Bradford Academy Trust

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended
31 August 2023

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Members	The Board of Trustees and Directors
The Secretary of State Adrian Farley Toby Howarth Andrew Jolley Manojkumar Joshi Richard Noake	Melanie Saville (Executive Principal) Adrian Farley (Chair of Trustees) Nadine Good (Vice-chair of Trustees) Shazad Ali (Resigned 25.07.23) Jane Berry (Staff Trustee) Shagufta Bibi (Appointed 20.03.23 – Resigned 10.05.23) Asa Gordon (Appointed 20.03.23) Kabir Hameed (Parent Trustee) Alan Jarvis Manojkumar Joshi Rebecca Lacey (Appointed 20.03.23) Ruth Leetham (Parent Trustee) Janet Sheriff Tim Thomas Joe Wilson
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 Fifth Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL
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 2022 to 31 August 2023. 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 1,730 in the school census as of October 2022.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

Bradford Academy Trust is a company limited by guarantee and an exempt charity. The core activity is teaching and learning. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust, originally dated July 2005 and recently amended incorporating the new Resourced provision of a Social, Emotional and Mental Health (SEMH) unit in 2023. 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. During the year the academy appointed a search organisation to recruit vacancies in governance. 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 accesses a number of external agencies to assist the provision of education and learning. We have service level agreements with external agencies including 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	1
Full-time equivalent employee	1

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

	6.4.2022 to 5.4.2023
The total cost of facility time	£1,683
The total pay bill	£10,566,784
The percentage of the total pay bill spent on facility time	0.0159%

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 three Resourced Provisions for disability, autism and Social Emotional Mental Health, meaning it is well placed for managing staff with these issues. The legacy of the pandemic still exists as there are still groups that 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. Contracts for services are underpinned by service level agreements to provide clarity for all parties.

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 principal 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 in keeping with the requirements of the Department of Education.

Objectives, Strategies and Activities

Following a disappointing Ofsted, the Academy revisited it's vision to embed the new Executive Principals direction for the academy. The motto is, 'Responsibility, Respect, Resilience – A shining Light in Our Community. 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. The main focus is to return the academy to at least 'Good.' A restructure has provided a sound foundation for future development, with the following providing examples of focus areas:

- Personalised learning;
- Raising achievement;
- Attendance strategy;
- Resourced Provisions for disability and autism and social, emotional, mental, health;
- 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.

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 has named persons who are available to anyone who has any safeguarding concerns. The Academy's policies, procedures and practices place a strong emphasis on creating a safe environment for learners.

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 the year introduced 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

Academy results will still have a legacy of lost learning.

Key Performance Indicators

Key-Stage 1	2023	2022	Variance 23 vs 22
Maths	58%	47%	11%
Reading	48%	53%	-5%
Writing	48%	40%	8%
Combined	48%	38%	10%

KS1 results show a recovery in maths to expected levels despite the post pandemic influence.

Key-Stage 2	2023	2022	Variance 23 vs 22
Maths	61%	60%	1%
Reading	61%	61%	0%
Writing	50%	51%	-1%
GPS	56%	57%	-1%
Combined	50%	47%	3%

A more stable position at KS2, attendance is still having an impact on learning.

Key-Stage 4	2023			2022			Variance 23 vs 22		
	Pupils	Progress 8	Attain't 8	Pupils	Progress 8	Attain't 8	Pupils	Progress 8	Attain't 8
All	228	-0.88	33.6%	228	-0.20	38.3%	0	-0.68	-4.8%
Disadvantage	126	-1.24	31.7%	107	-0.47	32.5%	19	-0.77	-0.7%
Lower Prior Attainment	82	-0.64	23.1%	103	-0.20	27.2%	-21	-0.44	-4.1%
Middle Prior Attainment	76	-1.05	34.6%	69	-0.01	45.4%	7	-1.04	-10.8%
Higher Prior Attainment	55	-1.00	51.2%	43	-0.19	58.1%	12	-0.81	-6.9%
SEND - Statemented	11	-1.82	13.4%	12	-1.00	19.0%	-1	-0.82	-5.5%
SEND	32	-1.43	19.9%	36	-0.79	21.8%	-4	-0.64	-1.9%
Alternative provision	14	-2.9	10.8%	7	-2.35	9.3%	7	-0.55	1.5%
4+ English %			38.3%			66.7%			-28.4%
4+ Maths %			54.3%			49.6%			4.7%
4+ Eng & Maths %			41.3%			47.4%			-6.1%

The true effect of the pandemic is beginning to filter through the years that lost the most direct teaching time..

Key-Stage 5	2023		2022		Variance 23 vs 22	
	Pupils	Pass	Pupils	Pass	Pupils	Pass
All	52	96%	56	99%	-4	-3%
Distinction *	15	16%	15	15%	0	1%
Distinction	33	33%	35	34%	-2	-1%

Post-16 results are very comparable to the prior year with a similar number in the cohort.

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 2024. The trust produces monthly cash-flow forecasts with sensitivity analysis to inform their view. Cash reserves of £148k and a liquid Investment Fund of £2.455m 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 completed the Social, Emotional, Mental, Health (SEMH) unit in early 2023, one of very few provisions of this type in the country.

FINANCIAL REVIEW

Our financial performance is strong, generating an operating surplus excluding capital and pension adjustments of £677k (2022: £217k). Income generation was £14.7m, last year £12.6m based on 1730 pupils compared to 1,770 in the previous year. The increase in funding was due to Local Authority capital funding of the SEMH unit £675k, government additional capital funding, £59k, £843k of additional government funding including MSAG, Recovery Premium and Supplementary Grant. Staffing levels are stable at 266 compared to 268 in the prior year. Despite the overall FTE reduction, average staff costs were higher resulting in a £471k increase before pension costs.
Including capital income, depreciation and pension charges the outturn was £14.720m income (2022: £12.644m) and expenditures were £14.308m (2022: £14.343m) resulting in a £412k surplus (2022: £1.699m deficit).

At 31 August 2023, the net book value of tangible fixed assets was £21.506m (2022: £21.113m). The local authority provided the funds of £675k for the capital addition of the SEMH unit. 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 £10.983m this year compared to £10.270m in 2022 based on similar staffing numbers. The increase in wage cost is due to higher rates of pay as staff seek to counteract high inflation via wage demands, indeed teachers have been on strike this year. Total wage costs including year-end pension cost adjustments are £11.290m compared to £11.539m in 2022.

Non staff cost expenditure levels rose to £3.018m compared to 2022: £2.804m. Our fixed rate contracts for gas and electricity expired, causing a significant increase in costs, energy prices almost doubling. Other product and service costs saw increases as everyone sought to counteract the costs of inflation which at one point was in the mid-teens.

The Local Government Pension Scheme net valuation is 0k compared to a liability of 2022: £1.448m last year. The main contributors to this movement are the Actuarial Gains recognised as £1.448m (2022; £8.983) The reduction in liability is due to the assumption on the rate of discount which has increased to 5.0% from 4.1% last year.

Balance sheet total net assets are now £23.855m reflecting the impact of the pension adjustments, compared to £21,657m in 2022. Fixed tangible assets at £21.506m compared to £21.113in 2022. Net current assets -£106k (2022; £68k) the decrease in cash holding resulted from a £500k transfer to the investment fund.

Cash holdings are £148k compared to £473k in 2022.

Bradford Academy's Investments showed a significant increase compared to the prior year aided by a £500k cash injection finishing at £2.455m compared to £1.924m last year.

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 £950k is on hand in liquid form at any point in time. The Wealth fund is also highly liquid, so the academy has a very healthy cash position this year equating to £2.603m. Cash holding is monitored regularly.

Total funds value at 31 August 2023 is £23.855m compared to 2022: £21.657m.

Fixed asset reserves are £21.506m compared to £21.113in 2022.

Restricted general reserves including pension reserve is £0: 2023 following pension adjustments; 2022: (£1.448m).

Unrestricted reserves show a surplus of £2.349m, 2022 £1.992m.

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 last year, recovering slightly this year to yield a £32k unrealised gain.

Principal Risks and Uncertainties

The principal risks and uncertainties concern both operational and funding impacts. The greatest risk to the academy vision is the loss of the 'Good' status. The risk register prioritises the main risks facing the academy and forms the basis of trustee priorities. Apart from status 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 falling 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.

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 2022 to 31 August 2023

		Total 2023		Total 2022
Energy consumption used to calculate emissions (kWh)		**2,343,509**		2,306,721
Scope 1 emissions in metric tonnes (CO2e)				
Gas consumption	212.050		180.706	
Owned transport – mini-buses	2.172		2.379	
Total scope 1		**214.222**		**183.085**
Scope 2 emissions in metric tonnes (CO2e)				
Purchased electricity	245.241		254.637	
Total scope 2		**245.241**		**254.637**
Scope 3 emissions in metric tonnes (CO2e)				
Water	3.771		4.041	
Other claimed mileage (taxi, train)	0.612		0.769	
School trips total	5.905		4.284	
Electricity loss in transmission and distribution	20.951		23.294	
Hotel Stay	0.083		0.021	
Total scope 3		**31.322**		32.409
Total gross emissions in metric tonnes (CO2e)		**490.786**		470.131
Intensity ratio				
Tonnes CO2e per pupil		**0.284**		0.265

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 2023 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. Lighting systems within the school are continuing to be converted to LEDs to help reduce our carbon footprint.

The academy 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 was unsuccessful due to limitations of funds, we will continue to submit the bid on an annual basis.

The new SEMH building has been built with Solar Panels on the roof and ASHP installed for the heating and the hot water of the new building.

PLANS FOR FUTURE PERIODS

The receipt of the 'requires improvement' Ofsted judgement followed the resignation of the previous Executive Principal. As we believe this judgement is not truly reflective of the academy, the single focus is to regain the 'good' status. Staff restructuring in the Secondary school has taken place to provide the necessary change in management style to enable the organisation to progress. The roll-out of a new vision, "Responsibility, Respect, Resilience," has acted as a catalyst to bring our community back together providing the foundations for the necessary change. We are already seeing the benefits of the changes with staff learners and the wider community feeling the benefit of new management.

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 8th December 2023 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. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can promote only reasonable nor absolute assurance against material misstatement or loss. As Trustees we have renewed and taken account of the guidance in DFE's Governance handbook and competency framework for governors.

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. Five 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)	4	5
Shazad Ali (Resigned 25.07.23)	5	5
Jane Berry	5	5
Shagufta Bibi (Appointed 21.03.23 – Resigned 16.05.23)	0	1
Andrew Blake (Ex-officio)	5	5
David Fearnley (Ex-officio)	5	5
Asa Gordon (Appointed 20.03.23)	1	2
Kabir Hameed (Parent Trustee)	5	5
Nadine Good (Vice-Chair of Trustees)	4	5
Jennifer Jakes (Ex-Officio)	4	5
Alan Jarvis	5	5
Manoj Joshi	4	5
Rebecca Lacey (Appointed 20.03.23)	1	2
Ruth Leetham (Parent Trustee)	5	5
Janet Sheriff	5	5
Melanie Saville (Executive Principal, Accounting Officer)	5	5
Jennifer Tierney (Ex-Officio)	2	4
Tim Thomas	5	5
Joe Wilson	4	5

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)	4	4
Shazad Ali (Resigned 25.07.23)	3	4
Shagufta Bibi (Appointed 21.03.23 – Resigned 16.05.23)	1	1
Andrew Blake (Finance Director)	4	4
Richard Canavan (Ex-officio)	1	1
Nadine Good (Chair of RMC)	4	4
Adrian Farley (Chair of Trustees)	0	4
David Fearnley	4	4
Alan Jarvis	4	4
Terry Morton (Ex-officio)	4	4
Mel Saville (Executive Principal, Accounting Officer)	4	4

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, as well as estates safety and management, 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.
- Ensure that service costs are commensurate with outcomes achieved.
- Continual seeking of opportunities to automate 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 provide management of risk to a reasonable level rather than to eliminate all risks 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 2022 to 31 August 2023 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 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees, updating the Risk Register as necessary.

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.

The Board has decided to employ the services of an external auditor, Wylie Bisset. Internal scrutiny programme agreed via a programme in collaboration with Wylie Bisset. The work was commissioned by the Resource Management Committee to review and report on Safeguarding, Cyber Security, Business Continuity and Disaster Recovery. There were no fundamental issues found, recommendations from the reports 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 has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the Internal Auditor to provide governor assurance;
- 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 and the external auditor. There are major issues to resolve however any recommendations are reviewed. Continued monitoring of the systems in place.

Approved by order of the members of the Board of Trustees on 8th December 2023 and signed on its behalf by:

Adrian Farley

Chair of Trustees

Mel Saville

Accounting Officer

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 terms and conditions of all funding, including estates safety and management, under the funding agreement 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 2022, including responsibilities for estates safety and management.

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 2022.

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

M Saville

Mel Saville
Accounting Officer

Date: 8th December 2023

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 2022 to 2023
- 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 8th December 2023 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 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cashflow 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 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 2023 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 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 and those charged with governance whether the charitable company is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

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 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, 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.

RSM UK Audit LLP

SARAH MALLINSON FCA (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
Central Square
5th Floor
29 Wellington Street
Leeds
LS1 4DL

Date: 11 December 2023

BRADFORD ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2023 (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

	Notes	Unrestricted funds £000'S	Restricted general funds £000'S	Restricted fixed asset funds £000'S	**Total 2023 £000'S**	Total 2022 £000'S
Income and endowments from:						
Donations and Capital Grants ESFA	3	-	-	91	**91**	32
Donations and Capital Grants Local Authority	3	-	-	675	**675**	-
Charitable activities:						
Funding for the academy's educational operations	4	196	13,513	-	**13,709**	12,434
Other trading activities	5	233	-	-	**233**	178
Investments	6	12	-	-	**12**	1
Total incoming resources		441	13,513	766	**14,720**	12,644
Expenditure on:						
Raising funds		16	-	-	**16**	9
Charitable activities:						
Academy trust educational operations	7,8,9	-	13,568	724	**14,292**	14,334
Total resources expended	7,8,9	16	13,568	724	**14,308**	14,343
Net income / (expenditure)		425	(55)	42	**412**	(1,699)
Transfer between funds		(99)	(252)	351	**-**	-
Net incoming/(outgoing) resources before other recognised gains and losses		326	(307)	393	**412**	(1,699)
Other recognised gains (losses)						
Actuarial gain / (loss) on defined benefit pension schemes	17,18,27	-	1,755	-	**1,755**	8,983
Unrealised gain / (loss) on investments	13	31	-	-	**31**	(175)
Net movement in funds		357	1,448	393	**2,198**	7,109
Reconciliation of funds						
Total funds brought forward at 1 September 2022		1,992	(1,448)	21,113	**21,657**	14,548
Total funds carried forward at 31 August 2023	17,18	2,349	-	21,506	**23,855**	21,657

	Notes	2023 £000'S	2023 £000'S	2022 £000'S	2022 £000'S
Fixed assets					
Tangible assets	14		**21,506**		21,113
Investments	13		**2,455**		1,924
Current assets					
Debtors	15	**327**		303	
Cash at bank and in hand		**148**		473	
		475		776	
Liabilities					
Creditors: amounts falling due within one year	16	**(581)**		(708)	
Net current assets			**(106)**		68
Total assets less current liabilities			**23,855**		23,105
Defined benefit pension scheme liability	17,18,27		-		(1,448)
Total net assets			**23,855**		21,657
Funds of the Academy Trust					
Restricted funds					
Fixed assets fund	17,18		**21,506**		21,113
General income fund	17,18		-		-
Pension Reserve	17,18		-		(1,448)
Total restricted funds			**21,506**		19,665
Total unrestricted fund	17,18		**2,349**		1,992
Total funds			**23,855**		21,657

The financial statements on pages 21 to 43 were approved by the Board of Trustees and authorised for issue on 8th December 2023 and are signed on their behalf by:

Adrian Farley
Chair of Trustees

BRADFORD ACADEMY TRUST

STATEMENT OF CASH FLOW FOR THE YEAR 31 AUGUST 2023

	Notes	**2023**	2022
		£000'S	£000'S
Cash flows from operating activities			
Net cash provided by operating activities	20	**1,189**	435
Cash flows from investing activities			
Transfer to Investments	13	**(500)**	-
Profit from disposal of fixed assets	20	-	3
Interest from grants	6	**12**	1
Capital grants from DfE / ESFA	3	**91**	32
Capital expenditure	21	**(442)**	(299)
Asset gifted by Local Authority	3	**(675)**	-
Net (decrease) / increase in cash and cash equivalents in the reporting period		**(325)**	172
Cash at 1 September 2022		**473**	301
Cash at 31 August 2023	22	**148**	473

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 2022 to 2023 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 2024. The trust produces monthly cash-flow forecasts to end of each financial year and extended to 31 December 2024 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 there are no performance related conditions where the receipt is probable and the amount can be reliably measured.

- **Other Income**
  Other income, including the hire of facilities, is recognised 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 cost of £21,506k 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.

The LGPS assets are managed by the scheme trustees at scheme level, and the determination / allocation of assets to each individual employer in the scheme is managed by the scheme actuary. The assets are allocated to each employer for accounting purposes based on the valuation of the assets at the latest triennial valuation as adjusted for subsequent contributions received from the employer, asset returns and benefit payments made (either on a cash basis or actuarial basis).

The retirement benefit obligation recognised represents the deficit or surplus in the defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

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 Department for Education group.

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 obligation 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 2022 has been used by the actuary in valuing the pensions obligation at 31 August 2023. 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 obligation.

Critical accounting estimates and areas of judgement (Continued)

Determining the existence of a minimum funding requirement for the Local Government Pension Scheme to be included in the asset ceiling in measuring and recognising a surplus in the scheme. This judgement is based on an assessment of the nature of the scheme as a statutory scheme and its inherent implied continuance as well as the operation of the primary and secondary contributions.

2 General Annual Grant (GAG)

Under the funding agreement with the Secretary of State the Academy Trust was subject to limits at 31 August 2023 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 2023.

3 Donations and capital grants

	Unrestricted funds	Restricted fixed asset Funds	Total 2023	Total 2022
	£000'S	£000'S	£000'S	£000'S
Capital grants (DFE/ESFA)	-	91	**91**	32
Donations and Capital grants Local Authority	-	675	**675**	-
	-	766	**766**	32

The income from donations and capital grants in 2022 was £32k all of which was restricted fixed asset funds.

4 Funding for academy's educational operations

	Unrestricted funds	Restricted general funds	Total 2023	Total 2022
	£000'S	£000'S	£000'S	£000'S
DfE / ESFA revenue grants				
General Annual Grant (GAG)	-	9,613	**9,613**	9,409
Post-16	-	976	**976**	784
Pupil premium	-	848	**848**	915
Other DfE / ESFA grants	-	1,198	**1,198**	355
	-	12,636	**12,636**	11,463
Other Government grants				
Local authority grants	-	877	**877**	623
Covid-19 Additional Funding				
Covid Catch up funding	-	-	-	98
	-	13,513	**13,513**	12,184
Other income from the academy trusts educational Operations				
Catering income	196	-	**196**	250
	196	13,513	**13,709**	12,434

The income from academy's educational operations in 2023 was £13,709k of which £196k were unrestricted and £13,513k were restricted general funds.

5 Other trading activities

	Unrestricted funds	Restricted general funds	Total 2023	Total 2022
	£000'S	£000'S	£000'S	£000'S
Hire of facilities	146	-	**146**	105
Other income	87	-	**87**	73
	233	-	**233**	178

The income from other trading activities in 2023 was £233k all of which was unrestricted funds.

6 Investment Income

	Unrestricted funds	Restricted general funds	Total 2023	Total 2022
	£000'S	£000'S	£000'S	£000'S
Interest from short term deposits	12	-	**12**	1
	12	-	**12**	1

The investment income in 2023 was £12k all of which was unrestricted funds.

7 Expenditure

	Staff costs	Non-pay expenditure Premises	Other costs	Total 2023	Total 2022
	£000'S	£000'S	£000'S	£000'S	£000'S
Expenditure on raising funds	-	-	16	**16**	9
Academy's educational operations:					
Direct costs	8,961	506	1,538	**11,005**	10,037
Allocated Support Costs	2,329	132	828	**3,289**	4,297
Total Support Costs	11,290	638	2,382	**14,310**	14,343

The expenditure was £14,310k (2022: £14,343k) of which £16k (2022: 9k) was unrestricted funds, £726k (2022: £712k) was restricted fixed asset funds and £13,568k (2022: £13,622k) was restricted general funds.

Net income/(expenditure) for the period includes:	2023	2022
	£000'S	£000'S
Operating lease rentals	**27**	27
Depreciation	**726**	712
Net interest on defined benefit pension liability	**49**	152
Fees payable to auditor and its associates in respect of - audit	**30**	20
- other audit fees & services	**7**	5
(Profit) on disposal of fixed assets	-	(3)

8 Charitable Activities

	Total 2023 £000'S	Total 2022 £000'S
Direct costs - educational operations	**11,003**	10,037
Support costs - educational operations	**3,305**	4,306
Total Direct and Support Costs	**14,308**	14,343

Analysis of support costs	Total 2023 £000'S	Total 2022 £000'S
Support staff costs	**1,978**	3,245
Depreciation	**149**	203
Technology costs	**185**	171
Premises costs	**132**	160
Other support costs	**817**	486
Governance Costs	**44**	41
	3,305	4,306

9 Analysis of Grant Expenditure

	Unrestricted funds	Restricted Funds	2023 Total £000'S	2022 Total £000'S
Educational operations	16	14,292	**14,308**	14,343
	16	14,292	**14,308**	14,343

10 Staff Costs

a. Staff costs	2023 £000'S	2022 £000'S
Staff costs during the period were:		
Wages and salaries	**8,456**	7,985
Social security costs	**811**	775
Pension costs	**1,819**	2,645
Total staff costs	**11,086**	11,405
Supply teacher costs	**155**	106
Redundancy costs	-	28
Severance payments	**49**	-
	11,290	11,539

10 Staff Costs (continued)

b. Non-statutory / non-contractual staff severance payments
There were no non-statutory / non-contractual severance costs. 2 contractual severance payments totalled £49k.
The Academy Trust made exit payments in the year, in the following range:
£0 - £5k - 1 payment
£40 - £45k - 1 payment

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

	2023	2022
	No.	No.
Teaching	112	110
Administration and support	149	152
Management	5	6
	266	268

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

	2023	2022
	No.	No.
£60,000 - £70,000	7	7
£70,000 - £80,000	3	1
£80,000 - £90,000	-	1
£90,000 - £100,000	1	1
£110,000 - £120,000	2	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 £617k (2022: £734k).

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 £114,451 (2022: £97,265)
Employers TPS pension contributions £27,102 (2022: £23,032)

S. Ali (Staff Trustee)
Remuneration £38,270 (2022: £34,671)
Employers LGPS pension contributions £1,400 (2022: £nil)

J. Berry (Staff Trustee)
Remuneration £35,041 (2022: £31,520)
Employers LGPS pension contributions £3,001 (2022: £nil)

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

K. Hameed (Parent Trustee)
Remuneration £52,586 (2021: £49,619)
Employers LGPS pension contributions (£nil) (2022: £nil)

J. Jakes (Staff Trustee)
Remuneration £75,499 (2022: £69,591)
Employers TPS pension contributions £17,878 (2022: £16,479)

During the year ended 31 August 2023, travel and subsistence expenses totalling £314 were reimbursed to 4 trustees (2022 - £180 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 2023 was £1,342 (2022: £1,342). The cost of this insurance is included in the total insurance cost.

13 Investments

	UK quoted investments 2023 £'000	UK quoted investments 2022 £'000
Valuation at 1 September 2022	**1,924**	2,099
Additions	**500**	-
Unrealised gain / (loss)	**31**	(175)
Valuation at 31 August 2023	**2,455**	1,924

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 2022	27,051	60	54	1,083	1,110	**29,358**
Additions	770	-	-	103	244	**1,117**
Disposals	-	-	-	-	-	-
At 31 August 2023	**27,821**	**60**	**54**	**1,186**	**1,354**	**30,475**
Depreciation:						
At 1 September 2022	6,921	8	36	686	592	**8,243**
Charge for year	538	-	5	79	104	**726**
Disposals	-	-	-	-	-	-
At 31 August 2023	**7,459**	**8**	**41**	**765**	**696**	**8,969**
Carrying Amount						
At 31 August 2023	**20,362**	**52**	**13**	**421**	**658**	**21,506**
At 1 September 2022	20,129	53	17	398	517	21,113

14 Tangible Fixed Assets (Cont)

The academy trusts transactions relating to land and buildings included:

- The acquisition of a building to provide bespoke education for Social Emotional Mental Health (SEMH) learners. The building was gifted to the academy by Bradford Council to a value of £675k.

15 Debtors

	2023 £000'S	2022 £000'S
Trade debtors	**14**	18
VAT recoverable	**38**	19
Prepayments and accrued income	**275**	266
	327	303

16 Creditors: amounts falling due within one year

	2023 £000'S	2022 £000'S
Trade creditors	**208**	119
Other taxation and social security	**198**	193
Other creditors	**14**	26
Accruals and deferred income	**161**	370
	581	708

Deferred Income

	2023 £000'S	2022 £000'S
Deferred Income at 1 September 2022	**288**	125
Resources deferred in the year	**33**	288
Released from previous years	**(288)**	(125)
Deferred income at 31 August 2023	**33**	288

At the balance sheet date, the Academy was holding funds of £33k deferred income for rates rebate.

17 Funds

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

	Balance at 1 September 2022	Income	Expenditure	Gains / losses and transfers	Balance at 31 August 2023
	£000'S	£000'S	£000'S	£000'S	£000'S
Restricted General Funds:					
General annual grant (GAG)	(550)	10,589	(10,338)	(252)	**(550)**
Other DfE funds	-	2,924	(2,924)	-	-
Covid additional funding	-	-	-	-	-
Transfer from Unrestricted Funds	550	-	-	-	**550**
Pension reserve	(1,448)	-	(307)	1,755	-
	(1,448)	13,513	(13,568)	1,503	-
Restricted Fixed Asset Funds:					
DfE/ESFA capital grants	11,477	91	(726)	-	**10,842**
Capital expenditure from GAG	4,003	-	-	-	**4,003**
Public sector capital sponsorship	4,945	675	-	-	**5,620**
Capital Expenditure from Unrestricted Funds	688	-	-	352	**1,040**
	21,113	766	(726)	352	**21,506**
Total Restricted funds	19,665	14,279	(14,294)	1,856	**21,506**
Total Unrestricted funds	1,992	474	(16)	(101)	**2,349**
Total Funds	**21,657**	**14,753**	**(14,310)**	**1,755**	**23,855**

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; 2022: 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 balance of the restricted pension fund is £0 as at 31 August 2023 compared to a deficit of £1.448m (2022).The local government pension scheme deficit is 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 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	(14,343)	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**

18 Analysis of net assets between funds

Fund balances at 31 August 2023 are represented by:

	Unrestricted funds	Restricted general funds	Restricted fixed asset Funds	**2023 Total Funds**
	£000'S	£000'S	£000'S	**£000'S**
Tangible fixed assets	-	-	21,506	**21,506**
Investments	2,455	-		**2,455**
Current assets	(104)	581	-	**475**
Current liabilities	-	(581)	-	**(581)**
Pension Scheme liability	-	-	-	-
Total net assets at 31 August 2023	2,349	-	21,506	**23,855**

Fund balances at 31 August 2022 were 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**

19 Commitments under operating leases

At 31 August 2023 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2023 £000's	2022 £000's
Amounts due with one year	27	27
Amounts due between one and five years	22	47
	49	74

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

	2023 £000's	2022 £000's
Net income / (expenditure) for the reporting period	410	(1,699)
Adjusted for:		
Depreciation [note 14]	726	712
Capital grants from DfE and other capital income	(91)	(32)
Interest receivable [note 6]	(12)	(1)
Gain on disposal	-	(3)
Defined benefit pension scheme cost less contributions payable [note 27]	258	1,117
Defined benefit pension scheme finance cost [note 27]	49	152
(Increase) in debtors	(24)	14
(Decrease) in creditors	(126)	175
Net cash generated from operating activities	1,189	435

21 Cash flows from investing activities

	2023 £000's	2022 £000's
Interest Received	12	1
Purchase of tangible fixed assets	(442)	(299)
Asset gifted by Local Authority	(675)	-
Proceeds on disposal of tangible fixed assets	-	3
Transfer to Investment Fund	(500)	-
Capital grants from DfE	91	32
Net cash (inflow) / outflow from capital expenditure and financial investment	(1,514)	(264)

22 Analysis of cash equivalents

	2023 £000's	2022 £000's
Cash in hand and at bank	148	473

23 Analysis of changes in net funds

	At 1 September 2022 £000'S	Cash Flows £000'S	Other Non-cash changes £000'S	**At 31 August 2023 £000'S**
Cash	473	(325)	-	**148**
Investments	1,924	500	31	**2,455**
	2,397	175	31	**2,603**
Loans finance / leases	-	-	-	-
	2,397	175	31	**2,603**

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 2020 and of the LGPS to the period ended 31 March 2022. 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 2023 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 2020 in accordance with The Public Service Pensions (Valuations and Employer Cost Cap) Directions 2023 and the Employer Contribution Rate was assessed using agreed assumptions in line with the Directions and was accepted at the original assessed rate as there was no cost control mechanism breach.

The valuation report was published by the Department for Education on 26 October 2023. The key elements of the valuation are:

- Total scheme liabilities for service (the capital sum needed at 31 March 2020 to meet the stream of future cash flows in respect of benefits earned) of £262 billion
- Value of notional assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) of £222 billion
- Notional past service deficit of £39.8 billion (2016 £22 billion)
- Discount rate is 1.7% in excess of CPI (2016 2.4% in excess of CPI) (this change has had the greatest financial significance)

As a result of the valuation, new employer contribution rates have been set at 28.6% of pensionable pay from 1 April 2024 until 31 March 2027 (compared to 23.68% under the previous valuation including a 0.08% administration levy).

The employer's pension costs paid to TPS in the period amounted to £1,044k (2022: £968k).

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 2023 £616k (2022: £577k) of which employers totalled £441k (2022: £403k) and employees' £175k (2022: £174k). The agreed contribution rate for the 2023 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 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

Principal Actuarial assumptions

	At 31 August 2023	At 31 August 2022
Rate of increase in salaries	**3.85%**	3.95%
Rate of increase for pensions in payment / inflation	**2.60%**	2.70%
Discount rate for scheme liabilities	**5.00%**	4.10%
Inflation assumption (CPI)*	**2.60%**	2.70%
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 2023	At 31 August 2022
Retiring today		
Males	**21.0**	21.8
Females	**24.1**	24.6
Retiring in 20 years		
Males	**22.2**	22.5
Females	**25.1**	25.7

Sensitivity analysis	**At 31 August 2023**	At 31 August 2022
	£000s	£000s
Discount rate +0.1%	**10,908**	11,787
Discount rate -0.1%	**11,387**	11,417
Mortality assumption - 1 year increase	**11,421**	12,441
Mortality assumption - 1 year decrease	**10,863**	11,763
Salary rate +0.1%	**11,164**	12,138
Salary rate -0.1%	**11,120**	12,066
Pension increase rate +0.1%	**11,365**	12,380
Pension increase rate -0.1%	**10,930**	11,824

27 Pension and similar obligations (continued)

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

	Fair Value at 31 August 2023	Fair Value at 31 August 2022
	£000s	£000s
Equity instruments	**9,448**	9,098
Debt instruments	**1,326**	1,140
Property	**368**	416
Total fair value of assets	**11,142**	10,654

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

Amounts recognised in the statement of financial activities

	2023	2022
	£000s	£000s
Current service cost	**726**	1,520
Net interest cost	**49**	152
Total operating charge	**775**	1,672

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

	2023 £000s	2022 £000s
At 1 September 2022	**12,102**	19,366
Current service cost	**726**	1,520
Interest cost	**493**	328
Employee contributions	**195**	174
Actuarial (Gains) and Losses	**(2,213)**	(8,966)
Benefits paid	**(341)**	(320)
At 31 August 2023	**10,962**	12,102

27 Pension and similar obligations (continued)

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

	2023 £000s	2022 £000s
At 1 September 2022	**10,654**	10,204
Return on plan assets (excluding net interest on the net defined pension liability)	**444**	176
Remeasurement gains and (losses) on assets	**(278)**	17
Employer contributions	**468**	403
Employee contributions	**195**	174
Benefits paid	**(341)**	(320)
At 31 August 2023	**11,142**	10,654

Recognition of Balance Sheet Asset / (liability)

	2023 £000's	2022 £000's
Present Value of Defined Benefit Obligations	**10,962**	12,102
Fair Value of Plan Assets	**11,142**	10,658
Net Asset	**(180)**	1,448
Restriction to level of Asset ceiling	**180**	0
Net Asset Recognised in the Balance Sheet	**0**	1,448

The value of the academy's share of net assets has been restricted due to the effect of the asset ceiling being the maximum value of the present of the economic benefits available in the form of the unconditional right to reduced contributions from the plan. A corresponding charge has been made to other comprehensive income in the period.

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 £38k (2022; £35k) any remaining funds are included in creditors, £14k (2022; £15k). 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 2022 to 31 August 2023 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 2022 to 31 August 2023 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 2022 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 2022 to 31 August 2023 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 2022 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.

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11 December 2023