

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

**Annual Report and Financial Statements**

**Year ended 31 August 2020**

**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 2020**

**Members:**

Mrs A J Cooper – appointed 7 February 2020  
Miss H J Roberts – resigned 7 February 2020  
Mr N J Shaw  
Miss L-D Morris  
Mrs R J Hicks

**Governors:**

Mrs A J Cooper (appointed as Chair on 7 February 2020) #  
Miss H J Roberts (resigned as Chair on 7 February 2020) #  
Mr H Arshad \* - resigned 9 December 2019  
Mrs C Day  
Mrs L N Khan \*  
Miss J Jenkinson  
Miss K H Brooke  
Mrs V Clarke – appointed 28 November 2019  
Mr I Hussain \* - appointed 6 December 2019  
Miss J Peters # – appointed 10 December 2019  
Ms S Alam – appointed 16 March 2020

Members of the finance and resources committee are denoted by #

Parent governors are denoted by \*

**Company Secretary:**

Mrs M Taylor

**Accounting Officer:**

Mrs K T M Matthews – resigned 31 August 2020  
Mrs C Martin – appointed 1 September 2020

**Senior Management Team:**

- Principal and Chief Executive Officer
- Principal and Chief Executive Officer
- Director of finance and administration
- Deputy principal
- Deputy principal
- Deputy principal
- Deputy principal

Mrs K T M Matthews – resigned 31 August 2020  
Mrs C Martin – appointed 1 September 2020  
Mrs M Taylor  
Mrs J S Rimmer – resigned 31 December 2019  
Mrs K Poole – appointed 20 April 2020  
Mr N Bates  
Mrs R Howarth

**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 2020**

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 2019 to 31 August 2020. 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 1,112 and had a roll of 1,045 in the school census in October 2019.

### **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 2020 was £1,000 (2019 - £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.

#### Organisational Structure

The governors hold six meetings every school year, with an additional four meetings being held during the year due to the extra challenges brought about by the COVID-19 pandemic. 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.

# **Bradford Girls' Grammar School Trust**

## **Governors' Report (continued)**

**Year ended 31 August 2020**

### 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 19, 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

### Equality and Diversity Policy and Disabled Employees

The governors recognise that equality of opportunity is an integral part of good practice within the workplace. The academy trust acknowledges the duty placed on it by the Equality Act 2010 and applies the following values, principles and standards to all employees, including disabled persons regarding consideration of applications for employment, the treatment of employees who become disabled and the training, career development and promotion of disabled persons:

- Equality and social justice
- Acknowledging and valuing diversity
- Respect for others
- Compliance with equality legislation
- Elimination of all forms of prejudice and unfair discrimination
- Active challenge to stereotypes, prejudiced attitudes and unfair discriminatory behaviour
- Commitment to the positive development of all staff and governors
- Accountability for compliance with this policy by all members of the academy trust, board members and others engaged in academy trust activities on behalf of the academy trust

# Bradford Girls' Grammar School Trust

## Governors' Report (continued)

Year ended 31 August 2020

### 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.

### **Strategic Report**

#### Achievements and Performance

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

#### Key Performance Indicators

	<u>March 2020</u>	<u>August 2019</u>
<u>Early Years</u>		
Good Level of Development	56%	79%
Phonics Year 1	65%	79%
Phonics Check Year 1 and 2	87%	93%
<u>Key Stage 1 (KS1)</u>		
Expected Standard Reading	43%	93%
Expected Standard Writing	30%	91%
Expected Standard Mathematics	39%	93%
Expected Standard Reading, Writing and Mathematics	26%	91%
Greater Depth Reading	n/a	34%
Greater Depth Writing	n/a	29%
Greater Depth Mathematics	n/a	34%
Greater Depth Reading, Writing and Mathematics	n/a	27%
<u>Key Stage 2 (KS2)</u>		
Expected Standard Reading	79%	69%
Expected Standard Writing	86%	84%
Expected Standard Mathematics	75%	76%
Expected Standard GPS	86%	90%
Expected Standard Reading, Writing & Mathematics	71%	64%
Greater Depth Reading	23%	28%
Greater Depth Writing	27%	42%
Greater Depth Mathematics	20%	17%
Greater Depth GPS	27%	52%
Greater Depth Reading, Writing and Mathematics	14%	13%

#### Summary of Key Stage 1 and 2 Results

The Government announced that it will not publish any school or college level educational performance based on tests, assessments or exams for 2020. Due to Covid 19, Statutory Assessment Tests were not carried out at the end of Key Stage One and Key Stage Two. Year One also did not take the Phonics Screening Check. EYFS did not complete the whole of the EYFS profile. March 2020 figures are based on teacher assessment informed by assessments completed in December 2019, evidence in books, progress towards end of year objectives based on performance in March 2020 and professional judgement.

Due to SATS not being taken, and the 2020 results based on teacher assessment a true comparison with 2019 figures cannot be made. The KS2 teacher assessment results show an increase in pupils achieving the expected level in reading, writing and combined reading, writing and maths, which also remain above national figures. There is a decrease in the children working at greater depth in English when compared to 2019. However, a slight increase in maths at greater depth, results in combined RWM having a slight increase on 2019.

Results in KS1 have been historically high but as the teacher assessment data for March indicates there has been a significant decline compared to 2019. The reasons for this are being investigated as a matter of urgency.

# Bradford Girls' Grammar School Trust

## Governors' Report (continued)

### Year ended 31 August 2020

	<u>2020</u>	<u>2019</u>
<u>Key Stage 4 (KS4)</u>		
Attainment 8 score	56.9	51.1
Progress 8 score	n/a	0.67
% achieving grade 5 or above in English and Mathematics	60%	58%
% achieving grade 5 or above in the English Baccalaureate	22%	18%
% Entering English Baccalaureate	36%	43%
<u>Post 16 Results (KS5)</u>		
Level 3 Value Added	n/a	-0.56
Average point score per A level entry expressed as a grade	B-	C
Average point score per A level entry (see note below)	35.3	28.7
Average point score per A level student (fte) (see note below)	113.5	83.4
% pupils achieving at least 2 A levels	98%	94%
% pupils achieving at least 3 A levels	98%	91%

#### Summary of Key Stage 4 and Post 16 Results

The results this year are based on the best outcome from either the Centre Assessed Grade or nationally moderated Award Grade. Performance measures such as Progress 8 and Level 3 Value Added are not being calculated to enable national comparison to be carried out. Performance at KS4 is in line with previous outcomes and at KS5 is above previous outcomes.

#### Attendance

The attendance percentage for the year was 93.73% (2019 – 94.1%) 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 March 2016 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.

### COVID-19

Measures introduced by the Government as a response to the COVID-19 pandemic led to the partial closure of the school as from 23 March 2020 for the remainder of the academic year, only remaining open for children of key workers and those considered as vulnerable.

Our top priority has been the safety, health and wellbeing of our staff and pupils attending school during this time. We have closely monitored developments during the COVID-19 outbreak, taking appropriate steps to help maintain the ongoing health and safety of our employees and pupils. Such procedures include:

- Enabling working from home arrangements for all roles that can do so;
- Ensuring the highest standards of safety in all working and studying practices;
- Enhancing our existing health and wellbeing support for all employees and pupils; and
- Putting self-isolation procedures in place for employees and pupils who have been displaying symptoms or have been in contact with a confirmed infected individual.

The financial impact of COVID-19 has not had a material effect on reserves, incurring direct expenditure of £32,380 for the year which included items such as sanitising products, face masks and protective screens. Other costs to the school included lost revenue of an estimated £20k relating to the closure of hiring facilities. These additional costs have been partly offset by savings in other areas such as lower lighting and heating.

# **Bradford Girls' Grammar School Trust**

## **Governors' Report (continued)**

**Year ended 31 August 2020**

### **Going Concern**

The governors have considered the impact of COVID-19 on the academy trust's trade, workforce and supply chain, as well as the wider economy. Whilst it is not considered practical to accurately assess the duration and extent of the disruption, the governors are confident that they have in place plans to deal with any financial losses that may arise. The governors therefore continue to adopt the going concern basis of preparation for these financial statements.

### **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 2020 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the year, incoming resources totalled £6,583,017 which did not cover the outgoing resources giving a deficit for the year of £89,096. This was due to expenditure of £262,983 being incurred in respect of a condition improvement fund project, the total grant of which was accounted for in the previous year.

Before transfers, the unrestricted fund surplus for the year was £113,444 and the restricted general fund surplus for the year was £119,863. £100,067 and £284,193 were transferred from and to unrestricted funds and restricted fixed asset funds respectively contributing to a restricted general fund deficit for the year of £64,263.

£42,072 was transferred from the restricted 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 £4,842,543 as at 31 August 2020. These assets were exclusively for providing educational and support services to the academy trust.

A Condition Improvement Fund grant of £827,153, which was fully accounted for in the previous year, was awarded by the Department for Education to fund major electrical works which commenced in the summer of 2019 continuing into the current year in which costs of £262,983 have been incurred, and beyond the year end, incurring estimated further costs after 31 August 2020 in excess of £200,000.

The charitable company owns 100% of the share capital of Lady Castle Nursery Limited, which had total income of £434,195 making a profit after tax of £47,875 which was distributed to the academy trust. Details are set out in note 8 to the Financial Statements.

#### Reserves Policy

The governors review the level of reserves annually. Transfers have been made between the unrestricted and restricted funds, the details of which are included in the "financial review for the year".

Unrestricted funds, restricted general funds and restricted fixed asset funds carried forward were £140,365, £825,302 and £4,842,543 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.



# Bradford Girls' Grammar School Trust

## Governors' Report (continued)

Year ended 31 August 2020

### 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 90% 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.
- 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.

### **Fundraising**

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

### **Plans for Future Periods**

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

- to aim for an "Outstanding" judgement by Ofsted by actioning those issues raised during their inspection in March 2019 in which the academy received an overall judgement of "Inadequate", due to aspects of its safeguarding provision, despite much of the report highlighting the positive work of the school. The school immediately addressed the findings of the inspection but also formally challenged its conclusions.
- 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 8 December 2020 and signed on the board's behalf by:



A J Cooper  
Chair of Governors

# Bradford Girls' Grammar School Trust

## Governance Statement

Year ended 31 August 2020

### 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.

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 four times during the year. Attendance during the year at meetings of the board of governors was as follows:

<u>Governor</u>	<u>Meetings attended / out of a possible</u>		
	<u>Scheduled</u>	<u>Additional</u>	<u>Sub-</u>
	<u>Full Board</u>	<u>Full Board</u>	<u>Committees</u>
Mrs A J Cooper - Chair	5/6	4/4	4/4
Miss H J Roberts	6/6	4/4	3/4
Mr H Arshad – resigned 9 December 2019	1/1	0/0	0/0
Mrs C Day	4/6	1/4	0/0
Mrs L N Khan	2/6	1/4	0/0
Miss J Jenkinson	4/6	3/4	0/0
Miss K H Brooke	6/6	4/4	0/0
Mrs V Clarke – appointed 28 November 2019	3/4	3/4	0/0
Mr I Hussain – appointed 6 December 2019	1/4	0/4	0/0
Miss J Peters – appointed 10 December 2019	3/4	2/4	0/0
Ms S Alam – appointed 16 March 2020	2/4	2/4	0/0

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 much of its business through the following sub-committee structure:

- 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, security measures and cost effective supply and consumption of utility services.
- 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.

# **Bradford Girls' Grammar School Trust**

## **Governance Statement (continued)**

**Year ended 31 August 2020**

### **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.
- The sports facilities are hired out to third parties and swimming classes are offered externally. The costs in running these facilities generates significant additional income contributing to the running costs of the academy trust as well as benefitting the local community.

### **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 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

### **Capacity to Handle Risk**

The board of 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 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of governors.

### **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

# Bradford Girls' Grammar School Trust

## Governance Statement (continued)

### Year ended 31 August 2020

The board of governors has considered the need for a specific internal audit function and has decided to appoint BHP 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:

- VAT claims
- petty cash
- bank reconciliations
- purchases procedures

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 2020 was undertaken by the internal auditor during August 2020 and did not identify any material issues or concerns.

#### 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 8 December 2020 and signed on its behalf by:



A J Cooper  
Chair of Governors



C Martin (Dec 9, 2020 13:52 GMT)

C Martin  
Accounting Officer

# **Bradford Girls' Grammar School Trust**

## **Statement of Regularity, Propriety and Compliance**

**Year ended 31 August 2020**

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 2019.

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 2019.

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

*C Martin*

C Martin (Dec 9, 2020 13:52 GMT)

C Martin  
Accounting Officer  
8 December 2020

# **Bradford Girls' Grammar School Trust**

## **Statement of Governors' Responsibilities**

**Year ended 31 August 2020**

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 2019 to 2020
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- 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 8 December 2020 and signed on its behalf by:



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 2020**

### **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 2020 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 a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent academy trust's affairs as at 31 August 2020, 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 2019 to 2020 issued by the Education and Skills Funding Agency.

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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

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

# **Bradford Girls' Grammar School Trust**

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

**Year ended 31 August 2020**

### **Other information**

The governors are responsible for the other information. The other information comprises the information included in the governors' report, other than the financial statements and our auditor's report thereon. Other information includes the Reference and Administrative Details, the Governors' Report including the strategic report, and the Governance Statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

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

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

In the light of our knowledge and understanding of the group and the 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 directors' 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 financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



# **Bradford Girls' Grammar School Trust**

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

**Year ended 31 August 2020**

### **Responsibilities of governors**

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

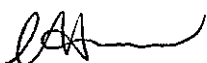
### **Auditor's responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/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 trust's members as a body, 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

9 December 2020

# **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 2020**

In accordance with the terms of our engagement letter dated 8 November 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Bradford Girls' Grammar School Trust during the period 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to 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 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

### **Approach**

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

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

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

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy 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

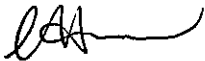
# **Bradford Girls' Grammar School Trust**

## **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 2020**

### **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 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



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

9 December 2020

# Bradford Girls' Grammar School Trust

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

Year ended 31 August 2020

	Notes	Unrestricted Funds £	Restricted Funds		Total 2020 £	Total 2019 £
			General £	Fixed Assets £		
<b>INCOME FROM:</b>						
Donations and capital grants	2	-	-	20,862	20,862	898,533
Charitable activities:						
Funding for the academy trust's educational operations	3	-	5,888,976	-	5,888,976	5,615,204
Other trading activities	4	475,625	193,415	-	669,040	916,181
Investments	5	4,139	-	-	4,139	5,199
<b>Total</b>		<b>479,764</b>	<b>6,082,391</b>	<b>20,862</b>	<b>6,583,017</b>	<b>7,435,117</b>
<b>EXPENDITURE ON:</b>						
Raising funds	6	366,320	-	-	366,320	411,541
Charitable activities:						
Academy trust educational operations	7	-	5,962,528	343,265	6,305,793	6,309,306
<b>Total</b>		<b>366,320</b>	<b>5,962,528</b>	<b>343,265</b>	<b>6,672,113</b>	<b>6,720,847</b>
<b>Net income / (expenditure)</b>		<b>113,444</b>	<b>119,863</b>	<b>(322,403)</b>	<b>(89,096)</b>	<b>714,270</b>
<b>Transfers between funds</b>	17	<b>(100,067)</b>	<b>(184,126)</b>	<b>284,193</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>		<b>13,377</b>	<b>(64,263)</b>	<b>(38,210)</b>	<b>(89,096)</b>	<b>714,270</b>
<b>RECONCILIATION OF FUNDS</b>						
Total funds brought forward		126,988	889,565	4,880,753	5,897,306	5,183,036
<b>Total funds carried forward</b>	17	<b>140,365</b>	<b>825,302</b>	<b>4,842,543</b>	<b>5,808,210</b>	<b>5,897,306</b>

## Balance Sheet

As at 31 August 2020

	Notes	2020 £	Group 2019 £	2020 £	Company 2019 £
<b>Fixed assets</b>					
Tangible assets	12	4,842,543	4,880,753	4,842,543	4,880,753
Investments	13	-	-	1	1
		<u>4,842,543</u>	<u>4,880,753</u>	<u>4,842,544</u>	<u>4,880,754</u>
<b>Current assets</b>					
Debtors	14	416,154	641,764	405,000	630,385
Cash at bank and in hand		1,096,155	823,448	1,056,947	778,420
		<u>1,512,309</u>	<u>1,465,212</u>	<u>1,461,947</u>	<u>1,408,805</u>
<b>Current liabilities</b>					
Creditors: Amounts falling due within one year	15	(486,642)	(429,764)	(436,281)	(373,358)
<b>Net current assets</b>		<u>1,025,667</u>	<u>1,035,448</u>	<u>1,025,666</u>	<u>1,035,447</u>
<b>Total assets less current liabilities</b>		<u>5,868,210</u>	<u>5,916,201</u>	<u>5,868,210</u>	<u>5,916,201</u>
Creditors: Amounts falling due after more than one year	16	(60,000)	(18,895)	(60,000)	(18,895)
<b>Total net assets</b>		<u><u>5,808,210</u></u>	<u><u>5,897,306</u></u>	<u><u>5,808,210</u></u>	<u><u>5,897,306</u></u>
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>					
Fixed asset fund	17	4,842,543	4,880,753	4,842,543	4,880,753
Restricted income fund	17	825,302	889,565	825,302	889,565
<b>Total restricted funds</b>		<u>5,667,845</u>	<u>5,770,318</u>	<u>5,667,845</u>	<u>5,770,318</u>
<b>Unrestricted income funds</b>	17	<u>140,365</u>	<u>126,988</u>	<u>140,365</u>	<u>126,988</u>
<b>Total funds</b>		<u><u>5,808,210</u></u>	<u><u>5,897,306</u></u>	<u><u>5,808,210</u></u>	<u><u>5,897,306</u></u>

The financial statements on pages 18 to 36 were approved by the governors and authorised for issue on 8 December 2020 and are signed on their behalf by:



A J Cooper  
Chair of Governors

# **Bradford Girls' Grammar School Trust**

## **Consolidated Statement of Cash Flows**

**Year ended 31 August 2020**

	<b>Notes</b>	<b>2020 £</b>	<b>2019 £</b>
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	<b>20</b>	<b>310,640</b>	370,957
<b>Cash flows from investing activities</b>	<b>21</b>	<b>(37,933)</b>	(35,737)
<b>Change in cash and cash equivalents in the reporting period</b>		<b>272,707</b>	335,220
<b>Cash and cash equivalents at 1 September 2019</b>		<b>823,448</b>	488,228
<b>Cash and cash equivalents at 31 August 2020</b>	<b>22</b>	<b>1,096,155</b>	823,448

# Bradford Girls' Grammar School Trust

## Notes to the Financial Statements

Year ended 31 August 2020

### 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 2019 to 2020 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 £6,230,947 for the year and its net expenditure was £89,096.

#### Going concern

The governors have considered the impact of COVID-19 on the academy trust's trade, workforce and supply chain, as well as the wider economy. Whilst it is not considered practical to accurately assess the duration and extent of the disruption, the governors are confident that they have in place plans to deal with any financial losses that may arise. The governors therefore continue to adopt the going concern basis of preparation for these 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 2020

### 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 2020**

### **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 2020**

### **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 2020

### 2. Donations and capital grants

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Capital grants	-	20,862	20,862	897,483
Donations	-	-	-	1,050
	<u>-</u>	<u>20,862</u>	<u>20,862</u>	<u>898,533</u>

The income from donations and capital grants was £20,862 (2019: £898,533) of which £nil was unrestricted (2019: £1,050) and £20,862 restricted fixed assets (2019: £897,483).

### 3. Funding for the academy trust's educational operations

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
<b>DfE / ESFA grants</b>				
• General annual grant (GAG)	-	5,125,852	5,125,852	5,080,667
• Other DfE/ESFA grants	-	610,848	610,848	377,446
	<u>-</u>	<u>5,736,700</u>	<u>5,736,700</u>	<u>5,458,113</u>
<b>Other Government grants</b>				
• Local authority grants	-	152,276	152,276	157,091
	<u>-</u>	<u>152,276</u>	<u>152,276</u>	<u>157,091</u>
<b>Total grants</b>	<u>-</u>	<u>5,888,976</u>	<u>5,888,976</u>	<u>5,615,204</u>

The income from funding for the academy trust's educational operations was £5,888,976 (2019: £5,615,204) of which £5,888,976 was restricted general (2019: £5,615,204).

### 4. Other trading activities

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Hire of facilities	41,430	-	41,430	62,788
Catering income	-	164,807	164,807	240,132
Trips, performances and events	-	12,655	12,655	73,708
Miscellaneous income	-	15,953	15,953	27,348
Trading income of subsidiary (note 8)	434,195	-	434,195	512,205
	<u>475,625</u>	<u>193,415</u>	<u>669,040</u>	<u>916,181</u>

The income from other trading activities was £669,040 (2019: £916,181) of which £475,625 was unrestricted (2019: £574,993) and £193,415 restricted general (2019: £341,188).

# Bradford Girls' Grammar School Trust

## Notes to the Financial Statements (continued)

Year ended 31 August 2020

### 5. Investment income

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Bank interest receivable	4,139	-	4,139	5,199
	<u>4,139</u>	<u>-</u>	<u>4,139</u>	<u>5,199</u>

The income from investment income was £4,139 (2019: £5,199) of which £4,139 was unrestricted (2019: £5,199).

### 6. Expenditure

	Staff Costs £	Non Pay Expenditure		Total 2020 £	Total 2019 £
		Premises £	Other £		
Expenditure on raising funds	323,221	12,573	30,526	366,320	411,541
Academy's educational operations:					
• Direct costs	4,186,673	26,325	351,981	4,564,979	4,363,856
• Allocated support costs	808,805	570,752	361,257	1,740,814	1,945,450
	<u>5,318,699</u>	<u>609,650</u>	<u>743,764</u>	<u>6,672,113</u>	<u>6,720,847</u>

Expenditure was £6,672,113 (2019: £6,720,847) of which £366,320 was unrestricted (2019: £411,541), £5,962,528 restricted general (2019: £5,867,903) and £343,265 restricted fixed assets (2019: £441,403).

Net income/(expenditure) for the year includes:	2020 £	2019 £
Operating lease rentals	41,072	41,421
Depreciation	80,282	93,672
Fees payable to auditor for:		
• audit	8,300	8,050
• other services	2,500	1,200

### 7. Charitable activities

	Total 2020 £	Total 2019 £
Direct costs – educational operations	4,564,979	4,363,856
Support costs – educational operations	1,740,814	1,945,450
	<u>6,305,793</u>	<u>6,309,306</u>

Expenditure on charitable activities was £6,305,793 (2019: £6,309,306) of which £5,962,528 was restricted general (2019: £5,867,903) and £343,265 restricted fixed assets (2019: £441,403).

# Bradford Girls' Grammar School Trust

## Notes to the Financial Statements (continued)

Year ended 31 August 2020

### 7. Charitable activities (continued)

Analysis of support costs	2020 £	2019 £
Support staff costs	808,805	818,721
Depreciation	23,895	28,079
Technology costs	35,279	34,463
Premises costs	559,741	697,279
Other support costs	299,280	353,865
Governance costs	13,814	13,043
<b>Total support costs</b>	<b>1,740,814</b>	<b>1,945,450</b>

### 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 2020 are detailed below:

	2020 £	2019 £
Turnover	358,012	478,808
Other income	76,183	33,397
	<b>434,195</b>	<b>512,205</b>
Administration costs and rent payable to the academy trust	(20,000)	(45,000)
Other expenditure	(366,257)	(411,482)
	<b>47,938</b>	<b>55,723</b>
Net profit for the year	(47,875)	(55,664)
Amount distributed to the academy trust	(63)	(59)
Taxation	-	-
Retained profit for the year	-	-
Assets	65,469	63,266
Liabilities	(65,468)	(63,265)
Share capital and reserves	1	1

# Bradford Girls' Grammar School Trust

## Notes to the Financial Statements (continued)

Year ended 31 August 2020

### 9. Staff

#### a). Staff costs

Staff costs during the year were:

	2020 £	2019 £
Wages and salaries	4,055,781	4,002,121
Social security costs	376,253	366,917
Pension costs	706,163	525,748
	<u>5,138,197</u>	<u>4,894,786</u>
Agency staff costs	139,923	131,570
Staff restructuring costs	40,579	37,377
	<u>5,318,699</u>	<u>5,063,733</u>
Staff restructuring costs comprise:		
Redundancy payments	27,463	2,540
Severance payments	13,116	34,837
	<u>40,579</u>	<u>37,377</u>

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

Included in staff restructuring costs are non-statutory / non-contractual severance payments totalling £9,310 (2019: £10,043). Individually, the payments were: £7,310 and £2,000.

#### c). Staff numbers

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

	2020 Number	2019 Number
<b>Charitable activities</b>		
Teachers	112	108
Administration and support	43	44
Management	5	6
	<u>160</u>	<u>158</u>
<b>Trading activities</b>		
Nursery staff	14	17
	<u>174</u>	<u>175</u>

#### d). Higher paid staff

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

	2020 Number	2019 Number
£70,001 - £80,000	2	1
£100,001 - £110,000	-	1
£110,001 - £120,000	1	-
	<u>3</u>	<u>2</u>

# Bradford Girls' Grammar School Trust

## Notes to the Financial Statements (continued)

### Year ended 31 August 2020

#### 9. Staff (continued)

##### 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 £495,806 (2019: £522,719).

#### 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 £110,000 - £115,000 (2019: £105,000 - £110,000) with pension contributions falling in the band £25,000 - £30,000 (2019: £15,000 - £20,000). 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 2020, travel and subsistence expenses totalling £65 were reimbursed to two governors (2019: £nil).

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 2020 was £1,000 (2019: £1,000). The cost of this insurance is included in the total insurance cost.

#### 12. Tangible fixed assets – group and company

	Freehold Land & Buildings £	Fixtures, Fittings & Furniture £	Equipment £	Motor Vehicles £	Total £
<b>Cost or valuation</b>					
At 1 September 2019	4,673,447	388,415	520,362	2,500	<b>5,584,724</b>
Additions	-	6,466	35,606	-	<b>42,072</b>
Disposals	-	-	(52,003)	-	<b>(52,003)</b>
At 31 August 2020	<u>4,673,447</u>	<u>394,881</u>	<u>503,965</u>	<u>2,500</u>	<b><u>5,574,793</u></b>
<b>Depreciation</b>					
At 1 September 2019	80,814	157,797	463,302	2,058	<b>703,971</b>
Charged in year	13,469	23,756	42,946	111	<b>80,282</b>
Disposals	-	-	(52,003)	-	<b>(52,003)</b>
At 31 August 2020	<u>94,283</u>	<u>181,553</u>	<u>454,245</u>	<u>2,169</u>	<b><u>732,250</u></b>
<b>Net book values</b>					
At 31 August 2020	<u>4,579,164</u>	<u>213,328</u>	<u>49,720</u>	<u>331</u>	<b><u>4,842,543</u></b>
At 31 August 2019	<u>4,592,633</u>	<u>230,618</u>	<u>57,060</u>	<u>442</u>	<b><u>4,880,753</u></b>

# Bradford Girls' Grammar School Trust

## Notes to the Financial Statements (continued)

Year ended 31 August 2020

### 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 2020 are set out in note 8.

### 14. Debtors

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Trade debtors	8,965	17,714	-	3,131
Amounts owed by group undertakings	-	-	15,107	6,859
VAT recoverable	37,629	121,748	37,629	121,748
Other debtors	7,391	-	780	-
Prepayments and accrued income	362,169	502,302	351,484	498,647
	<u>416,154</u>	<u>641,764</u>	<u>405,000</u>	<u>630,385</u>

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

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Trade creditors	161,673	81,514	161,601	81,417
Other taxation and social security	90,034	90,080	90,034	90,080
Loans	18,896	25,003	18,896	25,003
Other creditors	71,146	67,865	71,146	67,198
Accruals and deferred income	144,893	165,302	94,604	109,660
	<u>486,642</u>	<u>429,764</u>	<u>436,281</u>	<u>373,358</u>

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
<b>Deferred income</b>				
Deferred income at 1 September 2019	125,538	143,393	71,926	85,417
Released from previous years	(125,538)	(143,393)	(71,926)	(85,417)
Resources deferred in the year	113,739	125,538	66,849	71,926
Deferred income at 31 August 2020	<u>113,739</u>	<u>125,538</u>	<u>66,849</u>	<u>71,926</u>



# Bradford Girls' Grammar School Trust

## Notes to the Financial Statements (continued)

Year ended 31 August 2020

### 15. Creditors: amounts falling due within one year (continued)

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

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Free Schools Meals grant	34,494	35,087	34,494	35,087
Rates rebate	20,011	19,698	20,011	19,698
Devolved Formula Capital grant	12,187	12,157	12,187	12,157
Trips income	157	3,225	157	3,225
Miscellaneous income	-	1,759	-	1,759
Nursery fees and funding	46,890	53,612	-	-
	<u>113,739</u>	<u>125,538</u>	<u>66,849</u>	<u>71,926</u>
Deferred income at 31 August 2020				

Included within loans are the following:

- £12,500 (2019: £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.
- £6,396 (2019: £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.
- £nil (2019: £6,107) from Salix under the Condition Improvement Fund in respect of the heating works project. Repayments against the loan began in September 2017 and are payable in six monthly instalments over a period of three years and is interest free.

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

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Loans	60,000	18,895	60,000	18,895
	<u>60,000</u>	<u>18,895</u>	<u>60,000</u>	<u>18,895</u>

Included within loans are the following:

- £nil (2019: £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 (2019: £6,395) 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.
- £60,000 (2019: £nil) from the ESFA under the Condition Improvement Fund in respect of the electrical works project. Repayments against the loan will begin in September 2021 and are payable in monthly instalments over a period of ten years at an interest rate of 2.29% per annum.

# Bradford Girls' Grammar School Trust

## Notes to the Financial Statements (continued)

Year ended 31 August 2020

### 17. Funds

<b>Group and Company</b>	<b>Balance at 1 September 2019 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers £</b>	<b>Balance at 31 August 2020 £</b>
<b>Restricted general funds</b>					
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>
<b>Restricted fixed asset funds</b>					
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>
<b>Total restricted funds</b>	<u>5,770,318</u>	<u>6,103,253</u>	<u>(6,305,793)</u>	<u>100,067</u>	<u>5,667,845</u>
<b>Total unrestricted funds</b>	<u>126,988</u>	<u>479,764</u>	<u>(366,320)</u>	<u>(100,067)</u>	<u>140,365</u>
<b>Total funds</b>	<u>5,897,306</u>	<u>6,583,017</u>	<u>(6,672,113)</u>	<u>-</u>	<u>5,808,210</u>

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 2020.  
 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.

# Bradford Girls' Grammar School Trust

## Notes to the Financial Statements (continued)

Year ended 31 August 2020

### 17. Funds (continued)

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

<b>Group and Company</b>	<b>Balance at 1 September 2018 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers £</b>	<b>Balance at 31 August 2019 £</b>
<b>Restricted general funds</b>					
General annual grant (GAG)	119,994	5,080,667	(4,992,184)	640,846	<b>849,323</b>
Pupil premium	40,236	236,024	(236,018)	-	<b>40,242</b>
Other grants	-	298,513	(298,513)	-	-
Other restricted	-	341,188	(341,188)	-	-
	<u>160,230</u>	<u>5,956,392</u>	<u>(5,867,903)</u>	<u>640,846</u>	<u><b>889,565</b></u>
<b>Restricted fixed asset funds</b>					
Transfer of fixed assets	4,697,467	-	(34,188)	-	<b>4,663,279</b>
Condition Improvement Fund grant	-	827,153	(347,731)	(479,422)	-
Devolved Formula Capital grant	-	70,330	-	(70,330)	-
Capital expenditure from GAG	236,022	-	(59,484)	40,936	<b>217,474</b>
	<u>4,933,489</u>	<u>897,483</u>	<u>(441,403)</u>	<u>(508,816)</u>	<u><b>4,880,753</b></u>
<b>Total restricted funds</b>	<u><b>5,093,719</b></u>	<u><b>6,853,875</b></u>	<u><b>(6,309,306)</b></u>	<u><b>132,030</b></u>	<u><b>5,770,318</b></u>
<b>Total unrestricted funds</b>	<u><b>89,317</b></u>	<u><b>581,242</b></u>	<u><b>(411,541)</b></u>	<u><b>(132,030)</b></u>	<u><b>126,988</b></u>
<b>Total funds</b>	<u><b>5,183,036</b></u>	<u><b>7,435,117</b></u>	<u><b>(6,720,847)</b></u>	<u><b>-</b></u>	<u><b>5,897,306</b></u>

### 18. Analysis of net assets between funds

Fund balances at 31 August 2020 are represented by:

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

# Bradford Girls' Grammar School Trust

## Notes to the Financial Statements (continued)

Year ended 31 August 2020

### 18. Analysis of net assets between funds (continued)

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	-	-	4,880,753	<b>4,880,753</b>
Current assets	183,394	1,281,818	-	<b>1,465,212</b>
Current liabilities	(56,406)	(373,358)	-	<b>(429,764)</b>
Non-current liabilities	-	(18,895)	-	<b>(18,895)</b>
<b>Total net assets</b>	<b>126,988</b>	<b>889,565</b>	<b>4,880,753</b>	<b>5,897,306</b>

### 19. Commitments under operating leases

At 31 August 2020 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

Group and Company	2020 £	2019 £
Amounts due within one year	<b>29,719</b>	42,274
Amounts due between one and five years	<b>13,158</b>	42,790
Amounts due after five years	-	-
	<b>42,877</b>	85,064

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

	2020 £	2019 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	<b>(89,096)</b>	714,270
Adjusted for:		
Depreciation (note 12)	<b>80,282</b>	93,672
Capital grants from DfE / ESFA	<b>20,862</b>	897,483
Capital grants transferred to revenue expenditure	<b>(20,862)</b>	(897,483)
Interest receivable (note 5)	<b>(4,139)</b>	(5,199)
Decrease / (increase) in debtors	<b>225,610</b>	(369,791)
Increase / (decrease) in creditors	<b>97,983</b>	(61,995)
<b>Net cash provided by operating activities</b>	<b>310,640</b>	370,957

# Bradford Girls' Grammar School Trust

## Notes to the Financial Statements (continued)

Year ended 31 August 2020

### 21. Cash flows from investing activities

	2020 £	2019 £
Interest receivable	4,139	5,199
Purchase of tangible fixed assets	(42,072)	(40,936)
Capital grants from DfE / ESFA	20,862	897,483
Capital grants transferred to revenue expenditure	(20,862)	(897,483)
<b>Net cash used in investing activities</b>	<b>(37,933)</b>	<b>(35,737)</b>

### 22. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	1,096,155	823,448
<b>Total cash and cash equivalents</b>	<b>1,096,155</b>	<b>823,448</b>

### 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.

### 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 £64,549 were payable to the schemes at 31 August 2020 (2019: £65,006) 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.

# **Bradford Girls' Grammar School Trust**

## **Notes to the Financial Statements (continued)**

**Year ended 31 August 2020**

### **24. Pension and similar obligations (continued)**

#### Valuation of the Teachers' Pension Scheme

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

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- 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 £546,269 (2019: £364,236).

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 £159,894 (2019: £161,512).

### **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. All transactions involving such organisations are conducted in accordance with the requirements of the Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions. 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 (2019: £20,000), administration services of £nil (2019: £25,000) and recharged certain overheads of £14,250 (2019: £14,489) to Lady Castle Nursery Limited during the year. Lady Castle Nursery Limited distributed its profit after tax for the year of £47,875 (2019: £55,664) to the academy trust. There was a balance of £15,107 owing from Lady Castle Nursery Limited to the academy trust at 31 August 2020 (2019: £6,859) which was paid after the year end.