

Bradford Academy Trust
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended
31 August 2021

BRADFORD ACADEMY TRUST

Contents

Reference and Administrative Details	3
Trustees Report	4
Governance Statement	13
Statement on Regularity, Propriety and Compliance	16
Statement of Trustees Responsibilities	17
Independent Auditors Report	18
Statement of Financial Activities including Income and Expenditure Account	22
Balance Sheet	23
Statement of Cashflow	24
Notes to the Financial Statements	25
Independent Reporting Accountant's Assurance Report on Regularity	

BRADFORD ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

The Secretary of State
Toby Howarth
Andrew Jolley
Manojkumar Joshi
Jeremy Lepine (Resigned 12.07.21)
Richard Noake

The Board of Trustees and Directors

Tehmina Hashmi (Executive Principal)
Manojkumar Joshi (Chair of Trustees)
Adrian Farley (Vice-Chair of Trustees)
Noor Ali (Appointed – Trustee 01.09.21)
Shazad Ali (Appointed – Staff Trustee 01.09.21)
Richard Arnold (Chair of Finance)
Bruce Berry
Nadine Good
Kabir Hameed (Parent Trustee)
Jennifer Jakes (Staff Trustee)
Alan Jarvis
Ruth Leetham (Parent Trustee)
Darren Metcalfe (Resigned 25.03.21)
Janet Sheriff (Appointed - Member Trustee 13.10.20)
Tim Thomas

Company Secretary

Andrew Blake

Executive Team:

Executive Principal
Primary Principal
Secondary Principal
Human Resources Director
Finance Director

Tehmina Hashmi (Accounting Officer)
Melanie Saville
Jennifer Tierney
David Fearnley
Andrew Blake

Company Name

Bradford Academy Trust

Principal and Registered Office

Teasdale Street
Bradford
BD4 7QJ

Company Registration Number

05508735 (England and Wales)

Independent Auditor

RSM UK Audit LLP
Chartered Accountants
Two Humber Quays
Wellington Street West
Hull
HU1 2BN

Bankers

Barclays Bank plc
10 Market Street
Bradford
BD1 1EG

Solicitors

Gordons Solicitors
Riverside West
Whitehall Road
Leeds
LS1 4AW

BRADFORD ACADEMY TRUST

TRUSTEES REPORT (continued)

PLANS FOR FUTURE PERIODS

Bradford Academy sixth form football training development scheme called Pathway To Pro has been developed in house in preference to the originally planned external provider. The development has attracted Leeds United development academy enabling us to broaden the scope of the offer. We continue to support Bradford Councils development for an SEMH (social, emotional and mental health) provision in South Bradford. Government consent for the proposition is being sought with an intention for a capital build commencing in early 2022. Other plans are dominated by negating the adverse impact of the pandemic, developing programs and support systems to enable our pupils to recover from the lost months of learning.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

There exists no assets or arrangements for safe custody where Bradford Academy Trust or its Trustees are acting as custodian trustee.

AUDITOR

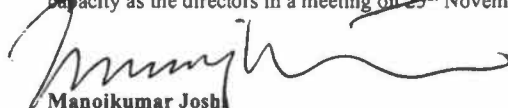
RSM UK Audit LLP has indicated its willingness to continue in office.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

Insofar as the Trustees are aware:

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

The Trustees Report and the Strategic Report (included therein) is approved by the order of the Board of Trustees in their capacity as the directors in a meeting on 25th November 2021 and signed on its behalf by:



Manojkumar Joshi
Chair of Trustees

BRADFORD ACADEMY TRUST

GOVERNANCE STATEMENT

As the Governing Body of Bradford Academy we are aware of our responsibility to provide the assurance that the resources of the academy are appropriately managed and controlled. As an established governing body we are able to provide the required assurances.

SCOPE OF RESPONSIBILITY

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

The Board of Trustees has delegated the day-to-day responsibility to Tehmina Hashmi as Accounting Officer, for ensuring financial controls conform to the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Bradford Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the governing body any material weaknesses or breakdowns in internal control.

The Governing Body also acknowledge the Academy as a social institution as part of the wider local community. Corporate Social Responsibility (CSR) is a recognition of the part Bradford Academy plays in the development of the community for our learners.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' responsibilities. Due to the pandemic the Board of Trustees met virtually as opposed to in person. Six meetings took place across the year. Attendance at those meetings of the governing body was as follows:

Trustee	Meetings attended	Out of a possible
Adrian Farley (Vice-Chair of Trustees)	3	6
Alan Jarvis	5	6
Andrew Blake (Ex-officio)	5	6
Bruce Berry	5	6
Darren Metcalfe (resigned 25/03/21)	3	4
Janet Sheriff	3	3
Jennifer Jakes (Staff Trustee)	5	6
Jennifer Tierney (Ex-Officio)	5	6
Kabir Hameed (Parent Trustee)	6	6
Manojkumar Joshi (Chairman)	5	6
Melanie Saville (Ex-Officio)	4	6
Nadine Good	6	6
Richard Arnold	6	6
Ruth Leetham (Parent Trustee)	4	6
Tehmina Hashmi (Executive Principal, Accounting Officer)	6	6
Tim Thomas	6	6

The trustees and executive team have reviewed governance at Bradford Academy in the form of a 2-year project, utilising the project management skills of relevant governors to determine the governance structure and the methodology for review and assurance which safeguards the organisation. The structural review established three sub-committees; Primary School Committee, Secondary School Committee and the Resources Management Committee (including Audit and Health and Safety) all in addition to the main Governing Committee. The committees have terms of reference, model agendas and a review prioritisation process based on Risk Management.

The Finance and Audit Committee, now the Resource Management Committee, is one of the committees of the main governing body. Its purpose is to oversee the propriety, governance and safeguarding of all academy financial matters on behalf of the governing body.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of a possible
Manojkumar Joshi (Chair of Trustees)	5	6
Richard Arnold (Chair of Finance)	6	6
Andrew Blake (Finance Director)	6	6
Nadine Good	1	1
David Fearnley	1	1
Tehmina Hashmi (Executive Principal, Accounting Officer)	5	6
Alan Jarvis	6	6
Terry Morton (Ex-officio)	6	6

BRADFORD ACADEMY TRUST

GOVERNANCE STATEMENT (Continued)

REVIEW OF VALUE FOR MONEY

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

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

- Review of energy costs, securing a fixed term, fixed price gas contract before the upward market movement.
- Bradford Academy housekeeping team have worked tirelessly to ensure the highest standards of hygiene in order to mitigate the effect of the pandemic by enabling reduced staff absence due to contamination..
- Investment in IT to enable staff, students, trustees, parents and the wider students alike to access online and virtual resources during the pandemic.
- On-going strategic review of structures, responsibilities and work-loads.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Bradford Academy Trust for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

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

THE RISK AND CONTROL FRAMEWORK

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- Regular reviews by the Resource Management Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works, expenditure programmes and relationships with customers;
- Setting targets to measure financial and other performance;
- Regular assessment of the adequacy and effectiveness of processes in place to manage risk and opportunities that support the trust;
- Clearly defined purchasing (asset purchase or capital investment) guidelines;
- Frequent scrutiny of the effectiveness of the governance structure in the academy and its capacity to handle risk;
- Identification and management of risks utilising the Management Risk Register.
- Internal scrutiny programme agreed via a programme of peer review development in collaboration with the Moorlands Trust. The work is commissioned annually by the Resource Management Committee to review and report on the systems of risk and control and provide assurance – all findings have been implemented.

The Board of Trustees have appointed Moorlands Trust to undertake a rolling programme of peer review. The Moorlands Trust have appointed a qualified internal audit professional whose job is financed by the participating companies. The programme period is three years drawing on experience of internal scrutiny in other Academies to provide a wider breadth of assurance than traditional financial audits. The reports this year focussed on the process for Risk Management providing a review and recommendations for development of a Risk Management process linking to the company risk register. There were no fundamental issues found, rather the findings have been adopted, the recommendations correlating strongly with the outcomes of the governance review. As a result Risk management has been used to prioritise the governance agenda for 2021/22.

BRADFORD ACADEMY TRUST

GOVERNANCE STATEMENT (Continued)

REVIEW OF EFFECTIVENESS

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

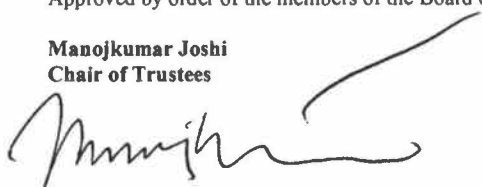
- the work of peer review to the Resource Management Committee;
- Accounting Officer benchmarking against similar organisations;
- the work of the Resource Committee;
- the work of the external Auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance on the internal control framework;
- the outcomes of the processes of review and assessment.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Resource Management Committee with no issues arising however a plan to ensure continued monitoring of the systems in place.

Approved by order of the members of the Board of Trustees on

25th November 2021 and signed on its behalf by:

Manojkumar Joshi
Chair of Trustees



Tehmina Hashmi
Accounting Officer



BRADFORD ACADEMY TRUST
STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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

Signed

Tehmina Hashmi
Accounting Officer

Date: 25th November 2021

Tehmina Hashmi .

BRADFORD ACADEMY TRUST

STATEMENT OF TRUSTEES RESPONSIBILITIES

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

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

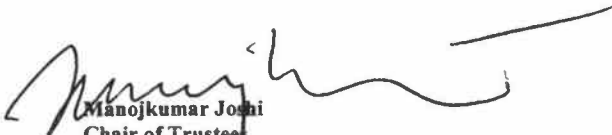
- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards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

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

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

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

Approved by order of the members of the board of trustees on 25th November 2021 and signed on its behalf by:



Manojkumar Joshi
Chair of Trustees

BRADFORD ACADEMY TRUST

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF BRADFORD ACADEMY TRUST YEAR ENDING ON 31 AUGUST 2021

Opinion

We have audited the financial statements of Bradford Academy Trust (the “charitable company”) for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (United Kingdom Generally Accepted Accounting Practice), and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our auditor’s report thereon. The trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial

BRADFORD ACADEMY TRUST

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF BRADFORD ACADEMY TRUST YEAR ENDING ON 31 AUGUST 2021 (Continued)

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

We have nothing to report in this regard.

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 Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Trustees' Report.

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 17, the trustees (who act as trustees for the charitable activities of the charitable company are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

BRADFORD ACADEMY TRUST

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF BRADFORD ACADEMY TRUST YEAR ENDING ON 31 AUGUST 2021 (Continued)

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Education and Skills Funding Agency's Academies Financial Handbook and Annual Accounts Direction. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the Education Inspection Framework under the Education Act 2005 (as amended), Keeping Children Safe in Education under the Education Act 2002, the UK General Data Protection Regulation (UK GDPR) and the Data Protection Act 2018. We performed audit procedures to inquire of management as to whether the charitable company is in compliance with these laws and regulations and inspected correspondence with regulatory authorities in order to draw a conclusion.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

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.

BRADFORD ACADEMY TRUST

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF BRADFORD ACADEMY TRUST YEAR
ENDING ON 31 AUGUST 2021 (Continued)

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.



RICHARD LEWIS (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP, Statutory Auditor

Chartered Accountants

Two Humber Quays

Wellington Street West

Hull

HU1 2BN

Date

26/11/2021

BRADFORD ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2021 (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

	Notes	Unrestricted funds £000'S	Restricted general funds £000'S	Restricted fixed asset funds £000'S	Total 2021 £000'S	Total 2020 £000'S
Income and endowments from:						
Donations and Capital Grants	3	-	-	32	32	33
Charitable Activities;						
Funding for the academy's educational operations	4	174	11,692	-	11,866	11,632
Other trading activities	5	214	-	-	214	179
Investments	6	-	-	-	-	2
Total		388	11,692	32	12,112	11,846
Expenditure on:						
Raising funds	7,8,9	6	-	-	6	21
Charitable activities:						
Academy trust educational operations	7,8,9	-	12,556	716	13,272	13,174
Total	7,8,9	6	12,556	716	13,278	13,195
Net Income / (expenditure)		382	(864)	(684)	(1,166)	(1,349)
Transfer between funds	17	65	(211)	146	-	-
Other recognised (losses) / gains						
Re-measurement of net defined benefit pension obligation	27	-	348	-	348	(2,954)
Unrealised gain / (loss) on investments	13	239	-	-	239	(56)
Net movement in funds		686	(727)	(538)	(579)	(4,359)
Reconciliation of funds						
Total funds brought forward at 1 September 2020		1,497	(8,435)	22,065	15,127	19,486
Total funds carried forward at 31 August 2021	17,18	2,183	(9,162)	21,527	14,548	15,127

BRADFORD ACADEMY TRUST

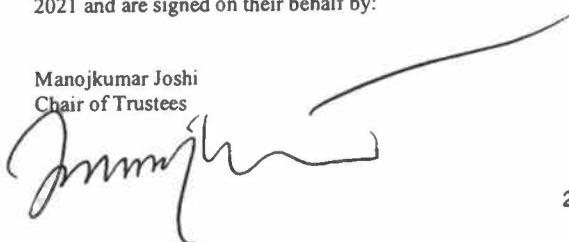
BALANCE SHEET AS AT 31 AUGUST 2021

Company Number 05508735

	Notes	2021 £000'S	2021 £000'S	2020 £000'S	2020 £000'S
Fixed assets					
Tangible assets	14		21,527		22,065
Investments	13		2,099		1,251
Current assets					
Debtors	15	317		274	
Cash at bank and in hand		301		503	
		<u>618</u>		<u>777</u>	
Liabilities					
Creditors: amounts falling due within one year	16	(534)		(531)	
		<u></u>		<u></u>	
Net current assets			84		246
Total assets less current liabilities			<u>23,710</u>		<u>23,562</u>
Defined benefit pension scheme liability	17,18,27		(9,162)		(8,435)
			<u></u>		<u></u>
Total net assets			<u>14,548</u>		<u>15,127</u>
Funds of the Academy Trust					
Restricted funds					
Fixed assets fund	17,18		21,527		22,065
General income fund	17,18		-		-
Pension Reserve	17,18		(9,162)		(8,435)
			<u>12,365</u>		<u>13,630</u>
Total restricted funds			<u>12,365</u>		<u>13,630</u>
Total unrestricted fund	17,18		<u>2,183</u>		<u>1,497</u>
Total funds			<u>14,548</u>		<u>15,127</u>

The financial statements on pages 22 to 43 were approved by the Board of Trustees and authorised for issue on 25th November 2021 and are signed on their behalf by:

Manojkumar Joshi
Chair of Trustees



BRADFORD ACADEMY TRUST

STATEMENT OF CASH FLOW FOR THE YEAR 31 AUGUST 2021

	Notes	2021 £000'S	2020 £000'S
Cash flows from operating activities			
Net cash provided by operating activities	20	553	199
Cash flows from investing activities			
Transfer to Investments	13	(609)	-
Interest from grants	21	-	2
Capital grants from DfE / ESFA	21	32	33
Capital expenditure	21	(178)	(95)
Net (decrease) / increase in cash and cash equivalents in the reporting period		(202)	138
Cash at 1 September 2020		503	365
Cash at 31 August 2021	22	301	503

BRADFORD ACADEMY TRUST

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

General Information

Bradford Academy is a charitable company (the 'Academy Trust'). The address of the Trust's principal place of business is given on page 3. The nature of the Academy Trust's operation is set out in the Trustees' Report.

1 ACCOUNTING POLICIES

Basis of Preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006. Bradford Academy Trust meets the definition of a public benefit entity under FRS 102. The financial statements are presented in sterling which is also the functional currency of the Academy Trust. Monetary amounts in these financial statements are related to the nearest whole £1,000, except where otherwise indicated.

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.

Going Concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The Trustees make this assessment in respect of a period of 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 a period to at least 31st December 2022. The trust produces monthly cash-flow forecasts to end of each financial year and extended to 31 December 2022 with sensitivity analysis to inform their view. We have liquid reserves of £2.4m it is believed there are no unmanageable uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

All incoming resources are obtained when the academy trust has entitlement to the funds, receipt is probable and the amount can be measured with sufficient reliability.

- **Grants (Government and other)**

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

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

Other grants from government agencies, Local Authorities and other bodies are recognised in the period in which they are receivable.

- **Donations**

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

- **Other Income**

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

BRADFORD ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (Continued)

- **Donated Services and Gifts in Kind**

The value of donated services and gifts in kind provided to the Academy Trust are recognised at their fair value in the period in which they are receivable as incoming resources, where the benefit to the academy trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with academy trusts accounting policies.

Expenditure

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

- **Expenditure on Raising Funds**

These are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

- **Charitable Activities**

These are costs incurred on the academy trust's educational operations to further its charitable aims for the benefit of its beneficiaries, including support costs and costs relating to the governance of the Academy Trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

Investments

Wealth fund investments are initially measured at cost and subsequently measured at fair value at the balance sheet date. The resulting movements on the unrealised valuation surplus/deficit are included as a movement of funds to update in the Statements of Financial Activities.

Tangible Fixed Assets

Assets costing at least £500 are assessed for capitalisation and recognised when future economic benefits are probable and the cost of value of the asset can be measured reliably. Tangible fixed assets are carried at net book value of £21,527k net of depreciation and any provision for impairment. All other costs of repairs and maintenance are charged to the SOFA as incurred.

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. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related assets on a basis consistent with the academy trust's depreciation policy.

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

• Freehold buildings	2% straight line
• Freehold land	not depreciated
• Leasehold land	0.8% straight line
• Furniture and equipment	20% reducing balance
• ICT equipment	20% reducing balance
• Motor vehicles	20% reducing balance

BRADFORD ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (Continued)

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 assets 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.

Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions

Provisions are recognised when the Academy Trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised as a financing cost in the period it arises in the SOFA and is allocated to the appropriate expenditure heading.

Leased Assets

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

Financial Instruments

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments.

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

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

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 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 any such income or gains are applied exclusively to charitable purposes.

Pensions Benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the West Yorkshire Pension Fund ('WYPF'), which are multi-employer defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a projected unit method. As stated in note 27, the TPS is a multi-employer scheme but there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate. Differences between the contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

BRADFORD ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (Continued)

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

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

Fund Accounting

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

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

Restricted general funds comprise all other restricted funds received, which are to be applied for restricted fund activity including pensions imposed by the funder/ donor and include grants from the Education and Skills Funding Agency.

Agency Arrangements

The Academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in note 29.

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 14 for the carrying amount of the property plant and equipment, and the accounting policies for the useful economic lives for each class of assets.

Defined benefit pension scheme

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

BRADFORD ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (Continued)

2 General Annual Grant (GAG)

Under the funding agreement with the Secretary of State the Academy Trust was subject to limits at 31 August 2021 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes with any balance being available for capital / premises purposes.

The Academy Trust has not exceeded these limits during the year ended 31 August 2021.

3 Donations and capital grants

	Unrestricted funds £000'S	Restricted fixed asset Funds £000'S	Total 2021 £000'S	Total 2020 £000'S
Capital grants	-	32	32	33
	-	32	32	33

The income from donations and capital grants in 2020 was £33k all of which was restricted fixed asset funds.

4 Funding for academy's educational operations

	Unrestricted funds £000'S	Restricted general funds £000'S	Total 2021 £000'S	Total 2020 £000'S
DfE / ESFA revenue grants				
General Annual Grant (GAG)	-	9,617	9,617	9,479
Pupil premium	-	789	789	755
Other DfE / ESFA grants	-	640	640	629
	-	11,047	11,047	10,863
Other Government grants				
Local authority grants	-	539	539	499
Covid-19 Additional Funding				
Covid Catch up funding	-	31	31	-
Covid Emergency funding	-	75	75	-
Coronavirus Job Retention Scheme grant	-	-	-	33
	-	11,692	11,692	11,395

The academy trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding spent is shown above under Covid-19 Additional Funding. Total Catch-up funding received was £130k, £99k remaining to be spent in 2021/22. Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department for Education and ESFA, the academy trust's funding for Pupil Premium is no longer reported within the Other DfE/ESFA grants/Other DfE Group grants line item, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

Other income from the academy trusts educational Operations

Catering income	174	-	174	237
	174	11,692	11,866	11,632

The income from academy's educational operations in 2020 was £11,632k of which £237k was unrestricted and £11,395k were restricted general funds.

BRADFORD ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (Continued)

5 Other trading activities

	Unrestricted funds	Restricted general funds	Total 2021	Total 2020
	£000'S	£000'S	£000'S	£000'S
Hire of facilities	36	-	36	65
Other income	178	-	178	114
	<u>214</u>	<u>-</u>	<u>214</u>	<u>179</u>

The income from other trading activities in 2020 was £179k all of which was unrestricted funds.

6 Investment Income

	Unrestricted funds	Restricted general funds	Total 2021	Total 2020
	£000'S	£000'S	£000'S	£000'S
Interest from short term deposits	-	-	-	2
	<u>-</u>	<u>-</u>	<u>-</u>	<u>2</u>

The investment income in 2020 was less than £1k all of which was unrestricted funds.

7 Expenditure

	Staff costs	Non-pay expenditure		Total 2021	Total 2020
	£000'S	Premises £000'S	Other costs £000'S	£000'S	£000'S
Expenditure on raising funds	-	-	6	6	21
Academy's educational operations:					
Direct costs	8,110	360	1,122	9,592	9,495
Allocated Support Costs	2,877	128	675	3,680	3,679
Total Support Costs	<u>10,987</u>	<u>488</u>	<u>1,803</u>	<u>13,278</u>	<u>13,195</u>

The expenditure was £13,278k (2020: £13,195k) of which £6k (2020: 21k) was unrestricted funds, £675k (2020: £741k) was restricted fixed asset funds and £12,597k (2020: £12,433k) was restricted general funds.

Net income/(expenditure) for the period includes:

	2021	2020
	£000'S	£000'S
Operating lease rentals	27	27
Depreciation	716	741
Net interest on defined benefit pension liability	140	85
Fees payable to auditor and its associates in respect of - audit	20	17
- other audit fees & services	3	8

BRADFORD ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (Continued)

8	Charitable Activities			Total 2021	Total 2020
				£000'S	£000'S
	Direct costs - educational operations			9,592	9,495
	Support costs - educational operations			3,686	3,700
	Total Direct and Support Costs			13,278	13,195
				Total 2021	Total 2020
				£000'S	£000'S
	Analysis of support costs				
	Support staff costs			2,837	2,706
	Depreciation			187	196
	Technology costs			163	150
	Premises costs			128	128
	Other support costs			330	481
	Governance Costs			41	39
				3,686	3,700

9	Analysis of Grant Expenditure				
		Unrestricted funds	Restricted Funds	2021 Total £000'S	2020 Total £000'S
	Educational operations	6	13,272	13,278	13,195
		6	13,272	13,278	13,195

10	Staff			2021	2020
				£000'S	£000'S
	a. Staff costs				
	Staff costs during the period were:				
	Wages and salaries			7,794	7,785
	Social security costs			726	706
	Pension costs			2,428	2,147
	Total staff costs			10,948	10,638
	Supply teacher costs			38	26
	Redundancy costs			1	13
	Severance costs			-	7
				10,987	10,684

BRADFORD ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (Continued)

10 Staff Costs (continued)

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

No severance costs, two small redundancy payments were made to the cessation of commercial activity during lockdown.

c. Staff numbers

The average number of persons (including senior management team) employed by the Academy during the period was as follows:

	2021	2020
	No.	No.
Teaching	113	107
Administration and support	167	185
Management	6	6
	286	298

d. Higher paid staff

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

	2021	2020
	No.	No.
£60,000 - £70,000	8	5
£70,000 - £80,000	2	1
£100,000 - £110,000	-	1
£110,000 - £120,000	1	-
£120,000 - £130,000	1	1

Employers pensions are paid to staff, either the Teachers' pension fund or the Local government pension scheme.

e. Key Management personnel

The key management personnel of the Academy Trust comprise the trustees and the senior management team as listed on page 3. The total amount of employee benefits (including employer pension contributions and employer national insurance) received by key management personnel for their services to the academy trust was £601k (2020: £575k).

11 Related Party Transactions - Trustees' remuneration and expenses

One or more trustees have been paid remuneration or have received other benefits from an employment with the Academy Trust. The principal and parent and staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. No other Trustees were paid or received any benefits from employment with the Academy Trust.

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

T. Hashmi (Principal and Trustee)
Remuneration £129,234 (2020: £125,935)
Employers TPS pension contributions £29,185 (2020: £28,401)

K. Hameed (Parent Trustee)
Remuneration £49,310 (2020: £48,510)
Employers LGPS pension contributions (£nil) (2020: £nil)

J. Jakes (Staff Trustee)
Remuneration £62,949 (2020: £54,225)
Employers TPS pension contributions £14,906 (2020: £12,840)

During the year ended 31 August 2021, travel and subsistence expenses totalling £34 were reimbursed to 2 trustees (2020 - £678 to 3 trustees).

Other related party transactions involving the Trustees are set out in note 28.

BRADFORD ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (Continued)

12 Trustees' and Officers' Insurance

In accordance with normal commercial practice the academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts errors or omissions occurring whilst on Academy Trusts business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2021 was £1,342 (2020: £1,342). The cost of this insurance is included in the total insurance cost.

13 Investments

	UK quoted investments 2021 £'000	UK quoted investments 2020 £'000
Valuation at 1 September 2020	1,251	1,307
Additions	609	-
Unrealised gain / (loss)	239	(56)
Valuation at 31 August 2021	2,099	1,251

14 Tangible Fixed Assets

	Freehold land and buildings	Leasehold land	Motor Vehicles	Furniture and equipment	Information Technology equipment	Total
	£000'S	£000'S	£000'S	£000'S	£000'S	£000'S
Cost:						
At 1 September 2020	26,969	60	101	1,833	3,015	31,977
Additions	13	-	-	42	123	178
Disposals	-	-	(47)	(838)	(2,064)	(2,949)
At 31 August 2021	26,982	60	54	1,037	1,073	29,206
Depreciation:						
At 1 September 2020	5,849	6	75	1,400	2,583	9,913
Charge for year	536	1	5	87	88	716
Disposals	-	-	(47)	(838)	(2,064)	(2,949)
At 31 August 2021	6,385	7	33	648	606	7,679
Carrying Amount						
At 31 August 2021	20,597	53	21	389	467	21,527
At 1 September 2020	21,120	54	26	433	432	22,065

BRADFORD ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (Continued)

15 Debtors

	2021	2020
	£000'S	£000'S
Trade debtors	31	2
VAT recoverable	52	21
Prepayments and accrued income	234	251
	<u>317</u>	<u>274</u>

16 Creditors: amounts falling due within one year

	2021	2020
	£000'S	£000'S
Trade creditors	124	123
Other taxation and social security	182	168
Other creditors	17	37
Accruals and deferred income	211	203
	<u>534</u>	<u>531</u>

Deferred Income

	2021	2020
	£000'S	£000'S
Deferred Income at 1 September 2020	48	1
Resources deferred in the year	125	48
Released from previous years	(48)	(1)
Deferred income at 31 August 2021	<u>125</u>	<u>48</u>

At the balance sheet date the academy was holding funds of £125k deferred income.

BRADFORD ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (Continued)

17 Funds

The income funds of the Academy comprise the following balances of grants to be applied for specific purposes.

	Balance at 1 September 2020	Income	Expenditure	Gains / losses and transfers	Balance at 31 August 2021
	£000'S	£000'S	£000'S	£000'S	£000'S
Restricted General Funds:					
General annual grant (GAG)	(550)	9,617	(9,406)	(211)	(550)
Other DfE funds	-	1,969	(1,969)	-	-
Covid additional funding	-	106	(106)	-	-
Transfer from Unrestricted Funds	550	-	-	-	550
Pension reserve	(8,435)	-	(1,075)	348	(9,162)
	<u>(8,435)</u>	<u>11,692</u>	<u>(12,556)</u>	<u>137</u>	<u>(9,162)</u>
Restricted Fixed Asset Funds:					
DfE/ESFA capital grants	12,842	32	(716)	-	12,158
Capital expenditure from GAG	3,857	-	-	146	4,003
Public sector capital sponsorship	4,945	-	-	-	4,945
Capital Expenditure from Unrestricted Funds	421	-	-	-	421
	<u>22,065</u>	<u>32</u>	<u>(716)</u>	<u>146</u>	<u>21,527</u>
Total Restricted funds	<u>13,630</u>	<u>11,724</u>	<u>(13,272)</u>	<u>283</u>	<u>12,365</u>
Total Unrestricted funds	<u>1,497</u>	<u>627</u>	<u>(6)</u>	<u>65</u>	<u>2,183</u>
Total Funds	<u>15,127</u>	<u>12,351</u>	<u>(13,278)</u>	<u>348</u>	<u>14,548</u>

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

Restricted general funds have been spent in line with the terms of the master funding agreement. General annual grant funds are nil; 2020: nil after transfers receipted from unrestricted funds.

Restricted fixed asset funds are used solely for capital purchases in line with the strategic objectives of Bradford Academy Trust.

The restricted pension fund is in deficit to the value of £9.162m as at 31 August 2021. The opening deficit was inherited on conversion to Academy status and subsequent revaluations have generally added to the deficit. Whilst the value is significant, as for Teachers pension, it is underwritten by the Government.

The restricted fixed asset fund represents fixed assets funded from Government, Local Authority and Unrestricted funds.

BRADFORD ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (Continued)

17 Funds (continued)

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

	Balance at 1 September 2019	Income	Expenditure	Gains / losses and transfers	Balance at 31 August 2020
	£000'S	£000'S	£000'S	£000'S	£000'S
Restricted General Funds:					
General annual grant (GAG)	(364)	9,512	(9,699)	-	(550)
Other DfE funds	-	1,883	(1,883)	-	-
Transfer from Unrestricted Funds	364	-	-	186	550
Pension reserve	(4,630)	-	(851)	(2,954)	(8,435)
	<u>(4,630)</u>	<u>11,395</u>	<u>(12,433)</u>	<u>(2,768)</u>	<u>(8,435)</u>
Restricted Fixed Asset Funds:					
DfE/ESFA capital grants	13,550	33	(741)	-	12,842
Capital expenditure from GAG	3,857	-	-	-	3,857
Public sector capital sponsorship	4,945	-	-	-	4,945
Capital expenditure from Unrestricted funds	357	-	-	64	421
	<u>22,710</u>	<u>33</u>	<u>(741)</u>	<u>64</u>	<u>22,065</u>
Total Restricted funds	<u>18,080</u>	<u>11,428</u>	<u>(13,174)</u>	<u>(2,704)</u>	<u>13,630</u>
Total Unrestricted funds	<u>1,406</u>	<u>362</u>	<u>(21)</u>	<u>(250)</u>	<u>1,497</u>
Total Funds	<u>19,486</u>	<u>11,790</u>	<u>(13,195)</u>	<u>2,954</u>	<u>15,127</u>

BRADFORD ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (Continued)

18 Analysis of net assets between funds

Fund balances at 31 August 2021 are represented by:

	Unrestricted funds	Restricted general funds	Restricted fixed asset Funds	2021 Total Funds
	£000'S	£000'S	£000'S	£000'S
Tangible fixed assets	-	-	21,527	21,527
Investments	2,099	-	-	2,099
Current assets	84	534	-	618
Current liabilities	-	(534)	-	(534)
Pension Scheme liability	-	(9,162)	-	(9,162)
Total net assets at 31 August 2021	<u>2,183</u>	<u>(9,162)</u>	<u>21,527</u>	<u>14,548</u>

Fund balances at 31 August 2020 are represented by:

	Unrestricted funds	Restricted general funds	Restricted fixed asset funds	2020 Total Funds
	£000'S	£000'S	£000'S	£000'S
Tangible fixed assets	-	-	22,065	22,065
Investments	1,251	-	-	1,251
Current assets	247	531	-	778
Current liabilities	-	(531)	-	(531)
Pension Scheme liability	-	(8,435)	-	(8,435)
Total net assets at 31 August 2020	<u>1,497</u>	<u>(8,435)</u>	<u>22,065</u>	<u>15,127</u>

BRADFORD ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (Continued)

19 Commitments under operating leases

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

	2021	2020
	£000's	£000's
Amounts due with one year	27	27
Amounts due between one and five years	74	78
	<u>101</u>	<u>105</u>

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

	2021	2020
	£000's	£000's
Net (expenditure) for the reporting period	(1,166)	(1,349)
Adjusted for:		
Depreciation [note 14]	716	741
Capital grants from DfE and other capital income	(32)	(33)
Interest receivable [note 6]	-	(2)
Defined benefit pension scheme cost less contributions payable [note 27]	935	766
Defined benefit pension scheme finance cost [note 27]	140	85
(Increase) / Decrease in debtors	(43)	30
Increase / (Decrease) in creditors	3	(39)
Net cash generated from operating activities	<u>553</u>	<u>199</u>

21 Cash flows from investing activities

	2021	2020
	£000's	£000's
Interest Received	-	2
Purchase of tangible fixed assets	(178)	(95)
Transfer to Investment Fund	(609)	-
Capital grants from DfE	32	33
Net cash outflow from capital expenditure and financial investment	<u>(755)</u>	<u>(60)</u>

22 Analysis of cash equivalents

	2021	2020
	£000's	£000's
Cash in hand and at bank	<u>301</u>	<u>503</u>

BRADFORD ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (Continued)

23 Analysis of changes in net funds

	At 1 September 2020 £000'S	Cash Flows £000'S	Other Non-cash changes £000'S	At 31 August 2021 £000'S
Cash	503	(202)		301
Cash equivalents	1,251	609	239	2,099
	<u>1,754</u>	<u>407</u>	<u>239</u>	<u>2,400</u>
Loans finance / leases	-	-	-	-
	<u>1,754</u>	<u>407</u>	<u>239</u>	<u>2,400</u>

24 Guarantees, Letters of Comfort and Indemnities

During the period of the Funding Agreement, in the event of the sale or disposal by other means of any asset for which a government capital grant was received, the Academy is required to re-invest the proceeds or to repay the State the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the State.

25 Contingent Liabilities

At the time of writing there are no contingent liabilities.

26 Members Liability

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

BRADFORD ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (Continued)

27 Pensions and similar obligations

The academy trust's employees belong to two principal 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 the West Yorkshire Pension Fund. Both are multi-employer defined benefit schemes. The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS to the period ended 31 March 2019. There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to the TPS in the period amounted to £1,376k, (2020: £1,325k).

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.

BRADFORD ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (Continued)

27 Pension and similar obligations (continued)

The Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee administered funds. The total contribution made for the year ended 31 August 2021 £544k (2020: £526k) of which employers totalled £375k (2020: £359k) and employees' £169k (2020: £167k). The agreed contribution rate for the 2021 fiscal year is 14.4% rising to 14.9% (2022) for employers and a variable rate between 5.5% and 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 closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Principal Actuarial assumptions

	At 31 August 2021	At 31 August 2020
Rate of increase in salaries	3.85%	3.55%
Rate of increase for pensions in payment / inflation	2.60%	2.30%
Discount rate for scheme liabilities	1.70%	1.70%
Inflation assumption (CPI)	2.60%	2.30%
Commutation of pensions to lump sums	75.00%	75.00%

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

	At 31 August 2021	At 31 August 2020
Retiring today		
Males	21.9	21.8
Females	24.7	24.6
Retiring in 20 years		
Males	22.6	22.5
Females	25.8	25.7

Sensitivity analysis	At 31 August 2021	At 31 August 2020
	£000s	£000s
Discount rate +0.1%	18,862	16,209
Discount rate -0.1%	19,870	17,075
Mortality assumption - 1 year increase	18,630	16,043
Mortality assumption - 1 year decrease	20,102	17,258
Salary rate +0.1%	19,424	16,692
Salary rate -0.1%	19,308	16,592
Pension increase rate +0.1%	19,811	17,025
Pension increase rate -0.1%	18,921	16,259

BRADFORD ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (Continued)

27 Pension and similar obligations (continued)

The academy's share of the assets in the scheme were:

	Fair Value at 31 August 2021	Fair Value at 31 August 2020
	£000s	£000s
Equity instruments	8,551	6,648
Debt instruments	1,265	1,206
Property	388	353
Total fair value of assets	10,204	8,207

The actual return on scheme assets was £1,588k compared to 2020: negative (£317k).

Amounts recognised in the statement of financial activities

	2021	2020
	£000s	£000s
Current service cost	1,310	1,125
Net interest cost	140	85
Total operating charge	1,450	1,210

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

	2021	2020
	£000s	£000s
At 1 September 2020	16,642	12,880
Current service cost	1,310	1,125
Interest cost	283	244
Employee contributions	169	167
Actuarial losses	1,097	2,478
Benefits paid	(135)	(252)
At 31 August 2021	19,366	16,642

BRADFORD ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (Continued)

27 Pension and similar obligations (continued)

Changes in the fair value of academy's share of scheme assets:

	2021 £000s	2020 £000s
At 1 September 2020	8,207	8,250
Return on plan assets (excluding net interest on the net defined pension liability)	143	159
Actuarial gain (loss)	1,445	(476)
Employer contributions	375	359
Employee contributions	169	167
Benefits paid	(135)	(252)
At 31 August 2021	10,204	8,207

28 Related party transactions

No related party transaction or events took place during the year. The other related party transactions were certain Trustees' remuneration and expenses already disclosed in note 11.

29 Agency Arrangements

The Academy Trust administers the distribution of the discretionary bursary support fund for aged 16-19 learners as arranged for by the ESFA. In the year it received £46k (2020; £43k) any remaining funds are included in creditors, £0k (2020; £0k). The funds are administered wholly and exclusively for qualifying 6th form learners. Each year the eligible learners are identified and a plan is determined for the half-termly distribution of funds to them.

BRADFORD ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BRADFORD ACADEMY TRUST LIMITED AND THE EDUCATION AND SKILLS FUNDING AGENCY

Conclusion

We have carried out an engagement in accordance with the terms of our engagement letter dated 21 September 2020 and further to the requirements of the Education and Skills Funding Agency ('ESFA') as included in the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts, to obtain limited assurance about whether the expenditure disbursed and income received by Bradford Academy Trust during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Basis for conclusion

The framework that has been applied is set out in the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trust. We are independent of Bradford Academy Trust in accordance with the ethical requirements that are applicable to this engagement and we have fulfilled our ethical requirements in accordance with these requirements. We believe the assurance evidence we have obtained is sufficient to provide a basis for our conclusion.

Responsibilities of Bradford Academy Trust's accounting officer and trustees

The accounting officer is responsible, under the requirements of Bradford Academy Trust's funding agreement with the Secretary of State for Education dated 13 June 2007 and the Academies Financial Handbook extant from 1 September 2020, for ensuring that expenditure disbursed and income received are applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. The accounting officer is also responsible for preparing the Statement of Regularity, Propriety and Compliance. The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the proper conduct and financial operation of Bradford Academy Trust and appointment of the accounting officer.

Reporting Accountant's responsibilities for reporting on regularity

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 extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts.

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 the procedures performed vary in nature and timing from, and are less in extent than for a reasonable assurance engagement; consequently a limited assurance engagement 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.

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 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including the specific requirements of the funding agreement with the Secretary of State for Education, the

BRADFORD ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BRADFORD ACADEMY TRUST LIMITED AND THE EDUCATION AND SKILLS FUNDING AGENCY (Continued)

Academies Financial Handbook 2020 published by the Education and Skills Funding Agency and high level financial control areas where we identified a material risk of irregularity is likely to arise. It also included areas assessed as presenting a higher risk of impropriety. We undertook detailed testing, on a sample basis, based on the identified areas where a material irregularity is likely to arise, or potential impropriety where such areas are in respect of controls, policies and procedures that apply to classes of transactions. Our work was undertaken with due regard to the 'Evidence to support conclusion on regularity' guidance in the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts.

This work was integrated with our audit on the financial statements and evidence was also derived from the conduct of that audit to the extent it supports the regularity conclusion.

Use of our report

This report is made solely to Bradford Academy Trust and the ESFA in accordance with the terms of our engagement letter dated 21 September 2020. Our work has been undertaken so that we might state to the Bradford Academy Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Bradford Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

RSM UK Audit LLP

RSM UK AUDIT LLP
Chartered Accountants
Two Humber Quays
Wellington Street West
Hull
HU1 2BN

Date:

26/11/2021