

Sutton Coldfield Grammar School for Girls Academy Trust



Annual Report and Financial Statements Year ended 31 August 2021



(A Company Limited by Guarantee)
Company Registration Number: 07543893 (England and Wales)

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

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REFERENCE AND ADMINISTRATIVE DETAILS

Members

Mr Mark Allwood
Mrs Hannah Tipper
Mr Nicholas Tuton
Mrs Jo Benton
Mr Keith Dudley

Trustees

Dr. Barbara Minards, Accounting Officer and Headteacher*
Mrs Charlotte Senior, Chair*
Mr Anthony Maguire, Staff Governor
Mrs Carolyn Gudmunsen*, Staff Governor (until 26 July 2021)
Mrs Hannah Tipper*
Mr James Dixon
Mr Matthew Jeavons
Mr Mark Allwood* (until 19 March 2021)
Mr Matthew Cannan
Mr Michael Overton*
Ms Charlotte Lockyer* (from 1 September 2020, until 8 April 2021)
Mr Mitesh Patel (from 12 November 2020, until 14 May 2021)
Mr Stephen Millman*
Dr. Natalie Ball
Mrs Helen Booth* (from 26 November 2020)
Mr Ranbir Dhesi (from 19 May 2021)
Mr Peter Dragoonis (from 19 May 2021)
Ms Shaistah Zeidan (from 26 November 2020)

*Members of Finance 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

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Senior leadership team

Dr. Barbara Minards, Headteacher
Mrs Cath James, Deputy Headteacher
Ms Claire Flannery, Deputy Headteacher
Mrs Lindsay Vincent, Assistant Headteacher (until 19 April 2021)
Mrs Michelle Lucas, Assistant Headteacher
Dr. Tomas Munoz-Britton, Assistant Headteacher
Mr Douglas Thorp, Finance and Operations Director, Chief Financial Officer
Mrs Samantha Hart, Assistant Headteacher (from 1 September 2020)

Independent auditor

Cooper Parry Group Limited
Chartered Accountants
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

Browne Jacobson
Victoria Square House
Victoria Square
Birmingham
B2 4BU

SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their annual report together with the financial statements and auditor's report of the Sutton Coldfield Grammar School for Girls Academy Trust ("the Academy Trust") for the period from 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a Trustees' report and a Directors' report, including a strategic report, under company law.

Established in 1929, Sutton Coldfield Grammar School for Girls ("the School") has developed in both size and prestige and became an Academy Trust in 2011. The School is a thriving community of approximately 1,188 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 also through extra-curricular clubs and societies.

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 PHSE programmes students are provided with the necessary skills to become well-rounded members of a rapidly changing and increasingly global society. Through a careers programme which includes independent guidance and visits (wherever possible in person, but more recently also virtually) from numerous professionals and external speakers, students are encouraged to have high aspirations and achieve their potential.

The Academy Trust operates one school, which currently has a pupil capacity of 900 (11-16 year olds) and had a roll of 1,188 in the School Census 2021, of which 289 pupils were in the Sixth Form (School Census January 2020) and 899 in years 7 to 11.

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 are also the Directors of the charitable company for the purposes of company law. The charitable company operates as Sutton Coldfield Grammar School for Girls Academy Trust.

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

b. Members' liability

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

c. Trustees' indemnities

The Academy Trust has opted into the Department of Education's Risk Protection Arrangement ('RPA'), an alternative to insurance where UK government funds cover losses that arise. The scheme protects Members and Trustees from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The scheme provides cover up to £10,000,000 for such claims.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Trustees

The Academy Trust shall have the following Trustees, as set out in its Articles of Association and funding agreement:

- The Members may appoint up to 15 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 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; and
- 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.

Trustees are appointed for a 4-year period, except that this time limit does not apply to the Headteacher where they have agreed to be appointed as a Trustee or where they are automatically appointed as a Trustee under the Articles of Association. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

When appointing new Trustees, the Members and the Board of Trustees gives consideration to the skills and experience mix of existing Trustees in order to ensure the Board of Trustees has the necessary skills to contribute fully to the Academy Trust's ongoing development.

e. Policies adopted for the induction and training of Trustees

Trustees bring a variety of experience from a number of different backgrounds in not just education, but also industry and commerce. Where necessary, additional training is provided or made available on charity, educational, legal, financial and any other matters relevant to the role of the Trustees. All Trustees are routinely involved with meetings, reports, plans and other information as necessary, to enable them to carry out their roles. Assistance and advice is always available from Academy Trust staff or professional advisors. The Trustees have access to the National Governance Association's learning resources and NGA Goldline support, "The Key for Governors", as well as Birmingham Education Support Services' training program.

f. Organisational structure

Members of the Academy Trust are a small body whose responsibility it is to have an oversight of the Academy Trust's affairs and to appoint Trustees.

The Trustees of the Academy Trust are the Board of Trustees, with whom ultimate responsibility and accountability for the day to day running of the Academy Trust lies.

The Board of Trustees has a strong focus on three core strategic functions:

- Ensuring clarity of vision, ethos and strategic direction of the Academy Trust;
- Holding the Headteacher to account for the educational performance of the Academy Trust and its pupils, and the effective and efficient performance management of staff; and
- Overseeing the financial performance of the Academy Trust and making sure its money is well spent and its assets are used effectively.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

In order to carry out its role efficiently and effectively, the detailed work of the Board of Trustees is delegated to and undertaken by several committees, which are sub-committees of the main Board of Trustees. In addition to attending the full Board of Trustees meetings, all Trustees sit on at least one sub-committee. The sub-committees report back to termly meetings of the Board of Trustees at which broader issues are discussed.

The Academy Trust 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 a Finance and Operations Director. One of the Deputy Headteachers is responsible for the Curriculum/Data and the other for Student and Staff Development. The three Assistant Headteachers each have a specific responsibility: Student Support and Welfare; Character Development; and Teaching and Learning. All staff appointments must be agreed with the Headteacher and although the Deputy Headteachers have some financial delegation of authority, ultimately all financial decisions must be agreed by the Headteacher, as Accounting Officer of the Academy Trust.

The Board of Trustees normally meets four times each year. The Board of Trustees establishes an overall framework for the governance of the Academy Trust and determines membership, terms of reference and procedures of Committees of the Board of Trustees and other groups. It receives reports on various matters from each of the Committees and, where necessary, ratifies decisions made at Committee level. It monitors the activities of the Committees through the minutes of their meetings and through direct reporting from the elected Chair of each Committee. The Chair of the Board of Trustees also sits on each of the Committees to provide broad oversight and ensure connectivity across the Committees. The Board of Trustees may from time to time establish working groups to perform specific tasks over a limited timescale.

There are six sub Committees of the Board of Trustees as follows:

- Finance
- Operations
- Welfare and Access
- Curriculum
- Audit and Risk
- Pay

Each Committee has its own terms of reference detailing the responsibilities discharged to it.

The following decisions are reserved for the full Board of Trustees:

- to consider any proposals for changes to the status or constitution of the Academy Trust and its committee structure;
- to appoint or remove the Chair and / or Vice Chair and statutory Link Governors; and
- to appoint the Headteacher.

g. Arrangements for setting pay and remuneration of key management personnel

The pay of the Senior Leadership Team is overseen and approved by the Pay Committee (a sub-committee of the Board of Trustees).

The Headteacher, in accordance with the Pay Policy, makes annual recommendations on the salary of the Senior Leadership Team to the Pay Committee.

For the Headteacher, a sub-group of the Pay Committee (the Headteacher Appraisal Panel) reviews the performance and salary of the Headteacher in the autumn term of each academic year, with the involvement of an external advisor. Decisions regarding salary reflect the Headteacher Appraisal Panel's views based on the outcomes of the annual performance review.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

The Trustees consider the Board of Trustees and the Senior Leadership Team to comprise the key management personnel of the Academy Trust in charge of directing and controlling, running and operating the Academy Trust on a day-to-day basis. All Trustees give their time freely and no Trustee received any remuneration in the current or prior year, other than those Trustees who are also employees of the Academy Trust. Details of Trustees' remuneration and expenses are disclosed in note 11 of the financial statements.

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	3

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	-
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. Related parties and other connected charities and organisations

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

The Sutton Coldfield Grammar School for Girls Charity ("the Charity") is a separate entity that is affiliated to the School. Its charitable objective is to "provide special benefits...for the benefit of and for pupils of the Sutton Coldfield Grammar School for Girls". Any money raised by the Charity is controlled by the Trustees of the Charity and transferred to the School to spend on agreed items and causes, in accordance with the charitable objective.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities

a. Objects and aims

The Academy Trust's specific object, as set out in its Articles of Association, is restricted to the following:

- To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

The Academy Trust fulfils this object through the operation of the School, providing selective entry education for pupils between the ages of 11 and 19.

b. Objectives, strategies and activities

The key priorities for the year are contained in the Academy Trust's School Development Plan, which is available from the Headteacher.

The key activities of the Academy Trust for the year ended 31 August 2021 were focused as follows:

1. Excellent Teaching and Learning

- a. Develop use of technology to increase variety in teaching and adapt to a blended learning approach if required
- b. Adapt schemes of work in Years 7-13 in light of Covid-19 closures and any changes to GCSE and A-level examinations
- c. Further develop regular and effective assessment practices
- d. Embed the principles of 'A-level mindset' to develop Sixth Form homework and independent study routines
- e. Maintain outstanding rates of attainment and progress

2. Personal Development & Well-being

- a. Embed Character Development; building, recognising and celebrating character strengths across all aspects of school life
- b. Support students and staff to maintain their emotional health and wellbeing
- c. Embed well-being into regular activities for staff and students
- d. Monitor and promote students' participation in extra-curricular activities
- e. Develop a strategic approach to Continuing Professional Development for all staff

3. Digital Technologies and Communication

- a. Develop use of Microsoft Teams and Show My HomeWork to enhance learning experiences
- b. Evaluate access to IT facilities within school and at home to ensure engagement with homework and/or remote learning
- c. E-safety: continue to encourage responsible use of social media and digital systems across the school community
- d. Develop communication strategies to effectively market the school and widen engagement
- e. Develop a long-term IT strategy for the School

4. Development of Systems and Structures

- a. Maintain high quality leadership and management of the School including during the period of uncertainty due to Covid-19
- b. Develop the rewards and House systems to reflect character development
- c. Review systems to ensure the curriculum and procedures promote diversity and equality
- d. Continue to refine working practices of Heads Of Departments with an increased focus on consistency within and between departments
- e. Maintain safeguarding procedures in light of latest directives and best practices

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities (continued)

5. Stewardship of Resources

- a. Continue to develop a flexible and sustainable long-term financial plan allowing for considerable uncertainty
- b. Investigate and bid for additional sources of revenue for the School
- c. Adopt a proactive approach to maintaining the School site
- d. Review the layout of the school site and investigate options for developing facilities
- e. Explore ways of reducing the impact of the School on the environment

The Academy Trust, in light of Covid-19, had a very 'different year' to that of normal times, and this was built into strategic aims for the year. When the School reopened to all students in September 2020 following government guidance, specific measures were put place to not only protect students, but to also ensure they continued to receive high quality education. For example:

- A one-way system was implemented around the site;
- Health protocols were put in place, such as enhanced cleaning, year groups kept in bubbles, wearing of facemasks and plentiful supply of hand sanitiser; and
- Development of on-line learning through use of Microsoft Teams, purchase of two-in-one laptops for all Teaching staff and supply of laptops to students in receipt of Pupil Premium funding.

The pandemic has limited the availability of facilities during the year with no external lettings taking place.

c. Public benefit

The Academy Trust aims to advance for the public benefit, education in the West Midlands region and the wider region, offering a broad curriculum and an excellent educational environment for its pupils. The Academy Trust also allows use of its facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of that community, when not restricted by Covid-19 regulations.

The details of the particular activities of the Academy Trust during the year and how these have provided public benefit are detailed in the Achievements and Performance section below.

The Trustees confirm that they have complied with the duty in the Charities Act 2011 to have due regard to the Charity Commission general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy Trust's aims and objectives and in planning its future activities.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report

Achievements and performance

The Academy Trust continues to evolve and to adapt to the ever-changing educational environment. The Academy Trust has been in operation since 2011 and is in its 10th year of operation since conversion to an Academy Trust. The total number of pupils in the year ended 31 August 2021 was around 1,188.

The Academy Trust is committed to continual improvement, which is achieved in a number of ways, including improvement planning, review meetings, continual professional development, lesson observations, performance management, self-evaluation, data analysis and action planning. The particular achievements and performance of the Academy Trust during the year ended 31 August 2021 were as follows:

- Successfully and effectively responding to the Covid-19 pandemic and the resulting disruption to education services;
 - o Following increasingly complex government guidelines;
 - o Implementing remote learning (and where necessary blended learning) for all year groups;
 - o Supervising vulnerable students and the children of key workers in school during lockdown;
 - o Supporting Year 11 and 13 students through the end of their examination courses and transition to the next stage of their education;
 - o Devising and carrying out the teacher assessed grading process so that all students in Years 11 and 13 were awarded GCSE and A-level results;
 - o Setting up and supporting the on-site Lateral Flow Testing of all students on their return to school in March; and
 - o Enhanced pastoral support through the employment of a dedicated Mental Health Lead and restructure of pastoral support.
- Communicating weekly with parents and carers via an email bulletin;
- Providing pastoral support to students and staff both during lockdown and throughout the year; and
- Successfully bidding for two Condition Improvement Fund (CIF) projects bringing £450,000 of capital funding into the Academy Trust.

a. Key performance indicators

GCSE and A-level Results: Following the repeated cancellation of the GCSE and A-level examinations as a consequence of the Covid-19 pandemic, the results awarded to students were Teacher Assessed Grades (TAGs). These were compiled robustly and fairly following the Centre Policy which was written in accordance with Ofqual and the Joint Council for Qualifications (JCQ) guidance. The Centre Policy was approved by Edexcel (on behalf of JCQ), evidence was submitted for external quality assurance and the grades that were awarded were those that the School submitted to the examination boards. At GCSE: 84% of the grades were 7-9 and 56% were grades 8 or 9. At A-level 89% of grades awarded were A*-B and 61% were A*/A.

The Academy Trust has celebrated the wide range of destinations of our Year 13 students and this year the cohort has gone on to 39 different courses at 33 universities.

Financial performance: The Academy Trust uses a number of benchmarks or performance indicators to evaluate its financial performance and drive budgetary control and monitoring.

A key financial performance indicator for the Academy Trust is the level of reserves held at the balance sheet date and, in particular, the amount of unrestricted reserves plus restricted income reserves at year end. At 31 August 2021, the balance of the unrestricted and restricted income reserves was £1,254,000 (2020: £1,245,000), which is after transfers of £306,000 (2020: £83,000) to the restricted fixed asset fund to fund capital expenditure during the year. Further details on the level of reserves held by the Academy Trust are set out in the Reserves Policy section below.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report (continued)

Achievements and performance (continued)

As the majority of the Academy Trust's funding is based on pupil numbers, pupil numbers is also a key performance indicator. As noted earlier in this report, pupil numbers at the most recent census were 1,188; an increase of over 28 from the same point in the prior year. This was due to a higher Year 12 intake, the funding for which will be lagged in 2021/22.

Staffing costs: The percentage of total staff costs to total educational grant funding (being GAG funding plus other operating educational grants from the Education and Skills Funding Agency ('ESFA') and Local Authority for the year was 85.0% (2020: 85.9%), while the percentage of staff costs to total costs (excluding depreciation and Local Government Pension Scheme FRS102 pension cost charges) was 87.0% (2020: 84.2%).

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 within the financial statements.

The Covid-19 Pandemic had a significant impact on:

- Catering – whilst outsourced from March 2021, in the period prior to this the Academy Trust made a financial loss on catering due to lower trading volumes as a result of higher than usual pupil absences, and continued payment of staff salaries when the site was closed to the majority of students and staff (the School was not eligible for the support from the Government's furlough scheme);
- Lettings – no income was received in the year due to the previous lettings provider going into administration, and the School making a decision to restrict the number of external visitors onto the School site during the pandemic for the safety of staff and students. A new letting contract was tendered at the end of the Academic Year and started on 1 September 2021; and
- The Academy Trust received in excess of £100,000 from the government to support with Covid-19 related issues, through a Catch-up Premium and to fund on-site Lateral Flow Testing of students.

Financial review

The majority of the Academy Trust's income is received from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2021 and the associated expenditure of these grants are shown as restricted funds in the Statement of Financial Activities.

For the year ended 31 August 2021, the Academy Trust's total income (excluding capital grants) was £6,460,000 (2020: £6,367,000) while the total expenditure (excluding depreciation and LGPS FRS102 pension cost charges) was £6,147,000 (2020: £5,989,000), resulting in a net operating surplus for the year of £313,000 (2020: £378,000).

This surplus, which had been expected by the Trustees, has been funded from the Academy Trust's reserves. The balance of reserves at 31 August 2021, excluding the restricted fixed asset funds and LGPS liability fund was £1,254,000 (2020: £1,245,000).

The net book value of fixed assets at 31 August 2021 was £14,890,000. The fixed assets held by the Academy Trust are used exclusively for providing education and associated support services to the pupils of the Academy Trust.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report (continued)

Included within the Academy Trust's balance sheet at year end is a defined benefit pension scheme liability of £4,811,000 (2020: £4,474,000), which arises from the deficit in the Local Government Pension Scheme ("LGPS") that is attributable to the Academy Trust. Further details regarding the deficit in the LGPS at 31 August 2021 are set out in note 24 to the financial statements.

The key financial policies reviewed and adopted during the period included the Finance Policy, which lays out the framework for the Academy Trust's financial management, including financial responsibilities of the Board of Trustees, Headteacher, managers, budget holders and other staff, as well as the delegated authorities for spending. The other financial policies reviewed and adopted during the period included:

- Charging Policy;
- Governor Expenses; and
- Statement of Financial Reserves, Investment and Deprecation.

The Academy Trust was also successful in obtaining the following funding from external sources:

- Two successful CIF bids bringing £450,000 into the Academy Trust to improve flat roofs and upgrade electrical distribution boards; and
- Small grants from Birmingham Airport Community Trust and the Millennium Point Trust.

Covid-19 has had a sizeable impact on the Academy Trust. Income was lost on:

- Lettings – as the previous partner had gone into administration and a new partner did not recommence Lettings until September 21; and
- Catering – a loss due to less demand and periods of site closure up until when Catering was outsourced in March 2021.

Higher expenditure than in the previous year was required on:

- Staff cover due to Covid-19 related absences;
- Cleaning staff and products to ensure the site was Covid-safe for staff and students;
- IT to support remote teaching and learning; and
- covering the cost to parents/carers of non-refundable deposits (c.£30,000) on School trips that were cancelled due to the pandemic.

The Academy Trust received two major elements of funding from government to support its response to the Covid-19 pandemic: Covid-19 Testing funding (£30,000) and Catch Up Premium (£72,000). These funds were used to support delivery of services in the year, including the purchase of resources and equipment to support remote and blended teaching and learning.

Outside of Covid-19 the Academy Trust significantly invested in the estate, with some projects delayed from 2019/20 with support of external funding to:

- Install automated electronic gates to enhance the security of the site and safety of staff and students;
- Replace a large number of windows around the site;
- Replace flat roofing and upgrade electrics through CIF funding;
- Significantly invest in the IT infrastructure including a new Wi-Fi and Firewall system and an upgrade of servers;
- Invest in the catering provision with the addition of a new catering pod to enhance the student offering; and
- Reducing the carbon footprint through investing in more energy efficient lighting and monitoring of energy usage in the School.

The Academy Trust achieved a more favourable outturn in year than that originally budgeted due to savings deployed in the following areas:

- Reduction in capital spending and use of grant funding;
- Savings on support staff salaries due to either vacant posts or new joiners starting later in the year;
- Savings on premises costs due to the site being closed to the majority of students and staff for a period of the year; and
- Rebate on examination fees of between 26% to 42% depending on the Examination Board.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

a. Reserves policy

The Trustees review the reserve levels of the Academy Trust annually. This review encompasses the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees also take into consideration the future plans of the Academy Trust, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees have determined that the appropriate level of operating reserves should be no less than £500,000 to cover one month's operational and salary costs.

The Board of Trustees consider it appropriate to maintain ongoing reserves at this level for the following specific purposes:

- In case of income reduction due to Government funding changes;
- To hold funds for unforeseen emergencies;
- To cover ongoing working capital requirements, including one month's salary;
- To invest in the upkeep of the estate and possible new building development such as a 6th Form Centre.

Reserve funds will be used as soon as practical and following receipt of any other designated funds from external organisations.

The Academy Trust's level of operating reserves at 31 August 2021 was £1,254,000 (2020: £1,245,000), which is made up of restricted income reserves of £586,000 (2020: £572,000) and unrestricted funds of £668,000 (2020: £673,000).

Although the current level of operating reserves is above the minimum target level identified above, the Trustees' expectation is that these reserves will be utilised over the next few years to fund the ongoing development of the Academy Trust, including the potential development of a 6th Form Centre and the need to fund ongoing capital projects and developments.

The value of the restricted fixed asset fund at 31 August 2021 is £15,216,000 (2020: £14,782,000), which is represented by the fixed assets that are used exclusively for providing education and associated support services to the pupils of the Trust, and the balance of unspent capital grants to be used on future capital expenditure. These funds can only be realised by disposing of the associated tangible fixed assets.

The pension reserve fund has a deficit balance at 31 August 2021 of £4,811,000, which represents the deficit in the LGPS at the balance sheet date. The effect of the LGPS deficit is that Academy Trust is required to make additional pension contributions over a number of years in order to fund the deficit. These additional pension contributions will be funded from the Trust's annual recurring income, which may significantly impact its ability to continue to deliver its educational outcomes with the available public funding it receives. The Trustees have noted however that the Government has provided a guarantee that in the event of an academy closure, any outstanding LGPS liabilities would be met by the Department for Education.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

b. Investment policy

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's bank accounts are with Lloyds Bank, of which there is one current account, investment accounts such as a 32-day and 95-day notice account, and a Credit Card Account. The current account receives all income from funding sources.

The Trustees on behalf of the Academy Trust have powers to make decisions about investments, as there will be different times throughout the academic year when large cash balances are 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.

The only investments held by the Academy Trust are its surplus cash balances, which are placed in higher interest accounts that yield greater returns such as overnight accounts and 32-day and 95-day notice accounts.

c. Principal risks and uncertainties

The Trustees have assessed the major risks to which the Academy Trust is exposed, especially in the operational areas, such as teaching, health and safety, safeguarding and school trips, and in relation to the control of finances and strategic development of the Academy Trust. They have introduced systems, including operational procedures and internal financial controls in order to minimise risk and have agreed a Risk Management Strategy and Risk Management Plan, which incorporates a Risk Register. The Risk Management Plan is regularly reviewed by the Audit and Risk Committee in light of any new information and formally reviewed annually.

The principal risks and uncertainties facing the Academy Trust are as follows:

Educational

The continuing success of the Academy Trust is dependent on outstanding exam results and an excellent reputation. To mitigate the risk of exam results declining, the Trustees ensure that pupil success and achievement are closely monitored and reviewed, with corrective actions embedded at an early stage. There are risks associated with:

- Summer examinations for 2021-22 as formal exams have not taken place as planned in the last two years; and
- Student outcomes following disruption to learning from the pandemic.

Safeguarding and child protection

The Trustees ensure that high standards of safeguarding and child protection are adhered to. This is done through:

- Clear child protection policies and procedures that are regularly reviewed and robustly implemented, including regular training for everyone in the School community;
- Health and Safety policy and procedures;
- Staff Code of Conduct; and
- Student Behaviour for Learning Policy.

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

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Financial

The Academy Trust has considerable reliance on continued Government funding through the ESFA. In the year, approximately 97% of the Academy Trust's income was ultimately Government funded. Whilst this level of funding is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms, particularly in light of continuing changes to the National Funding Formula for schools.

Continuing increases in employment costs, including pension costs association with both the Teachers' Pension Scheme and the LGPS, and premises costs (particularly utility costs) will also continue to place significant pressure on the Academy Trust's financial position and its ability to deliver balance budgets in the future.

Monthly management accounts are circulated to the Chair of Governors and the Chair of the Finance Committee. The Trustees examine the financial health of the Academy Trust every half term through the Finance Committee, reviewing performance against budgets and overall expenditure by means of regular update reports.

At the balance sheet date, the Academy Trust had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on the Academy Trust's liquidity.

The Trustees recognise that the LGPS deficit represents a significant potential liability to the Academy Trust. However, as the Trustees consider the Academy Trust is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is minimised.

Staffing

The success of the Academy Trust is reliant on the quality of its staff so the Trustees monitor and review policies and procedures to ensure continued welfare, development and training of staff as well as ensuring there is clear succession planning. The Academy Trust is also conscious of staff well-being, particularly with the ongoing challenges of managing the changes and pressures resulting from Covid-19.

Cyber Security

The Academy Trust has invested in security in the last 12 months and has received Cyber Security Essentials Accreditation through a pilot scheme from DfE.

Failures in governance and / or management

The risk in this area arises from the potential failure to effectively manage the Academy Trust's finances, internal controls, compliance with regulations and legislation and statutory returns. The Trustees continue to review and ensure appropriate measures are in place to mitigate these risks, which includes those relating to fraud and mismanagement of funds (see below).

Fraud and mismanagement of funds

The Academy Trust's trustees have performed a program of work aimed at checking and reviewing the financial systems and records as required by the Academies Financial Handbook, led by a qualified Internal Auditor. All finance staff receive training to keep them up to date with financial practice requirements and to develop their skills in this area.

SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Fundraising

The Academy Trust has not undertaken any material fundraising activities during the year ended 31 August 2021 due to Covid-19.

Plans for future periods

The Academy Trust's plans for future periods are:

1. A Culture of Development

- a. Establish a cohesive student journey, embedding a positive and enriching school life from Year 7 to 13
- b. Further develop the principles of growth mindset and VESPA to encourage positive approaches to learning
- c. Implement a strategic and cohesive approach to Continuing Professional Development for all staff and develop a coaching culture within teaching and support staff
- d. Develop opportunities and links beyond the School, engaging with other schools to participate in peer review

2. Excellent Teaching and Learning

- a. Create a developmental programme of lesson observation and work sampling involving all teaching staff
- b. Develop use of technology to increase variety in teaching and continue to develop a blended learning approach if required
- c. Develop regular and effective assessment practices to inform curriculum delivery and support student progress
- d. Review and adapt schemes of learning, including where needed to reflect changes to GCSE and A-level examinations for 2021/22 cohorts

3. Character Development & Well-being

- a. Embed Character Development; building, recognising and celebrating character strengths across all year groups and all aspects of school life
- b. Offer a wide range of opportunities beyond the classroom to support students' personal wellbeing, monitor and promote students' participation in the programme
- c. Develop a Student Leadership pathway, to support the academic, personal and character development of our community
- d. Develop a strategic approach to the staff wellbeing offer across the school, embedding well-being into regular activities for staff

4. Development of Systems and Structures

- a. Maintain high quality leadership and management of the School including during ongoing uncertainty due to Covid-19
- b. Develop the use of Sleuth to record Character Points and Sanctions
- c. Ensure the curriculum, resources and working practices promote diversity and equality; develop widening access programme
- d. Maintain safeguarding procedures in light of latest directives and best practices

5. Stewardship of Resources

- a. Continue to develop a flexible and sustainable long term financial plan allowing for considerable uncertainty
- b. Investigate and bid for additional sources of revenue for the School
- c. Implement and review the IT Strategy, trial BYOD for Sixth Form students
- d. Implement the Estate Strategy to maintain the School site to a high standard
- e. Carry out a feasibility study to investigate options for a Sixth Form Centre and other site developments
- f. Develop a proactive plan for reducing the impact of the School on the environment

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

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Funds held as custodian on behalf of others

The Academy Trust and its Trustees do not act as Custodian Trustees of any other charity.

The Academy Trust does however hold Post-16 Bursary Funds on behalf of the ESFA, which are distributed to students as required and in line with the terms and conditions of the funds.

Disclosure of information to auditor

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- that 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.

Auditor

The auditors, Cooper Parry Group Limited, have indicated their willingness to continue in office and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 10 December 2021 and signed on its behalf by:

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Mrs Charlotte Senior
Chair of Trustees

SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**(A company limited by guarantee)****GOVERNANCE STATEMENT****Scope of responsibility**

As Trustees, we acknowledge we have overall responsibility for ensuring that the 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.

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and Competency Framework for Governance.

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 the Academy Trust and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that information that is described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met (virtually due to the Covid-19 pandemic) 4 times during the year ended 31 August 2021. Attendance during the year at meetings of the Board of Trustees was as follows:

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

Trustee	Meetings attended	Out of a possible
Mr Mark Allwood (Community Governor)	2	2
Dr. Natalie Ball (Parent Governor)	3	4
Mrs Helen Booth (Parent Governor)	3	3
Mr Matthew Cannan (Community Governor)	3	4
Mr Ranbir Dhesi (Community Governor)	1	1
Mr James Dixon (Parent Governor)	4	4
Mr Peter Dragoonis (Community Governor)	1	1
Mrs Carolyn Gudmunsen (Staff Governor)	4	4
Mr Matthew Jeavons (Co-opted Governor)	4	4
Mrs Charlotte Lockyer (Community Governor)	2	3
Mr Antony Maguire (Staff Governor)	4	4
Mr Stephen Millman (Community Governor)	4	4
Dr. Barbara Minards (Accounting Officer & Headteacher)	4	4
Mr Michael Overton (Parent Governor)	4	4
Mr Mitesh Patel (Parent Governor)	1	2
Mrs Charlotte Senior (Community Governor)	4	4
Mrs Hannah Tipper (Community Governor)	4	4
Ms Shaistah Zeidan (Parent Governor)	3	3

The Board of Trustees reviewed the Academy Trust's governance structure during the year to evaluate its impact and effectiveness. The Board of Trustees has a wide range of skills that contribute to the successful governance of the Academy Trust and the Trustees are satisfied that the current structure in place is appropriate and effective for the Academy Trust.

All Board of Trustee meetings for 2020-21 and sub-committee meetings have taken place as scheduled, but have been conducted remotely through video conferencing due to Covid-19.

SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**(A company limited by guarantee)****GOVERNANCE STATEMENT (CONTINUED)****Governance (continued)**

An audit of skills and training is undertaken formally every year and is monitored informally by the Chair throughout the year as the need arises for additional skills, in order to ensure appropriate expertise and address and perceived areas of need. The recruitment of new Trustees is undertaken with the skills requirements in mind, to ensure that the Board of Trustees has a breadth and depth of expertise and experience appropriate to its core functions and responsibilities. Throughout the year we had a number of Governors step down due to a mixture of planned (e.g. retirement) or unforeseen (e.g. illness) circumstances. We also held a successful (and heavily subscribed) Parent Governor election in the Autumn Term, and recruited additional Community Governors with specific skills to strengthen the skillset of the Board.

Regular updates and data are provided to sub-committees by relevant members of staff (for example: Finance and Operations Director and Deputy Headteachers). In addition, the Curriculum Committee receives a regular presentation from a different Head of Department to update them on current issues, developments and initiatives relevant to that academic department. In the next academic year, the Welfare and Access Committee will begin hearing presentations from different pastoral staff to update them on current issues, developments and initiatives relevant to the pastoral provision within the School.

In addition to sub-committee meetings there is a regular dialogue between Trustees and the Academy Trust, via meetings between the Headteacher and the Chair of Trustees, between specific members of staff and Link Governors, and/or individuals offering other specific skills or expertise.

The Trustees consider that they are kept well-informed with good quality data and information, and this, together with the breadth of skills and experience of individual Trustees, enables the Board of Trustees to provide a high degree of challenge and support to the Academy Trust. The Board of Trustees meets at least four times a year with responsibility delegated to sub-committees who act on behalf of the Board of Trustees as detailed below. These committees report back to the main Board of Trustees termly.

The Headteacher attends all sub-committee meetings during the year, and it was agreed that the Chair of Governors would sit formally on all sub-committees for 2020-21, to ensure oversight across and connectivity between all of the sub-committees.

The **Finance Committee** is a sub-Committee of the Board of Trustees. Its purpose is to provide oversight, guidance and assistance to the Board of Trustees on all matters related to finance and that the requirement of Academy Trust Handbook are met.

Attendance at meetings of the Finance Committee during the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr Mark Allwood	4	4
Ms Helen Booth	4	4
Mrs Carolyn Gudmunson	6	6
Mr Stephen Millman	6	6
Dr. Barbara Minards	6	6
Mr Michael Overton	5	6
Mr Mitesh Patel	4	4
Mrs Charlotte Senior	6	6
Mrs Hannah Tipper (Chair)	6	6

The key issue dealt with by the Finance Committee during the year were ensuring that the financial health of the School was maintained in light of the Covid-19 pandemic (with particular regard to cost control), and the investigation and maximisation of income generation opportunities, as appropriate.

SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The **Audit and Risk Committee** is also a sub-Committee of the Board of Trustees. Its purpose is to maintain an oversight of the Academy Trust's governance, risk management, internal control and value for money framework. It reports its findings annually to the Board of Trustees and the Accounting Officer as a critical element of the Academy Trust's annual reporting requirements.

Attendance at meetings of the Audit and Risk Committee during the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr Mark Allwood	4	4
Ms Helen Booth	2	2
Mr Stephen Millman	5	5
Mr Michael Overton	5	5
Mr Mitesh Patel	2	2
Mrs Charlotte Senior	5	5
Mrs Hannah Tipper (Chair)	5	5

The Audit and Risk Committee reviewed reports presented in relation to internal scrutiny in the following areas:

- Blended learning; and
- Finance procurement.

The reports summarised the reviews undertaken in respect of the Academy Trust's systems of internal control and the recommended areas for action to address any control weaknesses identified.

The **Operations Committee** is a sub-committee of the main Board of Trustees. The committee is responsible for all matters relating to the operational running of the Academy Trust's land and buildings, as well as oversight of the Academy Trust's catering provision and the Academy Trust's digital requirements.

Attendance at meetings of the Operations Committee during the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr Mark Allwood	2	2
Mrs Carolyn Gudmunsen	3	3
Mr Matt Jeavons	3	3
Ms Charlotte Lockyer	2	2
Dr. Barbara Minards	3	3
Mr Michael Overton (Chair)	3	3
Mrs Charlotte Senior	3	3
Mrs Hannah Tipper	3	3

In this financial year the Operations Committee focussed on overseeing the implementation of the School's capital plan and continuing to develop a comprehensive digital strategy that includes teaching and learning and infrastructure requirements. Representatives from the Committee were also involved in the outsourcing of the School's catering function, and the appointment of a new lettings provider.

SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Governance (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 for Years 7-13 and ensuring it is balanced and broadly based promoting spiritual, moral, cultural, mental and physical development of pupils of the school and of society. Plus preparing pupils for the opportunities, responsibilities and experiences of later life.

Attendance at meetings of the Curriculum Committee during the year was as follows:

Trustee	Meetings attended	Out of a possible
Dr. Natalie Ball	3	3
Mr James Dixon	3	3
Ms Charlotte Lockyer	2	2
Mr Antony Maguire	3	3
Mr Stephen Millman (Chair)	3	3
Dr. Barbara Minards	3	3
Mrs Charlotte Senior	3	3
Ms Shaistah Zeidan	2	2

The Curriculum committee has focussed on the provision of remote and blended learning to students, necessitated as a result of the Covid-19 pandemic.

The **Welfare and Access Committee** is a sub-committee of the main Board of Trustees. It is responsible for ensuring compliance with all current guidance and legislation on the welfare of staff and pupils, together with ensuring the Academy Trust's compliance with child protection and safeguarding regulations. It also has oversight of matters relating to staff Continuing Professional Development and appraisal and Personal, Social, Health and Economic (PSHE) provision within the Academy Trust, as well as overseeing all access and inclusion matters.

Attendance at meetings of the Welfare and Access Committee during the year was as follows:

Trustee	Meetings attended	Out of a possible
Dr. Natalie Ball	3	3
Mr Matthew Cannan	3	3
Mr James Dixon (Chair)	3	3
Mr Matt Jeavons	3	3
Mr Antony Maguire	3	3
Dr. Barbara Minards	3	3
Mr Mitesh Patel	2	2
Mrs Charlotte Senior	3	3
Ms Shaistah Zeidan	2	2

The Welfare and Access Committee oversaw changes to the Pastoral support system to enable a more bespoke and systematic offer of support to students and staff struggling with their mental health, as well as considering Access initiatives that the School could investigate further.

SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**(A company limited by guarantee)****GOVERNANCE STATEMENT (CONTINUED)****Governance (continued)**

The **Pay Committee** is a sub-committee of the main Board of Trustees. It is responsible for matters relating to remuneration of staff, the Headteacher's objectives and performance and undertaking an annual review of staff salaries.

Attendance at meetings of the Pay Committee during the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr James Dixon	2	2
Mr Michael Overton	1	1
Mrs Hannah Tipper (Chair)	2	2
Mrs Charlotte Senior	2	2

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 period, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the Academy Trust has delivered value for money during the year by:

- Running an OJEU-compliant tender process for the outsourcing of the Academy's trust catering function;
- Undertaking procurements rounds for two major capital projects around the upgrade of electrics and the replacement of flat roofs around the site;
- Holding the Finance and Operations Director to account; and
- Working closely with the Finance and Operations Director and Deputy Headteacher: Curriculum and Data to ensure there is an appropriate staffing model.

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 the Academy Trust's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Academy Trust for the period from 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of 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 on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period from 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST
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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 regular monthly financial reports which are reviewed and agreed by the Trustees;
- Regular reviews by the Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- Setting targets to measure financial and other performance;
- Clearly defined purchasing (asset purchase or capital investment) guidelines; and
- Delegation of authority and segregation of duties.

The Board of Trustees has decided not to appoint an external auditor for the purpose of internal scrutiny. However, the Audit and Risk Committee appointed Mark Allwood and Helen Booth, qualified Internal Auditors, Steve Millman as a former Teacher, Hannah Tipper and Charlotte Senior (both qualified accountants) as "Reviewers" to carry out a programme of internal scrutiny checks during the year ended 31 August 2021.

The Reviewers' role included giving advice on financial matters and performing a range of checks on the Academy Trust's financial and other systems. In particular, the checks carried out in the current year included:

- Blended learning
- Financial procurement

On a termly basis, the appointed Reviewer/s reported to the Board of Trustees through the audit and risk committee on the operation of the systems of control that had been the subject of the check that term, and on the discharge of the Board of Trustees' financial responsibilities. A short annual summary report is prepared for the Board of Trustees outlining the areas reviewed, key findings, recommendations and conclusions to help the Audit and Risk Committee consider actions and assess year on year progress, which will be filed with the Department for Education in accordance with the Academies Financial Handbook.

The Reviewers have delivered their program of work during the year ended 31 August 2021 as planned and no significant internal control weaknesses were identified from the work completed.

SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

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

- The work of the Reviewers appointed by the Audit and Risk Committee;
- The work of the external auditor;
- The financial management and governance self-assessment process, including the School Resource Management Self-Assessment Tool; and
- The work of the Senior Leadership Team within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Audit and Risk Committee.

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

DocuSigned by:

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Mrs Charlotte Senior
Chair of Trustees

DocuSigned by:

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Dr. Barbara Minards
Accounting Officer

Date: 13 December 2021

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

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of the Academy Trust, I have considered my responsibility to notify the Academy Trust's Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration, I have had due regard to the requirements of the Academies Financial Handbook 2020.

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

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

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Dr. Barbara Minards
Accounting Officer

Date: 13 December 2021

SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST**(A company limited by guarantee)****STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021**

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

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- 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 and signed on its behalf by:

DocuSigned by:

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Mrs Charlotte Senior
 Chair of Trustees

Date: 10 December 2021

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

**INDEPENDENT AUDITOR'S 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 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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

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

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

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

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

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST (CONTINUED)**

Other information

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

We have nothing to report in this regard.

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 Trust 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 trustees' responsibilities statement, the Trustees (who are also the directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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 Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy Trust 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 AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST (CONTINUED)**

Auditor's responsibilities for the audit of the financial statements

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

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

Our assessment focussed on key laws and regulations the Academy Trust has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, the Academies Financial Handbook 2020, the Academies Accounts Direction 2020 to 2021, taxation legislation, data protection, anti-bribery and employment legislation.

We are not responsible for preventing irregularities, including fraud. Our approach to detecting irregularities, including fraud, included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the Academy Trust and how the Academy Trust is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the Academy Trust's control environment and how the Academy Trust has applied relevant control procedures, through discussions with Trustees and other management and by reviewing the reports on the internal scrutiny work commissioned by the trust in relation to the year and by performing walkthrough testing over key areas;
- obtaining an understanding of the Academy Trust's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection of fraud based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

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

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST (CONTINUED)**

Use of our report

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



Nick Simkins (Senior Statutory Auditor)

for and on behalf of

Cooper Parry Group Limited

Chartered Accountants

Statutory Auditor

One Central Boulevard

Blythe Valley Business Park

Solihull

West Midlands

B90 8BG

13 December 2021

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

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

In accordance with the terms of our engagement letter dated 27 September 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Sutton Coldfield Grammar School for Girls Academy Trust during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Sutton Coldfield Grammar School for Girls Academy Trust and 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 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 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 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST

(A company limited by guarantee)

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

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusions included:

- Reviewing the internal control policies and procedures implemented by the Academy Trust and evaluating their design and effectiveness to understand how the Academy Trust has complied with the framework of authorities;
- Reviewing the minutes of meetings of the Trustees, relevant sub-committees and other evidence made available to us, relevant to our consideration of regularity;
- Enquiries of the Accounting Officer, including reviewing the work undertaken by the Accounting Officer in relation to their Statement on Regularity, Propriety and Compliance; and
- Detailed testing of the income and expenditure of the Academy Trust based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit of the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

Conclusion

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



Reporting Accountant
Cooper Parry Group Limited
Chartered Accountants
Statutory Auditor

Date: 13 December 2021

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 2021

		Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
	Note					
Income from:						
Donations and capital grants	3	1	-	498	499	439
Charitable activities	4	91	6,300	-	6,391	6,260
Other trading activities	5	69	-	-	69	88
Investments	6	-	-	-	-	5
Total income		161	6,300	498	6,959	6,792
Expenditure on:						
Charitable activities	7	167	6,167	355	6,689	6,554
Total expenditure		167	6,167	355	6,689	6,554
		(6)	133	143	270	238
Net income						
Net (expenditure)/income		(6)	133	143	270	238
Transfers between funds	17	-	(306)	306	-	-
Net movement in funds before other recognised gains/(losses)		(6)	(173)	449	270	238
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	24	-	(150)	-	(150)	(1,290)
Net movement in funds		(6)	(323)	449	120	(1,052)
Reconciliation of funds:						
Total funds brought forward		673	(3,902)	14,782	11,553	12,605
Net movement in funds		(6)	(323)	449	120	(1,052)
Total funds carried forward		667	(4,225)	15,231	11,673	11,553

The Statement of financial activities includes all gains and losses recognised in the year.
The notes on pages 35 to 57 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 2021**

	Note	2021 £000	2020 £000
Fixed assets			
Tangible assets	13	14,890	14,669
Current assets			
Debtors	14	739	359
Investments	15	600	-
Cash at bank and in hand		756	1,643
		<u>2,095</u>	<u>2,002</u>
Creditors: amounts falling due within one year	16	(500)	(644)
Net current assets		<u>1,595</u>	<u>1,358</u>
Net assets excluding pension liability		<u>16,485</u>	<u>16,027</u>
Defined benefit pension scheme liability	24	(4,811)	(4,474)
Total net assets		<u><u>11,674</u></u>	<u><u>11,553</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	17	15,231	14,782
Restricted income funds	17	586	572
Pension reserve	17	(4,811)	(4,474)
Total restricted funds	17	<u>11,006</u>	<u>10,880</u>
Unrestricted income funds	17	<u>668</u>	<u>673</u>
Total funds		<u><u>11,674</u></u>	<u><u>11,553</u></u>

The financial statements on pages 32 to 57 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

DocuSigned by:

 782E1F2A71E3463...

Mrs Charlotte Senior
 Chair of Trustees

Date: 10 December 2021

The notes on pages 35 to 57 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 2021

	Note	2021 £000	2020 £000
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	19	(195)	499
Cash flows (used in)/from investing activities	20	(92)	36
Change in cash and cash equivalents in the year		(287)	535
Cash and cash equivalents at the beginning of the year		1,643	1,108
Cash and cash equivalents at the end of the year	21, 22	1,356	1,643

The notes on pages 35 to 57 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 2021

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Academy Trust, which is a public benefit entity under the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), have been prepared under the historic cost convention in accordance with FRS 102, the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Sutton Coldfield Grammar School for Girls Academy Trust meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy 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 2021****1. Accounting policies (continued)****1.3 Income**

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

- **Grants**

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

General Annual Grant (GAG) is recognised in full in the statement of financial activities in the year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

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

- **Donations**

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

- **Other income**

Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent the Academy Trust has provided the goods or services.

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.

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

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 Tangible fixed assets

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

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

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

Depreciation is provided on the following bases:

Long-term leasehold property	- 2% (50 years)
Furniture and equipment	- 10-33.3% (3-10 years)
Computer equipment	- 33.3% (3 years)

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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

1.8 Debtors

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

1.9 Cash at bank and in hand

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.10 Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy 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.

1.11 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 bases are as follows:

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

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

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

1.12 Operating leases

Rentals paid under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

SUTTON COLDFIELD GRAMMAR SCHOOL FOR GIRLS ACADEMY TRUST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.13 Pensions

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

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

The LGPS is a funded multi-employer 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 and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.14 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 28.

1.15 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 the funders where the asset acquired or created is held for a specific purpose.

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. 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.

Tangible fixed assets are depreciated over their economic useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors.

Critical areas of judgement:

The classification of expenditure between restricted and unrestricted funds is deemed as a critical area of judgment as certain expenditure can be applied to both funds. Where this is the case and the amounts in question are considered material the expenditure is apportioned to both funding streams on an appropriate basis.

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

3. Income from donations and capital grants

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Donations	1	15	16	14
Capital Grants	-	483	483	425
Total 2021	<u>1</u>	<u>498</u>	<u>499</u>	<u>439</u>
Total 2020	<u>14</u>	<u>425</u>	<u>439</u>	

4. Funding for the Academy Trust's educational activities

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
DfE/ESFA grants				
General Annual Grant (GAG)	-	5,781	5,781	5,458
Other DfE/ESFA grants				
Pupil premium	-	73	73	70
Teachers pension grant	-	227	227	228
Other DfE Group grants	-	112	112	115
	<u>-</u>	<u>6,193</u>	<u>6,193</u>	<u>5,871</u>
Other income from the Academy Trust's educational activities	<u>91</u>	<u>5</u>	<u>96</u>	<u>389</u>
COVID-19 additional funding (DfE/ESFA)				
Catch-up Premium	-	72	72	-
Mass testing	-	30	30	-
	<u>-</u>	<u>102</u>	<u>102</u>	<u>-</u>
Total 2021	<u>91</u>	<u>6,300</u>	<u>6,391</u>	<u>6,260</u>
Total 2020	<u>369</u>	<u>5,891</u>	<u>6,260</u>	

Following the reclassification in the Academies Accounts Direction 2020 to 2021 of some grants received from the Department of Education and ESFA, the academy trust's funding for Teachers' Pension Grant and Pupil Premium is no longer reported under the 'Other DfE Group grants' heading, but as separate lines under the 'Other DfE/ESFA grants' heading. The prior year numbers have been reclassified.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

4. Funding for the Academy Trust's educational activities (continued)

The Academy Trust received £72,000 of funding for catch-up premium and costs incurred in respect of this funding totalled £72,000 during this financial year. The Academy also received £30,000 of mass testing funding and costs incurred in respect of this fund totalled £30,000 during this financial year. These costs are included in note 7 below as appropriate.

5. Income from other trading activities

	Unrestricted funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Hire of facilities	-	-	14
Income from ancillary trading activities	69	69	74
	<u>69</u>	<u>69</u>	<u>88</u>

6. Investment income

	Unrestricted funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Short term deposits	-	-	5
	<u>-</u>	<u>-</u>	<u>5</u>

7. Expenditure

	Staff Costs 2021 £000	Premises 2021 £000	Other 2021 £000	Total 2021 £000	Total 2020 £000
Educational activities:					
Direct costs	4,343	-	326	4,669	4,445
Allocated support costs	886	260	874	2,020	2,109
Total 2021	<u>5,229</u>	<u>260</u>	<u>1,200</u>	<u>6,689</u>	<u>6,554</u>
Total 2020	<u>5,043</u>	<u>249</u>	<u>1,262</u>	<u>6,554</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 2021**

8. Analysis of expenditure by activities

	Activities undertaken directly 2021 £000	Support costs 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Educational activities	4,669	2,020	6,689	6,554
Total 2020	4,445	2,109	6,554	

Analysis of support costs

	Educational activities 2021 £000	Total funds 2021 £000	Total funds 2020 £000
LGPS cost	68	68	54
Staff costs	1,002	1,002	1,068
Depreciation	355	355	321
Technology costs	60	60	58
Premises costs	260	260	250
Other costs	235	235	315
Professional costs	40	40	43
	2,020	2,020	2,109

9. Net (expenditure)/income

Net (expenditure)/income for the year includes:

	2021 £000	2020 £000
Operating lease rentals	7	5
Depreciation of tangible fixed assets	355	321
Fees paid to auditor for:		
- audit	8	8
- other services	4	4

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021 £000	2020 £000
Wages and salaries	3,766	3,540
Social security costs	382	344
Pension costs	1,083	1,083
	<hr/> 5,231	<hr/> 4,967
Agency staff costs	117	76
	<hr/> 5,348	<hr/> 5,043
	<hr/> <hr/>	<hr/> <hr/>

b. Staff numbers

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

	2021 No.	2020 No.
Teachers	66	67
Administration and support	62	66
Management	7	6
	<hr/> 135	<hr/> 139
	<hr/> <hr/>	<hr/> <hr/>

The average headcount expressed as full-time equivalents was:

	2021 No.	2020 No.
Teachers	56	59
Administration and support	37	34
Management	7	6
	<hr/> 100	<hr/> 99
	<hr/> <hr/>	<hr/> <hr/>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

10. Staff (continued)

c. Higher paid staff

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

	2021 No.	2020 No.
In the band £60,001 - £70,000	2	-
In the band £70,001 - £80,000	-	1
In the band £80,001 - £90,000	1	-
In the band £90,001 - £100,000	1	1
	<u> </u>	<u> </u>

d. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £671,000 (2020: £523,000). Costs in 2019/20 were lower due to 2 members of SLT starting mid-year.

11. Trustees' remuneration and expenses

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

		2021 £000	2020 £000
Dr. Barbara Minards, Accounting Officer and Headteacher	Remuneration	90 - 95	90 - 95
	Pension contributions paid	10 - 15	10 - 15
Mrs Ruth McIntosh, Staff Trustee (until 31 August 2020)	Remuneration	0	35 - 40
	Pension contributions paid	0	0 - 5
Mrs Carolyn Gudmunson, Staff Trustee	Remuneration	35 - 40	35 - 40
	Pension contributions paid	0 - 5	0 - 5
Mr Anthony Maguire, Staff Trustee	Remuneration	40 - 45	40 - 45
	Pension contributions paid	5 - 10	5 - 10

During the year ended 31 August 2021, no Trustee expenses have been incurred (2020 - £Nil).

12. Trustees' and Officers' insurance

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

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13. Tangible fixed assets

	Long-term leasehold property £000	Assets under construction £000	Furniture and equipment £000	Computer equipment £000	Total £000
Cost or valuation					
At 1 September 2020	15,786	273	235	649	16,943
Additions	293	100	23	160	576
Disposals	-	-	-	(350)	(350)
Transfers between classes	272	(272)	-	-	-
At 31 August 2021	16,351	101	258	459	17,169
Depreciation					
At 1 September 2020	1,730	-	71	473	2,274
Charge for the year	227	-	28	100	355
On disposals	-	-	-	(350)	(350)
At 31 August 2021	1,957	-	99	223	2,279
Net book value					
At 31 August 2021	14,394	101	159	236	14,890
At 31 August 2020	14,056	273	164	176	14,669

Land is included in the total leasehold land and buildings valuation at a value of £4,624,000 (2020: £4,624,000) and is not depreciated.

14. Debtors

	2021 £000	2020 £000
Due within one year		
Trade debtors	3	-
Other debtors	70	60
Prepayments and accrued income	666	299
	739	359

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NOTES TO THE FINANCIAL STATEMENTS
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15. Current asset investments

	2021	2020
	£000	£000
Short-term investments	600	-
	<u>600</u>	<u>-</u>

16. Creditors: amounts falling due within one year

	2021	2020
	£000	£000
Trade creditors	246	175
Other taxation and social security	89	85
Other creditors	125	137
Accruals and deferred income	40	247
	<u>500</u>	<u>644</u>

	2021	2020
	£000	£000
Deferred income at 1 September 2020	60	65
Resources deferred during the year	2	60
Amounts released from previous periods	(60)	(65)
	<u>2</u>	<u>60</u>

The release of deferred income in the year relates to funds held by the Academy Trust in 2020/2021 for deposits on trips that took place in 2021/2022.

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NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds

	Balance at 1 September 2020 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2021 £000
Unrestricted funds						
General Funds - all funds	673	162	(167)	-	-	668
Restricted general funds						
General Annual Grant (GAG)	572	5,781	(5,461)	(306)	-	586
Pupil Premium	-	145	(145)	-	-	-
Other Grants	-	374	(374)	-	-	-
Pension reserve	(4,474)	-	(187)	-	(150)	(4,811)
	(3,902)	6,300	(6,167)	(306)	(150)	(4,225)
Restricted fixed asset funds						
Transfer on conversion	10,895	-	(150)	-	-	10,745
DfE/ESFA Capital grants	1,871	483	(132)	-	-	2,222
Capital expenditure from GAG	1,843	-	(70)	306	-	2,079
Restricted donations	173	15	(3)	-	-	185
	14,782	498	(355)	306	-	15,231
Total Restricted funds	10,880	6,798	(6,522)	-	(150)	11,006
Total funds	11,553	6,960	(6,689)	-	(150)	11,674

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

The General Annual Grant funding must be used for the normal running costs of the Academy Trust in line with the Academy Trust's charitable objects and the terms and conditions of the Academy Trust's funding agreement.

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NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds (continued)

The pupil premium funding must be used to support children from families on low income or children in care.

Other grants and income, which include other ESFA / DfE grants (including Teacher Pay grants and Teachers' Pension grants), Local Authority funding, and other restricted income, are all used in accordance with the specific restrictions of the individual grants and funding provided.

The Pension reserve represents the Local Government Pension Scheme deficit.

Restricted fixed asset funds represent the investment in fixed assets, net of accumulated depreciation, and includes the value of fixed assets transferred to the Academy Trust on conversion of the Schools within the Academy Trust and the value of fixed assets transferred from academies joining the Trust in the current or previous years, together with any capital expenditure funded from restricted or unrestricted funds. Unspent capital grants and capital income are also held in this fund and their use is restricted to the capital projects for which the grant awarded.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2021.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

17. Statement of funds (continued)

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

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Transfers £000	Gains/ (Losses) £000	Balance at 31 August 2020 £000
Unrestricted funds						
General Funds	712	476	(515)	-	-	673
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted general funds						
General Annual Grant (GAG)	238	5,458	(5,041)	(83)	-	572
Pupil Premium	-	70	(70)	-	-	-
Other Grants	-	363	(363)	-	-	-
Pension reserve	(2,940)	-	(244)	-	(1,290)	(4,474)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	(2,702)	5,891	(5,718)	(83)	(1,290)	(3,902)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted fixed asset funds						
Transfer on conversion	11,045	-	(150)	-	-	10,895
DfE/ESFA Capital grants	1,544	425	(98)	-	-	1,871
Capital expenditure from GAG	1,830	-	(70)	83	-	1,843
Restricted donations	176	-	(3)	-	-	173
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	14,595	425	(321)	83	-	14,782
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Restricted funds	11,893	6,316	(6,039)	-	(1,290)	10,880
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total funds	12,605	6,792	(6,554)	-	(1,290)	11,553
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000
Tangible fixed assets	-	-	14,890	14,890
Current assets	668	1,086	341	2,095
Creditors due within one year	-	(500)	-	(500)
Provisions for liabilities and charges	-	(4,811)	-	(4,811)
Total	668	(4,225)	15,231	11,674

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000
Tangible fixed assets	-	-	14,669	14,669
Current assets	673	1,216	113	2,002
Creditors due within one year	-	(644)	-	(644)
Provisions for liabilities and charges	-	(4,474)	-	(4,474)
Total	673	(3,902)	14,782	11,553

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NOTES TO THE FINANCIAL STATEMENTS
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19. Reconciliation of net income to net cash flow from operating activities

	2021 £000	2020 £000
Net income for the year (as per statement of financial activities)	270	238
Adjustments for:		
Depreciation	355	321
Capital grants from DfE and other capital income	(483)	(425)
Interest receivable	-	(6)
Defined benefit pension scheme cost less contributions payable	119	192
Defined benefit pension scheme finance cost	68	52
Increase in debtors	(380)	(195)
(Decrease)/increase in creditors	(144)	322
Net cash (used in)/provided by operating activities	(195)	499

20. Cash flows from investing activities

	2021 £000	2020 £000
Dividends, interest and rents from investments	-	6
Purchase of tangible fixed assets	(575)	(395)
Capital grants from DfE	483	425
Net cash (used in)/provided by investing activities	(92)	36

21. Analysis of cash and cash equivalents

	2021 £000	2020 £000
Cash in hand and at bank	756	1,643
Short-term investments	600	-
Total cash and cash equivalents	1,356	1,643

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

22. Analysis of changes in net debt

	At 1 September 2020 £000	Cash flows £000	At 31 August 2021 £000
Cash at bank and in hand	1,643	(887)	756
Short-term investments	-	600	600
	<u>1,643</u>	<u>(887)</u>	<u>1,356</u>

23. Capital commitments

	2021 £000	2020 £000
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	352	181
	<u>352</u>	<u>181</u>

24. Pension commitments

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

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

Contributions amounting to £95,000 were payable to the schemes at 31 August 2021 (2020 - £93,000) and are included within creditors.

Teachers' Pension Scheme

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

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

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24. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £669,000 (2020 - £613,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £422,000 (2020 - £249,000), of which employer's contributions totalled £366,000 (2020 - £199,000) and employees' contributions totalled £56,000 (2020 - £50,000). The agreed contribution rates for future years are 21.8 per cent for employers.

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

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

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24. Pension commitments (continued)

Principal actuarial assumptions

	2021 %	2020 %
Rate of increase in salaries	3.90	3.30
Discount rate for scheme liabilities	1.65	1.60
Inflation assumption (CPI)	2.90	2.30

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

	2021 Years	2020 Years
Retiring today		
Males	21.6	21.9
Females	24.0	24.1
Retiring in 20 years		
Males	23.4	23.8
Females	25.8	26.0

Sensitivity analysis

	2021 £000	2020 £000
Discount rate +0.1%	(197)	(172)
Discount rate -0.1%	202	176
Mortality assumption - 1 year increase	429	350
Mortality assumption - 1 year decrease	(410)	(335)
CPI rate +0.1%	186	163
CPI rate -0.1%	(182)	(159)

Share of scheme assets

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

	2021 £000	2020 £000
Equities	2,679	2,006
Gilts	363	387
Corporate bonds	269	138
Property	309	269
Cash and other liquid assets	162	237
Other	615	533
Total market value of assets	4,397	3,570

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24. Pension commitments (continued)

The actual return on scheme assets was £615,000 (2020 - £341,000).

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

	2021 £000	2020 £000
Current service cost	485	389
Interest income	68	52
Administrative expenses	-	2
Total amount recognised in the Statement of financial activities	553	443

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

	2021 £000	2020 £000
At 1 September	8,044	6,460
Current service cost	485	389
Interest cost	127	118
Employee contributions	56	50
Actuarial losses	706	1,187
Benefits paid	(210)	(160)
At 31 August	9,208	8,044

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

	2021 £000	2020 £000
At 1 September	3,570	3,520
Interest income	59	66
Actuarial losses	556	(103)
Employer contributions	366	199
Employee contributions	56	50
Benefits paid	(210)	(160)
Administrative expenses	-	(2)
At 31 August	4,397	3,570

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25. Operating lease commitments

At 31 August 2021 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £000	2020 £000
Not later than 1 year	7	5
Later than 1 year and not later than 5 years	7	11
	<u>14</u>	<u>16</u>

26. 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 £NIL for the debts and liabilities contracted before he/she ceases to be a member.

27. Related party transactions

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

Income related party transactions:

During the year the Sutton Coldfield Grammar School Charity, connected by common directorship, donated £Nil (2020: £9,995) to the Academy Trust.

28. Agency arrangements

The Academy Trust distributes 16-19 bursary funds on behalf of the ESFA. In the accounting period ended 31 August 2021, the Trust received £20,900 (2020: £6,800) and disbursed £22,000 (2020: £5,200) from the fund. An amount of £14,700 (2020: £15,800) is included in other creditors relating to the undistributed funds that are repayable to the ESFA.