Bradford Academy Trust

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended
31 August 2020

Contents

Members	The Board of Trustees and Directors
The Secretary of State Toby Howarth Andrew Jolley Manojkumar Joshi Jeremy Lepine Richard Noake	Tehmina Hashmi (Executive Principal) Manojkumar Joshi (Chair of Trustees) Adrian Farley (Vice-Chair of Trustees) Richard Arnold (Chair of Finance) Bruce Berry Nadine Good Kabir Hameed (Parent Trustee) Jennifer Jakes (Staff Trustee) Alan Jarvis Ruth Leetham (Parent Trustee) Peter Mayo-Smith (Resigned - 31/07/20) Darren Metcalfe Tim Thomas Steve Walker (resigned 31/12/19)
Company Secretary	Andrew Blake
Executive Team:	
Executive Principal	Tehmina Hashmi (Accounting Officer)
Primary Principal	Melanie Saville
Secondary Principal	Jennifer Tierney
Human Resources Director	David Fearnley
Finance Director	Andrew Blake
Company Name	Bradford Academy Trust
Principal and Registered Office	Teasdale Street Bradford BD4 7QJ
Company Registration Number	05508735 (England and Wales)
Independent Auditor	RSM UK Audit LLP Chartered Accountants Two Humber Quays Wellington Street West Hull HU1 2BN
Bankers	Barclays Bank plc 10 Market Street Bradford BD1 1EG
Solicitors	Gordons Solicitors Riverside West Whitehall Road Leeds LS1 4AW

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 2019 to 31 August 2020. Under company law, the annual report serves the purposes of both a Trustees' report and a Directors' report.

The Trust operates an all-through academy serving a catchment area to the South of Bradford Metropolitan District. It has capacity to accommodate 2,185 learners and had a roll of 1,785 in the school census as of January 2020 with learners spanning ages from 2 to 19.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a teaching and learning company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust, initially dated July 2005, however has now adopted the Memorandum and Articles of a religiously designated organisation from October 2018. 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, and to the date these accounts are approved are included on the Reference and Administrative Details on page 3.

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 members; elected or co-opted by those trustees appointed by the members under the constitutional provisions of the company's Articles of Association. The appointments are made by the Academy Sponsor and the Trustees who delegate all powers to run the organisation to the Senior 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, which are beneficial to the various sub-committees that support the main governing body. Manojkumar Joshi is Chair of Trustees.

Policies and Procedures Adopted for the Induction and Training of Trustees

Newly appointed Trustees are required to join one of the sub-committees reporting to the main governing body. The induction process involves meeting the Chair of the Trustees, the Academy's Senior Leadership team and assignment to a sub-committee. The governing body's operating procedures are outlined alongside the structure of the governing body and its committees. Access is provided to the external governor training and support programme. Within the Academy, the Trustees can access the policies and procedures via the Staff Handbook or the learning gateway. Where Trustees have a particular professional skill the Academy seeks to support and utilise the skill within a relevant committee. Trustees also attend 'whole-school' events and where appropriate staff training sessions in addition to bespoke governor training. The Academy also provides access to governor training.

Organisational Structure

The organisational structure of the Trust remains as being composed of five elected members, appointed by the Diocesan Board of Finance; two appointees by the Diocesan Board of Education, the Chairman of trustees and one member appointed by the members. 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. The governing body assigns responsibilities to its Committees. The core Committees are; Finance and Audit, Curriculum and Personnel, the Chairs with responsibility to submit recommendations to the main Governing Body for approval, or where empowered, inform the main Board of their actions. Where appropriate other representative committees are formed to oversee developments for the Academy. Individual Trustees also have specific responsibilities to the Academy such as heads of Committees, Safeguarding or Community relations.

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 Academies Financial Handbook issued by the Education and Skills Funding Agency.

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

The principal activity of the charitable company during the period was the educational provision of teaching and learning. The principal activity is to raise standards of achievement, the academy motto's 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 and where necessary serving learners from further afield if they are brought into the community.

Arrangements for setting pay and remuneration of key management personnel

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

Trade union facility time

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

Relevant union officials

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

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	0
1% - 50%	2
51% - 99%	0
100%	0

Percentage of pay bill spent on facility time

	6.4.2019 to 5.4.2020
The total cost of facility time	£3,375
The total pay bill	£9,407,995
The percentage of the total pay bill spent on facility time	0.0359%

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 a direct influence on operating 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 Senior Executive Team and Bradford Academy Trustees. All relationships with external parties are carried out at arm's length

Engagement with employees (including disabled persons)

Team briefings occur twice a week whereby staff can raise any ongoing concerns. Counselling is readily available to all teachers and special importance is placed on mental health concerns. Staff questionnaires are sent to staff computers with responses being pooled centrally and considered in decision making.

Free school meals are provided to staff at the beginning of term with free tea and coffee available to all staff throughout the year, ensuring employees set off on the right foot and stay motivated.

Fitness of staff to be at work was established, risk assessments were carried out on each and every individual employee to put their best interests first and advise any workers capable of working at home to do so, ensuring Covid stresses were managed. Both masks and visors are provided to employees at their discretion. Efforts have been made to develop and implement various frameworks to deal with the pandemic. Line managers are routinely in contact with staff members via Microsoft teams regarding employee welfare, staff are regularly updated via email on information concerning them.

The sickness and management umbrella encompasses our support systems for disabled employees and those who become disabled during work. 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. If staff become disabled they are given access to the Academy's on site counsellor and Occupational Health team.

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

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

The Academy Trust attain a 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.

Building interpersonal relationships is pivotal to keeping interactions with contractors smooth. Regular scheduled meetings for contract negotiations alongside hospitality measures ensure ease of doing business. Strict DBS checks in line with safeguarding alongside background checks on anyone who comes onto site are conducted frequently. Risk assessments, training records and past works of contractors are requested before hiring new contractors. Bespoke Business Management Systems are used in the Academy to get regular status updates. SIMS stores student and staff data, primarily registers, saving teachers time and making attendance figures easy to get hold of remotely.

Preferential rental rates are given to the surrounding community, allowing locals' access to high quality sports facilities otherwise unavailable to them. We maintain our borders and perimeters, fostering good neighbourly relationships. Furthermore, during the pandemic and prior to any government aid being available, we distributed food parcels to the local community with the aims of helping the less fortunate.

OBJECTIVES AND ACTIVITIES

Objects and Aims

To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school with a designated Church of England religious character offering a broad and balanced curriculum conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and having regard to any advice of the Diocese of Leeds.

Objectives, Strategies and Activities

The Academy's main strategic intent is encapsulated in the statements: "Every learner is known, valued and understood" and "Be the best." Delivery of this strategy focuses the Academy on our learners and the mechanisms that are required to create an environment where learners can succeed, academically and as good citizens, to be the best that they can be. Improvement in standards is at the core of the strategy. Below are examples of areas of focus used to drive development of our learners;

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

Although the strategy remains largely unchanged, the impact by effects of the Covid pandemic has led to a shift towards safeguarding of children causing restricted access to learning. In mitigating the effects of the pandemic, new ways of learning have been brought to the forefront of our attention and classroom learning has taken a backseat as opposed to online learning.

Public Benefit

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

Safeguarding

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

Equal Opportunities policy

The Trustees recognise that equal opportunities should be an integral part of good practice within the workplace. The Academy provides equal opportunity for all areas of its activities including creating a working environment which is inclusive for all.

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) and Autistic Learners. The academy provides resources for work place assessments and makes reasonable adjustments where possible.

STRATEGIC REPORT

Achievements and Performance

The work done to foster an academy wide culture was important to us receiving the 2019 Platinum PDQM award from UCL. This award evidences the professional development quality mark across the school and accounts for both teachers and students. Academy wide performance management was setup in our efforts to gain this accreditation, alongside departmental professional development, with training sessions catered to meet personal and departmental targets.

In April 2020 the Academy earned a bronze School Mental Health Award, delivered by the Carnegie Centre of Excellence for Mental Health in Schools. This was earned, in part, due to the breakfast club, peer friendship groups, forest school model and a keen focus on the NHS's Child and Adolescent Mental health services.

Key Performance Indicators

The traditional measurement of academic attainment has been severely restricted as the steps taken to limit the spreading of Coronavirus stopped all attendance at school prohibiting the normal forms of academic assessment in the form of exams.

In the Primary phase Key Stages 1 and 2 exams did not take place this year due to the Coronavirus outbreak. Last year attainment consolidated at 57, progress results showed an improvement with Reading at 1.4, writing 1.4 and Maths at 2.9. Key Stage I performance had improved to 66.1.

Again affected by Coronavirus, the Secondary phase KS4 exams did not take place, instead the results were finally agreed to be based on teacher assessed grades. Attainment 8 was 42% (2019 36.05%) in overall terms with grades 9-5 in Basics (English and Maths) increasing to 32.6% (2019 26.3%). Top grades were maintained at 28 grade 9's (2019, 29).

At Post-16 the Learners gaining university places was 78% from a cohort of 64 (2019: 71%, cohort 72). A*-E performance, 96.2% in 2019, cannot be measured due to normal exams being cancelled as a result of the Coronavirus pandemic.

Income generation was similar to last year at £11.8m despite the reduction in learner numbers by 35 to 1,785 the effect of improved funding rates recovering from the prior year reduction in rates. Income from our sports facility was also severely affected due to the lockdown period offset by revenues from increased numbers of high needs learners and looked after children also contributed to the improved funding position. Staffing levels have been reduced by 3 to 298 with the continued programme of review and non-replacement where restructuring can occur. The establishment of Teach BA a programme to train and develop new teachers has helped to reduce the average teacher cost. The outcome is staff costs before pension adjustments were similar to last year. Operating costs show a substantial reduction year on year partly due to the receipt of a one-off recovery of climate charges paid via our energy contracts and also a reduction in operational classroom costs. These receipts and cost reductions were partly offset by higher Coronavirus costs such as free school meal distribution and hygiene / cleaning costs. The net effect is an improvement in the operating surplus as detailed in the financial review.

Pupil premium recipients represent 50% of the school and this was evident during lockdown where many operational man hours were spent delivering food parcels to the more deprived in our community. The impact of the lockdown has and will affect the performance of all learners not only for now but also into the future.

Attendance comparisons have been rendered impossible due to the extended period of the lockdown.

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 2021. The trust produces monthly cash-flow forecasts with sensitivity analysis to inform their view. Cash reserves of £550k and a liquid Investment Fund of £1,25m 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 mission statement, "Be the best", sums up the culture of the Academy trust as a whole, striving for brilliance in everything that we do. The aim to foster a culture of best practice undertakes holistic approach towards excellence in learning and includes every person in the working practice.

Staff are initially are required to successfully complete a six-month probationary period, implemented to uphold high standards and guarantee staff are the perfect fit for the academy. The increasing promotion of the 'Teach BA' scheme has seen numbers of trainee teachers from Bradford college increase to 10. This emphasis on local employment is becoming more beneficial to the surrounding community.

The ethos of organisational best practice can be credited to some of our teaching and learning policies. We first make use of a personal approach if a member of staff isn't meeting our standards, followed by "tweak to transform", an informal management policy utilised to readjust a teachers practice to get better outcomes. If no change is observed, a formal warning and core practice standards review is put in place to associate with targets and timescales set to foster productivity.

Our close quarters work with local authority to improve standards in surrounding area and has earned us the Teaching Excellence Standard (TES) community and collaboration award. This involved two community based projects. Falling into line with our heavy emphasis on safeguarding of students, mothers against radicalisation, facilitated by both Empowering minds and Bradford academy, tackled tough issues in the local community, addressing risks of right wing extremism in children. Our second project focused on work with year 11 students with a central importance placed on careers advice and guidance with their future.

FINANCIAL REVIEW

In the year ended 31 August 2020 total grant funding and other incoming resources excluding capital at £11.814m (2019: £11.710m) covered operating expenditure, excluding depreciation and pension charges, of £11.582m (2019: £11.546m). On this basis the excess of income over expenditures resulted in a £232k surplus (2019: £146k surplus). Including capital income, depreciation and pension charges the outturn was £11.846m income (2019: £11.846m) and expenditures were £13.195m (2019: £12.891m) resulting in a £1.349m deficit (2019: £1.045m deficit). The enforced lockdown affected commercial revenues with sports revenues down £70k and catering down £40k.

At 31 August 2020, the net book value of tangible fixed assets was £22.065m (2019: £22.710m). 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 were £9.833m this year compared to £9.400m in 2019 the change due to increases in wage and pension rates outweighing the overall reduction in staff numbers of 13 to 298. The total wage cost including year-end pension cost adjustments were £10.684m compared to £9.993 in 2019. Sports centre staff, exam invigilators and peripatetic teachers were furloughed, the academy receiving £33k accounted for as a government grant, details in note 4. Ironically the costs of covering staff absence were significantly reduced as the lockdown rules prevented the need to maintain the full staffing complement.

Other non-staff costs have been subject to the effects of Covid-19 with reductions in operational classroom costs being offset by increased purchasing of housekeeping and hygiene equipment. £105k was spent on providing free school meals during the lockdown period and further £60k in other Coronavirus related expenditure. £75k of this additional cost can be recovered. The academy also received credits against energy costs relating to the refund of erroneous climate levy charges dating back 6 years. Non staff cost expenditure levels are £2.510m compared to 2019: £2.624m.

The Local Government Pension Scheme actuarially assessed liability is now £8.435m compared to £4.630m last year. The reasons for this substantial increase are; The fair value of assets fell by £43k to £8.207m reflecting the falls seen in world investment markets; the actuarial losses due to changes in financial assumptions of the present value of the defined benefit obligation increased by £2.132m; the accounting for the actuarial losses due to liability experience (which now includes the accounting for the McCloud judgement) increased by £899k; Current service costs of £1.125m; An actuarial gain of £553k due to demographic assumptions of reduced life expectancy.

Balance sheet total net assets are £15.127m reflecting the impact of the pension adjustments, compared to £19.486m in 2019. Fixed tangible assets at £22.065m compared to £22.710m in 2019. Net current assets £247k (2019; £99k) driven by an increase in cash and debtor levels with creditors and at similar level.

Cash holdings are £503k compared to £365k in 2019.

Bradford Academy's Investments were significantly affected by the Coronavirus outbreak with the fall in world share and investment prices reducing the value of the investment fund. The valuation of the fund fell from a peak of £1.37m at December 2019 to £1.123m by the end of March recovering to £1.251 at year end, a £56k reduction in the 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 £820k is on hand in liquid form at any point in time. The Wealth fund is also liquid reserves so the academy has a very healthy cash position this year equating to £1.75m. Cash holding is monitored regularly.

Total funds value at 31 August 2020 is £15.127m compared to 2019: £19.486m.

Fixed asset reserves are £22.065m compared to £22.710m in 2019.

Restricted general reserves including pension reserve are; 2020: (£8.435m); 2019: (£4.630m). Excluding the pension deficit restricted and unrestricted reserves show a surplus of £1.497m, 2019 £1.406m.

Investment Policy

The Academy seeks to maximise the return on all cash for the long-term benefit of the learners and the local community. Surpluses of cash are invested to provide a strong return where it is clear the operating cash levels are sustainable. Unfortunately the investment market impact of Covid-19 has produced an unrealised loss of £56k to compared to £30k gain 2019.

Principal Risks and Uncertainties

The principal risks and uncertainties concern future funding streams. As the majority of the Academy's commitment to costs is focussed largely on fixed wages and salaries expenditure, the risk and uncertainty is of a reduction in future rates of grant income.

Providing for the economic, educational and social well-being for the learners of South Bradford is at the heart of Bradford Academy's strategy. The impact of Coronavirus has disrupted normal ways of operating and also limited the overall provision of teaching and learning.

The Trustees have assessed the major risks to which the Academy is exposed. The Academy has a Risk Register, which records and summarises the main large-scale, offensive and systematic risks to the Academy with safeguarding being the underlying principle of assessment.

Risk assessments to ensure health and safety of the work environment are carried out. The Coronavirus outbreak increased this work significantly to ensure risk assessments were in place for all staff, students and any other connected parties during the pandemic. Operating procedures have been amended to minimise the risk of contamination. Isolated 'bubbles' have been created to limit contacts to peer groups only, staff work from home where feasible and movement on site via one-way systems are all measures to reduce the risk of infection. Provision of PPE for all staff was prioritised and due to good supplier relations we have been able to source sufficient supplies during the outbreak. We have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is 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;
- 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. There is no fundraising 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 2019 to 31 August 2020

Energy consumption used to calculate emissions (kWh)		**2,421,398**
Scope 1 emissions in metric tonnes (CO2e)		
Gas consumption	216.495	
Owned transport – mini-buses	4.109	
Total scope 1		**220.604**
Scope 2 emissions in metric tonnes (CO2e)		
Purchased electricity	287.263	
Total scope 2		**287.263**
Scope 3 emissions in metric tonnes (CO2e)		
Business travel in employee owned vehicles	1.839	
Other claimed mileage (taxi, train)	0.223	
School trips total	2.150	
Electricity loss in transmission and distribution	24.705	
Total scope 3		**28.917**
Total gross emissions in metric tonnes (CO2e)		**536.784**
Intensity ratio		
Tonnes CO2e per pupil		**0.301**

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 2020 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.

PLANS FOR FUTURE PERIODS

Bradford Academy is planning to grow our sixth form with the offer of football training development scheme called Pathway To Pro however this ambition has been badly affected by the impact of coronavirus. We are also exploring the opportunity to support Bradford Councils provision of SEMH (social, emotional and mental health) in South Bradford. Other plans are dominated by negating the adverse impact of coronavirus, developing programs and support systems to enable our pupils to recover from the lost months of learning. All stakeholders are focused on ensuring a smooth transition into the new normal via newly implemented support mechanisms and processes, alongside protocols to deal with any infections and a heavy emphasis placed on cleanliness within the academy to keep our learning environment safe and secure.

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 30th November 2020 and signed on its behalf by:

Manojkumar Joshi
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 provide only reasonable and not absolute assurance against material misstatement or loss.

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

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

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' responsibilities. Due to Coronavirus the Board of Trustees met virtually 8 times over and above the diarised board meetings. Attendance at the original diarised meetings of the governing body was as follows:

Trustee	Meetings attended	Out of a possible
Adrian Farley (Vice-Chair of Trustees)	4	4
Alan Jarvis	4	4
Andrew Blake (Ex-officio)	3	4
Bruce Berry	4	4
Darren Metcalfe	1	4
Jennifer Jakes (Staff Trustee)	3	4
Jennifer Tierney (Ex-Officio)	4	4
Kabir Hameed (Parent Trustee)	4	4
Manojkumar Joshi (Chairman)	4	4
Melanie Saville (Ex-Officio)	4	4
Nadine Good	3	4
Peter-Mayo-Smith (resigned 31/07/20)	4	4
Richard Arnold	4	4
Ruth Leetham (Parent Trustee)	4	4
Steve Walker (resigned 30/04/20)	0	4
Tehmina Hashmi (Executive Principal, Accounting Officer)	4	4
Tim Thomas	4	4

Bradford Academy executives ensure strong governance through having a structure that involves further committees. These are Curriculum / Community, Finance and Audit and Personnel committees who meet at least once a term in addition to main Board meetings. The Chairs' of Committee also meet in addition to the full governing body meetings. A project group has been established to review of governance to ensure the structures roles and responsibilities of the Trustees is purposeful and in keeping with the requirements of excellence in governance. The changes in Trustees have taken place to maintain the relevant number of people responsible to the various governing body committees.

The Finance and Audit Committee is one of the committees of the main governing body. Its purpose is to oversee the propriety and governance of all academy financial matters on behalf of the governing body.
Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of a possible
Manojkumar Joshi (Chair of Trustees)	3	5
Richard Arnold (Chair of Finance)	5	5
Andrew Blake (Finance Director)	5	5
Tehmina Hashmi (Executive Principal, Accounting Officer)	5	5
Alan Jarvis	5	5
Terry Morton (Ex-officio)	5	5

REVIEW OF VALUE FOR MONEY

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

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

- Significantly reducing the reliance on external cover costs.
- Bradford Academy has further improved the safety and cleanliness of the school, allowing more time after hours for a deep clean of the school, in turn negating a large portion of the risk of covid-19.
- Investment in computer systems to enable staff, students, trustees, parents and the wider students alike to access online and virtual resources during the pandemic.
- On-going strategic review of staffing and structures.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Bradford Academy Trust for the period 1 September 2019 to 31 August 2020 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 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- Regular reviews by the Finance 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.
- Internal audit programme agreed with external providers. The work is commissioned annually by the Finance and Audit Committee to review and report on the systems of risk and control – all findings are reviewed and adopted where feasible.

Having previously considered the need for an internal audit function, the Board of Trustees have appointed RSM Risk Assurance Services LLP as advisors to the Trust to undertake a scope of work as directed by the Finance and Audit Committee. The advisors' role includes performing a range of checks on the Trust's Internal Control framework and to report factual findings to the Finance and Audit Committee. The scope of works agreed with the Finance and Audit Committee was to review two new areas, last year having reviewed payroll and procurement, this year the risk management framework and the key financial controls for the commercial operation were reviewed. The reports, as last year, were reviewed by the Finance and Audit Committee who agreed to implement small recommendations to achieve best practice. The reports contained no high priority findings or matters of material concern. Due to regulatory changes the Academy trust will not be able to use the same firm for both internal and external audit from 2020/21. An alternative is being sought for internal audit.

REVIEW OF EFFECTIVENESS

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

- the work of advisors to the Finance and Audit Committee;
- Accounting Officer benchmarking against similar organisations;
- the work of the Finance 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 Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Audit Committee with no issues arising however a plan to ensure continued monitoring of the systems in place.

Approved by order of the members of the Board of Trustees on 30th November 2020 and signed on its behalf by:

Manojkumar Joshi
Chair of Trustees

Tehmina Hashmi
Accounting Officer

Tehmina Hashmi

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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

Signed

Tehmina Hashmi
Accounting Officer

Date: 30th November 2020

Tehmina Hashmi

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 and the Academies Accounts Direction 2019 to 2020
- 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 30th November 2020 and signed on its behalf by:

Manojkumar Joshi
Chair of Trustees

Opinion

We have audited the financial statements of Bradford Academy Trust (the "charitable company") for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, 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 2019 to 2020 issued by the Education and Skills Funding Agency.

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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you, where;
- the trustees use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Trustees' Report, which includes the Trustees' 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 has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the 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.

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

Use of our report

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

Richard

RICHARD LEWIS (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
Two Humber Quays
Wellington Street West
Hull
HU1 2BN
Date 11/12/2020

	Notes	Unrestricted funds £000'S	Restricted general funds £000'S	Restricted fixed asset funds £000'S	**Total 2020 £000'S**	Total 2019 £000'S
Income and endowments from:						
Donations and Capital Grants	3	-	-	33	**33**	136
Charitable Activities;						
Funding for the academy's educational operations	4	237	11,395	-	**11,632**	11,427
Other trading activities	5	179	-	-	**179**	280
Investments	6	2	-	-	**2**	3
Total		418	11,395	33	**11,846**	11,846
Expenditure on:						
Raising funds	7,8,9	21	-	-	**21**	35
Charitable activities:						
Academy trust educational operations	7,8,9	-	12,433	741	**13,174**	12,856
Total	7,8,9	21	12,433	741	**13,195**	12,891
Net Income / (expenditure)		397	(1,038)	(708)	**(1,349)**	(1,045)
Transfer between funds	17	(250)	186	64	**-**	-
Other recognised (losses) / gains						
Re-measurement of net defined benefit pension obligation	17,18,27	-	(2,954)	-	**(2,954)**	(1,934)
Unrealised (loss) / gain on investments	13	(56)	-	-	**(56)**	30
Net movement in funds		91	(3,805)	(645)	**(4,359)**	(2,949)
Reconciliation of funds						
Total funds brought forward at 1 September 2019		1,406	(4,630)	22,710	**19,486**	22,435
Total funds carried forward at 31 August 2020	17,18	1,497	(8,435)	22,065	**15,127**	19,486

	Notes	2020 £000'S	2020 £000'S	2019 £000'S	2019 £000'S
Fixed assets					
Tangible assets	14		22,065		22,710
Investments	13		1,251		1,307
Current assets					
Debtors	15	274		304	
Cash at bank and in hand		503		365	
		777		669	
Liabilities					
Creditors: amounts falling due within one year	16	(531)		(570)	
Net current assets			246		99
Total assets less current liabilities			23,562		24,116
Defined benefit pension scheme liability	17,18,27		(8,435)		(4,630)
Total net assets			15,127		19,486
Funds of the Academy Trust					
Restricted funds					
Fixed assets fund	17,18		22,065		22,710
General income fund	17,18		-		-
Pension Reserve	17,18		(8,435)		(4,630)
Total restricted funds			13,630		18,080
Total unrestricted fund	17,18		1,497		1,406
Total funds			15,127		19,486

The financial statements on pages 20 to 42 were approved by the Board of Trustees and authorised for issue on 30th November 2020 and are signed on their behalf by:

Manojkumar Joshi
Chair of Trustees

	Notes	2020	2019
		£000'S	£000'S
Cash flows from operating activities			
Net cash provided by operating activities	20	199	218
Cash flows from investing activities			
Interest from grants	21	2	3
Proceeds from disposal of fixed assets	21	-	11
Capital grants from DfE / ESFA	21	33	136
Capital expenditure	21	(95)	(416)
Net increase / (decrease) in cash and cash equivalents in the reporting period		138	(48)
Cash at 1 September 2019		365	413
Cash at 31 August 2020	22	503	365

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 2019 to 2020 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 2021. The trust produces cash-flow forecasts with sensitivity analysis to inform their view. The impact of the Coronavirus outbreak is challenging to all organisations however the education sector continues to be a high priority for the government. This coupled with liquid reserves of £1.75m it is believed there are no unmanageable uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

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

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

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

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

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

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

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

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

Expenditure

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

- **Expenditure on Raising Funds**
  These are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

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

All resources expended are inclusive of irrecoverable VAT.

Investments

Wealth fund investments of £1,251k are initially measured at cost and subsequently measured at fair value at the balance sheet date. The resulting movements on the unrealised valuation surplus/deficit are included as a movement of funds to update in the Statements of Financial Activities.

Tangible Fixed Assets

Assets costing at least £500 are assessed for capitalisation and recognised when future economic benefits are probable and the cost of value of the asset can be measured reliably. Tangible fixed assets and are carried at net book value of £22,065k 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 as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions

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

Leased Assets

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

Financial Instruments

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

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

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

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

Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK Corporation Tax purposes. Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that any such income or gains are applied exclusively to charitable purposes.

Pensions Benefits

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

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

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

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

Fund Accounting

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

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

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

Agency Arrangements

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

Critical accounting estimates and areas of judgement

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

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

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

Defined benefit pension scheme
The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2 General Annual Grant (GAG)

Under the funding agreement with the Secretary of State the Academy Trust was subject to limits at 31 August 2020 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 2020.

3 Donations and capital grants

	Unrestricted funds	Restricted fixed asset Funds	Total 2020	Total 2019
	£000'S	£000'S	£000'S	£000'S
Capital grants	-	33	33	136
	-	33	33	136

The income from donations and capital grants in 2019 was £136k all of which was restricted fixed asset funds.

4 Funding for academy's educational operations

	Unrestricted funds	Restricted general funds	Total 2020	Total 2019
	£000'S	£000'S	£000'S	£000'S
DfE / ESFA revenue grants				
General Annual Grant (GAG)	-	9,479	9,479	9,660
Other DfE / ESFA grants	-	1,384	1,384	962
	-	10,863	10,863	10,622
Other Government grants				
Local authority grants	-	499	499	543
Exceptional Government Funding				
Coronavirus Job Retention Scheme grant		33	33	-
	-	11,395	11,395	11,165

The academy trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "exceptional government funding". The academy furloughed its Sports Centre staff, it's Peripatetic Teachers and its Exam Invigilators under the government's CJRS. The funding received of £33k relates to staff costs in respect of 19 staff which are included within note 10.

Other income from the academy trusts educational Operations

Catering income	237	-	237	262
	237	11,395	11,632	11,427

The income from academy's educational operations in 2019 was £11,427k of which £262k was unrestricted and £11,165k were restricted general funds.

5 **Other trading activities**

	Unrestricted funds	Restricted general funds	Total 2020	Total 2019
	£000'S	£000'S	£000'S	£000'S
Hire of facilities	65	-	65	122
Other income	114	-	114	158
	179	-	179	280

The income from other trading activities in 2019 was £280k all of which was unrestricted funds.

6 **Investment Income**

	Unrestricted funds	Restricted general funds	Total 2020	Total 2019
	£000'S	£000'S	£000'S	£000'S
Interest from short term deposits	2	-	2	3
	2	-	2	3

The investment income in 2019 was £3k all of which was unrestricted funds.

7 **Expenditure**

		Non-pay expenditure			
	Staff costs	Premises	Other costs	Total 2020	Total 2019
	£000'S	£000'S	£000'S	£000'S	£000'S
Expenditure on raising funds	-	-	21	21	35
Academy's educational operations:					
Direct costs	7,854	356	1,285	9,495	9,510
Allocated Support Costs	2,830	128	721	3,679	3,346
Total Support Costs	10,684	484	2,027	13,195	12,891

The expenditure was £13,195k (2019: £12,891k) of which £21k (2019: 31k) was unrestricted funds, £741k (2019: £734k) was restricted fixed asset funds and £12,433k (2019: £12,122k) was restricted general funds.

7 Expenditure (continued)

Net income/(expenditure) for the period includes:	2020 £000'S	2019 £000'S
Operating lease rentals	27	27
Depreciation	741	736
Net interest on defined benefit pension liability	85	55
(Gain) on disposal of fixed assets	-	(2)
Fees payable to auditor and its associates in respect of		
- audit	17	19
- other audit fees & services	8	6

8 Charitable Activities

	Total 2020 £000'S	Total 2019 £000'S
Direct costs - educational operations	9,495	9,510
Support costs - educational operations	3,700	3,381
Total Direct and Support Costs	13,195	12,891

Analysis of support costs	Total 2020 £000'S	Total 2019 £000'S
Support staff costs	2,706	2,351
Depreciation	196	180
Technology costs	150	122
Premises costs	128	172
Other support costs	481	517
Governance Costs	39	39
	3,700	3,381

9 Analysis of Grant Expenditure

	Unrestricted funds	Restricted Funds	2020 Total £000'S	2019 Total £000'S
Educational operations	-	13,195	13,195	12,891
	-	13,195	13,195	12,891

10 Staff

	2020	2019
a. Staff costs	**£000'S**	£000'S
Staff costs during the period were:		
Wages and salaries	**7,785**	7,559
Social security costs	**706**	694
Pension costs	**2,147**	1,557
Total staff costs	**10,638**	9,810
Supply teacher costs	**26**	121
Redundancy costs	**13**	40
Severance costs	**7**	22
	10,684	9,993

b. Non statutory/ non-contractual staff severance payments
Included in staff restructuring costs are non-statutory severance payments totalling £7,000 (2019: £22,000). One individual payment of £7k.

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

	2020	2019
	No.	No.
Teaching	**107**	112
Administration and support	**185**	183
Management	**6**	6
	298	301

d. Higher paid staff

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

	2020	2019
	No.	No.
£60,000 - £70,000	**6**	5
£70,000 - £80,000	**1**	1
£100,000 - £110,000	**1**	1
£120,000 - £130,000	**1**	1
	9	8

10 Staff (Continued)

Employers pensions are paid to salaried staff, either into 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 £575k (2019: £537k).

11 Related Party Transactions - Trustees' remuneration and expenses

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

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

T. Hashmi (Principal and Trustee)
Remuneration £125,935 (2019: £122,725)
Employers TPS pension contributions £28,401 (2019: £19,236)

K. Hameed (Parent Trustee)
Remuneration £48,510 (2019: £47,202)
Employers LGPS pension contributions (£nil) (2019: £nil)

J. Jakes (Staff Trustee)
Remuneration £54,225 (2019: £44,050)
Employers TPS pension contributions £12,840 (2019: £7,260)

S. Walker (Staff Trustee)
Remuneration £46,649 (2019: £56,423) to resignation 30/04/2020
Employers TPA pension contributions £9,398 (2019: £9,300)

During the year ended 31 August 2020, travel and subsistence expenses totalling £678 were reimbursed to 3 trustees (2019 - £4,056 to 4 trustees).

Other related party transactions involving the Trustees are set out in note 26.

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 2020 was £1,342 (2019: £1,342). The cost of this insurance is included in the total insurance cost.

13 Investments

	UK quoted investments 2020 £'000	UK quoted investments 2019 £'000
Valuation at 1 September 2019	**1,307**	1,277
Unrealised (loss) / gain	**(56)**	30
Valuation at 31 August 2020	**1,251**	1,307

14 Tangible Fixed Assets

	Freehold land and buildings	Leasehold land	Motor Vehicles	Furniture and equipment	Information Technology equipment	**Total**
	£000'S	£000'S	£000'S	£000'S	£000'S	**£000'S**
Cost:						
At 1 September 2019	26,947	60	101	1,810	2,965	**31,882**
Additions	22	-	-	23	50	**95**
At 31 August 2020	**26,969**	**60**	**101**	**1,833**	**3,015**	31,977
Depreciation:						
At 1 September 2019	5,313	6	69	1,297	2,487	**9,172**
Charge for year	536	-	6	103	96	**741**
At 31 August 2020	**5,849**	**6**	**75**	**1,400**	**2,583**	**9,913**
Carrying Amount						
At 31 August 2020	**21,120**	**54**	**26**	**433**	**432**	**22,065**
At 31 August 2019	21,634	54	32	513	478	22,710

15 Debtors

	2020	2019
	£000'S	£000'S
Trade debtors	**2**	3
VAT recoverable	**21**	83
Prepayments and accrued income	**251**	218
	274	304

16 Creditors: amounts falling due within one year

	2020	2019
	£000'S	£000'S
Trade creditors	**123**	185
Other taxation and social security	**168**	171
Other creditors	**37**	36
Accruals and deferred income	**203**	178
	531	570

Deferred Income

	2020	2019
	£000'S	£000'S
Deferred Income at 1 September 2019	**1**	33
Resources deferred in the year	**48**	1
Released from previous years	**(1)**	(33)
Deferred income at 31 August 2020	**48**	1

At the balance sheet date the academy was holding funds of £48k deferred income.

17 Funds

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

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

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; 2019: nil after transfers receipted from unrestricted funds.

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

The restricted pension fund is in deficit to the value of £8.435m as at 31 August 2020. The opening deficit was inherited on conversion to Academy status and subsequent revaluations have generally added to the deficit. Whilst the value is significant, as for Teachers pension, it is underwritten by the Government.

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

17 Funds (continued)

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

	Balance at 1 September 2018	Income	Expenditure	Gains / losses and transfers	Balance at 31 August 2019
	£000'S	£000'S	£000'S	£000'S	£000'S
Restricted General Funds:					
General annual grant (GAG)	-	9,660	(10,024)	-	(364)
Other DfE funds	-	1,505	(1,505)	-	-
Transfer from Unrestricted Funds	-	-	-	364	364
Pension reserve	(2,103)	-	(593)	(1,934)	(4,630)
	(2,103)	11,165	(12,122)	(1,570)	(4,630)
Restricted Fixed Asset Funds:					
DfE/ESFA capital grants	14,149	136	(734)	-	13,550
Capital expenditure from GAG	3,857	-	-	-	3,857
Public sector capital sponsorship	4,945	-	-	-	4,945
Capital expenditure from Unrestricted funds	88	-	-	269	357
	23,039	136	(734)	269	22,710
Total Restricted funds	20,936	11,301	(12,856)	(1,301)	18,080
Total Unrestricted funds	1,499	575	(35)	(633)	1,406
Total Funds	22,435	11,876	(12,891)	1,934	19,486

18 Analysis of net assets between funds

Fund balances at 31 August 2020 are represented by:

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

Fund balances at 31 August 2019 are represented by:

	Unrestricted funds	Restricted general funds	Restricted fixed asset funds	**2019 Total Funds**
	£000'S	£000'S	£000'S	**£000'S**
Tangible fixed assets	-	-	22,710	**22,710**
Investments	1,307	-		**1,307**
Current assets	99	570	-	**669**
Current liabilities	-	(570)	-	**(570)**
Pension Scheme liability	-	(4,630)	-	**(4,630)**
Total net assets at 31 August 2019	1,406	(4,630)	22,710	**19,486**

19 Commitments under operating leases

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

	2020	2019
	£000's	£000's
Amounts due with one year	27	27
Amounts due between one and five years	78	54
	105	81

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

	2020	2019
	£000's	£000's
Net (expenditure) for the reporting period	(1,349)	(1,045)
Adjusted for:		
Depreciation [note 14]	741	736
Capital grants from DfE and other capital income	(33)	(136)
(Profit) / loss on disposal	-	(2)
Interest receivable [note 6]	(2)	(3)
Defined benefit pension scheme cost less contributions payable [note 27]	766	538
Defined benefit pension scheme finance cost [note 27]	85	55
Decrease in debtors	30	79
(Decrease) in creditors	(39)	(4)
Net cash generated from operating activities	199	218

21 Cash flows from investing activities

	2020	2019
	£000's	£000's
Interest Received	2	3
Purchase of tangible fixed assets	(95)	(416)
Proceeds on disposal of tangible fixed asset	-	11
Capital grants from DfE	33	136
Net cash outflow from capital expenditure and financial investment	(60)	(266)

22 Analysis of cash equivalents

	2020	2019
	£000's	£000's
Cash in hand and at bank	503	365

23 Analysis of changes in net funds

	At 1 September 2019 £000'S	Cash Flows £000'S	Other Non-cash changes £000'S	**At 31 August 2020 £000'S**
Cash	365	138		**503**
Cash equivalents	1,307		(56)	**1,251**
	1,672	138	(56)	**1,754**
Loans finance / leases	-	-	-	**-**
	1,672	138	(56)	**1,754**

24 Guarantees, Letters of Comfort and Indemnities

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

25 Contingent Liabilities

At the time of writing there are no contingent liabilities.

26 Members Liability

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

27 Teachers Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions, along with those made by employers, are credited to the Exchequer. The TPS is a multi-employer pension plan and there is insufficient information to account for the scheme on as a defined benefit plan so it is accounted for as a defined contribution plan.

There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary ("GA"), using normal actuarial principles, conducts a formal actuarial review of the TPS. 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 was carried out as at 31 March 2016 and in accordance with The Public Service Pensions (Valuation and Employer Cost Cap) Directions 2014 except it has been prepared following the Government's decision to pause the operation of the cost control mechanisms at the time when legal challenges were still pending.

The valuation report was published in 5 March 2019. The key results of the valuation and subsequent consultation are:

- Total scheme liabilities for service (pensions currently payable and the estimated cost of future benefits) of £218 billion
- Value of notional assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) of £196 billion
- Notional past service deficit of £22 billion
- Discount rate is 2.4% in excess of CPI.

As a result of the valuation, new employer contributions rates were set at 23.68% of pensionable pay from September 2019 onwards (compared to 16.48% during 2018/19). DfE has agreed to pay a teacher pension employer contribution grant to cover the additional costs during the 2019-20 academic year. Details for the 2021 academic year are yet to be released.

However, legal challenge to the 2015 public sector pension reforms could have a further impact on the scheme, which would have retrospective application.

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

The employer's pension costs paid to the TPS in the period amounted to £1,325,308 (2019: £1,016,443).

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 2020 £526k (2019: £474k) of which employers totalled £359k (2019: £325k) and employees' £167k (2019: £149k). The contribution rate for the 2020/21 fiscal year is 13.9% rising to 14.4% from April 2021 for employers and a variable rate between 5.5% and 12.5% for employees.

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

Principal Actuarial assumptions

	At 31 August 2020	At 31 August 2019
Rate of increase in salaries	**3.55%**	3.25%
Rate of increase for pensions in payment / inflation	**2.30%**	2.00%
Discount rate for scheme liabilities	**1.70%**	1.90%
Inflation assumption (CPI)	**2.30%**	2.00%
Commutation of pensions to lump sums	**75.00%**	75.00%

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

	At 31 August 2020	At 31 August 2019
Retiring today		
Males	**21.8**	22.2
Females	**24.6**	25.4
Retiring in 20 years		
Males	**22.5**	23.2
Females	**25.7**	27.2

Sensitivity analysis	**At 31 August 2020**	At 31 August 2019
	£000s	£000s
Discount rate +0.1%	**16,209**	12,576
Discount rate -0.1%	**17,075**	13,191
Mortality assumption - 1 year increase	**16,043**	12,461
Mortality assumption - 1 year decrease	**17,258**	13,304
Salary rate +0.1%	**16,692**	12,971
Salary rate -0.1%	**16.592**	12,790
Pension increase rate +0.1%	**17,025**	13,099
Pension increase rate -0/1%	**16,259**	12,665

27 Pension and similar obligations (continued)

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

	Fair Value at 31 August 2020	Fair Value at 31 August 2019
	£000s	£000s
Equity instruments	**6,648**	6,650
Debt instruments	**1,206**	1,238
Property	**353**	362
Total fair value of assets	**8,207**	8,250

The actual return on scheme assets was negative (£317,000) compared to 2019: £1,209,000.

Amounts recognised in the statement of financial activities

	2020	2019
	£000s	£000s
Current service cost	**1,125**	589
Past Service cost	-	274
Net interest cost	**244**	249
Interest income	**(159)**	(194)
Total operating charge	**1,210**	918

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

	2020 £000s	2019 £000s
At 1 September 2019	**12,880**	8,939
Current service cost	**1,125**	589
Interest cost	**244**	249
Employee contributions	**167**	149
Actuarial losses	**2,478**	2,949
Benefits paid	**(252)**	(269)
Past Service Cost	-	274
At 31 August 2020	**16,642**	12,880

27 **Pension and similar obligations (continued)**

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

	2020 £000s	2019 £000s
At 1 September 2019	**8,250**	6,836
Return on plan assets (excluding net interest on the net defined pension liability)	**159**	194
Actuarial (loss) gain	**(476)**	1,015
Employer contributions	**359**	325
Employee contributions	**167**	149
Benefits paid	**(252)**	(269)
At 31 August 2020	**8,207**	8,250

28 **Related party transactions**

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

29 **Agency Arrangements**

The Academy Trust administers the distribution of the discretionary bursary support fund for aged 16-19 learners as arranged for by the ESFA. In the year it received £43k (2019; £31k) any remaining funds are included in creditors, £0k (2019; £9k). 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 21st September 2020 and further to the requirements of the Education and Skills Funding Agency ('ESFA') as included in the Academies Accounts Direction 2019 to 2020, to obtain limited assurance about whether the expenditure disbursed and income received by Bradford Academy Trust during the period 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Basis for conclusion

The framework that has been applied is set out in the Academies Accounts Direction 2019 to 2020 Annex B: Regularity Reporting. We are independent of Bradford Academy Trust in accordance with the ethical requirements that are applicable to this engagement and we have fulfilled our ethical requirements in accordance with these requirements. We believe the assurance evidence we have obtained is sufficient to provide a basis for our conclusion.

Responsibilities of Bradford Academy Trust's accounting officer and trustees

The accounting officer is responsible, under the requirements of Bradford Academy Trust's funding agreement with the Secretary of State for Education dated 13 June 2007 and the Academies Financial Handbook extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. 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 Academies Accounts Direction 2019 to 2020.

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 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

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 Academies Financial Handbook 2019 published by the Education and Skills Funding Agency and high level financial control areas where we identified a material risk of irregularity is likely to arise. It also included areas assessed as presenting a higher risk of impropriety. We undertook detailed testing, on a sample basis, based on the identified areas where a material irregularity is likely to arise, or potential impropriety where such areas are in respect of controls, policies and procedures that apply to classes of transactions. Our work was undertaken with due regard to the 'Evidence to support conclusion on regularity' guidance in Academies Accounts Direction 2019 to 2020.

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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Date: 11/12/2020