

**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**



**(A company limited by guarantee)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2018**



**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
**(A company limited by guarantee)**

**CONTENTS**

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 14
Governance statement	15 - 18
Statement on regularity, propriety and compliance	19
Statement of Trustees' responsibilities	20
Independent auditors' report on the financial statements	21 - 23
Independent reporting accountant's assurance report on regularity	24 - 25
Statement of financial activities incorporating income and expenditure account	26
Balance sheet	27
Statement of cash flows	28
Notes to the financial statements	29 - 48

**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
**(A company limited by guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**Members**

Mr Mark Allwood  
Mrs Nicky Lloyd  
Mrs Hannah Tipper  
Mr Nicholas Tuton

**Trustees**

Mrs Nicky Lloyd\* (Chair to 15 April 2018) (resigned 31 August 2018)  
Dr. Barbara Minards, Accounting Officer and Headteacher (from 1 September 2017)  
Mrs Charlotte Senior\* (Chair from 16 April 2018)  
Mr Stephen Millman\*  
Mr Mark Allwood\*  
Mrs Joanne Benton (term of office ended 25 May 2018)  
Mr Matthew Cannan  
Mrs Narinda Chopra Bown (term of office ended 7 October 2017)  
Mr Bhupendra Pattni\*  
Mrs Hannah Tipper\*  
Mr Nicholas Tuton  
Mrs Ruth McIntosh, Staff Trustee  
Miss Sarah Bower\* (appointed 7 September 2017)  
Miss Joanne Boyle, Staff Trustee (appointed 7 December 2017)  
Mrs Carolyn Gudmunson\*, Staff Trustee (appointed 7 December 2017)  
Mr Anthony Maguire, Staff Trustee (appointed 7 December 2017)  
Mr Michael Overton (appointed 7 December 2017)  
Mr James Dixon (appointed 7 December 2017)

\*Members of Finance and Premises Committee

**Company registered number**

07543893

**Company name**

Sutton Coldfield Grammar School for Girls Academy Trust

**Principal and registered office**

Jockey Road, Sutton Coldfield, Birmingham, B73 5PT

**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
**(A company limited by guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS/ TRUSTEES AND  
ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**Advisers (continued)**

**Senior leadership team**

Dr. Barbara Minards, Headteacher  
Mrs Leigh Long, Deputy Headteacher  
Mrs Cath James, Deputy Headteacher  
Mrs Helen Dimmock, Assistant Headteacher  
Mrs Lindsay Vincent, Assistant Headteacher  
Mrs Michelle Lucas, Assistant Headteacher  
Mrs Maggie Hunter (until 30 September 2018), School Business Manager

**Independent auditors**

PKF Cooper Parry Group Limited, One Central Boulevard, Blythe Valley Business Park, Solihull, West Midlands, B90 8BG

**Bankers**

Lloyds Bank Plc, 9 Birmingham Road, Sutton Coldfield, Birmingham, B73 5PT

**Solicitors**

Irwin Mitchell, Imperial House, 31 Temple Street, Birmingham, B2 5DB



**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
(A company limited by guarantee)

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

The Trustees present their annual report together with the financial statements and auditor's report of Sutton Coldfield Grammar School for Girls Academy Trust (the Academy Trust) for the period 1 September 2017 to 31 August 2018. The annual report serves the purposes of both a Trustees' report and a Directors' Report under company law.

The Single Academy Trust operates a highly successful secondary grammar school for girls in Sutton Coldfield, West Midlands.

Established in 1929, the school has developed both in size and prestige. The school is a thriving community of approximately 1,170 students, celebrated for academic excellence, creativity and enrichment opportunities. It is a positive, happy and purposeful learning environment in which staff and students are fully engaged. There is a commitment to a broad and balanced education with a rich combination of academic, practical and creative activities. Learning takes place not only in lessons but through extra-curricular clubs, societies and educational visits.

There is a focus on character development; students are supported to develop their wellbeing, resilience and to understand and respect others. Through the assembly, tutor time and PSHE programmes students are provided with the necessary skills to become well-rounded members of the rapidly changing and increasingly global society. Through a careers programme which includes independent guidance and visits from numerous professionals, students are encouraged to have high aspirations and achieve their potential.

The Academy Trust currently has a pupil capacity of 900 (11-16 year-olds) and had a roll of 1,108 in the school census in January 2018. This capacity includes the continued agreed expansion of the pupil numbers from 150 to 180 in Year 7 (at this level in Year 7 through to Year 10 for the 2017-18 academic year). There were a further 237 pupils in the Sixth Form in the school census in January 2018.

The expansion programme was agreed in conjunction with Birmingham City Council and was facilitated by the Academy Trust's decision to commit a proportionate level of its reserves towards the building development which completed in the previous academic year, and which incorporated six new classrooms, extended dining hall facilities, associated offices and WC facilities.

## **Structure, governance and management**

### **a. Constitution**

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

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

### **b. 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.

### **c. Trustees' indemnities**

In accordance with the normal commercial practice the Academy Trust provides indemnity insurance to protect its members, directors, academy representatives and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. This insurance does not extend to any claim arising from any act or omission which Trustees knew to be a breach of trust or breach of duty or which was committed

**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

by the Trustees in reckless disregard of whether it was a breach of trust or breach of duty or to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as trustees. The insurance provider provides up to £5 million in aggregate claims.

**d. Method of recruitment and appointment or election of Trustees**

No more than one third of the total number of individuals appointed as Trustees shall be employees of the Academy Trust (including the Headteacher). The Members may appoint up to 15 Trustees.

The Board of Trustees shall make all necessary arrangements for, and determine all matters relating to, the election and removal of Staff Trustees.

Parent Trustees shall be elected by parents and individuals exercising parental responsibility of registered students at the Academy Trust. A Parent Trustee must be a parent, or an individual exercising parental responsibility, of a registered student at the Academy Trust at the time when he or she is elected.

The Trustees may appoint co-opted Trustees. The Trustees may not appoint an employee of the Academy Trust as a Co-opted Trustee, if thereby the number of Trustees who are employees of the Academy Trust (including the Headteacher) exceeds one third of the total number of Trustees.

**e. Policies and procedures adopted for the induction and training of Trustees**

Trustees bring a variety of experience from a number of different backgrounds in not only education but also industry and commerce. Where necessary additional training will be provided on charity, educational, legal and financial matters. All Trustees are routinely involved with meetings, accounts, reports, budgets, plans and other information necessary to enable them to carry out their roles. Assistance and advice is always available from Academy Trust staff or professional advisors and all Trustees have regular safeguarding training.

**f. Organisational structure**

The school is managed by seven members of staff in the Senior Leadership Team. This is led by the Headteacher and includes two Deputy Headteachers, three Assistant Headteachers and the School Business Manager. One of the Deputy Headteachers is responsible for the Curriculum and the other for Student and Staff Well-being. The three Assistant Headteachers have specific responsibilities: SENDCO & Teaching and Learning; Character Development and Wellbeing; and Digital Technologies. All Staff appointments have to be agreed with the Headteacher and although the Deputy Headteachers have some financial delegation of authority (they may authorise BACS payments) ultimately all financial decisions have also to be agreed by the Headteacher.

**g. Pay policy for key management personnel**

The pay of the Senior Leadership Team is overseen and approved by the Pay Committee (a subset of the Governing Board) and is based on the standard recommendations appropriate to the role (for example the size of school and level of responsibility).

**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
(A company limited by guarantee)

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**h. Trade union facility time**

**Relevant union officials**

Number of employees who were relevant union officials during the year	3
Full-time equivalent employee number	95

**Percentage of time spent on facility time**

Percentage of time	Number of employees
0%	3
1%-50%	-
51%-99%	-
100%	-

**Percentage of pay bill spent on facility time** £000

Total cost of facility time	-
Total pay bill	4,278
Percentage of total pay bill spent on facility time	- %

**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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**i. Connected organisations, including related party relationships**

The Academy Trust was established as a standalone company and does not have any external sponsors.



**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
(A company limited by guarantee)

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**Objectives and Activities**



**a. Objects and aims**

The Academy Trust's objects are generally to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum.

The Academy Trust's aims are:

The principal object and activity of the Charitable Company is the operation of the Academy Trust to provide selective entry education for pupils between the ages of 11 and 19. In accordance with the Articles of Association, the Charitable Company has adopted a "Scheme of Government" approved by the Secretary of State for Education and Skills. The Scheme of Government specifies, amongst other things, the basis for admitting students to the Academy Trust, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the National Curriculum.

The overall vision of the school is to achieve outstanding outcomes for every student.

**b. Objectives, strategies and activities**

The main objectives of the Academy Trust during the year are summarised below by the headings from the 2017/18 School Development Plan.

- 1. A culture of continuous improvement and delegated leadership**
- 2. Excellent teaching and learning**
- 3. Character development and well-being**
- 4. Development of systems and structures**
- 5. Stewardship of resources**

The strategies for achieving these objectives were:

1. Providing increased opportunities and training for current and future middle and senior leaders, developing student leadership skills and opportunities, reviewing the monitoring and support programme for departments and individuals and refining the Senior Leadership Team working practices.
2. Maintaining outstanding rates of attainment and progress, with interventions as appropriate at both departmental and individual teacher and student level. Continuing to fully prepare for and implement the new GCSE and A-level curricula. Developing a peer observation system and establishing a Teaching and Learning Group for staff.



**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
(A company limited by guarantee)

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

3. Further developing students' resilience and 'growth mindset' through assemblies, tutor time activities and approach to revision, test and examination preparation. Developing a strategic approach to promoting well-being and mental health for students and staff. Maintaining effective pastoral support with increased demands from the expanded intake. Maintaining safeguarding procedures in light of latest directives and best practices.
4. Reviewing the current use of digital technologies and exploring ways to use technology to further enhance teaching and learning. Introducing frequent and varied monitoring procedures: 'take the temperature' week, learning walks, work trawls and student surveys. Reviewing the appraisal system for teaching and support staff. Refining the working practices of Head of Departments and support staff.
5. Maintaining a flexible and sustainable long term financial plan in light of reduced funding and considerable uncertainty. Recruiting an optimum number of appropriate students into Years 7 and 12 through effective marketing. Reviewing fund-raising and maximise additional sources of revenue to the school. Reviewing catering provision to maximise profitability of the canteen whilst maintaining quality and affordability.

**c. Public benefit**

In setting the objectives and planning activities the Trustees have given careful consideration to ensuring compliance with the Charity Commission's general guidance on public benefit.



Involvement with the community plays a prominent role in life within the Academy Trust and this takes many forms. In 2017/18, the Cloud 9 drama team performed an abridged adaptation of Shakespeare's "A Midsummer Night's Dream" for members of the Good Hope Retirement Fellowship and the cast of Grease gave a matinee performance for students from local primary schools. Two of our students were elected to represent Sutton Coldfield Youth Council and worked with students from other secondary schools to raise money for local causes including a nursery school for children with additional needs. Many of our Sixth Form students regularly volunteered in a wide variety of local community groups, from STEM ambassadors supporting primary school students with their maths and science to volunteers reading to residents in retirement homes.



**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
(A company limited by guarantee)

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

As a school community we continue to live up to our motto 'not for our own advantage, but the common good' and students raised over £9,000 for a variety of charities. In 2017/18 this included entering a team in the Great Midlands Fun Run in support of The Guide Dogs for the Blind Association, collecting items for blessing bags which were distributed via a local shelter for the homeless and fund-raising for national events such as Children in Need, Macmillan Cancer Support and Sport Relief.



Each of the six houses held their own fund-raising event and supported their chosen charity: Aquila and Mind Mental Health; Pheonix and St Basil's Homeless Shelter; Cygnus and Birmingham Childrens' Hospital; Delphinus and WWF; Pegasus and Teenage Cancer Trust; Ursa and Marie Curie.

### **Strategic report**

### **Achievements and performance**

#### **a. Key performance indicators**

#### **GCSE results**

Sutton Coldfield Grammar School for Girls Academy Trust celebrated another excellent year of GCSE examination results in 2017/18. This was the second year of the introduction of the reformed examinations and grading system. With these ongoing changes to GCSEs and the move to numerical grades it is difficult to make direct comparisons with results in previous years.

English Language and Literature and Mathematics were in the second year of the new specification with numerical grades (9-1). Art, Biology, Chemistry, Computer Science, Food & Nutrition, French, Geography, History, Music, PE, Physics and Spanish were in the first year of the new specifications. Business Studies, DT Graphics, Resistant Materials and Textiles, ICT (and RS which was taken at the end of Year 10) are the legacy specifications with letter grades.

In the subjects with numerical grades, 79.3% of the grades were 9/8/7 (the equivalent of grades A\*/A) and 99.8% were grades 9-4 (equivalent to A\*-C). In the legacy GCSE specifications 86.1% were awarded grade A\*/A and 99.6% were grades A\*-C.

**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
(A company limited by guarantee)

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

Given the nationally reported and widely accepted pressures on students and the potential impact on their mental health, we decided as a school not to report separately on grade 9s and to report on grades 8/9 collectively as a measure of the highest attainment. There were many students who achieved the highest grades; 88.6% of students (78.5% in 2016/17) gained 5 or more A-A\* or 7-9 grades. In total, 67 (66) girls achieved 10 or more A-A\* or 7-9 grades in all of their GCSE subjects. Seven (eight) students achieved A\* or 8/9 grades in all their subjects.

Overall 80.4% of the grades were 7-9 or A\*/A and 50.2% were 8/9 or A\* and 100% of students achieved at least 5 grades A\*-C/9-4 including English and Maths. The equivalent figure for last year of 73.4% 7-9 or A\*/A grades shows we have maintained outstanding levels of attainment during this period of significant change to examinations specifications. Targets which are used to benchmark achievements are proposed by the Senior Leadership team and agreed at the Curriculum Committee before being presented to the full Governing Board. The percentage of the 7-9 or A\*/A grades achieved is higher than the target set for this year of 75%. The figure for the average Attainment 8 is 73.3 also exceeds the target of 70.0.





**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
(A company limited by guarantee)

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**A-Level results**

The figures in brackets are for the August 2017 results, but again, due to the changes in specification with 13 of the 19 subjects this year being the revised, more demanding linear A-Levels, the year on year figures are not directly comparable.

The success rate at grades A\*- E was 100% (100%) and 11.7% (14.3%) of entries were awarded an A\*. The proportion of A\*/A grades was 46.0% (51.5%) and 78.3% (86.3%) of entries were awarded grades A\*- B. There were several students who achieved highly in all their subjects; 23 (28) students gained straight As and A\*s. Although the percentages for the A\*/A and A\*-B are lower than the targets set for this year of 52% and 86% respectively, they are in line with the post mock predicted grades of 43% and 78%.



Throughout the academic year students who attend the Academy Trust have achieved both local and national achievements in sporting activities and musical ensembles. These include athletes at national trials, competitors at national level in skipping, Irish dancing and martial arts and a violinist at the National Youth Orchestra.

**b. Going concern**

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

**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
(A company limited by guarantee)

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**Financial review**

**a. Reserves policy**

Most of the Academy Trust's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted. The grants received from the ESFA during the year ended 31 August 2018 of £4,845,000 (£4,815,000) and the associated expenditure of £4,859,000 (£4,961,000) are shown as restricted funds in the Statement of Financial Activities.

Total funds at the period end were £13,206,000 (£12,971,000) of which £14,710,000 (£14,814,000) related to fixed assets less £2,413,000 (£2,766,000) relating to the pension reserve deficit.

The amount of reserves held by the Academy Trust at 31 August 2018 is £909,000 (£923,000). The Board of Trustees consider it appropriate to maintain ongoing reserves at this level for the following specific purposes:

- The School's three year forecast anticipates an in-year funding deficit arising in 2020/21, assuming funding levels remain static. Given the current uncertainty surrounding education funding, it is considered prudent to maintain a level of reserves sufficient to meet any deficits expected to arise in future years;
- Investment is needed in the Academy Trust's digital technologies, and this is one of the focus areas of the School Development Plan ("SDP") for 2018/19. The Board of Trustees has approved the use of £450k of the Academy Trust's reserves over the next three years in relation to the digital technologies plan, to ensure that the school continues to provide appropriate resources to its students and staff; and
- Cover ongoing working capital requirements, including one month's salary.

The Trustees review the reserve levels of the Academy Trust annually following the preparation and completion of the Annual Accounts. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

It is the intention of the Academy Trust to hold reserves that support future educational objectives in conjunction with the SDP and which provide a contingency against unforeseen exceptional events or stresses on working capital, together with ensuring that the Academy Trust could maintain the whole staff salary commitments for at least one month should there be a delay in receipt of the General Annual Grant (GAG) funds from the ESFA.

Reserve funds will be used as soon as practical and following receipt of any other designated funds from external organisations. The Trustees have examined the Academy Trust's requirements for reserves in light of the main risks to the organisation. It has established a statement whereby the unrestricted reserves not committed or invested in tangible fixed assets held by the Academy Trust will be not less than one month's total salary costs together with supporting future long-term maintenance programmes. The reserves are needed to meet the working capital requirements of the Academy Trust and the Trustees are confident that at this level they would be able to fulfil all activities required to enable the Academy Trust to provide first class education to its pupils.

**b. Investment policy**

The only investments held by the Academy Trust are its surplus cash balances, which have historically been held in current accounts due to the favourable rates on offer until this academic year, and the need to have the surplus cash accessible to fund the recent capital investment programs, including the Katherine Grainger Sports Hall, the new classroom block and dining hall extension. Given the recent rise in interest rates, the Academy Trust is now investigating options for layering the surplus cash balances in higher interest accounts that would yield greater returns for the Academy Trust – see below under "Principal Risks and Uncertainties" for further details on this.



**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
(A company limited by guarantee)

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**c. Principal risks and uncertainties**

Apart from retaining a prudent amount in reserves each year, most of the Academy Trust's funds are spent in the short term. The Academy Trust maintains two bank accounts with Lloyds bank – a current account and a debit card account. The current account receives all income from funding sources and retains all of the reserves. This provides instant access to reserves for the Academy Trust. There is the opportunity to earn interest on both accounts. Trustees are informed each year by the Finance Team of the available options to earn a higher level of interest on the balances by distributing the funds between different notice accounts – all to be held by Lloyds bank.

The Trustees on behalf of the Academy Trust have powers to make decisions with regards to investments as there will be different times throughout the academic year of large cash balances being held. The Academy Trust will not invest any funds in any accounts or ventures that could endanger the investment balance. The deposit of cash balances will consider any social, environmental and/or ethical grounds before investment of funds takes place.

As noted above, during the forthcoming months, the Academy Trust will look into the options of "layering" investments at Lloyds bank in order to maximise the level of interest that can be earned.

**d. Fundraising**



The trust raises money through the Sutton Coldfield Grammar School for Girls Charity. During the year ending 31 August 2018 this included contributions via the parents' school fund, where parents and carers are invited to contribute monthly or give a one off donation to provide a wide range of additional opportunities to students. During this year the funds were used to enhance the Sixth Form common room facilities and enhance the digital technology provision.



As stated in the 'public benefit' section on page 7, the students continue to raise money for a wide variety of local, national and international causes.

**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**Plans for future periods**

**a. Future developments**

During the year ended 31 August 2018, the Academy Trust was in its fourth year of a five year expansion plan to increase intake to 180 students per year (previously 150) with an increase from five-form entry to six-form entry at Year 7. The building to support this expansion was completed during 2016/17 and there are no additional facilities required to house the planned expanded intake this year.

Specific objectives from the 2018/19 School Development Plan are as follows:

- 1. Excellent Teaching and Learning**
  - a. Maintain outstanding rates of attainment and progress
  - b. Develop Sixth Form Teaching and Learning and assessment strategies to adapt to the demands of Linear A-levels
  - c. Review and refine the curriculum in Years 7-11 in light of knowledge of new GCSE specifications
  - d. Teaching staff to continue to develop their own subject knowledge
  - e. Embed Teaching and Learning into CPD and meeting structures for all teachers to access
- 2. Character Development & Well-being**
  - a. Further develop the culture of 'growth mindset'
  - b. Provide opportunities for students to develop a range of virtues through a focus on Character Education
  - c. Embed well-being into regular activities for staff and students
  - d. Develop Student Leadership through training and opportunities for Senior Student Ambassadors, Prefects and School Forum members
  - e. Raise the profile of tutor time through stronger links with PSHE & assembly themes and further training on pastoral issues
- 3. Digital Technologies and Communication**
  - a. Implement the Digital Technology Proposal
  - b. Increase the use of existing software packages and digital platforms
  - c. Introduce shared working practices through use of cloud-based systems
  - d. Develop communication strategies to effectively market the school and widen engagement
  - e. E-safety: continue to encourage more responsible use of social media across the school community
- 4. Development of Systems and Structures**
  - a. Continue to refine working practices of the Senior Leadership Team ("SLT"), Heads of Department ("HOD"), pastoral team and support staff
  - b. Develop the rewards and House systems
  - c. Maintain safeguarding procedures in light of latest directives and best practices
  - d. Provide opportunities for staff to engage in enrichment activities
- 5. Stewardship of Resources**
  - a. Develop a flexible and sustainable long term financial plan in light of funding pressures and considerable uncertainty
  - b. Review fund-raising and maximise additional sources of revenue to the school
  - c. Continue to review catering provision to maximise effectiveness of the canteen whilst maintaining quality and affordability
  - d. Investigate the optimum size and nature of the intake to the Sixth Form

**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
(A company limited by guarantee)

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**Funds held as custodian**

The Academy Trust does not hold such funds and does not act as the custodian Trustees of any other charity.

**Disclosure of information to auditors**

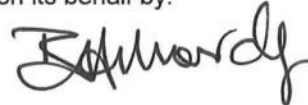
In so far as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 13 December 2018 and signed on its behalf by:



**Mrs Charlotte Senior**  
**Chair of Trustees**



**Dr. Barbara Minards, Accounting Officer and**  
**Headteacher**



**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
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**GOVERNANCE STATEMENT**

**Scope of Responsibility**

As Trustees, we acknowledge we have overall responsibility for ensuring that Sutton Coldfield Grammar School for Girls Academy 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 Trustees has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Sutton Coldfield Grammar School for Girls Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met 5 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mrs Nicky Lloyd, Chair until April 2018	4	5
Dr. Barbara Minards, Accounting Officer and Headteacher	5	5
Mrs Charlotte Senior* Chair from April 2018	5	5
Mr Stephen Millman	5	5
Mr Mark Allwood	4	5
Mrs Joanne Benton	2	3
Mr Matthew Cannan	3	5
Mrs Narinda Chopra Bown	1	1
Mr Bhupendra Pattni	4	5
Mrs Hannah Tipper	5	5
Mr Nicholas Tuton	5	5
Mrs Ruth McIntosh, Staff Trustee	4	5
Miss Sarah Bower	3	5
Miss Joanne Boyle, Staff Trustee	3	4
Mrs Carolyn Gudmunsen, Staff Trustee	4	4
Mr Anthony Maguire, Staff Trustee	4	4
Mr Michael Overton	4	4
Mr James Dixon	3	4

A number of new Staff Trustees and Parent Trustees were elected during the Academic Year. Mrs Nicky Lloyd resigned as Chair with effect from the beginning of the Summer Term, and the Board of Trustees elected Mrs Charlotte Senior (previously Chair of the Curriculum Committee) to succeed her as Chair of the Governing Board.

During the summer term, led by Mrs Charlotte Senior in her new capacity of Chair of the Governing Board, a formal review was undertaken of the subcommittee structure of the Governing Board, and a revised structure presented for consideration. This was approved by the Governing Board, and has taken effect for the academic year 2018/19. The Trustees believe that the new structure will enable them to support and have oversight of the School more effectively.

An audit of skills and training was undertaken during the year, in order to ensure appropriate expertise and address any perceived areas of need. The results of the audit informed the allocation of new Trustees to sub-committees, and the allocation of Governors to the new sub-committees for 2018/19. A need for a Governor with particular expertise in digital technologies was also identified, and recruitment of a Governor with suitable capabilities is now a priority of the Board of Trustees.

**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
**(A company limited by guarantee)**

**GOVERNANCE STATEMENT (continued)**

Regular updates and data are provided to the sub-committees by relevant members of staff (for example: School Business Manager, Data Manager and Headteacher). In addition, the Curriculum Committee receives a termly presentation from a different Head of Department to update them on current issues, developments and initiatives relevant to that academic department.

In addition to sub-committee meetings, there is a regular dialogue between Trustees and the school, via meetings between staff and Link Governors and/or individuals offering specific skills or expertise.

The Trustees consider that they are kept well informed with good quality data, and this, together with the breadth of skills and experience of individual Trustees, enables the Governing Board to provide a high degree of challenge and support to the school.

In the summer term, the Board of Trustees also undertook a formal self-evaluation of the effectiveness of the Governing Board, using the 20 questions recommended by the National Governance Association. The self-evaluation verified that the Board continues to perform strongly. A number of minor areas for improvement were highlighted as a result of the self-evaluation, and recommendations agreed that will be put in place during 2018/19. The self-evaluation will be repeated bi-annually.

The headteacher attends all sub committee meetings during the year.

The Finance and Premises Committee is a sub-committee of the main Board of Trustees. Its purpose is to oversee and scrutinise the financial procedures, regulations and management of the Academy Trust's financial budget and to oversee the management of the school facilities. It reports directly to the Board of Trustees and account for their review of the financial statements, budgeting and value for money and monitor, review and evaluate financial propriety.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr Mark Allwood	5	7
Miss Sarah Bower	4	6
Mrs Carolyn Gudmensen	5	5
Mrs Nicky Lloyd	6	7
Mr Steve Millman	5	7
Mr Bhupendra Pattini	2	7
Mrs Charlotte Senior	6	7
Mrs Hannah Tipper	7	7

The Personnel Committee is a sub-committee of the main Board of Trustees. Its purpose is to ensure compliance with all current statutory Human Resources guidance and legislation on the welfare of staff and students, together with ensuring compliance for child protection and safeguarding.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr Mark Allwood	3	3
Mrs Joanne Benton	0	2
Mr Matthew Cannan	2	3
Mrs Nicky Lloyd	3	3
Mr Anthony Maguire	3	3
Mrs Hannah Tipper	3	3
Mr Nicholas Tuton	3	3



**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
**(A company limited by guarantee)**

**GOVERNANCE STATEMENT (continued)**

The Curriculum Committee is a sub-committee of the main Board of Trustees. Its purpose is to ensure compliance with the statutory requirements of the curriculum from Years 7-13.

Attendance at the Curriculum Committee was as follows:

	Meetings attended	Out of a possible
Mrs Joanne Benton	3	3
Miss Sarah Bower	3	3
Ms Joanne Boyle	3	3
Mr Matthew Cannan	1	3
Mrs Ruth McIntosh	3	3
Mr Steve Millman	3	3
Mrs Charlotte Senior	3	3
Mr Nicholas Tuton	3	3

**Review of Value for Money**

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

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

- Review of catering provision and driving through efficiencies, resulting in a halving of the forecast deficit.
- The continued refurbishment of the whole school lighting programme – changing to LED energy efficient lamps where possible.
- Continuing to work closely with the external letting agent to ensure that revenue from letting facilities to external users is maximized.

Planned cost saving measures include the transfer to a new financial software program that will assist the Business Office Team in the day to day functions together with producing detailed management accounts and long-term budget forecasts.

**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 ongoing 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 Sutton Coldfield Grammar School for Girls Academy Trust for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

**Capacity to Handle Risk**

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks, that has been in place for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
**(A company limited by guarantee)**

**GOVERNANCE STATEMENT (continued)**

**The Risk and Control Framework**

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint MLG Education Services Limited 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:

- testing of payroll systems
- testing of purchase systems
- testing of control account/bank reconciliations

On a semi-annual basis, the auditor reports to the Board of Trustees through the finance and premises committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

**Review of Effectiveness**

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

- the work of the internal auditor;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the senior leadership team within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 13 December 2018 and signed on their behalf, by:



**Mrs Charlotte Senior**  
**Chair of Trustees**



**Dr. Barbara Minards**  
**Accounting Officer**

**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
(A company limited by guarantee)

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

As Accounting Officer of Sutton Coldfield Grammar School for Girls Academy Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education & 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 2017.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2017.

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



**Dr. Barbara Minards**  
Accounting Officer

Date: 13 December 2018



**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
**(A company limited by guarantee)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

The Trustees (who act as governors of Sutton Coldfield Grammar School for Girls Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Annual Accounts Direction issued by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Approved by order of the members of the Board of Trustees on 13 December 2018 and signed on its behalf by:



**Mrs Charlotte Senior**  
**Chair of Trustees**

**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**

**Opinion**

We have audited the financial statements of Sutton Coldfield Grammar School for Girls Academy Trust (the 'Academy Trust') for the year ended 31 August 2018 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2018 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Academy 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.

**Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. 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



**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**

misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic 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 academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

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

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' responsibilities, the Trustees (who are also the directors of the academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**

**Auditors' responsibilities for the audit of the financial statements**

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

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

**Use of our report**

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



Simon Atkins FCA (Senior statutory auditor)

for and on behalf of

**PKF Cooper Parry Group Limited**

Chartered Accountants  
Statutory Auditor

One Central Boulevard  
Blythe Valley Business Park  
Solihull  
West Midlands  
B90 8BG  
13 December 2018



**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
**(A company limited by guarantee)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO SUTTON  
COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST AND THE EDUCATION & SKILLS  
FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 9 October 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Sutton Coldfield Grammar School for Girls Academy Trust during the year 1 September 2017 to 31 August 2018 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 Sutton Coldfield Grammar School for Girls Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Sutton Coldfield Grammar School for Girls Academy Trust and the 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 Sutton Coldfield Grammar School for Girls Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Sutton Coldfield Grammar School for Girls Academy Trust's accounting officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of Sutton Coldfield Grammar School for Girls Academy Trust's funding agreement with the Secretary of State for Education dated 25 May 2011, and the Academies Financial Handbook extant from 1 September 2017, 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 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2017 to 31 August 2018 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 2017 to 2018 issued by the 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.

**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
**(A company limited by guarantee)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO SUTTON  
COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST AND THE EDUCATION & SKILLS  
FUNDING AGENCY (continued)**

**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 year 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*PKF Cooper Parry Group Limited*

**PKF Cooper Parry Group Limited**

Chartered Accountants  
Statutory Auditor

One Central Boulevard  
Blythe Valley Business Park  
Solihull  
West Midlands  
B90 8BG

13 December 2018

**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 AUGUST 2018**

		Unrestricted funds 2018 £000	Restricted funds 2018 £000	Restricted Fixed Asset Fund 2018 £000	Total funds 2018 £000	Total funds 2017 £000
	Note					
<b>Income from:</b>						
Donations and capital grants	2	21	-	68	89	463
Charitable activities:	3					
Funding for the Academy						
Trust's educational operations		490	4,912	-	5,402	5,280
Other trading activities	4	100	-	-	100	66
Investment income	5	1	-	-	1	8
<b>Total income</b>		<u>612</u>	<u>4,912</u>	<u>68</u>	<u>5,592</u>	<u>5,817</u>
<b>Expenditure on:</b>						
Academy Trust educational operations		590	4,961	261	5,812	5,618
<b>Total expenditure</b>	6	<u>590</u>	<u>4,961</u>	<u>261</u>	<u>5,812</u>	<u>5,618</u>
<b>Net income / (expenditure) before transfers</b>		22	(49)	(193)	(220)	199
Transfers between Funds	15	-	(89)	89	-	-
<b>Net income / (expenditure) before other recognised gains and losses</b>		22	(138)	(104)	(220)	199
Actuarial gain/(loss) on defined benefit pension schemes	12	-	455	-	455	(634)
<b>Net movement in funds</b>		<u>22</u>	<u>317</u>	<u>(104)</u>	<u>235</u>	<u>(435)</u>
<b>Reconciliation of funds:</b>						
Total funds brought forward		640	(2,483)	14,814	12,971	13,406
<b>Total funds carried forward</b>		<u>662</u>	<u>(2,166)</u>	<u>14,710</u>	<u>13,206</u>	<u>12,971</u>

The notes on pages 29 to 48 form part of these financial statements.

**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**

(A company limited by guarantee)

REGISTERED NUMBER: 07543893

**BALANCE SHEET  
AS AT 31 AUGUST 2018**

	<b>Note</b>	<b>£000</b>	<b>2018 £000</b>	<b>2017 £000</b>
<b>Fixed assets</b>				
Tangible assets	12		14,710	14,814
<b>Current assets</b>				
Debtors	13	244		161
Cash at bank and in hand		978		1,210
		<u>1,222</u>		<u>1,371</u>
<b>Creditors:</b> amounts falling due within one year	14	(313)		(448)
<b>Net current assets</b>			<u>909</u>	<u>923</u>
<b>Total assets less current liabilities</b>			<u>15,619</u>	<u>15,737</u>
Defined benefit pension scheme liability	20		<u>(2,413)</u>	<u>(2,766)</u>
<b>Net assets including pension scheme liabilities</b>			<u><u>13,206</u></u>	<u><u>12,971</u></u>
<b>Funds of the Academy Trust</b>				
Restricted income funds:				
Restricted income funds	15	247		283
Fixed asset fund	15	14,710		14,814
Restricted income funds excluding pension liability		14,957		15,097
Pension reserve		<u>(2,413)</u>		<u>(2,766)</u>
Total restricted income funds			<u>12,544</u>	<u>12,331</u>
Unrestricted income funds	15		<u>662</u>	<u>640</u>
<b>Total funds</b>			<u><u>13,206</u></u>	<u><u>12,971</u></u>

The financial statements on pages 26 to 48 were approved by the Trustees, and authorised for issue, on 13 December 2018 and are signed on their behalf, by:



**Mrs Charlotte Senior**  
Chair of Trustees

The notes on pages 29 to 48 form part of these financial statements.

**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
(A company limited by guarantee)

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

	Note	2018 £000	2017 £000
<b>Cash flows from operating activities</b>			
Net cash (used in)/provided by operating activities	17	(144)	186
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		1	8
Purchase of tangible fixed assets		(157)	(1,634)
Capital grants from DfE Group		68	347
Capital funding received from sponsors and others		-	61
<b>Net cash used in investing activities</b>		(88)	(1,218)
<b>Change in cash and cash equivalents in the year</b>		(232)	(1,032)
Cash and cash equivalents brought forward		1,210	2,242
<b>Cash and cash equivalents carried forward</b>	18	978	1,210

The notes on pages 29 to 48 form part of these financial statements.

**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**1. Accounting Policies**

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

**1.1 Basis of preparation of financial statements**

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 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Sutton Coldfield Grammar School for Girls Academy Trust constitutes a public benefit entity as defined by FRS 102.

**1.2 Going concern**

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



**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**1. Accounting Policies (continued)**

**1.3 Income**

All income is recognised once the Academy Trust has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet.

Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where receipt is probable and it is measurable.

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

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

**1.4 Expenditure**

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

Expenditure on charitable activities are costs incurred on the Academy Trust's educational operations, including support costs and those costs relating to the governance of the Academy Trust appointed to charitable activities.

All expenditure is inclusive of irrecoverable VAT.



**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**1. Accounting Policies (continued)**

**1.5 Tangible fixed assets and depreciation**

All assets costing more than £1,000 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such 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 these assets on a straight-line basis over its expected useful lives on the following bases:

Leasehold property	-	2% (50 years)
Furniture and fixtures	-	10-33.3% (3-10 years)
Computer equipment	-	33.3% (3 years)

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

**1.6 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.

**1.7 Debtors**

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

**1.8 Cash at Bank and in hand**

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

**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**1. Accounting Policies (continued)**

**1.9 Liabilities and provisions**

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.

**1.10 Pensions**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy 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. As stated in note 20, the TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**1. Accounting Policies (continued)**

**1.11 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 13. Prepayments are not financial instruments. Amounts due to the academy'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 costs as detailed in note 14. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

**1.12 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 Trustees.

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/donor and include grants from the Department for Education Group.

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

**1.13 Leased assets**

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

**1.14 Agency arrangements**

The Academy Trust distributes 16-19 Bursary funds to students as an agent for the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy Trust does not have control over the charitable application of the funds.

The Academy Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received, paid and any balances held at period end are disclosed in Note 24.



**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**1. Accounting Policies (continued)**

**1.15 Critical accounting estimates and areas of judgment**

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

Critical accounting estimates and assumptions:

The 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.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

**2. Income from donations and capital grants**

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
Donations	21	-	21	116
Capital Grants	-	68	68	347
	<hr/> 21	<hr/> 68	<hr/> 89	<hr/> 463
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>Total 2017</b>	<hr/> 55	<hr/> 408	<hr/> 463	
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	

**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**3. Funding for Academy Trust's educational operations**

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
<b>DfE/ESFA grants</b>				
General Annual Grant (GAG)	-	4,766	4,766	4,711
Other DfE/ESFA grants	-	79	79	104
	<u>-</u>	<u>4,845</u>	<u>4,845</u>	<u>4,815</u>
<b>Other funding</b>				
Other income from the Academy Trust's educational operations	490	67	557	465
	<u>490</u>	<u>67</u>	<u>557</u>	<u>465</u>
	<u>490</u>	<u>4,912</u>	<u>5,402</u>	<u>5,280</u>
<b>Total 2017</b>	<u>399</u>	<u>4,881</u>	<u>5,280</u>	

**4. Other trading activities**

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
Lettings income	40	-	40	18
Other income	60	-	60	48
	<u>100</u>	<u>-</u>	<u>100</u>	<u>66</u>
<b>Total 2017</b>	<u>66</u>	<u>-</u>	<u>66</u>	

**5. Investment income**

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
Short term deposits	1	-	1	8
<b>Total 2017</b>	<u>8</u>	<u>-</u>	<u>8</u>	

**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**6. Expenditure**

	<b>Staff costs 2018 £000</b>	<b>Premises 2018 £000</b>	<b>Other costs 2018 £000</b>	<b>Total 2018 £000</b>	<b>Total 2017 £000</b>
Educational operations:					
Direct costs	3,375	-	554	3,929	3,855
Support costs	903	274	706	1,883	1,763
	<u>4,278</u>	<u>274</u>	<u>1,260</u>	<u>5,812</u>	<u>5,618</u>
<b>Total 2017</b>	<u>4,088</u>	<u>330</u>	<u>1,200</u>	<u>5,618</u>	

**7. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2018 £000</b>	<b>Support costs 2018 £000</b>	<b>Total 2018 £000</b>	<b>Total 2017 £000</b>
Educational operations	3,929	1,883	5,812	5,618
	<u>3,855</u>	<u>1,763</u>	<u>5,618</u>	
<b>Total 2017</b>	<u>3,855</u>	<u>1,763</u>	<u>5,618</u>	

**Analysis of support costs**

	<b>Educational operations £000</b>	<b>Total 2018 £000</b>	<b>Total 2017 £000</b>
Support staff costs	903	903	898
Technology costs	78	78	55
Premises costs	274	274	330
Other support costs	577	577	460
Professional fees	51	51	20
	<u>1,883</u>	<u>1,883</u>	<u>1,763</u>
<b>Total 2017</b>	<u>1,763</u>	<u>1,763</u>	



**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**8. Net income/(expenditure)**

This is stated after charging:

	<b>2018</b>	<b>2017</b>
	<b>£000</b>	<b>£000</b>
Depreciation of tangible fixed assets:		
- owned by the Academy Trust	261	205
Auditors' remuneration - audit	9	12
Auditors' remuneration - other services	4	-
	<u>          </u>	<u>          </u>

**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**9. Staff costs**

**a. Staff costs**

Staff costs were as follows:

	<b>2018</b>	<b>2017</b>
	<b>£000</b>	<b>£000</b>
Wages and salaries	3,161	3,028
Social security costs	316	292
Operating costs of defined benefit pension schemes	715	636
	<u>4,192</u>	<u>3,956</u>
Agency staff costs	78	132
Staff restructuring costs	8	-
	<u>4,278</u>	<u>4,088</u>
	<u><u>4,278</u></u>	<u><u>4,088</u></u>
Staff restructuring costs comprise:		
Severance payments	8	-
	<u><u>8</u></u>	<u><u>-</u></u>

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

Included in staff restructuring costs are non-statutory/non contractual severance payments totalling £8,000 (2017: £nil). The payment of £8,000 (2017: £nil) was paid on 18 December 2017.

**c. Staff numbers**

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

	<b>2018</b>	<b>2017</b>
	<b>No.</b>	<b>No.</b>
Teachers	60	61
Administration and support	69	67
Management	7	7
	<u>136</u>	<u>135</u>
	<u><u>136</u></u>	<u><u>135</u></u>

Average headcount expressed as a full time equivalent:

	<b>2018</b>	<b>2017</b>
	<b>No.</b>	<b>No.</b>
Teachers	50	52
Administration and support	38	40
Management	7	7
	<u>95</u>	<u>99</u>
	<u><u>95</u></u>	<u><u>99</u></u>

**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**9. Staff costs (continued)**

**d. Higher paid staff**

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

	<b>2018 No.</b>	<b>2017 No.</b>
In the band £60,001 - £70,000	1	3
In the band £70,001 - £80,000	1	0
In the band £80,001 - £90,000	1	0

**e. Key management personnel**

The key management personnel of the academy trust comprise the Trustees and the senior management team as listed on page 2. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £493,468 (2017 - £434,538).

**10. Trustees' remuneration and expenses**

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy. The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

	<b>2018 £000</b>	<b>2017 £000</b>
B Minards (Headteacher and trustee):		
Remuneration	80-85	-
Pension contributions paid	10-15	-
J Boyle (staff trustee):		
Remuneration	45-50	-
Pension contributions paid	5-10	-
R McIntosh (staff trustee):		
Remuneration	15-20	40-45
Pension contributions paid	0-5	5-10
C Gudmundsen (staff trustee):		
Remuneration	35-40	-
Pension contributions paid	5-10	-
A Maguire (staff trustee)		
Remuneration	35-40	-
Pension contributions paid	5-10	-

During the year ended 31 August 2018, expenses totalling £49 (2017 - £Nil) were reimbursed to 1 trustee (2017 - none).

**11. Trustees' and Officers' Insurance**

In accordance with normal commercial practice the academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £5,000,000 on any one claim and the cost for this insurance is included in the total insurance cost.



**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**12. Tangible fixed assets**

	Leasehold property £000	Furniture and fixtures £000	Computer equipment £000	Assets under construction £000	Total £000
<b>Cost</b>					
At 1 September 2017	15,764	20	349	93	16,226
Additions	22	8	65	62	157
Transfer between classes	-	155	-	(155)	-
At 31 August 2018	15,786	183	414	-	16,383
<b>Depreciation</b>					
At 1 September 2017	1,061	12	339	-	1,412
Charge for the year	223	32	6	-	261
At 31 August 2018	1,284	44	345	-	1,673
<b>Net book value</b>					
At 31 August 2018	14,502	139	69	-	14,710
At 31 August 2017	14,703	8	10	93	14,814

**13. Debtors**

	2018 £000	2017 £000
Trade debtors	1	2
Other debtors	164	45
Prepayments and accrued income	79	114
	244	161

**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**14. Creditors: Amounts falling due within one year**

	<b>2018</b>	<b>2017</b>
	<b>£000</b>	<b>£000</b>
Trade creditors	170	152
Taxation and social security	76	81
Other creditors	17	76
Accruals and deferred income	50	139
	<hr/> 313	<hr/> 448
	<hr/> <hr/>	<hr/> <hr/>
	<b>2018</b>	<b>2017</b>
	<b>£000</b>	<b>£000</b>
<b>Deferred income</b>		
Deferred income at 1 September 2017	42	-
Resources deferred during the year	37	42
Amounts released from previous years	(42)	-
	<hr/> 37	<hr/> 42
	<hr/> <hr/>	<hr/> <hr/>

At the balance sheet date the Academy Trust was holding funds received in advance for deposits on trips due to take place in 2018/2019.

**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**15. Statement of funds**

	Balance at 1 September 2017 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2018 £000
<b>Unrestricted funds</b>						
General Funds	640	612	(590)	-	-	662
<b>Restricted funds</b>						
General Annual Grant (GAG)	266	4,766	(4,696)	(89)	-	247
Pupil Premium	17	59	(76)	-	-	-
Other Grants	-	87	(87)	-	-	-
Pension reserve	(2,766)	-	(102)	-	455	(2,413)
	(2,483)	4,912	(4,961)	(89)	455	(2,166)
<b>Restricted fixed asset funds</b>						
Transfer on conversion	11,345	-	(150)	-	-	11,195
DfE/ESFA capital grants	1,494	68	(40)	-	-	1,522
Capital expenditure from GAG	1,793	-	(68)	89	-	1,814
Restricted donations	182	-	(3)	-	-	179
	14,814	68	(261)	89	-	14,710
Total restricted funds	12,331	4,980	(5,222)	-	455	12,544
Total of funds	12,971	5,592	(5,812)	-	455	13,206

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

Pupil premium income is included within restricted funds and relates to the funding provided by the ESFA for the School to provide additional support to pupils from low income families.

The balance of £247,000 on the Restricted general funds (excluding the pension reserve) will be used for educational purposes in accordance with the restrictions attached to the funding.

The Pension reserve of £2,413,000 (overdrawn) represents the Academy Trust's share of the deficit in the West Midlands Pension Fund.

Restricted fixed asset funds relate predominately to the assets acquired on conversion to an Academy Trust, being the properties together with any subsequent funding received and utilised for fixed assets including improvements and new buildings.

The Unrestricted funds represent the accumulated surplus generated by the Academy Trust from conversion to an Academy Trust and ongoing ancillary activities such as hire of facilities.



**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**15. Statement of funds (continued)**

**Statement of funds - prior year**

	Balance at 1 September 2016 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2017 £000
<b>General funds</b>						
General Funds	612	528	(452)	(48)	-	640
<b>Restricted funds</b>						
General Annual Grant (GAG)	1,257	4,711	(4,638)	(1,064)	-	266
Pupil Premium	-	66	(78)	29	-	17
Other Grants	-	104	(104)	-	-	-
Pension reserve	(1,991)	-	(141)	-	(634)	(2,766)
	(734)	4,881	(4,961)	(1,035)	(634)	(2,483)
<b>Restricted fixed asset funds</b>						
Transfer on conversion	11,498	-	(153)	-	-	11,345
DfE/ESFA capital grants	1,181	347	(34)	-	-	1,494
Capital expenditure from GAG	725	-	(15)	1,083	-	1,793
Restricted donations	124	61	(3)	-	-	182
	13,528	408	(205)	1,083	-	14,814
Total restricted funds	12,794	5,289	(5,166)	48	(634)	12,331
Total of funds	13,406	5,817	(5,618)	-	(634)	12,971

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

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Restricted Fixed Asset Fund 2018 £000	Total funds 2018 £000
Tangible fixed assets	-	-	14,710	14,710
Current assets	662	560	-	1,222
Creditors due within one year	-	(313)	-	(313)
Pension scheme liability	-	(2,413)	-	(2,413)
	662	(2,166)	14,710	13,206

**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**16. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior year**

	Unrestricted funds	Restricted funds	Restricted Fixed Asset Fund	Total funds
	2017 £000	2017 £000	2017 £000	2017 £000
Tangible fixed assets	-	-	14,814	14,814
Current assets	640	731	-	1,371
Creditors due within one year	-	(448)	-	(448)
Pension scheme liability	-	(2,766)	-	(2,766)
	<u>640</u>	<u>(2,483)</u>	<u>14,814</u>	<u>12,971</u>

**17. Reconciliation of net movement in funds to net cash flow from operating activities**

	2018 £000	2017 £000
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(220)	199
<b>Adjustment for:</b>		
Depreciation charges	261	205
Dividends, interest and rents from investments	(1)	(8)
Increase in debtors	(83)	(61)
(Decrease)/increase in creditors	(135)	119
Capital grants from DfE and other capital income	(68)	(408)
Defined benefit pension scheme cost less contributions payable	34	100
Defined benefit pension scheme finance cost	68	40
<b>Net cash (used in)/provided by operating activities</b>	<u>(144)</u>	<u>186</u>

**18. Analysis of cash and cash equivalents**

	2018 £000	2017 £000
Cash in hand	978	1,210
<b>Total</b>	<u>978</u>	<u>1,210</u>

**19. Capital commitments**

At 31 August 2018 the academy had capital commitments as follows:

	2018 £000	2017 £000
Contracted for but not provided in these financial statements	<u>35</u>	<u>50</u>

**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**20. Pension commitments**

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

**Teachers' Pension Scheme**

**Introduction**

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

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

**Valuation of the Teachers' Pension Scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

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

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £329,000 (2017 - £354,900).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website ([www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx](http://www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx)).

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



**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**20. Pension commitments (continued)**

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £346,000 (2017 - £213,000), of which employer's contributions totalled £287,000 (2017 - £166,000) and employees' contributions totalled £59,000 (2017 - £47,000). The agreed contribution rates for future years are 20.9% for employers.

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

The Academy Trust continues to make additional contributions to offset the LGPS Pension liability, the contribution made for the year ended 31 August 2018 was £77,000 (2017: £58,000).

Principal actuarial assumptions:

	<b>2018</b>	<b>2017</b>
Rate of increase in salaries	3.80 %	4.20 %
Inflation assumption (CPI)	2.30 %	2.70 %
Discount rate for scheme liabilities	2.65 %	2.60 %

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

	<b>2018</b>	<b>2017</b>
Retiring today		
Males	21.9	21.8
Females	24.4	24.3
Retiring in 20 years		
Males	24.1	24
Females	26.7	26.6

	<b>At 31 August 2018 £000</b>	<b>At 31 August 2017 £000</b>
<b>Sensitivity analysis</b>		
Discount rate +0.1%	5,343	5,405
Discount rate -0.1%	(5,555)	(5,619)
Mortality assumption - 1 year increase	5,632	5,696
Mortality assumption - 1 year decrease	(5,270)	(5,332)
CPI rate +0.1%	5,541	5,599
CPI rate -0.1%	(5,357)	(5,425)

**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**20. Pension commitments (continued)**

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

	<b>Fair value at 31 August 2018 £000</b>	<b>Fair value at 31 August 2017 £000</b>
Equities	1,921	1,735
Gilts	218	201
Corporate bonds	112	106
Property	246	201
Cash and other liquid assets	114	137
Other	424	365
	<hr/>	<hr/>
Total market value of assets	3,035	2,745
	<hr/> <hr/>	<hr/> <hr/>

The actual return on scheme assets was £33,000 (2017 - £401,000).

The amounts recognised in the Statement of financial activities incorporating income and expenditure account are as follows:

	<b>2018 £000</b>	<b>2017 £000</b>
Current service cost (net of employer contributions)	320	266
Admin expenses	1	1
Interest cost	68	40
	<hr/>	<hr/>
Total	389	307
	<hr/> <hr/>	<hr/> <hr/>

Movements in the present value of the defined benefit obligation were as follows:

	<b>2018 £000</b>	<b>2017 £000</b>
Opening defined benefit obligation	5,511	4,244
Current service cost	320	266
Interest cost	143	89
Employee contributions	59	47
Benefits paid	(88)	(39)
Change in financial assumptions	(497)	904
	<hr/>	<hr/>
Closing defined benefit obligation	5,448	5,511
	<hr/> <hr/>	<hr/> <hr/>

**SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**20. Pension commitments (continued)**

Movements in the fair value of the Academy Trust's share of scheme assets:

	<b>2018</b>	<b>2017</b>
	<b>£000</b>	<b>£000</b>
Opening fair value of scheme assets	2,745	2,253
Return on assets less interest	(42)	352
Other actuarial gains/(losses)	-	(82)
Employer contributions	287	166
Interest income	75	49
Employee contributions	59	47
Benefits paid	(88)	(39)
Admin expenses	(1)	(1)
	<hr/>	<hr/>
Closing fair value of scheme assets	3,035	2,745
	<hr/>	<hr/>

**21. Operating lease commitments**

At 31 August 2018 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	<b>2018</b>	<b>2017</b>
	<b>£000</b>	<b>£000</b>
<b>Amounts payable:</b>		
Within 1 year	15	14
Between 1 and 5 years	36	8
After more than 5 years	6	-
	<hr/>	<hr/>
Total	57	22
	<hr/>	<hr/>

**22. Related party transactions**

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 10.

**23. Members' liability**

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

**24. Agency Arrangements**

The Academy Trust distributes 16-19 Bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2018, the trust received £13,362 (2017: £13,236) and disbursed £12,142 (2017: £12,045), from the fund. An amount of £9,448 (2017: £9,063) is included in Other Creditors relating to the undistributed funds that are repayable to the ESFA.