Bradford Academy Trust
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended
31 August 2022

Contents

Members	The Board of Trustees and Directors
The Secretary of State	Melanie Saville (Executive Principal Appointed 01.03.22)
Toby Howarth	Tehmina Hashmi (Executive Principal Retired 28.02.22)
Andrew Jolley	Manojkumar Joshi (Chair of Trustees Resigned as Chair 01.12.21)
Manojkumar Joshi	Adrian Farley (Chair of Trustees Appointed 01.12.21)
Richard Noake	Nadine Good (Vice-chair of Trustees, Chair of Resource Management Committee Appointed 30.03.22)
	Noor Ali (Resigned 21.06.22)
	Shazad Ali
	Richard Arnold (Chair of RMC - Resigned 30.03.22)
	Bruce Berry (Resigned 31.12.21)
	Jane Berry (Appointed 14.02.22)
	Kabir Hameed (Parent Trustee)
	Jennifer Jakes (Resigned 28.02.22 as staff Trustee, now ex-officio Primary Principal)
	Alan Jarvis
	Ruth Leetham (Parent Trustee)
	Janet Sheriff
	Tim Thomas
	Joe Wilson (Appointed 30.3.22)

Company Secretary	Andrew Blake
Executive Team:	
Executive Principal	Melanie Saville (Accounting Officer)
Finance Director	Andrew Blake
Human Resources Director	David Fearnley
Primary Principal	Jennifer Jakes
Secondary Principal	Jennifer Tierney
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

INTRODUCTION

The Board of Trustees and Directors present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2021 to 31 August 2022. For the purposes of company law, the annual report serves as both a Trustees' report and a Directors' report.

The Trust operates an All-Through academy (ages from 4 to 19) as well as provision from age 2 upwards serving a catchment area to the South of Bradford Metropolitan District. It has capacity to accommodate 2,185 learners and had a roll of 1,783 in the school census as of October 2021.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a teaching and learning company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust, originally dated July 2005 and amended in 2018 adopting the Memorandum and Articles of a religiously designated organisation. The Trustees of Bradford Academy are also the directors of the charitable company for the purposes of company law. The charitable company is known as Bradford Academy Trust.

Details of the Trustees who served throughout the year are included on the Reference and Administrative Details on page 3. The date to which the accounts are approved is shown 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.

Trustees Indemnities

Trustees and company officers at Bradford Academy are covered by Liability Insurance for any civil liability arising from their role as defined in the Companies Act 2006 s236.

Method of Recruitment and Appointment or Election of Trustees

Trustees are either; appointed by the members; elected or co-opted by the trustees. The appointments are made by the Academy Sponsor and the Trustees who delegate all powers to run the organisation to the Executive Team.

Membership of the Board of Trustees is in accordance with the structure contained within its Memorandum and Articles of Association. Trustees have a wealth of skills, a recent governance review has established three sub-committees (Primary, Secondary and Resource Management) that support the main governing body. Adrian Farley is Chair of Trustees.

Policies and Procedures Adopted for the Induction and Training of Trustees

All newly appointed and existing Trustees are required to undertake annual Safeguarding and Prevent training as part of their induction or refresher programme. New Trustees complete the National Governance Association skills matrix to enable the identification and rectification of any gaps in governance. They will join one of the academy sub-committees in addition to the main governing body. The governing body's terms of reference has been reviewed as part of the governance project establishing Risk based management as its methodology for governance. Access is provided to the external governor training and support programme. Within the Academy, the Trustees can access all policies and procedures via the Staff Handbook or the secure intranet called the Learning Gateway. Where Trustees have a particular professional skill the Academy seeks to support and utilise the skill within a relevant committee. Trustees are also invited to attend 'whole-school' events and where appropriate, staff training sessions.

Organisational Structure

The organisational structure of the Trust currently consists of four elected members however the member structure as defined in the Memorandum and Articles allows for five, one Diocesan Board of Finance; two appointees by the Diocesan Board of Education, the Chairman of Trustees and one member appointment. The governing body is comprised of up to 8 member appointed trustees, 2 member appointed staff trustees, 2 elected parent governors, up to 4 member appointed co-opted governors and the ex-officio Principal. The Trust operates a main governing body whose minimum meeting requirement is once per term and assigns responsibilities to its Committees. The core Committees are; The Primary School Committee; The Secondary School Committee and the Resource Management Committee (including Finance and Audit), the Chairs with responsibility to submit recommendations to the main Governing Body for approval, or where empowered, inform the main Board of their actions. If determined, reasonable and appropriate other representative committees are formed to oversee specific developments for the Academy. Individual Trustees have specific responsibilities to the Academy including heads of Committees and Safeguarding.

The Senior Executive Team consists of the Executive Principal, Secondary Principal, Primary Principal, Finance Director and Human Resources Director who are responsible for the determination, communication and implementation of the Academy's strategies.

The Principal, Executive and Senior Leadership team are responsible for running of the organisation, overseeing the teaching staff, administrative and operational support. The structure and operation of the trust follow the guidelines set out in the Academy Trust Handbook issued by the Education and Skills Funding Agency.

The Trust headquarters and registered offices are at Teasdale Street, Bradford. The Academy also accesses a number of external agencies to enable a broader provision of education and learning. The external agencies include vocational provision, social workers, the police service, careers and guidance services, counselling and youth services.

The principal activity of the charitable company during the period was the educational provision of teaching and learning. The principal activity is to raise standards of achievement, the academy mottos of every learner known, valued and understood, and be the best creating the environment where effective teaching and learning can take place, endeavouring to remove barriers for learning such as deprivation, behaviour or social issues, ultimately raising standards achieved by all learners. Bradford Academy is a well-established all through Academy serving the needs of learners largely from the local community.

Arrangements for setting pay and remuneration of key management personnel

The academy trust operates two pay-scales for determining pay, the National Joint Council for Associate staff and the Teachers' pay spines subject to national negotiation and agreement. Job weight and market forces determine the remuneration of key management as the Academy needs to be competitive to attract strong leaders to South Bradford. The Academy uses the Teachers' Leadership pay set and agreed with the teaching unions. Senior Leadership Pay is determined by reference to Board approved standardised contracts.

Trade union facility time

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, where an academy trust has more than 49 full time equivalent employees throughout any 7 months within the reporting period, it must include information included in Schedule 2 of the Regulations. The information to be published consists of four tables covering:

Relevant union officials

Number of employees who were relevant union officials during the relevant period	2
Full-time equivalent employee number	2

Percentage of time spent on facility time

Percentage of time	Number of employees
0% - 1%	2
1% - 50%	0
50% - 99%	0
100%	0

Percentage of pay bill spent on facility time

	6.4.2021 to 5.4.2022
The total cost of facility time	£2,900
The total pay bill	£10,069,703
The percentage of the total pay bill spent on facility time	0.0288%

Paid trade union activities

Percentage of time spent on paid trade union activities	0%

Related Parties and other Connected Charities and Organisations

Bradford Academy Trust does not transact with any connected organisations who would have an influence on finance, operations or policies and procedures. The Academy sponsor is the Leeds Diocese. The sponsor has no operating input. Management and strategy of the Academy is the responsibility of the Executive Team and its Trustees. All relationships with external parties are carried out at arm's length.

Engagement with employees (including disabled persons)

Staff are recruited under the Academies Safer recruitment process, which ensures equality of opportunity for all potential employees. Staff engagement occurs via team briefings and regular staff updates. Risk assessments are carried out to ensure staff are safe at work. A personal counselling service is available to all staff. The academy has a DSP (Designated Special Provisions) for disability and autism, meaning it is well placed for accommodating staff with disabilities. The post pandemic era has afforded the opportunity to rebuild relationships and community at Bradford Academy. Reversion to a whole-school environment taking advantage of being all-through to emphasise the need for all to take responsibility for their actions and behaviour has been difficult where all year groups have been adversely affected by significant periods of absence from the school, its environs and its community. A staff room space was created to enable the rebuilding programme to take place coupled with social activities organised for interactions outside of the working hours of the school.

The sickness and management procedures provide support systems for all employees. The site is fully DDA compliant, with multiple ramps and lifts. One of our programmes entitled Safer Recruitment protects against discrimination at all points of employment. All staff and governors have had this training. Staff encountering difficulties at work are also supported by Occupational Health referrals.

Engagement with suppliers, customers, beneficiaries, funders and the wider community

Engagement with suppliers, customers, beneficiaries and the wider community is carried out on a strictly professional basis requiring the highest standards of interaction. Suppliers are vetted to ensure they are reputable and the engagement is at arms-length. We foster good and honest communication with suppliers. Supplier relations are maintained to ensure they are aware of the status of their business underpinned by the use of requisitioning and approved purchase order systems.

The Academy Trust attains high standards of asset maintenance of its grounds and facilities. Good relations are kept with customers by means of regular communication with our parents and wider community.

Persons engaging with the academy must be compliant with our regulations and policies requiring DBS checks, RAMS from contractors and suppliers and any other required documentation to support their engagement.

Good community relations are maintained through the provision of preferential rates for access to high quality sports facilities otherwise unavailable to them. Our community work has further extended this year including the Women in Sport initiative and Leeds United football youth development programme.

We maintain our site borders and perimeters, fostering good neighbourly relationships. Plans are being formulated to have a 'winter-school' programme to support our learners their families and the local community during the festive season break.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principle objective and aim 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 with a designated Church of England religious character offering a broad and balanced curriculum conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and having regard to any advice of the Diocese of Leeds.

Objectives, Strategies and Activities

The Academy's vision is encapsulated by the statements: "Every learner is known, valued and understood" and "Be the best." It is the Academy's strategic intent to create and maintain an environment where learners can succeed academically, develop as good citizens, and be prepared for future life, regardless of their economic, social and emotional circumstances. Improvement in standards is at the core of the strategy. Below are examples of areas of focus used to drive development of our learners;

- Personalised learning;
- Raising achievement;
- Attendance strategy;
- Development of best practice through lead-practitioners;
- Designated Special Provision (DSP) for disability and autism, SEMH to be added this year;
- Training and development (for all learners);
- Student voice;
- Student, senior leadership team;
- Collaborating with the Local Authority;
- Provision of external agencies including; counselling, careers, pastoral care, spiritual support, social working, learning mentors and youth workers;
- Development of strategic alliances for the Academy with its feeder schools;
- The establishment of an all-through academy offering places to ensure development from the age of 2;
- High standards of capital provision to ensure the best working environment;
- The under-pinning of the strategy with sound financial, operational, procedural methodologies and systems.
- Cohesion between learners with disability and non-disabled.

Public Benefit

The Trustees are aware that by improving the outcomes for our learners the wider society will benefit from the investment of public funds received in the form of grants. In setting our objectives and planning our activities the trustees have carefully considered the Charity Commission's general guidance on public benefit.

Safeguarding

The safety and well-being of all our learners is the foundation for building a successful learning and teaching community. The Academy's policies, procedures and practices place a strong emphasis on creating a safe environment for learners. The Academy has named persons who are available to anyone who has any safeguarding concerns.

Equal Opportunities policy

The Trustees recognise that equal opportunities should be an integral part of good practice within the workplace. The Academy provides equal opportunity for all areas of its activities including creating a working environment which is inclusive for all. Our diversity in employment is also key to developing a skilled workforce who have a breadth of experience that directly benefits the learners they serve.

Employee Consultation and disabled persons

Bradford Academy is an Equal Opportunities employer and is mindful of its obligations under the Equalities Act 2010. The Academy works alongside external agencies as necessary to enable support for disabled persons. The academy also has specialists for Special Education Needs (SEN), Designated Special Provision (DSP), Autism and is currently working with Bradford Council to develop a SEMH (Social Emotional Mental Health) specialism. The academy provides resources for work-place assessments and makes reasonable adjustments where possible.

STRATEGIC REPORT

Achievements and Performance

The Academy is still affected by the aftermath of the pandemic for pupil performance.

Key Performance Indicators

Key-Stage 1				Variance	
	2022	2019	2018	22 vs 19	22 vs 18
Maths	47%	68%	59%	-21%	-12%
Reading	53%	66%	56%	-13%	-3%
Writing	40%	54%	51%	-14%	-11%
Combined	38%	53%	41%	-15%	-3%

Results reflect the difficulties faced by our youngest learners during the pandemic, particularly losing formal maths input.

Key-Stage 2			Variance
	2022	2019	22 vs 19
Maths	60%	78%	-18%
Reading	61%	65%	-4%
Writing	51%	68%	-17%
GPS	57%	65%	-8%
Combined	47%	57%	-10%

A similar pattern to KS1, attendance had a significant impact on learning.

Key-Stage 4	2022			2019			Variance 22 vs 19		
	Pupils	Progress 8	Attain't 8	Pupils	Progress 8	Attain't 8	Pupils	Progress 8	Attain't 8
All	228	-0.20	38.3%	228	-0.56	36.1%	0	0.36	2.2%
Disadvantage	107	-0.47	32.5%	113	-0.81	30.7%	-6	0.34	1.8%
Lower Prior Attainment	103	-0.20	27.2%	42	-0.56	18.9%	61	0.36	8.3%
Middle Prior Attainment	69	-0.01	45.4%	114	-0.50	35.2%	-45	0.49	10.2%
Higher Prior Attainment	43	-0.19	58.1%	61	-0.67	51.6%	-18	0.48	6.5%
SEND - Statemented	12	-1.00	19.0%	9	-0.70	22.0%	3	-0.3	-3.0%
SEND	36	-0.79	21.8%	41	-1.40	24.2%	-5	0.61	-2.4%
Alternative provision	7	-2.35	9.3%	22	-2.13	14.7%	-15	-0.22	-5.4%
4+ English %			66.7%			61.4%			5.3%
4+ Maths %			49.6%			55.3%			-5.7%
4+ Eng & Maths %			47.4%			48.2%			-0.8%

Despite the increased bias toward lower prior attainment, an influence of the pandemic, most groups showed an improvement compared to last year.

Key-Stage 5	2022		2020		Variance 22 vs 20	
	Pupils	Pass	Pupils	Pass	Pupils	Pass
All	56	99%	64	96%	-8	3%
Distinction *	8	15%	12	19%	-4	-4%
Distinction	19	34%	20	31%	-1	3%

Falling roll at Post-16 makes comparison difficult however the overall position improved slightly despite the influence of the pandemic on learning.

Going Concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the academy trust has adequate resources to continue in operational existence for a period to at least 31st December 2023. The effects of the energy crisis are mitigated by forward contracts and the government are expected to address the industry wide exposure to inflation based wage increases. The trust produces monthly cash-flow forecasts with sensitivity analysis to inform their view. Cash reserves of £473k and a liquid Investment Fund of £1,924m provide assurance to adopt the going concern basis in preparing the financial statements. Details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Promoting the success of the company

Our promotion of our successes as a provider of good education, a good employer and integral to the wider community marks as a beacon of best practice. Our central service provisions are exemplary, which coupled with strong management skills ensures there is a loyal and stable workforce. We are working with Bradford Council to further expand our provision to include an onsite SEMH unit due for completion in early 2023.

FINANCIAL REVIEW

Our financial performance continues to be strong, yet again generating an operating surplus (before depreciation, £712k and additional pension charges, £1.269m). Income generation was £12.6m, last year £12.1m based on 1770 pupils compared to 1,772 in the previous year. The increase in funding was due to additional Pupil premium recovery, 114k; National Tutoring programme 110k; Tuition funding 30k; additional local authority income, 84k; and recovery of self-generated incomes 146K. Staffing levels further reduced to 268 compared to 286 in the prior year. Despite the overall FTE reduction, average staff costs were higher resulting in a £335k increase before pension costs. Operating costs before depreciation were £12.3m. The net effect is an improvement in operating surplus to £282k.
Including capital income, depreciation and pension charges the outturn was £12.644m income (2021: £12.112m) and expenditures were £14.343m (2021: £13.278m) resulting in a £1.699m deficit (2021: £1.166m deficit).

At 31 August 2022, the net book value of tangible fixed assets was £21.113m (2021: £21.527m). The assets were used exclusively for providing education and the associated professional support services to the Learners of the academy.

Total staff costs excluding year end pension accounting adjustments increased to £10.270m this year compared to £9.912m in 2021 despite the further reduction in staffing numbers by 18 to 268. The increase in wage cost is due to higher rates of pay, teaching numbers having reduced by 2 to 110 (full-time equivalent) and support staff by 16 to 152 due to realignment of staffing in catering, housekeeping and administration following the pandemic. Total wage costs including year-end pension cost adjustments are £11.539m compared to £10.987m in 2021.

Other non-staff expenditure has reverted following the reduction seen due to inactivity during the pandemic. Operating costs increased across all categories in an attempt to compensate for lost time and opportunity for development in the previous year. Interaction with external agencies, school trips and support services all resumed adding to costs. Non staff cost expenditure levels rose to £2.804m compared to 2021: £2.291m.

The Local Government Pension Scheme actuarially assessed liability is now (£1.448)m compared to (£9.162)m last year. The main contributors to this movement are the Actuarial Gains £8.983m (2021; £0.348) and the current service cost, net of interest and employer contributions £1.269m (2021; £1.075m). The large reduction in liability is due to the assumption on the rate of discount which has increased to 4.1% from 1.7% last year. The figures are realised after we requested a pension estimate using a revised compound CPI rate that included the most recent experience of inflation. The rate used is 8.4%, it increased the liability by 528k compared to the assumption using a single rate of 2.7%.

Balance sheet total net assets are now £21.657m reflecting the impact of the pension adjustments, compared to £14.548m in 2021. Fixed tangible assets at £21.113m compared to £21.527m in 2021. Net current assets £68k (2021; £84k) the increase in cash holding being matched by a corresponding increase in creditors.

Cash holdings are £473k compared to £301k in 2021.

Bradford Academy's Investments showed a significant reduction compared to the previous year, the balance reducing by £175k to £1.924m.

Reserves Policy

The Trustees have established the minimum level of reserves (that is those that are freely available in cash form) that the Academy ought to have. The Trustees keep free reserves so that at least one month's salary cost equating to approximately £850k is on hand in liquid form at any point in time. The Wealth fund is also liquid reserves so the academy has a very healthy cash position this year equating to £2.396m. Cash holding is monitored regularly.

Total funds value at 31 August 2022 is £21.657m compared to 2021: £14.548m.

Fixed asset reserves are £21.113m compared to £21.527m in 2021.

Restricted general reserves including pension reserve are in deficit; 2022: (£1.448m); 2021: (£9.162m).

Unrestricted reserves show a surplus of £1.992m, 2021 £2.183m.

Investment Policy

The Academy seeks to maximise the return on all cash for the long-term benefit of the learners and the local community. The investment fund has reflected the turbulence seen in global markets falling by £175k in the year but the long-term position still reflects a healthy return.

Principal Risks and Uncertainties

The principal risks and uncertainties concern funding. The majority of the Academy's commitment to costs is focussed largely on fixed wages and salaries expenditure which have seen increases over and above expected levels due to inflation charged pay reviews. A change in demographics is seeing student numbers failing in early years and is expected to feed through to future pupil numbers. As funding is, per pupil, this represents an emerging risk for which schools need to plan.

Providing for the economic, educational and social well-being for the learners of South Bradford remains at the heart of Bradford Academy's strategy.

The trustees have assessed the major risks to which the Academy is exposed. The Academy has adopted a Risk management process for determining the annual academy priorities. The key priorities are reviewed periodically and the Risk Register is updated annually. The methodology was developed as part of a review governance.

Risk assessments to ensure health and safety of the work environment are carried out. 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 explained in more detail in the following statement. The Academy's exposure to financial risk is monitored. Cash availability is monitored daily and there are no material risks arising from debtors or trade creditors. Cash is invested on a staggered rolling programme to ensure access to liquidity within a reasonable timescale if necessary.

The deficit inherited from the Local Government Pension Scheme (LGPS) represents the only area where there is a material value. As this risk has been underwritten by the Secretary of State the Trustees believe the risk of this scheme is no more material than the Teacher Pension Scheme underwritten by the government but not held on company balance sheet.

As Trustees, we acknowledge we have overall responsibility for ensuring that Bradford Academy has an effective and appropriate system of control, financial and otherwise. We are also responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Academy. Regular reviews of cash-flows and forecasts measured against budgets enable us to ensure the financial statements comply with the Companies Act. We also acknowledge responsibility for safeguarding the assets of the Academy and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that:

- The Academy operates efficiently and effectively;
- An Internal audit programme in addition to the annual external audit;
- Its assets are safeguarded against unauthorised use or disposition;
- The proper records are maintained and financial information used within the Academy or for publication is reliable;
- The Academy complies with relevant laws and regulations;
- The Academy financial systems and procedures minimise the risk of fraud.

FUNDRAISING

Bradford Academy's approach to fundraising is to facilitate those activities where our learners have determined it is a charitable cause or community-based programme they wish to support. The academy does not work alongside commercial participators or professional fundraisers and the activities adopted by our pupils do not breach recognised standards. Any fundraising activity is organised by the learners for the benefit of their fellow learners or for a specified charity. No fundraising is carried out on Bradford Academy's behalf, so consequently no complaints have been received. Under our safeguarding practices and procedures our learners are protected from contact with persons who may attempt to exert undue influence.

STREAMLINED ENERGY AND CARBON REPORTING

UK Greenhouse gas emissions and energy use data for the period 1 September 2021 to 31 August 2022

		Total 2022		Total 2021
Energy consumption used to calculate emissions (kWh)		**2,306,721**		2,518,238
Scope 1 emissions in metric tonnes (CO2e)				
Gas consumption	180.706		216.005	
Owned transport – mini-buses	2.379		0.788	
Total scope 1		**183.085**		216.793
Scope 2 emissions in metric tonnes (CO2e)				
Purchased electricity	254.637		284.291	
Total scope 2		**254.637**		284.291
Scope 3 emissions in metric tonnes (CO2e)				
Water	4.041		-	
Other claimed mileage (taxi, train)	0.769		0.295	
School trips total	4.284		0.338	
Electricity loss in transmission and distribution	23.294		25.138	
Hotel Stay	0.021		-	
Total scope 3		**32.409**		26.029
Total gross emissions in metric tonnes (CO2e)		**470.131**		527.093
Intensity ratio				
Tonnes CO2e per pupil		**0.265**		0.297

Quantification and Reporting Methodology:-

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2021 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

Compliance with the latest government energy saving guidelines along with increased video conferencing technology for staff meetings, to reduce the need for travel for external meetings. All lighting systems are being converted to LED to help reduce our carbon footprint.

The academy has submitted a bid to replace the gas fired water and heating systems with air-sourced heat pumps aided by solar panels and battery back-up. The bid structure is very generic and further progression will require a detailed assessment of the site for practicality of investment in new technologies.

PLANS FOR FUTURE PERIODS

Bradford Academy sixth form football training development scheme called Pathway To Pro has been further developed partnering with Liversedge FC to enable access to professional sports beyond the age of 18, with opportunity for further expansion of offer in September 2023 with Pro-Elite joining Liversedge. Government consent for the SEMH development has been granted, plans have gone to tender and a provider chosen with a budget of around £800k. The unit is expected to be completed in early February 2023. The overhaul of the heating system has a preliminary estimate of £2m, a significant project that will require careful planning.

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 7th December 2022 and signed on its behalf by:

Adrian Farley
Chair of Trustees

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.

The Board of Trustees has delegated the day-to-day responsibility to Mel Saville 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 (Chair of Trustees)	5	6
Noor Ali	2	4
Shazad Ali	6	6
Richard Arnold	4	4
Bruce Berry	0	3
Jane Berry	3	3
Andrew Blake (Ex-officio)	5	6
David Fearnley (Ex-officio)	5	6
Kabir Hameed (Parent Trustee)	6	6
Tehmina Hashmi (Executive Principal, Resigned)	4	4
Nadine Good (Vice-Chair of Trustees)	4	5
Jennifer Jakes (Ex-Officio)	4	6
Alan Jarvis	4	6
Manoj Joshi	5	8
Ruth Leetham (Parent Trustee)	5	8
Janet Sheriff	6	6
Melanie Saville (Executive Principal, Accounting Officer)	6	6
Jennifer Tierney (Ex-Officio)	6	6
Tim Thomas	4	6
Joe Wilson	3	3

The Governance review established three sub-committees; Primary School Committee, Secondary School Committee and the Resources Management Committee (including Audit and Health and Safety [RMC]) all in addition to the main Governing Committee. The committees each have terms of reference, model agendas and review prioritisation process based on Risk Management.
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 (ex-Chair of Trustees)	2	4
Richard Arnold (Chair of RMC Resigned)	3	3
Andrew Blake (Finance Director)	4	4
Nadine Good (Chair of RMC)	3	4
Adrian Farley (Chair of Trustees)	2	2
David Fearnley	4	4
Tehmina Hashmi (Executive Principal Retired)	2	2
Alan Jarvis	4	4
Terry Morton (Ex-officio)	3	4
Mel Saville (Executive Principal, Accounting Officer)	2	2

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:

- Continued financial review;
- Testing proposals against the market, ensuring rigorous quotes for larger capital spends or work;
- Continual seeking of opportunities to atomate processes to reduce operational costs;
- On-going strategic review of structures, responsibilities and workloads.

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 2021 to 31 August 2022 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 2021 to 31 August 2022 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 Governance and a continued review of Risk Management. There were no fundamental issues found, recommendations for reporting have been adopted.

MANAGING CONFLICT

Conflict of interest is managed because of the academy's stance on no-related party transactions. All interests are declared to ensure they are unrelated and do not create the opportunity for conflicts of interest to arise.

REVIEW OF EFFECTIVENESS

As Accounting Officer, Mel Saville 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 7th December 2022 and signed on its behalf by:

Adrian Farley
Chair of Trustees

Mel Saville
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 Academy Trust Handbook 2021.

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 Academy Trust Handbook 2021.

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

Mel Saville
Accounting Officer

Date: 7th December 2022

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 2021 to 2022
- 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 7th December 2022 and signed on its behalf by:

Adrian Farley
Chair of Trustees

Opinion

We have audited the financial statements of Bradford Academy Trust (the "charitable company") for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flow 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 2021 to 2022 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 2022 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 2021 to 2022 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 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.

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 Academy Trust Handbook and Academies 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.

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

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 15/12/2022

	Notes	Unrestricted funds £000'S	Restricted general funds £000'S	Restricted fixed asset funds £000'S	**Total 2022 £000'S**	Total 2021 £000'S
Income and endowments from:						
Donations and Capital Grants	3	-	-	32	**32**	32
Charitable Activities;						
Funding for the academy's educational operations	4	250	12,184	-	**12,434**	11,866
Other trading activities	5	177	-	-	**177**	214
Investments	6	1	-	-	**1**	-
Total		428	12,184	32	**12,644**	12,112
Expenditure on:						
Raising funds	7,8,9	9	-	-	**9**	6
Charitable activities:						
Academy trust educational operations	7,8,9	-	13,622	712	**14,334**	13,272
Total	7,8,9	9	13,622	712	**14,343**	13,278
Net Income / (expenditure)		419	(1,438)	(680)	**(1,699)**	(1,166)
Transfer between funds	17	(436)	169	266	**-**	-
Other recognised (losses) / gains						
Re-measurement of net defined benefit pension obligation	27	-	8,983	-	**8,983**	348
Unrealised gain / (loss) on investments	13	(175)	-	-	**(175)**	239
Net movement in funds		(191)	7,714	(414)	**7,109**	(579)
Reconciliation of funds						
Total funds brought forward at 1 September 2021		2,183	(9,162)	21,527	**14,548**	15,127
Total funds carried forward at 31 August 2022	17,18	1,992	(1,448)	21,113	**21,657**	14,548

	Notes	2022 £000'S	2022 £000'S	2021 £000'S	2021 £000'S
Fixed assets					
Tangible assets	14		21,113		21,527
Investments	13		1,924		2,099
Current assets					
Debtors	15	303		317	
Cash at bank and in hand		473		301	
		776		618	
Liabilities					
Creditors: amounts falling due within one year	16	(708)		(534)	
Net current assets			68		84
Total assets less current liabilities			23,105		23,710
Defined benefit pension scheme liability	17,18,27		(1,448)		(9,162)
Total net assets			21,657		14,548
Funds of the Academy Trust					
Restricted funds					
Fixed assets fund	17,18		21,113		21,527
General income fund	17,18		-		-
Pension Reserve	17,18		(1,448)		(9,162)
Total restricted funds			19,665		12,365
Total unrestricted fund	17,18		1,992		2,183
Total funds			21,657		14,548

The financial statements on pages 22 to 43 were approved by the Board of Trustees and authorised for issue on 7th December 2022 and are signed on their behalf by:

[illegible]
Chair of Trustees

	Notes	2022	2021
		£000'S	£000'S
Cash flows from operating activities			
Net cash provided by operating activities	20	435	553
Cash flows from investing activities			
Transfer to Investments	13	-	(609)
Profit from disposal of fixed assets	21	3	-
Interest from grants	21	1	-
Capital grants from DfE / ESFA	21	32	32
Capital expenditure	21	(299)	(178)
Net (decrease) / increase in cash and cash equivalents in the reporting period		172	(202)
Cash at 1 September 2021		301	503
Cash at 31 August 2022	22	473	301

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 2021 to 2022 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 2023. The trust produces monthly cash-flow forecasts to end of each financial year and extended to 31 December 2023 with sensitivity analysis to inform their view. Forward contracts for energy and an assessment of an additional 250k wage cost currently unfunded means we will have sufficient liquid reserves, £2.4m to ensure the 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.

- **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 Trust's 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 based on 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 (which can be aggregated) 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 £21,113k 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

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 because 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.

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 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2 **General Annual Grant (GAG)**

Under the funding agreement with the Secretary of State the Academy Trust was subject to limits at 31 August 2022 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 2022.

3 **Donations and capital grants**

	Unrestricted funds	Restricted fixed asset Funds	Total 2022	Total 2021
	£000'S	£000'S	£000'S	£000'S
Capital grants	-	32	32	32
	-	32	32	32

The income from donations and capital grants in 2021 was £32k all of which was restricted fixed asset funds.

4 **Funding for academy's educational operations**

	Unrestricted funds	Restricted general funds	Total 2022	Total 2021
	£000'S	£000'S	£000'S	£000'S
DfE / ESFA revenue grants				
General Annual Grant (GAG)	-	9,409	9,409	8,803
Post-16	-	784	784	815
Pupil premium	-	915	915	789
Other DfE / ESFA grants	-	355	355	640
	-	11,463	11,463	11,047
Other Government grants				
Local authority grants	-	623	623	539
Covid-19 Additional Funding				
Covid Catch up funding	-	98	98	31
Covid Emergency funding	-	-	-	75
	-	12,184	12,184	11,692
Other income from the academy trusts educational Operations				
Catering income	250	-	250	174
	250	12,184	12,434	11,866

The income from academy's educational operations in 2022 was £12,434k of which £250k were unrestricted and £12,174k were restricted general funds.

5 **Other trading activities**

	Unrestricted funds	Restricted general funds	Total 2022	Total 2021
	£000'S	£000'S	£000'S	£000'S
Hire of facilities	105	-	105	36
Other income	73	-	73	178
	178	-	178	214

The income from other trading activities in 2021 was £214k all of which was unrestricted funds.

6 **Investment Income**

	Unrestricted funds	Restricted general funds	Total 2022	Total 2021
	£000'S	£000'S	£000'S	£000'S
Interest from short term deposits	1	-	1	2
	1	-	1	2

The investment income in 2021 was £2k all of which was unrestricted funds.

7 **Expenditure**

	Staff costs	Non-pay expenditure Premises	Other costs	Total 2022	Total 2021
	£000'S	£000'S	£000'S	£000'S	£000'S
Expenditure on raising funds	-	-	9	9	6
Academy's educational operations:					
Direct costs	8,253	403	1,381	10,037	9,592
Allocated Support Costs	3,286	160	851	4,297	3,680
Total Support Costs	11,539	563	2,241	14,343	13,278

The expenditure was £14,343k (2021: £13,278k) of which £9k (2021: 6k) was unrestricted funds, £712k (2021: £675k) was restricted fixed asset funds and £13,622k (2021: £12,597k) was restricted general funds.

Net income/(expenditure) for the period includes:	2022	2021
	£000'S	£000'S
Operating lease rentals	27	27
Depreciation	712	716
Net interest on defined benefit pension liability	152	140
Fees payable to auditor and its associates in respect of - audit	20	20
- other audit fees & services	5	3
(Profit) on disposal of fixed assets	(3)	-

8 Charitable Activities

	Total 2022	Total 2021
	£000'S	£000'S
Direct costs - educational operations	10,037	9,592
Support costs - educational operations	4,306	3,686
Total Direct and Support Costs	14,343	13,278

	Total 2022	Total 2021
Analysis of support costs	£000'S	£000'S
Support staff costs	3,245	2,837
Depreciation	203	187
Technology costs	171	163
Premises costs	160	128
Other support costs	486	330
Governance Costs	41	41
	4,306	3,686

9 Analysis of Grant Expenditure

	Unrestricted funds	Restricted Funds	2022 Total £000'S	2021 Total £000'S
Educational operations	9	14,334	14,343	13,278
	9	14,334	14,343	13,278

10 Staff Costs

	2022	2021
a. Staff costs	£000'S	£000'S
Staff costs during the period were:		
Wages and salaries	7,985	7,794
Social security costs	775	726
Pension costs	2,645	2,428
Total staff costs	11,405	10,948
Supply teacher costs	106	38
Redundancy costs	28	1
	11,539	10,987

10 Staff Costs (continued)

b. Non-statutory / non-contractual staff severance payments
No severance costs, two redundancy payments were made due to required changes in their working regime.

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

	2022	2021
	No.	No.
Teaching	110	113
Administration and support	152	167
Management	6	6
	268	286

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

	2022	2021
	No.	No.
£60,000 - £70,000	7	8
£70,000 - £80,000	1	2
£80,000 - £90,000	1	-
£90,000 - £100,000	1	-
£100,000 - £110,000	-	-
£110,000 - £120,000	1	1
£120,000 - £130,000	-	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 £734k (2021: £601k).

f. Exit payments
The Academy Trust made exit payments in the year, in the following range: £0 - £25k, 2 payments.

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:

M. Saville (Principal and Trustee)
Remuneration £97,265 (2021: n/a)
Employers TPS pension contributions £23,032 (2021: n/a)

T. Hashmi (Principal and Trustee) Retired
Remuneration £64,617 (2021: £129,234)
Employers TPS pension contributions £14,591 (2021: £29,185)

S. Ali (Staff Trustee)
Remuneration £34,671 (2021: n/a)
Employers LGPS pension contributions (£nil) (2020: n/a)

J. Berry (Staff Trustee)
Remuneration £31,520 (2021: n/a)
Employers LGPS pension contributions (£nil) (2020: £nil)

11 **Related Party Transactions - Trustees' remuneration and expenses (continued)**

K. Hameed (Parent Trustee)
Remuneration £49,619 (2021: £49,310)
Employers LGPS pension contributions (£nil) (2021: £nil)

J. Jakes (Staff Trustee)
Remuneration £69,591 (2021: £62,949)
Employers TPS pension contributions £16,479 (2021: £14,906)

During the year ended 31 August 2022, travel and subsistence expenses totalling £180 were reimbursed to 2 trustees (2021 - £34 to 2 trustees). Other related party transactions involving the Trustees are set out in note 28.

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 2022 was £1,342 (2021: £1,342). The cost of this insurance is included in the total insurance cost.

13 **Investments**

	UK quoted investments 2022 £'000	UK quoted investments 2021 £'000
Valuation at 1 September 2021	**2,099**	1,251
Additions	-	609
Unrealised (loss) / gain	**(175)**	239
Valuation at 31 August 2022	**1,924**	2,099

14 **Tangible Fixed Assets**

	Freehold land and buildings	Leasehold land	Motor Vehicles	Furniture and equipment	Information Technology equipment	**Total**
Cost:	£000'S	£000'S	£000'S	£000'S	£000'S	**£000'S**
At 1 September 2021	26,982	60	54	1,037	1,073	**29,206**
Additions	69	-	-	86	143	**298**
Disposals	-	-	-	(40)	(106)	**(146)**
At 31 August 2022	**27,051**	**60**	**54**	**1,083**	**1,110**	**29,358**
Depreciation:						
At 1 September 2021	6,385	7	33	648	606	**7,679**
Charge for year	537	0	4	78	93	**712**
Disposals	-	-	-	(40)	(106)	**(146)**
At 31 August 2022	**6,922**	**7**	**37**	**686**	**593**	**8,245**
Carrying Amount						
At 31 August 2022	**20,129**	**53**	**17**	**397**	**517**	**21,113**
At 1 September 2021	20,597	53	21	389	467	21,527

15 Debtors

	2022 £000'S	2021 £000'S
Trade debtors	18	31
VAT recoverable	19	52
Prepayments and accrued income	266	234
	303	317

16 Creditors: amounts falling due within one year

	2022 £000'S	2021 £000'S
Trade creditors	119	124
Other taxation and social security	193	182
Other creditors	26	17
Accruals and deferred income	370	211
	708	534

Deferred Income

	2022 £000'S	2021 £000'S
Deferred Income at 1 September 2021	125	48
Resources deferred in the year	288	125
Released from previous years	(125)	(48)
Deferred income at 31 August 2022	288	125

At the balance sheet date the Academy was holding funds of £288k deferred income.

17 Funds

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

	Balance at 1 September 2021	Income	Expenditure	Gains / losses and transfers	Balance at 31 August 2022
	£000'S	£000'S	£000'S	£000'S	£000'S
Restricted General Funds:					
General annual grant (GAG)	(550)	10,193	(10,362)	169	**(550)**
Other DfE funds	-	1,893	(1,893)	-	-
Covid additional funding	-	98	(98)	-	-
Transfer from Unrestricted Funds	550	-	-	-	**550**
Pension reserve	(9,162)	-	(1,269)	8,983	**(1,448)**
	(9,162)	12,184	(13,622)	9,152	**(1,448)**
Restricted Fixed Asset Funds:					
DfE/ESFA capital grants	12,158	32	(712)	-	**11,477**
Capital expenditure from GAG	4,003	-	-	-	**4,003**
Public sector capital sponsorship	4,945	-	-	-	**4,945**
Capital Expenditure from Unrestricted Funds	421	-	-	267	**688**
	21,527	32	(712)	267	**21,113**
Total Restricted funds	12,365	12,215	(14,334)	9,419	**19,665**
Total Unrestricted funds	2,183	253	(9)	(436)	**1,992**
Total Funds	**14,548**	**12,469**	**(14,343)**	**8,983**	**21,657**

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

Restricted general funds have been spent in line with the terms of the master funding agreement. General annual grant funds are nil; 2021: nil after transfers 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 (£1,448k) as at 31 August 2022. The deficit has seen a significant reduction, £7.714m, due to the assumed discount rate more than doubling from 1.7% to 4.1%. As is the position for Teachers pensions, any deficits are underwritten by the Government.

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

17 **Funds (continued)**

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

	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)**
	(8,435)	11,692	(12,556)	137	**(9,162)**
Restricted Fixed Asset Funds:					
DfE/ESFA capital grants	12,842	32	(716)	-	**12,158**
Capital expenditure from GAG	3,857	-	-	-	**4,003**
Public sector capital sponsorship	4,945	-	-	-	**4,945**
Capital expenditure from Unrestricted funds	421	-	-	-	**421**
	22,065	32	(716)	146	**21,527**
Total Restricted funds	13,630	11,724	(13,272)	283	**12,365**
Total Unrestricted funds	1,497	627	(6)	65	**2,183**
Total Funds	15,127	12,351	(13,278)	348	**14,548**

18 Analysis of net assets between funds

Fund balances at 31 August 2022 are represented by:

	Unrestricted funds	Restricted general funds	Restricted fixed asset Funds	**2022 Total Funds**
	£000'S	£000'S	£000'S	**£000'S**
Tangible fixed assets	-	-	21,113	**21,113**
Investments	1,924	-		**1,924**
Current assets	68	708	-	**776**
Current liabilities	-	(708)	-	**(708)**
Pension Scheme liability	-	(1,448)	-	**(1,448)**
Total net assets at 31 August 2022	1,992	(1,448)	21,113	**21,657**

Fund balances at 31 August 2021 were 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	2,183	(9,162)	21,527	**14,548**

19 Commitments under operating leases

At 31 August 2022 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2022 £000's	2021 £000's
Amounts due with one year	27	27
Amounts due between one and five years	47	74
	74	101

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

	2022 £000's	2021 £000's
Net (expenditure) for the reporting period	(1,699)	(1,166)
Adjusted for:		
Depreciation [note 14]	712	716
Capital grants from DfE and other capital income	(32)	(32)
Interest receivable [note 6]	(1)	-
Gain on disposal	(3)	-
Defined benefit pension scheme cost less contributions payable [note 27]	1,117	935
Defined benefit pension scheme finance cost [note 27]	152	140
Decrease / (Increase) in debtors	14	(43)
Increase in creditors	175	3
Net cash generated from operating activities	435	553

21 Cash flows from investing activities

	2022 £000's	2021 £000's
Interest Received	1	-
Purchase of tangible fixed assets	(298)	(178)
Proceeds on disposal of tangible fixed assets	3	-
Transfer to Investment Fund	-	(609)
Capital grants from DfE	32	32
Net cash (inflow) / outflow from capital expenditure and financial investment	(262)	(755)

22 Analysis of cash equivalents

	2022 £000's	2021 £000's
Cash in hand and at bank	473	301

23 Analysis of changes in net funds

	At 1 September 2021 £000'S	Cash Flows £000'S	Other Non-cash changes £000'S	At 31 August 2022 £000'S
Cash	301	172		473
Investments	2,099	-	(175)	1,924
	2,400	172	(175)	2,397
Loans finance / leases	-	-	-	-
	2,400	172	(175)	2,397

24 Guarantees, Letters of Comfort and Indemnities

The Academy does not provide guarantees, letters of comfort or indemnities.

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.

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 academy trusts. 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 2024.

The employer's pension costs paid to the TPS in the period amounted to £1,368k, (2021: £1,376k).

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.

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 2022 £577k (2021: £544k) of which employers totalled £403k (2021: £375k) and employees' £174k (2021: £169k). The agreed contribution rate for the 2022 fiscal year is 14.9% 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 2022	At 31 August 2021
Rate of increase in salaries	3.95%	3.85%
Rate of increase for pensions in payment / inflation	2.70%	2.60%
Discount rate for scheme liabilities	4.10%	1.70%
Inflation assumption (CPI)*	2.70%	2.60%
Commutation of pensions to lump sums	75.00%	75.00%

* Represents the base figure used in the computation. A composite rate including the recent experience of inflation at 8.4% is also included in the computation.

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 2022	At 31 August 2021
Retiring today		
Males	21.8	21.9
Females	24.6	24.7
Retiring in 20 years		
Males	22.5	22.6
Females	25.7	25.8

Sensitivity analysis	At 31 August 2022	At 31 August 2021
	£000s	£000s
Discount rate +0.1%	11,787	18,862
Discount rate -0.1%	11,417	19,870
Mortality assumption - 1 year increase	12,441	18,630
Mortality assumption - 1 year decrease	11,763	20,102
Salary rate +0.1%	12,138	19,424
Salary rate -0.1%	12,066	19,308
Pension increase rate +0.1%	12,380	19,811
Pension increase rate -0.1%	11,824	18,921

27 Pension and similar obligations (continued)

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

	Fair Value at 31 August 2022	Fair Value at 31 August 2021
	£000s	£000s
Equity instruments	**9,098**	8,551
Debt instruments	**1,140**	1,265
Property	**416**	388
Total fair value of assets	**10,654**	10,204

The actual return on scheme assets was £193k compared to 2021: £1,588k.

Amounts recognised in the statement of financial activities

	2022	2021
	£000s	£000s
Current service cost	**1,520**	1,310
Net interest cost	**152**	140
Total operating charge	**1,672**	1,450

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

	2022 £000s	2021 £000s
At 1 September 2021	**19,366**	16,642
Current service cost	**1,520**	1,310
Interest cost	**328**	283
Employee contributions	**174**	169
Actuarial (Gains) and Losses	**(8,966)**	1,097
Benefits paid	**(320)**	(135)
At 31 August 2022	**12,102**	19,366

27 Pension and similar obligations (continued)

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

	2022 £000s	2021 £000s
At 1 September 2021	**10,204**	8,207
Return on plan assets (excluding net interest on the net defined pension liability)	**176**	143
Remeasurement gains and (losses) on assets	**17**	1,445
Employer contributions	**403**	375
Employee contributions	**174**	169
Benefits paid	**(320)**	(135)
At 31 August 2022	**10,654**	10,204

28 Related party transactions

No related party transaction or events took place during the year. The only related party transactions concern 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 £35k (2021; £46k) any remaining funds are included in creditors, £15k (2021; £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.

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 2021 to 31 August 2022 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 2021 to 31 August 2022 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 Trusts. 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 Academy Trust Handbook extant from 1 September 2021, 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 2021 to 31 August 2022 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 Academy Trust Handbook 2021 published by the Education and Skills Funding Agency and high level financial control areas where we identified a risk of material 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

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Date: 15/12/2022