ages of 4 to 11. We will seek to provide a structured educational environment that develops our pupils' capabilities, competences and skills. We will promote the academic, moral and physical development of our pupils through our academic curriculum, pastoral care, sporting and other activities. We will provide an educational environment where each student can develop and fulfill his or her potential, building their self-confidence and inculcating a desire to contribute to the wider community. In doing so, we will prepare our pupils for the opportunities, responsibilities and experience of later life.

Objectives, Strategies and Activities

The academy trust's key objectives are:

- To maintain an experienced, well qualified and committed teaching staff, all capable of delivering the highest standards of teaching and learning and of promoting individual pupil progress
- To conduct regular reviews of the curriculum and the organisational structure to ensure the academic needs of all pupils are being met
- To maintain high levels of attendance at school where the importance of a full or near full attendance record is emphasised and absences are rigorously pursued
- To promote a school community where a clearly defined pastoral structure supports the wellbeing of every pupil and actively promotes strong relationships between school and parents/carers
- To maintain excellent standards of behaviour through a strong emphasis on positive behaviour, role modeling by staff and older students, disapproval of poor behaviour and consideration of the consequences of our actions
- To provide value for money for the funds expended
- To comply with all appropriate statutory and curriculum requirements
- To provide excellent nursery facilities through the academy trust's subsidiary, Lady Castle Nursery Limited

Public Benefit

In setting our objectives and planning our future activities, the governors have given careful consideration to the Charity Commission's general guidance on public benefit and confirm that they have complied with the guidance, in particular to its supplementary guidance on advancing education.

Bradford Girls' Grammar School Trust

Governors' Report (continued)

Year ended 31 August 2021

Strategic Report

Achievements and Performance

The achievements and performance of the academy trust are summarised as follows:

Key Performance Indicators

July 2019

Early Years

Good Level of Development	79%
Phonics Year 1	79%
Phonics Check Year 1 and 2	93%

Key Stage 1 (KS1)

Expected Standard Reading	93%
Expected Standard Writing	91%
Expected Standard Mathematics	93%
Expected Standard Reading, Writing and Mathematics	91%

Key Stage 2 (KS2)

Expected Standard Reading	69%
Expected Standard Writing	84%
Expected Standard Mathematics	76%
Expected Standard GPS	90%
Expected Standard Reading, Writing & Mathematics	64%

Key Stage 4 (KS4)

Attainment 8 score	51.1
Progress 8 score	0.67
% achieving grade 5 or above in English and Mathematics	58%
% achieving grade 5 or above in the English Baccalaureate	18%
% Entering English Baccalaureate	43%

Post 16 Results (KS5)

Level 3 Value Added	-0.56
Average point score per A level entry expressed as a grade	C
Average point score per A level entry (see note below)	28.7
Average point score per A level student (fte) (see note below)	83.4
% pupils achieving at least 2 A levels	94%
% pupils achieving at least 3 A levels	91%

There have only been teacher assessed grades covering the past 2 years due to the COVID-19 pandemic.

Attendance

The attendance percentage for the year was 90.82% (2020 – 93.73%) for both the primary and secondary schools, allowing for permitted study leave and the closure due to the COVID-19 pandemic.

Lady Castle Nursery

Ofsted last carried out a visit during May 2017 to review a number of important areas which included observation of the quality of teaching, talking to parents and reviewing policies and procedures. The nursery received an overall judgement of "Good". To achieve an "Outstanding" judgement at the next inspection the nursery needs to focus on making wider resources more accessible for children and reviewing daily routines.

Bradford Girls' Grammar School Trust

Governors' Report (continued)

Year ended 31 August 2021

Going Concern

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

Financial Review

Financial Review for the year

The majority of the academy trust's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of the General Annual Grant (GAG) and it also receives other grants such as pupil premium, the use of which is restricted to particular purposes. The grants received from the ESFA and other sources during the year ended 31 August 2021 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the year, incoming resources totalled £7,383,985 which did not cover the outgoing resources giving a deficit for the year of £68,074, due mainly to expenditure in excess of £100,000 being incurred in respect of significant remedial work on the premises during the summer break.

Before transfers, the unrestricted fund surplus for the year was £94,966 and the restricted general fund deficit for the year was £167,853. £121,004 and £14,419 were transferred from and to unrestricted funds and restricted fixed asset funds respectively contributing to a restricted general fund deficit for the year of £61,268.

£102,283 was transferred from the unrestricted general fund to the restricted fixed asset fund for the acquisition of fixed assets necessary for the continuing operations of the academy trust. The net book value of fixed assets was £4,861,775 as at 31 August 2021. These assets were exclusively for providing educational and support services to the academy trust.

A Condition Improvement Fund grant of £902,263, which has been fully accounted for in the year, was awarded by the Department for Education to fund fire and safety works which commenced in the summer of 2021 in which costs of £599,946 have been incurred, with the project continuing beyond the year end, incurring estimated further costs of approximately £300,000.

The charitable company owns 100% of the share capital of Lady Castle Nursery Limited, which had total income of £410,503 making a profit after tax of £44,817 which was distributed to the academy trust. Details are set out in note 8 to the Financial Statements.

Reserves Policy

Maintaining an appropriate level of financial reserves is considered essential in protecting the academy trust from financial risk generated by, for example;

- income reduction due to Government funding changes
- unexpected falls in student numbers
- cash flow issues due to delays in receipt of funding
- emergencies

In general, it is considered prudent to maintain a level of useable reserves sufficient to cover unexpected and unplanned events so that the academy trust's primary objective is preserved. At the same time, the academy trust wishes to ensure that it uses its funding to benefit the students in its care and to consider actively the use of reserves to enhance educational provision.

Bradford Girls' Grammar School Trust

Governors' Report (continued)

Year ended 31 August 2021

Governors will monitor levels of reserves in financial reports provided by the Finance Director and in the annual audited financial statements. Governors will look to ensure that a prudent level of reserves is maintained, bearing in mind the recurrent spending needs to ensure high quality provision. In deciding the level of reserves Governors will take into account the following:

- one month's salary bill (currently approximately £400k)
- the academy trust's annual budget (currently approximately £6 million; a 1% contingency)
- the need for any large project spends such as facilities development or building
- condition needs
- any uncertainty, turbulence or expected reduction in funding arrangements,
- including the level of transitional protection within the academy trust funding and its expiry date
- anticipated funding over the next three years.

The reserves policy is reviewed annually.

Unrestricted funds, restricted general funds and restricted fixed asset funds carried forward were £114,327, £764,034 and £4,861,775 respectively. There is no restriction of the amount of GAG that may be carried forward. However, the surplus must continue to be used to meet the normal running costs of the academy trust.

Details of the funds held by the academy trust are set out in notes 17 and 18 to the Financial Statements.

Investment Policy

The academy trust's funds are generally held in a low risk interest bearing bank current account. The academy trust also has the power to delegate the management of investments to a financial expert, under constant review and instruction of the governors, for any funds not immediately required, with the object of maximising returns on surplus funds.

Principal Risks and Uncertainties

The governors have examined the major risks that the academy trust faces each financial year when preparing and updating the strategic plan. The academy trust has developed systems to monitor and control these risks to mitigate any impact that they may have on the academy trust in the future. There are many uncertainties which are subjective in nature and difficult to quantify. The following key risks have been identified:

- Government Funding
The academy trust has considerable reliance on continued government funding through the DfE/ESFA and local authority, which represented 92% of total revenue for the year. There is little reassurance that government policy and funding levels will increase or even continue at existing levels in future years. To mitigate this risk, the academy trust aims to further develop new income streams such as additional hiring of facilities, to continue to deliver efficiencies and value for money in its operations, and to ensure all DfE/ESFA funding opportunities are identified and to maintain a certain level of reserves.
- Estate
The size, age and condition of the school buildings represent a risk of unforeseen and significant maintenance and renewal expenditure. To mitigate this risk, effective preventative maintenance programmes are in place, as well as funding opportunities being explored, in particular through Condition Improvement Fund grants.

Fundraising

The academy trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the governors.

Bradford Girls' Grammar School Trust

Governors' Report (continued)

Year ended 31 August 2021

Plans for Future Periods

The academy trust's key plans for the future are:

- to aim for a "Good" judgement by Ofsted by actioning those issues raised during their inspection in March 2019 in which the academy trust received an overall judgement of "Inadequate".
- to explore greater collaboration and partnership with other academy trusts on its journey of school improvement.
- to continue to protect against any unforeseen impacts, whilst prioritising maximum resources to ensure excellent teaching and learning of pupils.

The key plans for the future regarding the academy trust's subsidiary, Lady Castle Nursery Limited, are:

- to aim for an "Outstanding" judgement by Ofsted by actioning those issues raised during their inspection carried out during their most recent visit.

Auditor

Insofar as the governors are aware:

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

Governors' report, incorporating a strategic report, was approved by order of the board of governors, as the company directors, on 2 December 2021 and signed on the board's behalf by:

Alison J Cooper

Alison J Cooper (Dec 8, 2021 16:13 GMT)

A J Cooper
Chair of Governors

Bradford Girls' Grammar School Trust

Governance Statement

Year ended 31 August 2021

Scope of Responsibility

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

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

The board of governors has delegated the day-to-day responsibility to the Principal, as accounting officer, for ensuring accounting 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 Bradford Girls' Grammar School Trust and the Secretary of State for Education. They are also responsible for reporting to the board of governors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The board of governors has formally met eight times during the year. Attendance during the year at meetings of the full board of governors was as follows:

	<u>Meetings attended</u>	<u>Out of a possible</u>
Mrs A J Cooper - Chair	8	8
Miss H J Roberts	7	8
Mrs C Day	6	8
Mrs L N Khan – resigned 15 November 2021	0	8
Miss J Jenkinson	6	8
Miss K H Brooke	7	8
Mrs V Clarke	6	8
Mr I Hussain	2	8
Miss J Peters	3	8
Ms S Alam – resigned 5 July 2021	2	7
Mr C J Sutcliffe – appointed 4 February 2021	4	4
Mr N Barton – appointed 1 May 2021	2	2

Due to the untold pressures of the pandemic on both personal and professional lives, the attendance from some governors was unusual. However, it remains a strong and committed board.

The board of governors has an excellent range of skills to ensure they fulfil their roles and responsibilities effectively. The governors continually review their effectiveness via skills audits and Governing Body Reviews. The governors complete a comprehensive Governing Body Review to facilitate their strategic responsibilities for the continual development and improvement of the academy trust. A skills audit takes place to ascertain skills and experience, whilst identifying any training required. Most governors use their specialist skills and knowledge outside of the formal meeting structure.

The board of governors conducts some of its business through the following sub-committees.

Finance and Resources

Its purpose being to exercise the powers and duties of the board of governors in respect of the financial administration of the academy trust, except for those items specifically reserved for the board of governors and those delegated to the Principal and other staff; to monitor the performance of the school's Health and Safety Management System ensuring continuous improvement; to monitor and advise on the compliance with academy standards, the staff establishment and appointment procedures, terms and conditions of employment and levels of remuneration; and to make recommendations on new capital projects, planned maintenance programme, risk and audit, security measures and cost effective supply and consumption of utility services. Attendance during the year at meetings of the finance and resources sub-committee was as follows:

Bradford Girls' Grammar School Trust

Governance Statement (continued)

Year ended 31 August 2021

	<u>Meetings attended</u>	<u>Out of a possible</u>
Mrs A J Cooper	4	4
Miss H J Roberts	4	4
Miss J Peters	4	4

Lady Castle Nursery (the academy trust's wholly owned subsidiary)

Its purpose being to receive financial reports and to monitor overall performance of the nursery. Attendance during the year at meetings of the Lady Castle Nursery sub-committee was as follows:

	<u>Meetings attended</u>	<u>Out of a possible</u>
Mrs A J Cooper	8	8

Review of Value for Money

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

The accounting officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the board of governors where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the academy trust has delivered improved value for money during the year by continuing to follow the general principles of probity, accountability and fairness, and obtaining several quotes for significant items of expenditure taking into account a range of factors other than the cost, such as the reputation and past performance of potential suppliers. Examples of how the academy trust has demonstrated value for money during the year are:

- Catering and cleaning continue to be carried out in-house allowing the academy trust to exercise greater control over costs and in particular provide improved nutritional meals at better value. These areas are constantly monitored so improvements can be identified.
- A Condition Improvement Fund grant was secured to assist in the funding of fire and safety works. The works will improve the efficiency of continuing running costs.
- The Crescent Purchasing Consortium (CPC) framework, which provides the best value purchasing arrangements for academies, is utilised.

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 trust 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 Bradford Girls' Grammar School Trust for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of governors has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of governors is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of governors.

Bradford Girls' Grammar School Trust

Governance Statement (continued)

Year ended 31 August 2021

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of governors
- regular reviews by the finance and resources committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks

The board of governors has considered the need for a specific internal audit function and has decided to appoint Clive Owen LLP as internal auditor. The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular the checks carried out in the current period included:

- procurement
- payroll

On an annual basis, the internal auditor reports to the board of governors on the operation of the systems of control and on the discharge of the board of governors' financial responsibilities. The work relating to the year to 31 August 2021 was undertaken by the internal auditor during August 2021 and did not identify any material issues or concerns.

In May 2021, the academy trust appointed Westcom Networks (UK) Ltd to undertake a cyber security risk report in order to provide independent assurance on non-financial controls. All findings from the review have been or are in the progress of being actioned.

Review of Effectiveness

As accounting officer the principal 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 financial management and governance self-assessment process
- the work of the executive managers within the academy trust 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 and resources committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the board of governors on 2 December 2021 and signed on its behalf by:


Alison J Cooper (Dec 8, 2021 16:13 GMT)

A J Cooper
Chair of Governors


C Martin (Dec 9, 2021 15:24 GMT)

C Martin
Accounting Officer

Bradford Girls' Grammar School Trust

Statement of Regularity, Propriety and Compliance

Year ended 31 August 2021

As accounting officer of Bradford Girls' Grammar School Trust I have considered my responsibility to notify the academy trust board of governors 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 trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the academy trust board of governors are able to identify any material irregular or improper use of all funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2020.

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 governors and ESFA.

C Martin

C Martin (Dec 9, 2021 15:24 GMT)

C Martin
Accounting Officer
2 December 2021

Bradford Girls' Grammar School Trust

Statement of Governors' Responsibilities

Year ended 31 August 2021

The governors (who act as trustees of Bradford Girls' Grammar School Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with the Annual 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 governors to prepare financial statements for each financial year. Under company law, the governors 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 governors are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The governors 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 governors 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 governors 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 governors on 2 December 2021 and signed on its behalf by:


Alison J Cooper (Dec 8, 2021 16:13 GMT)

A J Cooper
Chair of Governors

Bradford Girls' Grammar School Trust

Independent Auditor's Report to the Members of Bradford Girls' Grammar School Trust

Year ended 31 August 2021

Opinion

We have audited the financial statements of Bradford Girls' Grammar School Trust (the 'parent academy trust') and its subsidiaries (the 'group') for the year ended 31 August 2021 which comprise the Consolidated Statement of Financial Activities, the Group Balance Sheet, The Academy Trust Balance Sheet, the Consolidated Statement of Cash Flows and Notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent academy trust's affairs as at 31 August 2021, and of the group's 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 2020 to 2021 issued by the Education & Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Bradford Girls' Grammar School Trust

Independent Auditor's Report to the Members of Bradford Girls' Grammar School Trust (continued)

Year ended 31 August 2021

Opinions 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 governor's report (incorporating the strategic report and the governors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the governors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the governors' 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 by the parent academy trust, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent academy trust's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of governors

As explained more fully in the governors' responsibilities statement (set out on page 12), the governors (who are also the governors of the parent academy trust 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 governors 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 governors are responsible for assessing the groups and parent academy trust'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 governors either intend to liquidate the group or parent academy trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act.

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

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

We gained an understanding of the legal and regulatory framework applicable to the academy trust and the sector in which it operates and considered the risk of acts by the academy trust that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Bradford Girls' Grammar School Trust

Independent Auditor's Report to the Members of Bradford Girls' Grammar School Trust (continued)

Year ended 31 August 2021

We focused on laws and regulations, relevant to the company, which could give rise to a material misstatement in the financial statements. These laws and regulations include, but are not limited to, those issued by or relating to Ofsted, ESFA, GDPR, Safeguarding and Health and Safety. Our testing included discussions with management and governors with direct responsibility for the compliance of laws and regulations, agreeing financial statement disclosures to underlying supporting documentation, reviewing legal expenses and reviewing Ofsted reports. We also reviewed the trusts' website to ensure the required disclosures had been made in line with the Academies Trust Handbook. There are inherent limitations in the audit procedures described and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

As part of our audit, we addressed the risk of management override of internal controls, including testing of journals and review of nominal ledger. We evaluated whether there was evidence of bias by the governors that represented a risk of material misstatement due to fraud. Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the academy trust'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 trust's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy trust and the academy trusts members, for our audit work, for this report, or for the opinions we have formed.



Lesley Kendrew
Senior Statutory Auditor
For and on behalf of BHP LLP, Statutory Auditor

BHP LLP
Chartered Accountants and Statutory Auditor
New Chartford House
Centurion Way
Cleckheaton
Bradford
West Yorkshire
BD19 3QB

3 December 2021

Bradford Girls' Grammar School Trust

Independent Reporting Accountant's Assurance Report on Regularity to Bradford Girls' Grammar School Trust and the Education and Skills Funding Agency

Year ended 31 August 2021

In accordance with the terms of our engagement letter dated 5 July 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Bradford Girls' Grammar School Trust during the period 1 September 2020 to 31 August 2021 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 Bradford Girls' Grammar School Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Bradford Girls' Grammar School Trust 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 Bradford Girls' Grammar School Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Bradford Girls' Grammar School Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Bradford Girls' Grammar School Trust's funding agreement with the Secretary of State for Education dated 27 August 2013 and the Academies Financial Handbook, extant from 1 September 2020, 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 2020 to 2021. 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 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the framework and guide for external auditors and reporting accountants of academy trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusions includes:

- checking that the academy trust's activities are consistent with its framework and its charitable objectives
- checking that the governors and key staff have disclosed their interest in related parties, discussing the same with management and reviewing transactions during the period for undisclosed related party transactions
- checking that any related party transactions during the period are conducted at normal commercial rates
- checking that academy trust expenditure is permitted by its funding agreement
- checking that any borrowings entered into, including leases, are in accordance with the Academies Handbook
- checking that any land and building transactions, especially disposals, are in line with the funding agreement and Academies Handbook

Bradford Girls' Grammar School Trust

Independent Reporting Accountant's Assurance Report on Regularity to Bradford Girls' Grammar School Trust and the Education and Skills Funding Agency (continued)

Year ended 31 August 2021

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Lesley Kendrew
Reporting Accountant
For and on behalf of BHP LLP, Reporting Accountant

BHP LLP
Chartered Accountants and Statutory Auditor
New Chartford House
Centurion Way
Cleckheaton
Bradford
West Yorkshire
BD19 3QB

3 December 2021

Bradford Girls' Grammar School Trust

Consolidated Statement of Financial Activities (including Income and Expenditure Account)

Year ended 31 August 2021

			<u>Restricted Funds</u>			
	Notes	Unrestricted Funds £	General £	Fixed Assets £	Total 2021 £	Total 2020 £
INCOME FROM:						
Donations and capital grants	2	11,345	-	922,753	934,098	20,862
Charitable activities:						
Funding for the academy trust's educational operations	3	-	6,017,595	-	6,017,595	5,888,976
Other trading activities	4	429,224	2,985	-	432,209	669,040
Investments	5	83	-	-	83	4,139
Total		440,652	6,020,580	922,753	7,383,985	6,583,017
EXPENDITURE ON:						
Raising funds	6	345,686	-	-	345,686	366,320
Charitable activities:						
Academy trust educational operations	6,7	-	6,188,433	917,940	7,106,373	6,305,793
Total		345,686	6,188,433	917,940	7,452,059	6,672,113
Net income / (expenditure)		94,966	(167,853)	4,813	(68,074)	(89,096)
Transfers between funds	17	(121,004)	106,585	14,419	-	-
Net movement in funds		(26,038)	(61,268)	19,232	(68,074)	(89,096)
RECONCILIATION OF FUNDS						
Total funds brought forward		140,365	825,302	4,842,543	5,808,210	5,897,306
Total funds carried forward	17	114,327	764,034	4,861,775	5,740,136	5,808,210

Balance Sheet

As at 31 August 2021

	Notes	2021 £	Group 2020 £	2021 £	Company 2020 £
Fixed assets					
Tangible assets	12	4,861,775	4,842,543	4,861,775	4,842,543
Investments	13	-	-	1	1
		<u>4,861,775</u>	<u>4,842,543</u>	<u>4,861,776</u>	<u>4,842,544</u>
Current assets					
Debtors	14	827,511	416,154	822,856	405,000
Cash at bank and in hand		1,123,986	1,096,155	1,090,340	1,056,947
		<u>1,951,497</u>	<u>1,512,309</u>	<u>1,913,196</u>	<u>1,461,947</u>
Current liabilities					
Creditors: Amounts falling due within one year	15	(1,013,136)	(486,642)	(974,836)	(436,281)
Net current assets		<u>938,361</u>	<u>1,025,667</u>	<u>938,360</u>	<u>1,025,666</u>
Total assets less current liabilities		<u>5,800,136</u>	<u>5,868,210</u>	<u>5,800,136</u>	<u>5,868,210</u>
Creditors: Amounts falling due after more than one year	16	(60,000)	(60,000)	(60,000)	(60,000)
Total net assets		<u><u>5,740,136</u></u>	<u><u>5,808,210</u></u>	<u><u>5,740,136</u></u>	<u><u>5,808,210</u></u>
Funds of the academy trust:					
Restricted funds					
Fixed asset fund	17	4,861,775	4,842,543	4,861,775	4,842,543
Restricted income fund	17	764,034	825,302	764,034	825,302
Total restricted funds		<u>5,625,809</u>	<u>5,667,845</u>	<u>5,625,809</u>	<u>5,667,845</u>
Unrestricted income funds	17	<u>114,327</u>	<u>140,365</u>	<u>114,327</u>	<u>140,365</u>
Total funds		<u><u>5,740,136</u></u>	<u><u>5,808,210</u></u>	<u><u>5,740,136</u></u>	<u><u>5,808,210</u></u>

The financial statements on pages 18 to 37 were approved by the governors and authorised for issue on 2 December 2021 and are signed on their behalf by:

Alison J Cooper
Alison J Cooper (Dec 8, 2021 16:13 GMT)

A J Cooper
Chair of Governors

Bradford Girls' Grammar School Trust

Consolidated Statement of Cash Flows

Year ended 31 August 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	20	129,181	310,640
Cash flows from investing activities	21	(101,350)	(37,933)
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		27,831	272,707
		<hr/>	<hr/>
Cash and cash equivalents at 1 September 2020		1,096,155	823,448
		<hr/>	<hr/>
Cash and cash equivalents at 31 August 2021	22	<u>1,123,986</u>	<u>1,096,155</u>

Bradford Girls' Grammar School Trust

Notes to the Financial Statements

Year ended 31 August 2021

1. Accounting policies

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

Basis of preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical 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 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Bradford Girls' Grammar School Trust meets the definition of a public benefit entity under FRS 102.

Consolidation

The consolidated financial statements incorporate the financial statements of the charitable company and all group undertakings. No separate Statement of Financial Activities has been presented for the charitable company alone as permitted by the Companies Act 2006 and the Charities SORP. The gross income of the academy trust was £7,052,967 for the year and its net expenditure was £68,074.

Going concern

The governors 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 trust to continue as a going concern. The governors 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 trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

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

- **Grants**

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

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

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

- **Donations**

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

Bradford Girls' Grammar School Trust

Notes to the Financial Statements (continued)

Year ended 31 August 2021

1. Accounting policies (continued)

- **Other income**

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

- **Donated fixed assets**

Upon conversion to a free school, the land and buildings have been recognised at the cost of mortgage loans repaid on the property and other tangible fixed assets have been recognised at their fair value and included as an incoming resource. Equivalent amounts have been included as additions to fixed assets under the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's policies.

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 raising funds**

This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

Tangible fixed assets

A judgemental view is considered more appropriate than setting a limit when capitalising items as tangible fixed assets and as such items are reviewed on an individual basis. Tangible fixed assets 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, at rates calculated to write off the cost of each asset over its expected useful life, as follows:

- | | |
|------------------------------------|----------------------|
| • Freehold land | Nil% |
| • Freehold buildings | 2% straight line |
| • Fixtures, fittings and furniture | 10% reducing balance |
| • Equipment | 25% straight line |
| • Motor vehicles | 25% reducing balance |

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.

Bradford Girls' Grammar School Trust

Notes to the Financial Statements (continued)

Year ended 31 August 2021

1. Accounting policies (continued)

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 trust 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.

Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Leased assets

Rentals under operating leases are charged on a straight line basis over the lease term.

Investments

The academy's shareholding in the wholly owned subsidiary, Lady Castle Nursery Limited, is included in the Balance Sheet at the cost of the share capital owned less any impairment. There is no readily available market value and the cost of valuation exceeds the benefit derived.

Financial Instruments

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust and their measurement basis 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. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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. Amounts due to the academy trust's wholly owned subsidiary are held at face value less any impairment.

Taxation

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

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.

Bradford Girls' Grammar School Trust

Notes to the Financial Statements (continued)

Year ended 31 August 2021

1. Accounting policies (continued)

Pensions benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') for teaching staff, which is a defined benefit scheme, and Royal London for non-teaching staff, which is a defined contribution scheme.

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 trust 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.

Contributions to the Royal London scheme are recognised in the period to which they relate.

Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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 and include grants from the Education and Skills Funding Agency.

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

Useful economic lives of tangible fixed assets

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 12 for the carrying value of tangible fixed assets. The current rates of depreciation are disclosed in the accounting policies relating to tangible fixed assets.

Bradford Girls' Grammar School Trust

Notes to the Financial Statements (continued)

Year ended 31 August 2021

2. Donations and capital grants

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Capital grants	-	922,753	922,753	20,862
Donations	11,345	-	11,345	-
	<u>11,345</u>	<u>922,753</u>	<u>934,098</u>	<u>20,862</u>

The income from donations and capital grants was £934,098 (2020: £20,862) of which £11,345 was unrestricted (2020: £nil) and £922,753 restricted fixed assets (2020: £20,862).

3. Funding for the academy trust's educational operations

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
DfE / ESFA grants				
• General annual grant (GAG)	-	4,912,802	4,912,802	5,125,852
• Other DfE/ESFA grants:				
UFSM	-	93,621	93,621	80,342
Pupil premium	-	275,007	275,007	250,552
Pension	-	173,335	173,335	188,177
Others	-	193,359	193,359	91,777
	<u>-</u>	<u>5,648,124</u>	<u>5,648,124</u>	<u>5,736,700</u>
Other Government grants				
• Local authority grants	-	196,623	196,623	152,276
Other income from the academy trust's educational operations				
• Catering income	-	127,409	127,409	-
• Funding and grants	-	29,120	29,120	-
• Miscellaneous income	-	16,319	16,319	-
	<u>-</u>	<u>172,848</u>	<u>172,848</u>	<u>-</u>
	<u>-</u>	<u>6,017,595</u>	<u>6,017,595</u>	<u>5,888,976</u>

The income from funding for the academy trust's educational operations was £6,017,595 (2020: £5,888,976) of which £6,017,595 was restricted general (2020: £5,888,976).

Bradford Girls' Grammar School Trust

Notes to the Financial Statements (continued)

Year ended 31 August 2021

4. Other trading activities

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Hire of facilities	18,721	-	18,721	41,430
Catering income	-	2,985	2,985	164,807
Trips, performances and events	-	-	-	12,655
Miscellaneous income	-	-	-	15,953
Trading income of subsidiary (note 8)	410,503	-	410,503	434,195
	<u>429,224</u>	<u>2,985</u>	<u>432,209</u>	<u>669,040</u>

The income from other trading activities was £432,209 (2020: £669,040) of which £429,224 was unrestricted (2020: £475,625) and £2,985 restricted general (2020: £193,415).

5. Investment income

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Bank interest receivable	83	-	83	4,139
	<u>83</u>	<u>-</u>	<u>83</u>	<u>4,139</u>

The income from investment income was £83 (2020: £4,139) of which £83 was unrestricted (2020: £4,139).

6. Expenditure

	Staff Costs £	<u>Non Pay Expenditure</u>		Total 2021 £	Total 2020 £
		Premises £	Other £		
Expenditure on raising funds	296,698	12,101	36,887	345,686	366,320
Academy's educational operations:					
• Direct costs	3,973,713	26,571	491,414	4,491,698	4,564,979
• Allocated support costs	830,986	1,375,687	408,002	2,614,675	1,740,814
	<u>5,101,397</u>	<u>1,414,359</u>	<u>936,303</u>	<u>7,452,059</u>	<u>6,672,113</u>

Expenditure was £7,452,059 (2020: £6,672,113) of which £345,686 was unrestricted (2020: £366,320), £6,188,433 restricted general (2020: £5,962,528) and £917,940 restricted fixed assets (2020: £343,265).

Net income/(expenditure) for the year includes:	2021 £	2020 £
Operating lease rentals	40,768	41,072
Depreciation	79,157	80,282
Loss on disposal of fixed assets	3,044	-
Fees payable to auditor for:		
• audit	8,300	8,300
• other services	2,850	2,500

Bradford Girls' Grammar School Trust

Notes to the Financial Statements (continued)

Year ended 31 August 2021

7. Charitable activities

	Total 2021 £	Total 2020 £
Direct costs – educational operations	4,491,698	4,564,979
Support costs – educational operations	2,614,675	1,740,814
	<u>7,106,373</u>	<u>6,305,793</u>

Expenditure on charitable activities was £7,106,373 (2020: £6,305,793) of which £6,188,433 was restricted general (2020: £5,962,528) and £917,940 restricted fixed assets (2020: £343,265).

	2021 £	2020 £
Analysis of support costs		
Support staff costs	830,986	808,805
Depreciation	25,499	23,895
Loss on disposal of fixed assets	2,822	-
Technology costs	40,947	35,279
Premises costs	1,359,069	559,741
Other support costs	341,383	299,280
Governance costs	13,969	13,814
Total support costs	<u>2,614,675</u>	<u>1,740,814</u>

8. Trading subsidiary

The charitable company owns 100% of the share capital of Lady Castle Nursery Limited, a company registered in England and Wales, and which provides nursery facilities. The trading results for the year ended 31 August 2021 are detailed below:

	2021 £	2020 £
Turnover	362,783	358,012
Other income	47,720	76,183
	<u>410,503</u>	434,195
Administration costs and rent payable to the academy trust	(20,000)	(20,000)
Other expenditure	(345,611)	(366,257)
	<u>44,892</u>	47,938
Net profit for the year	(44,817)	(47,875)
Amount distributed to the academy trust	(75)	(63)
Taxation	<u>-</u>	<u>-</u>
Retained profit for the year	<u>-</u>	<u>-</u>
Assets	41,618	65,469
Liabilities	(41,617)	(65,468)
	<u>1</u>	<u>1</u>
Share capital and reserves	<u>1</u>	<u>1</u>

Bradford Girls' Grammar School Trust

Notes to the Financial Statements (continued)

Year ended 31 August 2021

9. Staff

a). Staff costs

Staff costs during the year were:

	2021 £	2020 £
Wages and salaries	3,906,520	4,055,781
Social security costs	360,249	376,253
Pension costs	668,516	706,163
	<u>4,935,285</u>	<u>5,138,197</u>
Agency staff costs	157,952	139,923
Staff restructuring costs	8,160	40,579
	<u>5,101,397</u>	<u>5,318,699</u>
Staff restructuring costs comprise:		
Redundancy payments	8,160	27,463
Severance payments	-	13,116
	<u>8,160</u>	<u>40,579</u>

b). Non-statutory / non-contractual staff severance payments

Included in staff restructuring costs are non-statutory / non-contractual severance payments totalling £nil (2020: £9,310).

c). Staff numbers

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

	2021 Number	2020 Number
Charitable activities		
Teachers	59	75
Administration and support	82	80
Management	10	5
	<u>151</u>	<u>160</u>
Trading activities		
Nursery staff	11	14
	<u>162</u>	<u>174</u>

Bradford Girls' Grammar School Trust

Notes to the Financial Statements (continued)

Year ended 31 August 2021

9. Staff (continued)

d). Higher paid staff

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

	2021 Number	2020 Number
£60,001 - £70,000	2	-
£70,001 - £80,000	2	2
£90,001 - £100,000	1	-
£110,001 - £120,000	-	1
	—	—

e). Key management personnel

The key management personnel of the academy trust comprise the governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £798,768 comprising of 10 members of the senior management team (2020: £495,806 comprising of 7 members).

10. Related party transactions – governors' remuneration & expenses

The Chief Executive Officer only receives remuneration in respect of services undertaking the role of Chief Executive Officer under a contract of employment, and not in respect of the role as ex-officio governor. The remuneration paid to the Chief Executive Officer fell within the band £90,000 - £95,000 (2020: £110,000 - £115,000) with pension contributions falling in the band £20,000 - £25,000 (2020: £25,000 - £30,000). There are no other staff governors. Other governors did not receive any payments, other than expenses, from the academy trust in respect of their role as governors.

During the year ended 31 August 2021, there were no travel and subsistence expenses reimbursed to the members and governors (2020: £65 to 2 governors).

Other related party transactions involving the governors are set out in note 25.

11. Governors' and officers' insurance

In accordance with normal commercial practice the academy trust has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2021 was £1,000 (2020: £1,000). The cost of this insurance is included in the total insurance cost.

Bradford Girls' Grammar School Trust

Notes to the Financial Statements (continued)

Year ended 31 August 2021

12. Tangible fixed assets – group and company

	Freehold Land & Buildings £	Fixtures, Fittings & Furniture £	Equipment £	Motor Vehicles £	Total £
Cost or valuation					
At 1 September 2020	4,673,447	394,881	503,965	2,500	5,574,793
Additions	-	27,068	63,290	11,925	102,283
Disposals	-	(6,817)	(67,598)	(2,500)	(76,915)
At 31 August 2021	<u>4,673,447</u>	<u>415,132</u>	<u>499,657</u>	<u>11,925</u>	<u>5,600,161</u>
Depreciation					
At 1 September 2020	94,283	181,553	454,245	2,169	732,250
Charged in year	13,469	23,695	39,012	2,981	79,157
Disposals	-	(3,254)	(67,598)	(2,169)	(73,021)
At 31 August 2021	<u>107,752</u>	<u>201,994</u>	<u>425,659</u>	<u>2,981</u>	<u>738,386</u>
Net book values					
At 31 August 2021	<u>4,565,695</u>	<u>213,138</u>	<u>73,998</u>	<u>8,944</u>	<u>4,861,775</u>
At 31 August 2020	<u>4,579,164</u>	<u>213,328</u>	<u>49,720</u>	<u>331</u>	<u>4,842,543</u>

13. Fixed asset investment

The academy trust holds the whole of the issued share capital of Lady Castle Nursery Limited, a company registered in England and Wales, comprising of one share of £1. The principal activity of the company is the provision of nursery facilities. The results of Lady Castle Nursery Limited for the year ended 31 August 2021 are set out in note 8.

14. Debtors

	Group		Company	
	2021 £	2020 £	2021 £	2020 £
Trade debtors	8,318	8,965	4,708	-
Amounts owed by group undertakings	-	-	3,317	15,107
VAT recoverable	201,045	37,629	201,045	37,629
Other debtors	1,968	7,391	1,968	780
Prepayments and accrued income	616,180	362,169	611,818	351,484
	<u>827,511</u>	<u>416,154</u>	<u>822,856</u>	<u>405,000</u>

Bradford Girls' Grammar School Trust

Notes to the Financial Statements (continued)

Year ended 31 August 2021

15. Creditors: amounts falling due within one year

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	484,925	161,673	484,868	161,601
Other taxation and social security	89,798	90,034	89,798	90,034
Loans	-	18,896	-	18,896
Other creditors	109,843	71,146	98,802	71,146
Accruals and deferred income	328,570	144,893	301,368	94,604
	<u>1,013,136</u>	<u>486,642</u>	<u>974,836</u>	<u>436,281</u>

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Deferred income				
Deferred income at 1 September 2020	113,739	125,538	66,849	71,296
Released from previous years	(113,739)	(125,538)	(66,849)	(71,926)
Resources deferred in the year	88,330	113,739	65,939	66,849
	<u>88,330</u>	<u>113,739</u>	<u>65,939</u>	<u>66,849</u>
Deferred income at 31 August 2021	<u>88,330</u>	<u>113,739</u>	<u>65,939</u>	<u>66,849</u>

At the balance sheet date the academy trust was holding funds received in advance as follows:

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Free Schools Meals grant	32,160	34,494	32,160	34,494
Rates rebate	20,011	20,011	20,011	20,011
Devolved Formula Capital grant	11,624	12,187	11,624	12,187
Trips income	2,144	157	2,144	157
Nursery fees and funding	22,391	46,890	-	-
	<u>88,330</u>	<u>113,739</u>	<u>65,939</u>	<u>66,849</u>
Deferred income at 31 August 2021	<u>88,330</u>	<u>113,739</u>	<u>65,939</u>	<u>66,849</u>

Included within loans are the following:

- £nil (2020: £12,500) from the ESFA under the Condition Improvement Fund in respect of the roofing works project. Repayments against the loan began in September 2017 and are payable in monthly instalments over a period of four years at an interest rate of 1.83% per annum.
- £nil (2020: £6,396) from the ESFA under the Condition Improvement Fund in respect of the heating works project. Repayments against the loan began in September 2017 and are payable in monthly instalments over a period of four years at an interest rate of 1.83% per annum.

Bradford Girls' Grammar School Trust

Notes to the Financial Statements (continued)

Year ended 31 August 2021

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

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Loans	60,000	60,000	60,000	60,000
	<u>60,000</u>	<u>60,000</u>	<u>60,000</u>	<u>60,000</u>

Included within loans are the following:

- £60,000 (2020: £60,000) from the ESFA under the Condition Improvement Fund in respect of the electrical works project. Repayments against the loan will begin in September 2022 and are payable in monthly instalments over a period of ten years at an interest rate of 2.29% per annum.

17. Funds

<u>Group and Company</u>	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 August 2021 £
Restricted general funds					
General annual grant (GAG)	779,038	4,912,802	(5,111,905)	106,585	686,520
UIFSM	-	93,621	(93,621)	-	-
Pupil premium	46,264	275,007	(273,757)	-	47,514
Other grants	-	563,317	(533,317)	-	30,000
Other restricted	-	175,833	(175,833)	-	-
	<u>825,302</u>	<u>6,020,580</u>	<u>(6,188,433)</u>	<u>106,585</u>	<u>764,034</u>
Restricted fixed asset funds					
Transfer of fixed assets	4,630,260	-	(31,772)	(450)	4,598,038
Condition Improvement Fund grant	-	902,263	(835,739)	(66,524)	-
Devolved Formula Capital grant	-	20,490	-	(20,490)	-
Capital expenditure from GAG	212,283	-	(50,429)	101,883	263,737
	<u>4,842,543</u>	<u>922,753</u>	<u>(917,940)</u>	<u>14,419</u>	<u>4,861,775</u>
Total restricted funds	<u>5,667,845</u>	<u>6,943,333</u>	<u>(7,106,373)</u>	<u>121,004</u>	<u>5,625,809</u>
Total unrestricted funds	<u>140,365</u>	<u>440,652</u>	<u>(345,686)</u>	<u>(121,004)</u>	<u>114,327</u>
Total funds	<u>5,808,210</u>	<u>7,383,985</u>	<u>(7,452,059)</u>	<u>-</u>	<u>5,740,136</u>

Bradford Girls' Grammar School Trust

Notes to the Financial Statements (continued)

Year ended 31 August 2021

17. Funds (continued)

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

- Restricted general funds**

GAG must be used for the normal running costs of the academy trust. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2021.

Pupil premium and other grants are used specifically for the purpose for which they are intended. Other restricted includes services such as trips and catering.

- Restricted fixed asset funds**

Transfer of fixed assets relates to the value applied on conversion from an independent school to a free school.

Condition Improvement Fund grant is a grant received from the ESFA to fund major electrical works which continued after the year end incurring further expenditure estimated in excess of £200,000. The works are considered as revenue expenditure and have therefore been transferred accordingly.

Devolved Formula Capital is a grant received from the ESFA to assist in the investment in the condition of the school premises. The grant has been used against major refurbishment work carried out during the year and has been transferred accordingly.

- Unrestricted funds**

Unrestricted funds relate to venue hire and income and expenditure of the trading subsidiary and may be used towards meeting any of the charitable objects of the academy trust at the discretion of the governors.

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

<u>Group and Company</u>	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 August 2020 £
Restricted general funds					
General annual grant (GAG)	849,323	5,125,852	(5,012,011)	(184,126)	779,038
Pupil premium	40,242	252,868	(246,846)	-	46,264
Other grants	-	510,256	(510,256)	-	-
Other restricted	-	193,415	(193,415)	-	-
	<u>889,565</u>	<u>6,082,391</u>	<u>(5,962,528)</u>	<u>(184,126)</u>	<u>825,302</u>
Restricted fixed asset funds					
Transfer of fixed assets	4,663,279	-	(33,019)	-	4,630,260
Condition Improvement Fund grant	-	-	(262,983)	262,983	-
Devolved Formula Capital grant	-	20,862	-	(20,862)	-
Capital expenditure from GAG	217,474	-	(47,263)	42,072	212,283
	<u>4,880,753</u>	<u>20,862</u>	<u>(343,265)</u>	<u>284,193</u>	<u>4,842,543</u>
Total restricted funds	<u>5,770,318</u>	<u>6,103,253</u>	<u>(6,305,793)</u>	<u>100,067</u>	<u>5,667,845</u>
Total unrestricted funds	<u>126,988</u>	<u>479,764</u>	<u>(366,320)</u>	<u>(100,067)</u>	<u>140,365</u>
Total funds	<u>5,897,306</u>	<u>6,583,017</u>	<u>(6,672,113)</u>	<u>-</u>	<u>5,808,210</u>

Bradford Girls' Grammar School Trust

Notes to the Financial Statements (continued)

Year ended 31 August 2021

18. Analysis of net assets between funds

Fund balances at 31 August 2021 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	4,861,775	4,861,775
Current assets	152,627	1,798,870	-	1,951,497
Current liabilities	(38,300)	(974,836)	-	(1,013,136)
Non-current liabilities	-	(60,000)	-	(60,000)
Total net assets	114,327	764,034	4,861,775	5,740,136

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

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	4,842,543	4,842,543
Current assets	190,726	1,321,583	-	1,512,309
Current liabilities	(50,361)	(436,281)	-	(486,642)
Non-current liabilities	-	(60,000)	-	(60,000)
Total net assets	140,365	825,302	4,842,543	5,808,210

19. Commitments under operating leases

At 31 August 2021 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

Group and Company	2021 £	2020 £
Amounts due within one year	24,642	29,719
Amounts due between one and five years	22,505	13,158
Amounts due after five years	1,272	-
	48,419	42,877

Bradford Girls' Grammar School Trust

Notes to the Financial Statements (continued)

Year ended 31 August 2021

20. Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2021 £	2020 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	(68,074)	(89,096)
Adjusted for:		
Depreciation (note 12)	79,157	80,282
Loss on disposal of tangible fixed assets	3,044	-
Capital grants from DfE / ESFA	922,753	20,862
Capital grants transferred to revenue expenditure	(922,753)	(20,862)
Interest receivable (note 5)	(83)	(4,139)
(Increase) / decrease in debtors	(411,357)	225,610
Increase in creditors	526,494	97,983
Net cash provided by operating activities	129,181	310,640

21. Cash flows from investing activities

	2021 £	2020 £
Interest receivable	83	4,139
Proceeds from sale of tangible fixed assets	850	-
Purchase of tangible fixed assets	(102,283)	(42,072)
Capital grants from DfE / ESFA	922,753	20,862
Capital grants transferred to revenue expenditure	(922,753)	(20,862)
Net cash used in investing activities	(101,350)	(37,933)

22. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	1,123,986	1,096,155
Total cash and cash equivalents	1,123,986	1,096,155

23. Members' liability

Each member of the academy trust undertakes to contribute to the assets of the academy trust 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.

Bradford Girls' Grammar School Trust

Notes to the Financial Statements (continued)

Year ended 31 August 2021

24. Pension and similar obligations

The academy trust's employees belong to two principal pension schemes: The Teachers' Pension Scheme England and Wales (TPS) for academic and related staff which is a multi-employer defined benefit scheme; and Royal London for non-teaching staff which is a defined contribution scheme.

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

Contributions amounting to £78,968 were payable to the schemes at 31 August 2021 (2020: £64,549) 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 teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £498,492 (2020: £546,269).

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

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

Royal London Pension Scheme

The Royal London Pension Scheme is a defined contribution scheme for non-teaching staff and contributions are charged in the SOFA as they become payable in accordance with the rules of the scheme. The employer's pension costs paid to Royal London in the period amounted to £170,024 (2020: £159,894).

Bradford Girls' Grammar School Trust

Notes to the Financial Statements (continued)

Year ended 31 August 2021

25. Related party transactions

Owing to the nature of the academy trust 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. The following related party transactions took place in the financial period:

Lady Castle Nursery Limited – a wholly owned subsidiary of the academy trust. The academy trust charged rent of £20,000 (2020: £20,000) and recharged certain overheads of £14,668 (2020: £14,250) to Lady Castle Nursery Limited during the year. Lady Castle Nursery Limited distributed its profit after tax for the year of £44,817 (2020: £47,875) to the academy trust. There was a balance of £3,317 owing from Lady Castle Nursery Limited to the academy trust at 31 August 2021 (2020: £15,107) which was paid after the year end.