

BEXLEY GRAMMAR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

GOVERNORS' REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2020

BEXLEY GRAMMAR SCHOOL

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BEXLEY GRAMMAR SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Governors

Mr A Woodcock (Chair, Appointed Governor, 9 March 2017)
Mr I Beattie (Responsible Officer, Appointed Governor, 5 Mar 2019) *
Mrs S Bhat (Parent Governor, 22 November 2018)
Mrs D Briant (Vice Chair, Appointed Governor, 5 March 2019)
Mrs O Diya (Parent Governor, 13 December 2016)
Mr S Elphick (Headteacher & Accounting Officer) *
Miss A Fisher (Staff Governor, 21 October 2018)
Mr R Gillespie (Appointed Governor, 8 October 2018) *
Mr T Gorrard-Smith (Appointed Governor, 5 March 2019)
Mr M Lines (Staff Governor, 21 October 2018)*
Mr T Martin (Staff Governor, 29 November 2016)
Mrs M Pickering (Appointed Governor, 5 March 2019)*
Mrs B Sangha (Parent Governor, 22 November 2018)
Mrs A Saridogan (Appointed Governor, 9 March 2017)
Mrs E Stagg (Appointed Governor, 1 July 2019)
Mr I Tonks (Appointed Governor, 8 October 2018) *
Mr M Woodhall (Parent Governor, 28 March 2017)*

* members of the Finance, Resources and Audit Committee

Members

Mr Ian Beattie
Mr S Elphick
Mrs M Pickering
Mr A Woodcock

Senior management team

- Headteacher Mr S Elphick
- Deputy Head Mr D Morgan
- Deputy Head Mr Gilmore

Company Secretary

Mr Allyn Walsh

Company registration number

07455732 (England and Wales)

Registered office

Bexley Grammar School
Danson Lane
Welling
Kent
DA16 2BL
United Kingdom

Independent auditor

Baxter & Co
Lynwood House
Crofton Road
Orpington
Kent
BR6 8QE

Bankers

Lloyds Bank PLC
130 The Broadway
Bexleyheath
DA6 7DP

Solicitors

Stone King Solicitors
16 St John's Lane
London EC1M 4BS

BEXLEY GRAMMAR SCHOOL

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

The Governors present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2020. The annual report serves the purposes of both a Governors' report, and a directors' report under company law.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006, the Statement of Recommended Practice 2015, "Accounting and Reporting by Charities", and the Academies' Accounts Direction 2019/20 issued by the ESFA.

The trust operates an academy for pupils aged 11 to 18 serving local selective students in Bexley. It has a pupil capacity of 1357 (including a sixth form of 460 places) and had a roll of 1365 in the school census in January 2020.

The Trust exists to maintain Bexley Grammar School as an oversubscribed, high achieving, well-resourced coeducational selective Academy with a thriving Sixth Form, which specialises in Languages while offering a wealth of extra-curricular activities.

Structure, governance and management

Constitution

The Academy Trust is a company limited by guarantee with no share capital (registration no. 07455732) and an exempt charity. The Charitable Company's memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The governors act as the trustees for the charitable activities of Bexley Grammar School (Academy Trust Limited) and are also the directors of the Charitable Company for the purposes of company law. From the time of his or her appointment, each Governor has the right (but not the obligation) to become a member of the Trust. The Charitable Company is known as Bexley Grammar School.

Details of the governors who served throughout the year except as noted are included in the Reference and Administrative Details on page 1.

Members' liability

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

Governors' indemnities

The Governors have not indemnified the directors/governors against liability to a third party.

Method of recruitment and appointment or election of Governors

The Articles of Association stipulate that the number of Governors shall not be less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum.

The Governing Body comprises of up to twelve members appointed by the members; the Headteacher; up to four Staff Governors elected by staff in the school; one LA Governor appointed by the LA and not less than two Parent Governors elected by parents of students registered at the Academy in a secret ballot. The Governors may also appoint up to three Co-opted Governors. In particular circumstances, as detailed in the Articles of Association the Secretary of State may appoint Governors to join the Governing body.

The term of office for any Governor shall be 4 years; save that this time limit shall not apply to the Principal and any Staff Governor shall only hold office for so long as he/she continues to be employed as a teacher or member of support staff as the case may be. Subject to remaining eligible to be a particular type of Governor, any Governor may be re-appointed or re-elected. When seeking new Governors the Chairman assesses the skill sets of the current members and considers what qualities and experience would enhance the team for the benefit of the Academy.

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Policies and procedures adopted for the induction and training of Governors

The Academy employs the services of the LA (Bexley's) Governors' Induction and Training programme. Training undertaken by Governors is described and logged at meetings of the full Governing Body.

Organisational structure

Apart from several other specific purposes the Governors mainly support the Academy as members of three Committees which deal with policies, developments and assessment of three different areas of the Academy's functioning. These committees are:

- 1) Curriculum and Pupil Progress Committee
- 2) Staffing and Pupil Welfare Committee
- 3) Finance, Resources and Audit Committee

The Governors have powers delegated to them from the full Governing Body to make decisions on behalf of the Academy within the remit of the committee's sphere of concern. The committees meet each term and their work is reported to the full Governing Body in a meeting towards the end of each term. All policies and budget decisions are decided upon by agreement of the Governing Body.

The day to day management of the school is the responsibility of the Headteacher and his Senior Management Team. The Headteacher acts as the Accounting Officer, he is a member of the Finance, Resources and Audit Committee, each of the two Deputies is attached to the other two Governors' committees. The Deputies also run Learning Teams (teams of staff with relevant responsibilities) within the school which are linked by area of concern to the relevant Governors' committees and so the work of the school and that of the Governors is clearly linked through areas of interest, self-evaluation and reporting.

Arrangements for setting pay and remuneration of key management personnel

The senior management team (SMT) are the key management personnel of the trust. Trustees are also senior management although they receive no pay or other remuneration in respect of their role as trustees. Where staff trustees are in place, they receive remuneration for their role as staff and their pay is determined in the same way as applicable to all other staff. Further details of remuneration paid to staff who are trustees is set out within the notes to the accounts.

The pay of the Headteacher is set annually by the Pay Committee, having regards to performance against objectives set the previous year. Pay of other SMT members is also set by the Pay Committee again having regard to performance against previously agreed objectives and any recommendations made by the Headteacher.

Trade Union Facility Time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
1	1

Percentage of time spent on facility time

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

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FOR THE YEAR ENDED 31 AUGUST 2020

Percentage of pay bill spent on facility time

Total Cost of facility time	£0
Total Pay bill	£0
Percentage of the total pay bill spent on facility time	0%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours.	0%
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Related Parties and other Connected Charities and Organisations

Bexley Grammar School is a single Academy and is not part of a federation. It has no related parties or connected charities or other organisations.

Objectives and activities

Objects and aims

The Trust's object cited in the Academy Funding Agreement is: 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 known as Bexley Grammar School.

Objectives, Strategies and Activities

The Trust's main object is stated above under the heading Objects and Aims but the Academy's School Improvement Plan for the year cites 4 areas of Priority. These aims have been agreed by the Governing Body as appropriate targets and they give a clear sense of the Academy's aspirations and character as a school. As a result of the Coronavirus pandemic, last year's aims have been carried over to this academic year. In addition, this year, every team in the school has completed an Interim Improvement Plan in which they address the issues raised by the school's Covid-19 Risk Assessment and the associated Action Plan. For department areas, these include addressing any achievement gaps as a result of the months of remote learning and adaptations to pedagogical practice and to the curriculum in order to ensure students achieve their potential in the year ahead.

The aims, carried over from last year, intended to achieve the objects are stated below each of the priorities in the School Improvement Plan:

1. Personalisation of Learning

Whilst teaching and learning remain outstanding, there is some inconsistency in student progress across the school, particularly among boys. We strive to personalise each student's learning to make it accessible and relevant.

We will:

- a) Continue to track the progress of boys, especially in English, and focus on improving their outcomes;
- b) Continue to improve boys' literacy across all departments, focusing on a range of communication skills;
- c) Fully embed our agreed Classroom Non-Negotiables;
- d) Ensure that there is clear evidence of planning for all lessons including a context sheet;
- e) Share the good practice identified by the Teaching and Learning Innovation Group;
- f) Provide clear feedback to students on how to improve their work and ensure that students act upon this feedback;
- g) Improve the consistency in the quality and organisation of students' books and folders, particularly boys', to encourage them to take pride in their work and its presentation;
- h) Ensure that a rigorous programme of work scrutiny identifies any pockets of feedback that need to be improved;
- i) Engage parents in supporting their child(ren) in their learning;
- j) Use 4Matrix and other tracking data efficiently and productively; this will inform classroom teachers, HoDs, tutors, DOSs and SMT in their approach to targeting individual students and/or groups of students.

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2. Wellbeing and Personal Development

Students learn best through positive experiences. We strive to care for all students and support their personal development.

We will:

- a) Remain fully aware of the increased contextual safeguarding risks that are present in our students' communities and promote a 'this could happen here' approach;
- b) Provide professional development for emotional wellbeing and mental health for both students and staff;
- c) Ensure PSHE programmes, Power Days and Assemblies are coordinated to have maximum positive impact on student mental health;
- d) Ensure mental health problems are identified early and appropriate support provided;
- e) Engage parents in promoting good mental health and wellbeing in their child(ren), especially through managing their use of social media;
- f) Achieve the Wellbeing Award for Schools (WAS);
- g) Ensure early-intervention behaviour strategies for targeted students in KS3;
- h) Develop "Growth Mindset" strategies to help students develop their academic and emotional resilience;
- i) Implement the "Instructional Coaching" model as part of a cost-effective CPD programme to develop teaching staff.

3. Curriculum

We are proud of our challenging, broad and balanced curriculum culminating in the IBDP in the Sixth Form. Now that we are fully IB in the Sixth Form we will review our KS3 curriculum and clarify our cross-curricular offer.

We will:

- a) Conduct curriculum reviews of Years 7, 8 and 9, considering class sizes, time allocation to subjects and identification of any areas that could improve access to and performance at GCSE and the IBDP for students, particularly boys;
- b) Conduct a curriculum review of Years 10 and 11 including a specific focus on the time provision for the Sciences;
- c) Explore a provision, possibly through an alternative pathway, for students to enter foundation tier sciences or combined science (double award) as alternatives to higher tier separate sciences;
- d) Develop a more systematic approach to assembly topics to ensure an even coverage of key issues while encouraging spontaneity and reaction to current events;
- e) Plan and coordinate more systematically our school-based strategies to support students in developing good mental health and emotional resilience;
- f) Promote STEM activities across the school with a particular focus on challenging gender stereotypes by encouraging increased participation by girls;
- g) Identify where students develop habits of the IB learner profile, such as leadership of their own learning, in preparation for the IB and develop these as necessary, with particular reference to boys;
- h) Ensure teachers receive any training they need in order to teach their subject effectively;
- i) Foster strong links with IBSCA and other IB schools are fostered to promote the IB and justify its position as an outstanding post-16 pathway; explore our use of students and social media to market the IB more widely in the community.

4. Sixth Form outcomes

Sixth Form attainment by students in the IBDP and destinations data remain outstanding but there is some inconsistency in student progress across each cohort.

We will:

- a) Ensure punctuality to lessons remains a priority;
- b) Ensure students are prepared for lessons and record and store notes effectively;
- c) Improve our internal assessment procedures in terms of the smooth and effective administration of IAs (Internal Assessments), CAS, ToK and Extended Essays for fully IB cohorts of 200 or more using "Managebac";
- d) Ensure that departments take full responsibility for ensuring timely and accurately documented submissions for IAs and extended essays for their students;
- e) Review the excellent support provided for the CAS process and streamline if necessary;
- f) Expand mentoring through CAS and extend it further into the community;
- g) Overhaul open events and induction in response to feedback;
- h) Use greater rigour in addressing underachievement shown by tracking data;
- i) Encourage students to take more responsibility for the outcomes of their private study and of lessons where teachers are absent;
- j) Develop students' ability to judge the reliability and validity of online research and use 'Turnitin' effectively.

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FOR THE YEAR ENDED 31 AUGUST 2020

Public benefit

Bexley Grammar School exists to provide the best academic educational experience possible for students in the locale of the school who are deemed selective. In this regard Governors understand and comply with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties.

Strategic report

Achievements and performance

Year 13

The 182 students of our second fully IB cohort have set new records: Over 50% of all the grades awarded were 6s or 7s; an average of 5.5 points per subject (world average = 4.6 in 2019); an average of 35 total points per student (world average = 29.6 in 2019). It is remarkable that the average achievement in UCAS points (198 points) of our students exceeds the equivalent of 4 A grades at A level.

Two students achieved 43 points out of the maximum 45 points. Six students achieved 42 points and another eight achieved 41 points. These are remarkable achievements which demonstrate the aspiration and resilience of our students. Nearly a quarter of our students (24%) gained 38 points or more, a typical Oxford University offer. Perhaps most pleasing, the value-added measure across the whole cohort (the progress from their GCSE starting points at the beginning of Year 12), is also the highest on record, even when cohorts were half the size or smaller.

We are delighted for, and grateful to, our students, their teachers, their families, indeed for the whole BGS community which celebrates these wonderful outcomes from the world-class education they have enjoyed. As we reflect on the events of the summer, there has probably never been a more important time for our young men and women to flourish in the IB with its outward-looking, international curriculum. The vast majority are now secure in the knowledge that they

Year 11

After the most disrupted academic year in BGS history, 191 Year 11 Bexley Grammar School students have achieved a record-breaking, outstanding set of GCSE results! Comparisons cannot reliably be made with previous years but we should particularly celebrate the record 37% of all grades that were achieved at 9-8 (the old A*).

The 9-7 (old A*-A) measure is 63.2%, an increase of 10% on last year. It is remarkable that nearly two-thirds of all the grades awarded to our students are in this top category. The average point score for the whole year group is 7.0, equivalent to the old A grade - that is the average grade!

Two students gained a perfect set of 11 GCSE grade 9s - remarkable achievements! (Last year, only 123 students out of 17,450 who took 11 GCSEs in England secured all 11 grade 9s.) An impressive 11 students achieved only 8s and 9s (a full set of A*s on the old measure). 51 students, well over a quarter, secured straight 9-7 grades (old A*-A grades) and 96 students, over half the cohort, achieved 8 or more 9-7 grades.

All BGS students studied the three separate sciences, two foreign languages and at least one humanities subject alongside mathematics and both English and English Literature – the majority took eleven GCSEs.

Subject highlights include:

Over 25% grade 9s in: Maths (taken by all students), Chinese (12 students), Food (15), Japanese (16), Latin (34) and Russian (13).

Over 75% grades 9-7 in: Maths (all students), Chinese - 100% (12 students), Food (15), Italian (34), Japanese (16), Latin (34), Music (29) and Russian (13).

These are outstanding GCSE results from a deliberately stretching, grammar curriculum. Students and their parents should be proud of these impressive results; our dedicated staff have been rewarded well for their commitment and belief in our students.

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Key financial and other performance indicators

1) Staffing costs to be within +/- 4% of budget allocation:

For the year ending 31st August 2020 teaching costs were at 99.46% (98.17% 2019) of budget allocation and overall staffing costs were at 99.39% (99.18% 2018) of budget allocation.

2) Learning resources expenditure to be within +/- 7% of budget allocation:

For the year ending 31st August 2020 learning resources expenditure was 78.27% (97.46% 2019) of budget allocation. The variance is outside of expected parameters because of the school closure from March to July due to Covid-19.

3) Examination results to be in line with SIP targets:

Please see section headed 'Achievements and Performance'.

The Academy has been fully staffed during the past year with a low level of turnover of staffing in-year and a very small change in staffing for the new academic year because of the pandemic. The planned staffing cost for the current academic year starting from September shows a small increase (1.6%) from the previous year's equivalence despite continuing to reduce the already small margin of overstaffing in our time-tabling; this is due to the substantial increases in on-costs this year including a further increase in the minimum wage (catering and cleaning), a 2.75% salary increase for all support staff and an average increase of over 2.75% for teachers (higher on the main scale). This is on top of the increases in employer national insurance contributions and pension contributions in recent years. Small adjustments have been made to the Sixth Form curriculum to make it more efficient but there is no negative material impact on the experience of students. Staffing costs are the Academy's main expense and the good value of our staff can be seen in our examination results (see Achievements and Performance) and the level of activity and commitment in the school (see newsletters on our website).

In all of our expenditure, the Finance Manager, Governors and Senior Team seek best value and query the choices and options made.

Going concern

After making appropriate enquiries, the Governing Body 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. Working with support from the ESFA, the school is implementing a detailed recovery plan to ensure that it returns to an in-year surplus within two years. Further details are set out in note 26 to the accounts regarding the trustees' assessment of going concern.

Financial review

We receive our income from a number of different sources. The majority of our income comes from central government via the Education Skills Funding Agency who provide us with grant, based largely on our student numbers to cover our staffing and other general running costs (General Annual Grant - GAG). The ESFA may provide us with additional grants which are earmarked for specific purposes (such as Pupil Premium which must be used to raise the attainment of disadvantaged pupils). These appear in the accounts as DfE/ESFA grants. Where we receive grant or other funding from the Local Authority (such as where we undertake responsibilities on their behalf in respect of our students) this appears in the accounts as other government grants. Such income is collectively referred to as "Restricted Funds". Other income is received from parents (for example as contributions to trip or other costs) and from third parties (for example from our bank for interest on our account balances or from others who are charged for their use of our facilities). Such other income may be restricted or unrestricted, depending on whether it comes to us with conditions as to its use or whether it is available for spending at the discretion of the trustees.

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We hold funds in two broad categories, funds which are available for spending and other funds which are not available for spending.

Spendable funds are in turn sub-categorised between those which are available for spending at the discretion of trustees ("Unrestricted Funds") and those which are subject to condition or restriction, ("Restricted Funds").

Funds not available for spending include the book value of fixed assets such as land, buildings and equipment. These have a value and are therefore included as assets in the accounts but clearly, we cannot spend this value. In common with all academies and Local Authorities, our share of the Local Government Pension Scheme deficit must also be reflected in our accounts and as this is not a conventional liability, it does not need to be deducted from spendable funds. We meet our obligations in respect of the LGPS by paying over pension contributions due as calculated by the scheme's actuaries.

The following balances held were held at 31 August:

Fund	Category	2020 £'000	2019 £'000
GAG	Restricted General Funds	(274)	-
Other DfE/ESFA/LA Grants	Restricted General Funds	2	-
Other Income	Restricted General Funds	91	61
	Sub-total General Restricted Funds	(181)	61
Unspent Capital Grants	Restricted Fixed Asset Fund	1	131
Other Income	Unrestricted General Fund	-	-
	Sub-Total Spendable Funds	(180)	192
Net Book Value of Fixed Assets	Restricted Fixed Asset Fund	8,895	9,223
Share of LGPS Deficit	Restricted Pension Reserve	(2,584)	(2,380)
	Total All Funds	<u>6,131</u>	<u>7,035</u>

During the year under review, there was a surplus / (deficit) of £(242k) (2019: £2k) on general restricted funds, a surplus / (deficit) of £nil (2019: £(183k)) on unrestricted funds and after LGPS valuation adjustments, depreciation and capital income and expenditure, an overall (deficit) of £(904k) (2019: £(1,589k)).

Reserves policy

Our governors recognise that it is prudent to keep a sum as a reserve in case of unexpected costs arising however this needs to be balanced with the fact that any Academy is funded for the benefit of the students currently in the Academy. Therefore the use of reserve is carefully considered at the termly meetings of the Finance, Resources and Audit Committee. Funding cuts, particularly at Post 16, alongside rising costs (including pensions, NI, unfunded pay rises, the apprenticeship levy) and a drop in Post 16 student numbers have necessitated substantial use of reserves in recent years to balance the budget. Due, in part, to the pandemic, the reserve at the end of the financial year was negative, -£181k.

Investment policy and powers

The Academy currently has no material investments policy in place and no investments. Should we be in a position to make investments on behalf of the school, the Governors' permission and views about options would be sought.

BEXLEY GRAMMAR SCHOOL

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

Principal risks and uncertainties

The Governors review and approve the Academy's Risk Management Register on an annual basis. The register informs and directs the activities of staff within the Academy should risk occur and is a fundamental part of routine operations.

The governors have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances (a register of risk is kept and is annually updated). The governors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to professional, financial, legal, physical, contractual, technological and environmental) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. Data protection and Safeguarding information) and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is subject to audit and the scrutiny of The Responsible Officer and external auditors.

Performance Management and Job Descriptions are, in part, built on individual aspects of the register to ensure that correct responses follow unexpected and undesirable events.

Our fundraising practices

The trust organises fundraising events and appeals and co-ordinates the activities of our supporters both in the academy and in the wider community on behalf of the trust.

The trust does not use professional fundraisers or involve commercial participators.

There have been no complaints about fundraising activity this year.

The trust complies with the Fundraising Regulator's Code of Fundraising Practice.

All fundraising is undertaken by the trust in a manner that seeks to ensure that it is not unreasonably intrusive or persistent. Contact is made through email, academy newsletters, our website, social media and via students. All fundraising material contains clear instructions on how a person can be removed from mailing lists.

Plans for future periods

We intend to use some of our forecasted capital income/devolved capital to sustain our ICT refresh plan and for building maintenance as required. We have engaged energy consultants Briars to review our energy efficiency, lighting installation and cost-saving options. We also have continuing concerns over the condition of some of our plumbing and some of the floor and stair coverings in the school. We are awaiting the guidance on what will be eligible for a CIF application in order to submit a capital bid to implement works which would reduce our energy consumption, contribute to greener energy use and save money for many years to come.

The School Fund continues to be used for issues which have a high impact on improving the school experience for the majority of students. A range of support for extra-curricular activities for students will be provided this year from the surplus in this fund.

All of the main elements of our funding will, of course, be spent on delivering an excellent educational experience to our students.

Funds held as custodian trustee on behalf of others

No funds are currently held on behalf of others.

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Auditor

In so far as the governors are aware:

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

The Governors' Report, incorporating a Strategic Report, approved by order of the Board of Governors, as the company Directors, on 16 November 2020 and signed on the Board's behalf by:



Mr A Woodcock
Chair of Governors

BEXLEY GRAMMAR SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

Scope of responsibility

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

The Board of Governors 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 Bexley Grammar School and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the Board of Governors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The Board of Governors has formally met 3 times during the year (the March meeting was cancelled due to Covid-19). Attendance during the year at meetings of the Board of Governors was as follows:

Governors	Meetings attended	Out of possible
Mr A Woodcock (Chair, Appointed Governor)	2	3
Mr I Beattie (Responsible Officer, Appointed Governor)	1	3
Mrs D Briant (Vice Chair)	3	3
Mrs S Bhat (Parent Governor)	3	3
Mrs O Diya (Parent Governor)	3	3
Mr S Elphick (Headteacher & Accounting Officer)	3	3
Miss A Fisher (Staff Governor)	3	3
Mr R Gillespie (Appointed Governor)	2	3
Mr T Gorrard-Smith (Appointed Governor)	2	3
Mr M Lines (Staff Governor)	2	3
Mr T Martin (Staff Governor)	2	3
Mrs M Pickering (Appointed Governor)	2	3
Mrs B Sangha (Parent Governor)	3	3
Mrs A Saridogan (Appointed Governor)	2	3
Mrs E Staggs (Appointed Governor)	1	3
Mr I Tonks (Appointed Governor)	3	3
Mr M Woodhall (Parent Governor)	3	3

The composition of the board of trustees and board of governors has remained stable this year.

Though the Articles of Association permit the elected Chair to hold office for four years, the Trustees require the election of a Chair every year in order to facilitate a regular review of the Chair's performance.

The remit of each committee was reviewed at the beginning of the academic year and amendments were made to the composition of each committee having regard to the change in membership of the Trust and governing body and to the skills of each member.

The Finance, Resources and Audit Committee is a sub-committee of the main board of governors. The members of the Committee have been selected by the main Governing Body because of their familiarisation with issues related to financial management and issues connected to the particular work of this committee. Its purpose is to:

- help plan and recommend the budget for approval by the full Governing Body;
- receive regular reports from the Responsible Officer, the school's auditors and the Finance Manager;
- support the strategic planning of school developments which demand funding;
- oversee health and safety and security issues;
- oversee all contracts entered into by the school and all purchases which require particular procurement processes, such as tendering processes.

BEXLEY GRAMMAR SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

The committee works to ensure that best value is obtained in all aspects of the academy's business.

The committee has continued to focus this year on issues of cost-cutting as the school plans for further decreases in funding at the same time as substantial increases in costs. It continued to review its methodology of risk management for the school, developing a more effective feedback mechanism for health and safety issues. The committee also made decisions from a range of options available to the school in order to move closer to eliminating in-year deficits. The disappointing fall in post 16 student numbers in September 2019 negated the effect of the choices that had been made to reduce in-year deficits which instead, increased.

Attendance at meetings during the year was as follows:

Governors	Meetings attended	Out of possible
Mr I Beattie (Responsible Officer, Appointed Governor)	2	4
Mr R Gillespie (Appointed Governor)	4	4
Mr S Elphick (Headteacher & Accounting Officer)	4	4
Mr M Lines (Staff Governor)	3	4
Mrs M Pickering (Appointed Governor)	3	4
Mr I Tonks (Chair, Appointed Governor)	4	4
Mr M Woodhall (Parent Governor)	2	4

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 trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The following sets out how the accounting officer for the academy trust has delivered improved value for money during the year:

The bulk of the school's budget is spent on staffing and during the previous academic year the school was fully staffed with well qualified, specialist teachers who delivered a demanding curriculum to a high level of success (see 'Achievements and Performance' section above and the results tables on our website).

Similarly, support staff are well qualified, experienced people. These include a strong team of Higher Level Teaching Assistants (specialists who between them deliver a wide range of support to students); a school counsellor with a very full appointment book; fully trained science technicians; an efficient team of administration staff; site staff who take a proactive role in maintaining and improving the school premises, catering staff who are proud of the service they provide and cleaning staff who also take pride in keeping the site looking its best. All of these teams, and particularly their supervisors, work in tandem to make the school run smoothly to produce a rich educational experience for students which leads to excellent results.

The school continues to operate with a reduced Senior Management Team: two Deputy Heads and now four Assistant Heads (3.3 fte). Whilst the reduction puts considerable strain on the Senior Management Team, this continues to demonstrate a clear commitment to reducing our staffing costs as far as is possible. The Sixth Form team remains reduced after the IB coordinator left last year. We have made small reductions to our already reduced support staff mainly in Art, DT and Science technician support. Teaching staff load is matched closely to the curriculum following the options processes for Year 10 and Year 12. Departing teachers are only replaced as demand dictates from the curriculum. Despite the addition of a second bulge class (now one class more in both years 7 and 8, we still have 100 teachers (2019: 100) and the full time equivalent (FTE) has only increased by 1.2 to 88.8 (2019: 87.6). Our support staff FTE has fallen from 64.7 to 63.4 (by 1.4) which brings our overall staff FTE to 78.2, an increase of only 0.4 (2019: 77.8). Over two years, from September 2018 to September 2020, despite taking in two bulge classes totalling 64 more students, we have reduced our overall staff FTE by 2.1. Members of staff continue to be generous with their time both in school and beyond with enrichment activities, clubs and events. The sheer number and range of these enrichment activities, including visits and journeys (until the pandemic put a stop to them all), arranged in one academic year remains remarkable (see weekly Newsletters on website).

BEXLEY GRAMMAR SCHOOL

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Accountability for delivering results is established and monitored through Performance Management and through whole school self-review. Performance Management involves rigorous review and target setting which is linked to pay progression. The two Learning Teams drive the school's self-review process. Each of these is linked to a committee of Governors through the two Deputy Headteachers who lead the teams and attend the committee meetings. The Learning Teams are made up of a range of responsibility-holders drawn from across the school and each team conducts a review of different aspects of the school every term. These reviews include lesson observations, analysis of data and interviews with students and staff. Judgements are made and recommendations for improvements suggested. This self-review has been bolstered with the addition of a more formal Self-Evaluation Week (SEW) which includes external experts reviewing our practices. The impact of all these reviews is considered and discussed at the relevant governors' committee meeting. This work, the resulting action plan and analysis of results and reports forms the basis of the School Improvement Planning process.

The School Improvement Plan (SIP) is a comprehensive planning document to which the leader of every area of the school contributes in an organic fashion in response to the school's identified priorities for the year ahead. The review section of the plan builds into the targets for the following year. The timing of the SIP in September links it closely with Performance Management and Department Review meetings with the Headteacher. Due to the disruption of the pandemic, last year's SIP has been extended and in addition, every team in the school has completed an Interim Improvement Plan in which they address the issues raised by the school's Covid-19 Risk Assessment and the associated Action Plan. For department areas, these include addressing any achievement gaps as a result of the months of remote learning and adaptations to pedagogical practice and to the curriculum in order to ensure students achieve their potential in the year ahead.

Following a virtual induction programme this summer due to Covid-19, the Sixth Form team has successfully recruited 221 students into Year 12 to complement an extremely high-achieving fully IB Sixth Form, both academically and in extra-curricular terms. The work of this team is to ensure the optimal running of the IB cohorts whilst developing the recruitment process further to secure future IB cohorts.

In light of the Sutton Trust's recommendation that staff training is the most cost-effective way of securing improvements in outcomes for underperforming and disadvantaged students, our Staff Development focuses on Personalisation which has had a positive impact on every teacher's classroom practice. Building on the success of gaining the 'Wellbeing Award in Schools' (WAS) in January, this year we continue our particular focus on mental health and wellbeing, for both students and teachers, in response to the extended isolation that many have experienced during the pandemic restrictions. The Covid-secure restrictions in school bring their own challenges but we have a committed team supporting the school community. Our training this year is also focusing on developing blended learning further, should schools be partially or fully closed. Meanwhile, the voluntary 'Teaching and Learning Inspiration Group' brings inspiring ideas to our classrooms and often informs our CPD. Directors of Study and members of the Senior Leadership Team track the progress of individuals and target groups in response to assessments and feedback and put in place a range of interventions to support students.

The school curriculum offers excellent value to students, as outlined below:

Year 7 students study the full range of traditional subjects (Mathematics, English, Science, Geography, History, RS, Computing, Design Technology, Art, Drama, Music, PE) as well as Latin and either French or German and a course in PSHCE which includes Citizenship. Year 8 students choose a second modern foreign language from a wide range including French, German, Spanish, Italian, Russian, Chinese and Japanese. Year 9 is a transition year in which the focus is split between creative exploration, depth of study and preparation for GCSE.

At KS4: In Years 10 and 11 students take 11 GCSEs in English Language, English Literature, Mathematics, two language subjects (French, German, Spanish, Italian, Japanese, Chinese, Russian or Latin), all three separate sciences (Biology, Chemistry, Physics), either Geography or History, and two other subjects from a range of options including creative and practical subjects. This is the most comprehensive programme in the Borough of Bexley and the only school where every student studies all three sciences and two languages at GCSE.

At KS5 students are challenged by taking the International Baccalaureate Diploma Programme which consists of three subjects taken at Higher level and three subjects at Standard level. Alongside an extended essay, study of the Theory of Knowledge (ToK) and elements of Creativity, Action and Service (CAS), the IB provides a world-renowned set of qualifications which prepare our young people to succeed at university and to flourish in our increasingly global society. Our students' contact time with staff is high and their private study periods are few and precious to them.

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FOR THE YEAR ENDED 31 AUGUST 2020

Good value is demonstrated in the destinations of our students after seven years of study. DfE data regularly shows Bexley Grammar School as one of the most successful school nationally in terms of gaining Russell Group university places. This year 54% of our students secured places at Russell Group universities and several embarked upon prestigious apprenticeships including EY, Commerzbank, PWC, Goldman Sachs, Miller Insurance, TFL and BDO.

We continue to seek out the best value for money for services. We have shaped many service agreements to suit our needs (e.g. Educational Psychology, Behaviour Support, Governorship, HR advice, legal advice etc.) and this has resulted in considerable savings and improvements in service. Some services we have brought in house such as EWO services and the majority of Careers, Information and Guidance. Last year we re-negotiated our IT services contract in liaison with another local school, keeping tendering costs to a minimum by sharing and holding costs level for three years.

Building on previous initiatives to reduce paper and ink consumption in the school, the Finance Manager researched and implemented a complete overhaul and streamlining of the photocopiers/printers across the school, taking out of service dozens of printers which used costly toner. He negotiated best value contracts for these more modern, cost-effective photocopiers and implemented a new software system for authorising and tracking copies so that accurate information of consumption is readily available. There are otherwise, very few paper systems left in the school. 'Parent Pay' enables a cash-free and cheque-free office and all ticket bookings for concerts, plays and so on are handled through an online booking system. Our online system, Evolve, has proved very effective for planning and organising the numerous visits and journeys that we run throughout the year to enrich our students' experience. Unfortunately, we suffered this year in having to undo all the excellent preparatory work for dozens of trips which had to be cancelled as a result of the pandemic. The student-led Green Team, continues to promote recycling and worked effectively in the canteen last year to introduce compostable cutlery and plates, which, although more expensive, has removed the previous heavy use of plastic.

We have reviewed and cut funding to budget holders within school again, by 25%, and encouraged greater efficiency as the school budget continues to tighten. Supply costs have remained low because teaching staff who do not have a full allocation of contact time are used to provide cover. All staff (including support staff) contribute their time to support invigilation requirements, reducing the cost of invigilators. The costs of ground maintenance remain low, supplemented by the cricket club which has a long-standing letting with us and maintains the cricket pitch and by the site team which manages some areas of the grounds which requires smaller machinery.

The school's Finance team monitor all spending and seek best-value on all purchases. They follow governor and Education and Skills Funding Agency (ESFA) rules for procurement of all goods and services including tendering where this is required. We purchased nearly 100 PCs over the past eighteen months in order to allow our IT services to upgrade our network to Windows 10, which was completed during the school closure this summer. The Parents' Association continues to be key in providing funding for a range of items for which departments bid. We are also fortunate to have a link with a parent at a firm that regularly disposes of nearly new goods – we have received everything from vacuum flasks for coffee to carpet tiles and classroom/office furniture, entirely free of charge.

The lettings of the school site bring in a steady income and the school continues to benefit from the telephone masts rental. The school has finally secured permission from the ESFA to sell the school house to raise much-needed capital funding. The Finance Manager secured consultants Briar, of Zenergi (which sources our gas and electricity at competitive prices) to carry out a comprehensive energy assessment of the school, which has raised some good opportunities for long-term energy savings and thus considerable cost savings. Briar has presented a costed assessment of the school's options and SMT and Governors are currently considering the use of some of the capital raised from the sale of the school house to implement some of the options, such as a complete overhaul of our lighting. It is also hoped that a CIF bid may secure some aspects of the capital outlay according to the Government's Green agenda.

In six of the past nine years we have secured capital funding bids through the CIF: We have made improvements to sixth form study areas, large proportions of our flat roof areas, our heating system, security gates, a new reception area and the long-overdue replacement of all our aging and inefficient boilers, ensuring long-term reliability and efficiency savings. We also secured an excellent value contract to replace our whole CCTV system with modern IP cameras, to replace the obsolete fire alarm control system and all of our internal fire doors. All works have been delivered on time and according to financial guidelines producing a significantly better and safer school experience for our students.

BEXLEY GRAMMAR SCHOOL

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A bid to re-surface the severely worn and now dangerous upper tennis courts failed and then failed on appeal. In response, the Head of PE then spearheaded a fund-raising campaign (Save Our Courts) to raise £15,000 which they comfortably exceeded! A very impressive achievement indeed! The works were completed in the autumn and we are now awaiting the installation of new basketball hoops to supplement the tennis posts and netball posts. The Head, in liaison with the PA, has been marketing EasyFundRaising, to try to encourage parents to click on a link which brings in small percentages of their online spending to the school at no cost to them. Income is gradually increasing as the number of users increases.

Best value is also established through various collaborations:

- We are members of the Penhill Academies Trust (PAT), an umbrella trust of five stand-alone academies in Bexley, four secondary and one primary. We work in partnership across the Trust with all stakeholders to provide innovative opportunities and raise aspirations and outcomes for all. Our focus is to improve learning outcomes, pupil welfare, transition, professional development, teacher recruitment, leadership skills, governance and value for money.
- We are active members of the South East London Schools' Alliance (SELSA). It is valuable to have this avenue to recruit good graduates directly from University to train as teachers within the member schools and also to be able to share teachers across or between schools where this is appropriate. The department-level meetings have been particularly effective for some subjects at a time of upheaval in the curriculum at KS4 and 5. We currently host MFL, Music and Drama meetings at BGS.
- We link with several Bexley primary schools and help them to deliver improved language, science and PE teaching. This work pays back dividends to our students, especially in PE and Languages, who are trained to lead these activities. We lead, with the LA, a collaborative partnership with three primary schools to improve the teaching of science, ultimately supporting primary transition to secondary school.
- We operate, with the other three Bexley selective schools, the Bexley selection and admissions processes, benefiting from the resultant economies of scale. We provide 11+ testing within the grammar schools and we work with Bexley to reduce the cost of the whole testing system. We continue to try to curb the continued increasing demand for 'In-Year' selection tests which we also operate effectively through this collaboration.
- Our membership of the Prince's Teaching Institute gives us high-quality and economical staff development linking our staff to others across the country in developing cutting-edge lessons and development plans. Four departments received The Prince's Teaching Institute Mark for 2019 and our school is regularly featured on the PTI website in recognition of its innovative work.
- As an IB school, linking with others and sharing resources is a natural component and we expect as a matter of routine to participate in high quality professional development and to have access to online resources for our teachers. We do this through local meeting with representatives of IB schools in Kent and also through a UK IB forum, IBSCA (International Baccalaureate Schools and Colleges Association). We are benefitting from a five year plan of staff training that we negotiated with the IBO at reduced cost by combining online training modules with local IB hub sessions.
- Our Language College outreach work continues to draw in numerous primary schools as well as leading a Strategic Learning Network (SLN) for Languages in secondary schools, providing opportunities for staff development through the sharing of best practice. We host several exchanges with several schools across Europe and with schools in Japan and China.

Our well-qualified Finance Manager attends bursar meetings with representatives from other schools and this collaboration enables sharing experience of suppliers, collaborating to pool 'buying power' to secure value for money contracts alongside a range of efficiency savings and joint applications for bulk reductions, such as a joint tendering of our IT Services contract.

The governors' Finance, Resources and Audit Committee includes people experienced in financial affairs who are fully aware of all matters relating to the school's finances. One of the governors acts as the school's Responsible Officer and he comes into school regularly to examine the school finances in an organised cycle of foci, reporting back to the full committee afterwards. Similarly, all of the work of the finance office is examined by external auditors. Under this high level of scrutiny only some minor administrative improvements have been instructed during the period the school has operated as an academy. The Finance Manager provides information to the auditor early in order to secure a discount on the charges and the school's accounts are always submitted in a timely fashion.

BEXLEY GRAMMAR SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Bexley Grammar School for the year ended 31 August 2020 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

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

The risk and control framework

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

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

The Board of Governors has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However the Governors have appointed Mr I Beattie, a Governor, as responsible officer (RO).

The RO's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. On a termly basis, the RO reports to the Board of Governors on the operation of the systems of control and on the discharge of the financial responsibilities of the Board of Governors.

The RO visited twice during the past year.

Checks carried out included

- Check 1 – Testing of school trips - payments and procedures
- Check 2 - Testing of orders and payments

The RO's function has been delivered in line with the ESFA's requirements except that a third visit was not possible because of the school closure from March to July, due to the pandemic. No material control issues have arisen as a result of the RO's work to date. Minor but helpful adjustments to the academy's financial systems have been suggested by the RO and these have all been acted upon and reported to the committee.

BEXLEY GRAMMAR SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

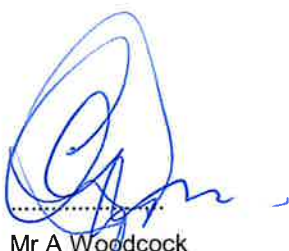
Review of effectiveness

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 responsible officer;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the support of the ESFA which provided a SRMA (School Resource Management Advisor) and the subsequent SRMA report;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Governors on 16 November 2020 and signed on its behalf by:



Mr A Woodcock

Chair of Governors



Mr S Elphick

Accounting Officer

BEXLEY GRAMMAR SCHOOL

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2020

As accounting officer of Bexley Grammar School, I have considered my responsibility to notify the Academy Trust Board of Governors and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

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

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



Mr S Elphick
Accounting Officer

16 November 2020

BEXLEY GRAMMAR SCHOOL

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2020

The Governors (who act as trustees for Bexley Grammar School and are also the directors of Bexley Grammar School for the purposes of company law) are responsible for preparing the Governors' report and the Financial Statements in accordance with the Academies Accounts Direction 2019 to 2020 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these Financial Statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make 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; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Governors on 16 November 2020 and signed on its behalf by:



Mr A Woodcock
Chair of Governors

BEXLEY GRAMMAR SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEXLEY GRAMMAR SCHOOL

FOR THE YEAR ENDED 31 AUGUST 2020

Opinion

We have audited the Financial Statements of Bexley Grammar School for the year ended 31 August 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the Financial Statements:

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

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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

Attention is drawn to the disclosure within note 26 regarding the academy's status as a going concern. These disclosures indicate that a material uncertainty exists which may cast significant doubt on the academy's ability to continue as a going concern. In forming our opinion above, which is not modified, we have considered the adequacy of these disclosures.

Conclusions relating to going concern

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

- the Governors' use of the going concern basis of accounting in the preparation of the Financial Statements is not appropriate; or
- Attention is drawn to the disclosure within note 26 regarding the academy's status as a going concern. These disclosures indicate that a material uncertainty exists which may cast significant doubt on the academy's ability to continue as a going concern. In forming our opinion above, which is not modified, we have considered the adequacy of the disclosures.

BEXLEY GRAMMAR SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEXLEY GRAMMAR SCHOOL (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Other information

The Governors are responsible for the other information, which comprises the information included in the annual report other than the Financial Statements and our auditor's report thereon. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' Report including the incorporated Strategic Report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the Governors' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Report, including the incorporated 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 Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Governors

As explained more fully in the statement of Governors' responsibilities, the Governors are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Governors are responsible for assessing the Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the charitable company, or have no realistic alternative but to do so.

BEXLEY GRAMMAR SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEXLEY GRAMMAR SCHOOL (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Auditor's responsibilities for the audit of the Financial Statements

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

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

Use of our report

This report is made solely to the charitable company'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 charitable company'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 charitable company and the charitable company's Members as a body, for our audit work, for this report, or for the opinions we have formed.



David John Walsh FCCA (Senior Statutory Auditor)
For and on behalf of Baxter & Co
Statutory Auditor
Chartered Certified Accountants
Lynwood House
Crofton Road
Orpington
Kent
BR6 8QE

Dated: 2 December 2020

BEXLEY GRAMMAR SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BEXLEY GRAMMAR SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2020

In accordance with the terms of our engagement letter dated 1 November 2012 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Bexley Grammar School during the period 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Bexley Grammar School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Bexley Grammar School and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Bexley Grammar School and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Bexley Grammar School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Bexley Grammar School's funding agreement with the Secretary of State for Education dated 21 December 2010 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Review of payments to staff;
- Review of payments to suppliers and other third parties;
- Review of grant and other income streams;
- Review of some key financial control procedures;
- Discussions with finance staff;
- Consideration of the record maintained by the Accounting Officer of the oversight they have exercised;
- Consideration of the programme of internal scrutiny implemented by the Academy Trust in order to comply with its obligations under 3.1 of the Academies Financial Handbook 2019, issued by the ESFA.

BEXLEY GRAMMAR SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BEXLEY GRAMMAR SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Conclusion

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



Baxter & Co
Independent Reporting Accountants
Chartered Certified Accountants
Lynwood House
Crofton Road
Orpington
Kent
BR6 8QE

Dated: 2 December 2020

BEXLEY GRAMMAR SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2020 £'000	Total 2019 £'000
Income and endowments from:						
Donations and capital grants	3	28	-	29	57	153
Charitable activities:						
- Funding for educational operations	4	317	7,729	-	8,046	7,948
Other trading activities	5	60	-	-	60	90
Total		<u>405</u>	<u>7,729</u>	<u>29</u>	<u>8,163</u>	<u>8,191</u>
Expenditure on:						
Raising funds	6	5	-	-	5	11
Charitable activities:						
- Educational operations	7	400	8,138	487	9,025	8,942
Total	6	<u>405</u>	<u>8,138</u>	<u>487</u>	<u>9,030</u>	<u>8,953</u>
Net expenditure		-	(409)	(458)	(867)	(762)
Other recognised gains/(losses)						
Actuarial losses on defined benefit pension schemes	19	-	(37)	-	(37)	(827)
Net movement in funds		-	(446)	(458)	(904)	(1,589)
Reconciliation of funds						
Total funds brought forward		-	(2,319)	9,354	7,035	8,624
Total funds carried forward		-	(2,765)	8,896	6,131	7,035

BEXLEY GRAMMAR SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

Comparative year information Year ended 31 August 2019	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2019 £'000
Income and endowments from:					
Donations and capital grants	3	40	-	113	153
Charitable activities:					
- Funding for educational operations	4	435	7,513	-	7,948
Other trading activities	5	90	-	-	90
Total		<u>565</u>	<u>7,513</u>	<u>113</u>	<u>8,191</u>
Expenditure on:					
Raising funds	6	11	-	-	11
Charitable activities:					
- Educational operations	7	737	7,869	336	8,942
Total	6	<u>748</u>	<u>7,869</u>	<u>336</u>	<u>8,953</u>
Net expenditure		(183)	(356)	(223)	(762)
Transfers between funds	17	-	105	(105)	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	19	-	(827)	-	(827)
Net movement in funds		(183)	(1,078)	(328)	(1,589)
Reconciliation of funds					
Total funds brought forward		<u>183</u>	<u>(1,241)</u>	<u>9,682</u>	<u>8,624</u>
Total funds carried forward		<u>-</u>	<u>(2,319)</u>	<u>9,354</u>	<u>7,035</u>

BEXLEY GRAMMAR SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2020

		2020	2019
	Notes	£'000	£'000
Fixed assets			
Tangible assets	11	8,895	9,223
Current assets			
Stocks	12	8	5
Debtors	13	117	92
Cash at bank and in hand		448	647
		573	744
Current liabilities			
Creditors: amounts falling due within one year	14	(627)	(552)
Net current (liabilities)/assets		(54)	192
Total assets less current liabilities		8,841	9,415
Creditors: amounts falling due after more than one year	15	(126)	-
Net assets before defined benefit pension scheme liability		8,715	9,415
Defined benefit pension scheme liability	19	(2,584)	(2,380)
Total net assets		6,131	7,035
Funds of the Academy Trust:			
Restricted funds	17		
- Fixed asset funds		8,896	9,354
- Restricted income funds		(181)	61
- Pension reserve		(2,584)	(2,380)
Total restricted funds		6,131	7,035
Unrestricted income funds	17	-	-
Total funds		6,131	7,035

The Financial Statements on pages 25 to 48 were approved by the Governors and authorised for issue on 16 November 2020 and are signed on their behalf by:


 Mr A Woodcock
 Chair of Governors

Company Number 07455732

BEXLEY GRAMMAR SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020 £'000	2019 £'000
Cash flows from operating activities			
Net cash used in operating activities	20	(217)	(306)
Cash flows from investing activities			
Capital grants from DfE Group		29	113
Purchase of tangible fixed assets		(11)	(255)
Net cash provided by/(used in) investing activities		18	(142)
Net decrease in cash and cash equivalents in the reporting period		(199)	(448)
Cash and cash equivalents at beginning of the year		647	1,095
Cash and cash equivalents at end of the year		448	647

BEXLEY GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

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

1.1 Basis of preparation

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

1.2 Going concern

The Governors assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The Governors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the Financial Statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and material uncertainties about the Academy Trust's ability to continue as a going concern are set out in note 26. The Governors have concluded that it is appropriate to continue to adopt the going concern basis of accounting in preparing the Financial Statements.

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

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

Sponsorship income

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

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.

BEXLEY GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

Other income

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

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the Financial Statements until they are sold. This income is recognised within 'Income from other trading activities'.

Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy Trust's accounting policies.

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 are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

BEXLEY GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

1.5 Tangible fixed assets and depreciation

Assets costing £5,000 or more per item (or less if they form part of a larger purchase or project where the total cost exceeds £25,000) 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 that require 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. Where tangible fixed assets have been acquired / funded by other income, the fixed asset fund is also credited. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities.

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

Freehold land and buildings	2% Straight Line
ICT / Computer equipment	33% Straight Line
Fixtures, fittings & equipment	6.66% to 33% Straight Line

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

1.6 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.

1.7 Leased assets

Rentals payable under operating leases are charged against income on a straight-line basis over the period of the lease.

1.8 Financial instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

BEXLEY GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. 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.

1.9 Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provision is made for obsolete and slow moving stock.

1.10 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 chapter 3 part 11 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.

1.11 Pensions benefits

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 and the assets are held separately from those of the Academy Trust.

The TPS is an unfunded scheme and contributions are calculated 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 based on quadrennial valuations using a prospective unit credit method. The 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 are 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 net income or expenditure 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.

1.12 Fund accounting

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

BEXLEY GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

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

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

1.13 Agency Arrangements

Where the Academy Trust acts as agent in collecting and / or distributing from the ESFA or others, and subsequent disbursements are excluded from the Statement of Financial Activities as the Trust does not have control over charitable application of the funds. The funds received and paid, and any balances held are disclosed in note 25.

2 Critical accounting estimates and areas of judgement

Accounting 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 19, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

In preparing these Financial Statements, the Governors have not needed to exercise any subjective judgements that would be critical to the Academy Trust's Financial Statements.

3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
Capital grants	-	29	29	113
Other donations	28	-	28	40
	<u>28</u>	<u>29</u>	<u>57</u>	<u>153</u>

BEXLEY GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

4 Funding for the Academy Trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
DfE / ESFA grants				
General annual grant (GAG)	-	6,509	6,509	6,803
Other DfE group grants	-	538	538	198
	-	7,047	7,047	7,001
Other government grants				
Local authority grants	-	208	208	52
Exceptional government funding				
ESFA COVID-19 funding	-	27	27	-
	-	235	235	52
Other funding				
Catering income	301	-	301	435
Other incoming resources	16	447	463	460
	317	447	764	895
Total funding	317	7,729	8,046	7,948

5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
Hire of facilities	60	-	60	90

BEXLEY GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

6 Expenditure

	Staff costs £'000	Non-pay expenditure Premises £'000	Other £'000	Total 2020 £'000	Total 2019 £'000
Expenditure on raising funds					
- Direct costs	5	-	-	5	11
Academy's educational operations					
- Direct costs	6,040	271	897	7,208	6,999
- Allocated support costs	1,093	389	335	1,817	1,943
	<u>7,138</u>	<u>660</u>	<u>1,232</u>	<u>9,030</u>	<u>8,953</u>

Net income/(expenditure) for the year includes:

	2020 £'000	2019 £'000
Fees payable to auditor for:		
- Audit	9	8
- Other services	19	20
Operating lease rentals	10	11
Depreciation of tangible fixed assets	339	336
Net interest on defined benefit pension liability	<u>40</u>	<u>33</u>

BEXLEY GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

7 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
Direct costs				
Educational operations	16	7,192	7,208	6,999
Support costs				
Educational operations	384	1,433	1,817	1,943
	<u>400</u>	<u>8,625</u>	<u>9,025</u>	<u>8,942</u>

Analysis of costs

	2020 £'000	2019 £'000
Direct costs		
Teaching and educational support staff costs	6,040	5,714
Staff development	10	17
Depreciation	271	269
Technology costs	61	64
Educational supplies and services	150	148
Examination fees	161	192
Educational consultancy	122	138
Other direct costs	393	457
	<u>7,208</u>	<u>6,999</u>
Support costs		
Support staff costs	966	933
Defined benefit pension scheme - staff costs (FRS102 adjustment)	127	220
Depreciation	68	67
Maintenance of premises and equipment	92	77
Cleaning	14	12
Energy costs	113	118
Rent, rates and other occupancy costs	63	65
Insurance	36	38
Security and transport	3	3
Catering	190	268
Defined benefit pension scheme - finance costs (FRS102 adjustment)	40	33
Other support costs	83	86
Governance costs	22	23
	<u>1,817</u>	<u>1,943</u>

BEXLEY GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

8 Staff

Staff costs

Staff costs during the year were:

	2020 £'000	2019 £'000
Wages and salaries	5,309	5,263
Social security costs	493	471
Pension costs	1,209	924
Defined benefit pension scheme - staff costs (FRS102 adjustment)	127	220
	<u>7,138</u>	<u>6,878</u>

Staff numbers

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

	2020 Number	2019 Number
Teachers	97	100
Administration and support	76	74
Management	3	3
	<u>176</u>	<u>177</u>

The number of persons employed, expressed as a full time equivalent, was as follows:

	2020 Number	2019 Number
Teachers	88	87
Administration and support	47	48
Management	3	3
	<u>138</u>	<u>138</u>

Higher paid staff

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

	2020 Number	2019 Number
£60,000 - £70,000	-	1
£80,001 - £90,000	2	2
£100,001 - £110,000	-	1
£110,001 - £120,000	1	-
	<u>1</u>	<u>1</u>

BEXLEY GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

8 Staff

Key management personnel

The key management personnel of the Academy Trust comprise the Governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £555,919 (2019: £507,150).

9 Governors' remuneration and expenses

One or more of the Governors has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Headteacher and other Staff Governors only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff members under their contracts of employment, and not in respect of their services as Governors.

The value of Governors' remuneration and other benefits was as follows:

S Elphick (Headteacher):

- Remuneration £110,000 - £115,000 (2019: £100,000 - £105,000)
- Employer's pension contributions £25,000 - £30,000 (2019: £15,000 - £20,000)

M Lines (Staff Governor):

- Remuneration £50,000 - £55,000 (2019: £50,000 - £55,000)
- Employer's pension contributions £10,000 - £15,000 (2019: £5,000 - £10,000)

A Fisher (Staff Governor):

- Remuneration £25,000 - £30,000 (2019: £25,000 - £30,000)
- Employer's pension contributions £5,000 - £10,000 (2019: £0 - £5,000)

T Martin (Staff Governor):

- Remuneration £50,000 - £55,000 (2019: £45,000 - £50,000)
- Employer's pension contributions £10,000 - £15,000 (2019: £5,000 - £10,000)

No expenses were re-imbursed to trustees during the year.

Other related party transactions involving the Governors are set out within the related parties note.

10 Insurance for Governors and officers

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2020 was £268 (2019: £252). The cost of this insurance is included in the total insurance cost.

BEXLEY GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

11 Tangible fixed assets

	Freehold land and buildings £'000	ICT / Computer equipment £'000	Fixtures, fittings & equipment £'000	Total £'000
Cost				
At 1 September 2019	11,768	130	184	12,082
Additions	-	11	-	11
At 31 August 2020	11,768	141	184	12,093
Depreciation				
At 1 September 2019	2,676	130	53	2,859
Charge for the year	324	3	12	339
At 31 August 2020	3,000	133	65	3,198
Net book value				
At 31 August 2020	8,768	8	119	8,895
At 31 August 2019	9,092	-	131	9,223

Freehold Land is included above at a notional value of £1, reflecting legally binding restrictions as to its use.

12 Stocks

	2020 £'000	2019 £'000
Stores	8	5

13 Debtors

	2020 £'000	2019 £'000
Trade debtors	8	12
VAT recoverable	2	1
Other debtors	68	-
Prepayments and accrued income	39	79
	117	92

BEXLEY GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

14 Creditors: amounts falling due within one year

	2020 £'000	2019 £'000
Other taxation and social security	129	131
ESFA creditors	63	-
Other creditors	304	106
Accruals and deferred income	131	315
	<u>627</u>	<u>552</u>

15 Creditors: amounts falling due after more than one year

	2020 £'000	2019 £'000
ESFA creditors	126	-

16 Deferred income

	2020 £'000	2019 £'000
Deferred income is included within:		
Creditors due within one year	95	276
Deferred income at 1 September 2019	276	211
Released from previous years	(276)	(211)
Resources deferred in the year	95	276
Deferred income at 31 August 2020	<u>95</u>	<u>276</u>

The deferred income comprises £17k (2019: £10k) for catering income received in advance, £38k (2019: £31k) rates grant income in advance and £40k (2019: £235k) for trips and activities income received in advance.

BEXLEY GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17 Funds

	Balance at 1 September 2019 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2020 £'000
Restricted general funds					
General Annual Grant (GAG)	-	6,509	(6,783)	-	(274)
Other DfE / ESFA grants	-	471	(470)	-	1
Pupil premium	-	67	(67)	-	-
Other government grants	-	235	(234)	-	1
Other restricted funds	61	447	(417)	-	91
Pension reserve	(2,380)	-	(167)	(37)	(2,584)
	<u>(2,319)</u>	<u>7,729</u>	<u>(8,138)</u>	<u>(37)</u>	<u>(2,765)</u>
Restricted fixed asset funds					
Transfer on conversion	6,628	-	(270)	-	6,358
DfE group capital grants	2,394	29	(209)	-	2,214
Capital expenditure from GAG and other funds	332	-	(8)	-	324
	<u>9,354</u>	<u>29</u>	<u>(487)</u>	<u>-</u>	<u>8,896</u>
Total restricted funds	<u>7,035</u>	<u>7,758</u>	<u>(8,625)</u>	<u>(37)</u>	<u>6,131</u>
Unrestricted funds					
General funds	-	405	(405)	-	-
Total funds	<u>7,035</u>	<u>8,163</u>	<u>(9,030)</u>	<u>(37)</u>	<u>6,131</u>

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

The Restricted Other Income General Fund balance of £91k (2019: £61k) represents the Academy's Voluntary Fund balance carried forward at 31 August 2020.

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

The Restricted LGPS Fund represents the Academy's share of the LGPS Pension Fund deficit.

The Restricted Fixed Asset Fund represents investment in fixed assets, net of related depreciation. Unspent capital grants are also held in this fund and their use is restricted to the capital projects for which the grant was paid.

Unrestricted Funds represent balances held at period end that can be applied at the discretion of the Governors, to support any of the Academy's charitable purposes.

BEXLEY GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17 Funds

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

	Balance at 1 September 2018 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2019 £'000
Restricted general funds					
General Annual Grant (GAG)	-	6,803	(6,908)	105	-
Other DfE / ESFA grants	-	125	(125)	-	-
Pupil premium	-	73	(73)	-	-
Other government grants	-	52	(52)	-	-
Other restricted funds	59	460	(458)	-	61
Pension reserve	(1,300)	-	(253)	(827)	(2,380)
	<u>(1,241)</u>	<u>7,513</u>	<u>(7,869)</u>	<u>(722)</u>	<u>(2,319)</u>
Restricted fixed asset funds					
Transfer on conversion	6,898	-	(270)	-	6,628
DfE group capital grants	2,444	113	(58)	(105)	2,394
Capital expenditure from GAG and other funds	340	-	(8)	-	332
	<u>9,682</u>	<u>113</u>	<u>(336)</u>	<u>(105)</u>	<u>9,354</u>
Total restricted funds	<u>8,441</u>	<u>7,626</u>	<u>(8,205)</u>	<u>(827)</u>	<u>7,035</u>
Unrestricted funds					
General funds	183	565	(748)	-	-
	<u>183</u>	<u>565</u>	<u>(748)</u>	<u>-</u>	<u>-</u>
Total funds	<u>8,624</u>	<u>8,191</u>	<u>(8,953)</u>	<u>(827)</u>	<u>7,035</u>

18 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	-	8,895	8,895
Current assets	-	572	1	573
Creditors falling due within one year	-	(627)	-	(627)
Creditors falling due after one year	-	(126)	-	(126)
Defined benefit pension liability	-	(2,584)	-	(2,584)
Total net assets	<u>-</u>	<u>(2,765)</u>	<u>8,896</u>	<u>6,131</u>

BEXLEY GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

18 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2019 are represented by:				
Tangible fixed assets	-	-	9,223	9,223
Current assets	-	613	131	744
Creditors falling due within one year	-	(552)	-	(552)
Defined benefit pension liability	-	(2,380)	-	(2,380)
Total net assets	-	(2,319)	9,354	7,035

19 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2016.

Contributions amounting to £132k (2019: £106k) were payable to the schemes at 31 August 2020 and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

BEXLEY GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

19 Pension and similar obligations

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer 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. The 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 the TPS in the period amounted to £914k (2019: £636k).

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

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 21.6% plus regular lump sum payments £81k (2019: £85k) for employers and 5.5% to 12.5% for employees.

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

Total contributions made	2020 £'000	2019 £'000
Employer's contributions	295	288
Employees' contributions	62	62
Total contributions	357	350
Principal actuarial assumptions	2020 %	2019 %
Rate of increase in salaries	3.9	3.6
Rate of increase for pensions in payment/inflation	2.5	2.2
Discount rate for scheme liabilities	1.7	1.8
CPI increases	2.4	2.1

BEXLEY GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

19 Pension and similar obligations

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

	2020 Years	2019 Years
Retiring today		
- Males	22.4	23.2
- Females	25.1	26.2
Retiring in 20 years		
- Males	24.0	25.4
- Females	27.1	28.5

Scheme liabilities would have been affected by changes in assumptions as follows:

	2020 £'000	2019 £'000
Discount rate + 0.1%	7,765	6,890
Discount rate - 0.1%	8,023	7,136
Mortality assumption + 1 year	8,125	7,140
Mortality assumption - 1 year	7,668	6,886

Defined benefit pension scheme net liability

Scheme assets	5,309	4,632
Scheme obligations	(7,893)	(7,012)
Net liability	(2,584)	(2,380)

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

	2020 Fair value £'000	2019 Fair value £'000
Equities	2,654	2,145
Other Bonds	903	523
Cash	53	97
Government Bonds	637	496
Property	531	463
Other assets	531	908
Total market value of assets	5,309	4,632

The actual return on scheme assets was £424,000 (2019: £376,000).

BEXLEY GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

19 Pension and similar obligations

Amount recognised in the Statement of Financial Activities	2020 £'000	2019 £'000
Current service cost	408	337
Past service cost	14	171
Interest income	(86)	(115)
Interest cost	126	148
Total operating charge	462	541

Changes in the present value of defined benefit obligations	2020 £'000
At 1 September 2019	7,012
Current service cost	398
Interest cost	126
Employee contributions	62
Actuarial loss	385
Benefits paid	(104)
Past service cost	14
At 31 August 2020	7,893

Changes in the fair value of the Academy Trust's share of scheme assets	2020 £'000
At 1 September 2019	4,632
Interest income	76
Actuarial gain	348
Employer contributions	295
Employee contributions	62
Benefits paid	(104)
At 31 August 2020	5,309

BEXLEY GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

20 Reconciliation of net expenditure to net cash flow from operating activities

	2020 £'000	2019 £'000
Net expenditure for the reporting period (as per the statement of financial activities)	(867)	(762)
Adjusted for:		
Capital grants from DfE and other capital income	(29)	(113)
Defined benefit pension costs less contributions payable	127	220
Defined benefit pension scheme finance cost	40	33
Depreciation of tangible fixed assets	339	336
(Increase) in stocks	(3)	(2)
(Increase) in debtors	(25)	-
Increase/(decrease) in creditors	201	(18)
Net cash used in operating activities	(217)	(306)

21 Analysis of changes in net funds

	1 September 2019 £'000	Cash flows £'000	31 August 2020 £'000
Cash	647	(199)	448

22 Commitments under operating leases

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

	2020 £'000	2019 £'000
Amounts due within one year	20	6
Amounts due in two and five years	71	-
	91	6

BEXLEY GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

23 Related party transactions

Owing to the nature of the Academy Trust's operations and the composition of the Board of Governors being drawn from local public and private sector organisations, transactions may take place with organisations in which the Academy Trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account.

The Academy purchased goods and services during the year from The Albion Surgery for £451 (2019: £408), being the cost of vaccines for staff. This is a related party by virtue of the fact it is a business where one of the partners is the wife of Mr S Elphick (Headteacher).

In entering into these transactions, the Academy Trust has complied with the requirements of the Academies Financial Handbook 2019.

24 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.

25 Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2020 income receivable was £24k (2019: £29k) all of which was disbursed from the fund.

26 Going concern

The governors have adopted the going concern basis of accounting in respect of these accounts. This assumes that the academy will be able to continue to operate for a period of one year from the date of approval of the accounts. The governors are fully aware of the deficit on revenue funds at 31 August 2020 of £181k. The impact of Covid-19 on financial position has been challenging and further deficit is forecast for 2020/2021 before the academy's finances start to improve. A deficit recovery plan is in place, and the academy is being supported by ESFA through this difficult period. A School Resource Management Advisor has assisted in identifying further cost savings and efficiencies.