

Company Registration No. 07379768 (England and Wales)

BETHS GRAMMAR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022

BETHS GRAMMAR SCHOOL

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BETHS GRAMMAR SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

Mr C Hares Chair of Trustees* (until 5/9/22)
Mr M Appleby *
Rev. J Bowen (until 25/9/22)
Mrs T Espindola *(until 31/12/21)
Mr O Obafaiye (until 21/11/21)
Mr S Mulvaney (until 5/9/22)
Mr M Pack (Co-opted Governor) *
Dr M Pack (Co-opted Governor)
Mrs K Sangster (until 5/8/22)
Mr R Blyghton (Accounting Officer)
Ms C Guest
Mrs T Tolhurst (until 17/8/22)
Mr J Brock Chair of Trustees (from 5/9/22)
Mrs C Palmer
Mr R Ramsay *
Mr B Ojomo
Ms M Pempyte (from 22/11/21)
Mr A Robins (from 1/9/22)

* members of the Finance Committee

Members

Mr C Hares
Mr M Appleby (until 5/9/22)
Mr S Mulvaney
Rev J Bowen
Mr J Brock (from 21/9/22)
Mr A Love (from 5/9/22)

Senior Leadership Team

Headteacher
Deputy Headteacher
Deputy Headteacher
Deputy Headteacher
Deputy Headteacher
School Business Manager
Assistant Headteacher
Assistant Headteacher
Assistant Headteacher

Mr R Blyghton
Mr M Neylan
Mr V Gukhool
Mr D O'Regan (until 29/4/22)
Mr A Jones (from 1/9/22)
Mrs L Gibson
Mr T Beaney
Mrs S King
Mr K O'Brien (until 29/8/22)

Company Secretary

Mrs L Gibson

Company registration number

07379768 (England and Wales)

Registered office

Hartford Road
Bexley
Kent
DA5 1NE
United Kingdom

BETHS GRAMMAR SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Independent auditor

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

Bankers

Lloyds Bank PLC
13 The Broadway
Bexleyheath
Kent
DA6 7DP

Solicitors

Stone King LLP
Boundary House
91 Charterhouse Road
London
EC1M 6HR

BETHS GRAMMAR SCHOOL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees present their Annual Report together with the Financial Statements and Auditor's Report of the charitable company for the year ended 31 August 2022. The annual report serves the purposes of both a Trustees' Report, and a Directors' Report under company law.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006, the Statement of Recommended Practice 2015, "Accounting and Reporting by Charities", and the Academies' Accounts Direction 2020/2022 issued by the ESFA.

The principal activity of Beths Grammar School is to provide a state education to boys between the ages of 11 to 19 and to girls in the Sixth Form. There is an emphasis on Design and Technology, Mathematics, Science, Languages and Leadership. Funding is obtained from the Department for Education (DfE) through the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. It has a student capacity of 1378 and had a roll of 1741 in the school census on 20th January 2022.

Structure, Governance and Management

The Charitable Company is a company limited by guarantee incorporated on 17 September 2010 and the predecessor school converted to academy status on 1 October 2010. The Trustees (Trustees) who are also the Directors for the purpose of company law, and who served during the year are listed on page 1.

Constitution and Members' Liability

Beths Grammar School is registered under the Companies Act 2006, as a company limited by guarantee without a share capital. Each member of the company undertakes to contribute to the assets of the company in the event of the company being wound up while they are a member, or within one year after they cease to be a member. The liability of the members is limited to £10 each for the debts and liabilities contracted before they ceased to be a member. The Academy is an exempt charity. The company's memorandum and articles of association are the primary governing documents of the Academy Trust.

The Trustees act as the trustees for the charitable activities of Beths Grammar School and are also the directors of the company for the purposes of company law. The Board of Trustees meet as the Governing Body at least four times each year. The Beths Grammar School Academy Trust holds an Annual General Meeting (usually in December) to consider the Trustees' Report and Audited Accounts. General Meetings are held as required (usually to consider the appointment of Appointed Trustees). All Trustees can attend the Annual General Meeting / General Meetings although only the Members of the Academy Trust can vote.

Trustees' Indemnities

No qualifying third-party indemnities have been given by the Charitable Company to or on behalf of its Trustees.

Method of Recruitment and Appointment or Election of Trustees

The Board of Trustees comprises the following Trustees;

- a) Up to ten Trustees appointed by the Members;
- b) A minimum of two Parent Trustees elected by parents;
- c) Up to one Local Authority appointed Governor;
- d) The Headteacher is an ex-officio Governor;
- e) Further Trustees may be appointed by the Secretary of State;
- f) Up to three Co-opted Trustees appointed by the Trustees (excluding those already Co-opted).

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees will depend on their existing experience. Where necessary, induction will provide training in charity and educational legal and financial matters. All Trustees are provided with the information needed (including policies, minutes, budgets, etc) to undertake their role as Trustees. The Academy also purchases the Governor Training Scheme run by the local authority.

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Organisational Structure

The Board of Trustees, the majority of whom are non-executive, comprises those persons appointed under the Articles of Association. The Board meets at least four times a year and has several committees, including a Finance and Asset Management Committee, Students and Human Resources Committees. All of these Committees are formally constituted with terms of reference and comprise appropriately qualified and experienced members.

The Finance and Asset Management Committee also fulfils the function of an Audit Committee.

Trustees delegate specific responsibilities to its Committees, the activities of which are reported to and discussed at full Board of Trustees Meetings. Day to day management of the Academy is undertaken by the Headteacher, supported by the Senior Leadership Team. The Headteacher is the Accounting Officer and the Business Manager is the Deputy Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

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

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

Trade Union Facility Time

Relevant union officials

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

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Total Cost of facility time	£1,700
Total Pay bill	£7,224,000
Percentage of the total pay bill spent on facility time	0.0002%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours.	0.00%
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Related Parties and other Connected Charities and Organisations

Owing to the nature of the academy's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a governor has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy's financial regulations and normal procurement procedures.

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FOR THE YEAR ENDED 31 AUGUST 2022

The school maintains a register of pecuniary interests of the Board of Trustees which is regularly reviewed and updated. The academy has employed a close family member of the management school leadership team. The recruitment process was conducted at arm's length to ensure regularity.

Objectives and Activities

Objects and Aims

The principal object of the company is to advance for the public benefit, education in the United Kingdom.

It achieves this object through the operation of Beths Grammar School, providing a state education, free of charge, to students aged 11 to 19.

Beths Grammar School is an equal opportunities employer, and strives to treat all applicants for employment, training and promotions equitably.

In exercising their powers, the Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

Objectives, Strategies and Activities

The principal task for the year was to maintain the excellent educational standards achieved by the school.

The school aims to achieve its objective by providing a stimulating yet demanding approach to teaching and learning. There are many facets to the opportunities that the school provides to broaden horizons and develop well rounded leaders of the future. Beths is renowned for its enviable co-curricular enrichment programme that, through sport, the arts, the Duke of Edinburgh Award, clubs and societies, nurtures the whole child.

The school's main priorities for 2021-22 were:

- The principal task was to maintain the excellent educational standards achieved by the school.
- To raise attainment for all groups of students at GCSE and A Level
- Promote excellent behaviour and attitudes
- Improve personal development and social responsibility
- Build leadership and management capacity across all levels of the school.

Public benefit

In setting the objectives and planning the associated activities, Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

Strategic report

Achievements and Performance

Public examinations took place for the first time in three years, and students achieved the best set of examination results that the school had ever achieved. The results were the opposite of the national trend and significantly exceeded Beths previous results. This was an outstanding achievement for students and staff alike considering the disruption to education that had been caused by the pandemic in the previous 3 years. These fabulous results have enabled many students to secure places at Oxford, Cambridge, Imperial College and other Russell Group Universities, as well as coveted apprenticeships with JP Morgan, KPMG, Jaguar Land Rover and Deloitte.

At A Level, over 70% of students achieved an A* to B in their examinations. Three students achieved at least 4 A*'s, with a further 16 students achieving at least 3 A*'s and 16 more students achieving 2 A*'s and an A grade.. Beths is well known for its broad curriculum with 30 subject choices at A Level. Alongside supporting students to perform well academically, the school also champions a holistic approach to education, which involves nurturing and developing every single young person who attends the school. The school was able to provide laptops to all students who needed them, was able to teach all lessons in person or remotely during the two-year course and provided 7 taught periods for each A Level studied.

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At GCSE, the 5 year upward trend continued. Those achieving top grades 9- 8, 9-7 and 9-6 all increased for a fifth year and the schools Progress 8 also continued to rise with an amazing positive result of .71. One student achieved all grade 9's in his 11 examinations, with a further seven students achieving 9 grade 9's, 6 achieving 8 grade 9's and 11 receiving 7 grade 9's, For the first time in the schools history, all students passed English Language, Mathematics, Biology, Physics and Chemistry in the same sitting. The fantastic results achieved by the students will provide a robust starting point for their future studies.

With the relaxation of pandemic-related regulations the school was able to resume many of its trips and sporting activities which had previously been restricted. These included trips to BFI cinema to experience foreign language films, West End theatre visits, debating competitions, music shows, and university visits. In addition, Geography students undertook a trip to Reculver as a part of their GCSE practical studies, MFL students visited restaurants to practice their language skills and try new foods, and students from year 9 enjoyed cookery lessons. Many more trips are planned for the next academic year and students are now looking forward to resuming overnight trips. A wide range of extra-curricular clubs took place in the year, and it was good to see the variety of clubs on offer such as Eco, Coding, Song Writing, Robotics, Chess, LGBTQ+, Warhammer, Basketball/Football club etc.

After many months of practice and preparation, the School production of the Wizard of Oz was due to take place in March 2020. Due to the pandemic, the show had to be cancelled and all involved were extremely disappointed that the hard work had seemed for nothing. However, we were delighted to learn that the production could take place two years later (with a slightly different cast) and the show was a hit with students, staff and audience alike. Ofsted noted the performance in their report as being an example of how students work together and build a strong sense of community.

After a break of almost two years, sporting fixtures were finally resumed. There were 192 matches in Rugby, Football, Basketball and Cricket, and Beths won over 60% of the games. Some of the many teams successes included Year 11 football winning the Kent Cup, Year 10 football winning the North Kent Cup, both Year 9 football teams ending as runners up in the North Kent Cup, Year 7 basketball team winning the Kent Cup, Year 7 cricket team ending as runners up in the Kent Plate, and the Year 8, 9 & 11 basketball teams all reached the Kent Cup Finals. There were also many individual successes including a Year 12 student representing the England U18's football team, a Year 11 student competing nationally in the 100 & 200 metres and another Year 11 student has been scouted for Arsenal FC U16's.

The school was delighted to hear the news in the spring that it had been provisionally awarded funding from the ESFA to build a new teaching block. The new block will provide 14 more classrooms and the school is planning to invest its own money above the funding awarded to provide an extra floor to the new block. The building will provide much needed additional space to our very overcrowded school community, and we hope that the enlarged facilities will benefit the wider community too.

In May 2022, the school was visited by Ofsted and was awarded an overall rating of 'Good, with Outstanding features in Behaviour and Attitude'. The inspection was carried out under the new Ofsted framework, which follows a different criterion to that used in our previous inspection in 2012. . Beths was very proud of the many features and strengths of the school, which were noted by Ofsted during their inspection and in their report, which included

- The behaviour of the students is "exceptional", with all students demonstrating high levels of respect and self-control. Ofsted noted that students are articulate and support one another, that they are polite and kind to their peers and adults, and they are proud members of the school community.
- Very importantly, our students feel "happy and safe" at school, and our parent/carers community describe Beths as a caring and supportive school.
- Ofsted noted how leaders have "high expectations of all students" Inspectors recognised how the schools values of Excellence, Responsibility, Respect and Nurture help to encourage students to develop into well-rounded individuals who are prepared for their next steps.
- The House System was noted as an important tool for encouraging students to work together and build a strong sense of community, working closely with peers in other year groups, e.g. the annual school production
- The sixth form provision was commended, with students having the opportunity to choose from an extensive range of subjects. Inspectors also recognised the responsibility and initiative shown by our sixth form students, in raising money for local charities and embracing extra-curricular opportunities arranged by school leaders for the whole school.

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- Safeguarding at the school is effective, having created a culture whereby students and parents readily speak to school leaders about any support or help that is required. This is reflective of our strong pastoral offer, and the importance the school places on nurturing the whole child.

Beths is very proud of the inspections findings and looks forward to continuing to work closely with the whole school community to build on the countless positive features recognised by Ofsted as well as those areas that the school can further improve to fulfill its objective of becoming an Outstanding school under the new framework.

Key Performance Indicators

The school exam targets for 2022 were discussed by the Trustees Students Committee and ratified by the Full Board of Trustees

	2020/21	
Year 11	Target	Actual
Progress 8 0	.25	.71
GCSE 5+ 9-5(A**-C) incl English Language/Literature and Maths	95%	96%
GCSE A*/A	N/A	70%
GCSE 5+A*/A incl English Language/Literature and Maths	40%	60%
English and Maths GCSE 9-7	40%	60 %
English and Maths GCSE 9-5	95%	96 %
Year 13 Target/ Actual		
A Level (A*-B)	55%	70 %
A Level (A*-E)	99%	100%

Attendance figures up to 20 March were as follows:

Year	Target	Actual
7	95%	95.9%
8	95%	96.0%
9	95%	96.0%
10	95%	95.8%
11	95%	95.9%

Staffing ratio – The cost of staffing salaries as a proportion of total income (excluding capital) is 71.9%

Utility costs per pupil was £133.

Going Concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the accounts.

Financial Review

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

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FOR THE YEAR ENDED 31 AUGUST 2022

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

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

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

The following balances were held at 31 August:

Fund	Category	2022 £'000	2021 £'000
GAG	Restricted General Funds	3,644	2,615
Other DfE/ESFA Grants	Restricted General Funds	15	-
Other Income	Restricted General Funds	209	248
Sub-total General Restricted Funds		3,868	2,863
Unspent Capital Grants	Restricted Fixed Asset Fund	28	260
Other Income	Unrestricted General Fund	876	777
Sub-Total Spendable Funds		4,760	3,900
Net Book Value of Fixed Assets	Restricted Fixed Asset Fund	11,979	12,271
Salix loan	Restricted Fixed Asset Fund	(12)	(14)
Share of LGPS Deficit	Restricted Pension Reserve	(55)	(2,163)
Total All Funds		16,684	13,994

During the year under review, there was an increase of £1,005k (2021: increase of £1,082k) on the general restricted funds, an increase of £99k (2021: increase of £31k) on unrestricted funds and after actuarial gains, LGPS valuation adjustments, depreciation and capital income and expenditure, an increase on the total funds of £2,690k (2021: increase of £557k).

Although there were a few remaining restrictions following the pandemic, there were no significant events affecting the performance or financial position of the trust. Total spendable reserves increased from £3.9 million to £4.7 million due to prudent budgeting. Funding has provisionally been granted to build a new teaching block and it is the Trusts intention to use spendable reserves to help fund the new building

Reserves Policy

Beths Grammar School aims to carry forward a prudent level of resources to cover short-, medium- and long-term needs such as funding constraints, needs for renewal and replacement, major unforeseen contingencies and to contribute to major capital developments.

The reserve balance will be reviewed and projections on future balances will be made at key points during the financial year, namely as part of the budget setting process and update of the SIP.

Details of all reserves and year-end balances are contained in the academy trust's annual Statement of Accounts.

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TRUSTEES' REPORT

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Investment Policy and Powers

There are no investments held beyond cash deposits retained with the major UK clearing banks. Speculative investments are not permitted.

Employee Involvement

Academy staff is empowered to elect colleagues to sit and serve as Trustees.

Disabled Persons

Ramps and disabled toilets are installed, and door widths are adequate to enable wheelchair access to all the main areas of the School. The policy of the School is to support recruitment and retention of students and employees with disabilities. The Academy does this by adapting the physical environment, by making support resources available and through training and career development.

Principal Risks and Uncertainties

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to academic performance, finances, staffing, health & safety and safeguarding our students. The Trustees have implemented several systems to assess risks that the Academy faces and have developed policies and procedures to mitigate those risks. 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 Statement on Internal Control.

The risk management process has been codified in a risk register implemented by the Senior Leadership Team and overseen by Trustees.

Financial

The Trustees keep spendable reserves under constant review to ensure that they have sufficient income to run the Academy on an efficient basis without affecting the quality of teaching and learning. Managements Accounts are reviewed monthly and cashflows produced to ensure that the school has adequate funds during the economic crisis

Governance

The Trustees ensure that they have an effective system of control to mitigate risks.

Reputational

The Trustees give consideration to all aspects of the academy trusts activities in order to maintain its reputation.

Child Protection

The Trustees ensure that the highest standards of child protection are maintained in order to protect the young people in the academy trust's care.

Staff

Risk resulting from major changes in staff is minimised by continually monitoring the arrangements for recruitment and development of staff

Our fundraising practices

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

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

There have been no complaints about fundraising activity this year.

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

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TRUSTEES' REPORT

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

Due to ongoing pandemic, fundraising activities for the year, was severely restricted. Students raised funds for charitable causes through exercise sponsorship and own clothes days and lettings bookings recommenced wherever possible.

Plans for Future Periods

- To further embed the Beths Scholar Programme through out the school.
- To improve personal development and social responsibility throughout all year groups.
- To monitor, track, evaluate and improve personal development for all.
- To ensure a full and robust curriculum.
- To implement a building project to ensure the whole school community is appropriately accommodated.

Funds Held as Custodian Trustee on Behalf of Others

The school acts as a custodian trustee on behalf of funds received from 16-19 Bursary Fund Scheme before payment is made to eligible students.

Auditor

In so far 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, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 8th December 2022 and signed on its behalf by:



.....
Mr J Brock
Chair of Trustees

BETHS GRAMMAR SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

Scope of Responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Beths Grammar School and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 4 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustees	Meetings attended	Out of possible
Mr C Hares (Chair of Trustees until 5/9/22) (Member only from 5/9/22)	3	4
Mr R Blyghton (Headteacher)	3	4
Mr M Appleby	3	4
Rev. J Bowen (member only from 25/9/22)	3	4
Mr R Ramsay	2	4
Mrs T Espindola (Joint Deputy Chair of Trustees)(resigned 21/12/21)	1	2
Mr J Brock (Chair of Trustees from 5/9/22) (Member from 21/9/22)	3	4
Mrs T Tolhurst (resigned 17/8/22)	1	4
Mr S Mulvaney (member only from 5/9/22)	4	4
Mr M Pack	3	4
Dr M Pack	3	4
Mrs C Palmer	3	4
Mr O Obafaiye	0	2
Mrs K Sangster (resigned 5/8/22)	3	4
Mrs C Guest (Joint Deputy Chair of Trustees)	4	4
Mr B Ojomo	0	4
Ms M Pempyte (from 22/11/22)	2	3
Mr A Robins (from 1/9/22)		
Mr A Love (Member only from 5/9/22)		

The Board of Trustees (Governing Body) meets four times each year. Individual Trustees meet additionally on three other occasions during the year at meetings of the three Committees that have been established by the Governing Body. To ensure that oversight is maintained of all funds, each Committee meets three times a year and each meeting is attended by a minimum of three Trustees. Minutes and documents from each committee meeting are presented to the Board of Trustees. Management Accounts are produced monthly for presentation to Chair and Accounting Officer, additionally, Management Accounts are provided to all Trustees six times each year. Trustees regularly attend the school for observation and feedback purposes. In addition to the meetings of Trustees, Members of the Beths Grammar School Trust meet at least once each year. Additional meetings of the Trust will be held according to business needs e.g. Trustee appointments / Headteacher recruitment and appointments.

Following the AGM in December 2021, further work was undertaken to ensure clear separation between Governing Body members and Trust Members. This led to the re-constitution of the Governing Body as a Trustee Board with effect from 1st September 2022. Associated with this change, Trust Membership was also reviewed, leading to full separation between Trustee and Trust Member roles with the exception of the Chair of the Trustee Board, who is both a Trustee and Trust Member.

BETHS GRAMMAR SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

Conflict of interest

During each Board of Trustees and committee meeting, there is a requirement for each trustee to declare if they have an interest. The register is updated after each meeting and written declaration forms are produced each year by Trustees, Members, leadership staff and key financial personnel. The register is considered before entering into any contract to ensure that there is no conflict of interest.

Governance review:

Following adoption of a Governance Improvement Plan in September 2021, the Governing Body reviewed progress against the governance improvement priorities (Making use of good practice; Review of each Governor's contribution to the Governing Body's performance; Listening to and understanding the needs of staff, students and parents and reporting to the local community; Monitoring Governing body contribution to school improvement) at each subsequent meeting. Delivery included the completion of individual Governor Performance review meetings by the Chair of Trustees, before the end of the academic year. Following the establishment of the Trustee Board, Trustees will be considering how best to monitor the performance of the Board and the arrangements for reporting this to Trust Members.

All Trustees have undertaken a detailed skills audit using the matrix recommended by the National Trustees Association. The last update took place in September 2021.

The Finance and Asset Management Committee is a sub-committee of the main Board of Trustees. Its purpose is to assist and support the Board of Trustees, ensuring sound oversight is exercised over the management of the Academy's finances and Resources. Attendance at meetings during the year was as follows:

Trustees	Meetings attended	Out of possible
Mr M Appleby (Chair of Committee)	2	3
Mr R Blyghton	2	3
Mr M Pack	3	3
Mrs T Espindola (resigned 31/12/21)	1	1
Mr R Ramsay	2	3

The purpose of an Audit Committee is to provide assurance that risks are being adequately identified and managed. The functions of the Audit Committee are included within the Finance and Asset Management Committee.

Review of Value for Money

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

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

- Developing and implementing a programme of Good to Outstanding teaching.
- Developing a model of providing professional development from within.
- Reporting termly to Trustees Finance and Asset Management Committee.
- Appointing an independent Internal Auditor to provide assurance on financial controls, systems, transactions and risks
- Providing monthly Management Accounts to the Chair of Trustees
- Providing Management Accounts six times per year for trustees.
- Regular review of contracts and competitive tenders required for all contracts over £50,000
- Reviewing controls and managing risks.
- Introducing Bacs online payments for more efficient transactions whilst also saving costs and time
- Annual review of staffing structure.

BETHS GRAMMAR SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

- Restructure of roles and responsibilities to ensure robust separation of duties to provide financial assurance
- Checking and reviewing all costs over £10,000.
- Continuing to provide 7 taught lessons per subject per week at A Level in the sixth form
- Implementing preparation for young people about to embark on the next phase of their learning journey by providing enrichment activities
- Implementing a full carers and work experience provision
- Providing a holistic approach to education to nurture and mentor each student
- Providing digital devices for all students and staff to improve quality of teaching and to ensure that no disruption to learning in the event of a school closure

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 Beths Grammar School for the year ended 31 August 2022 and up to the date of approval of the Annual Report and Financial Statements.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ended 31 August 2022 and up to the date of approval of the Annual Report and Financial Statements. This process is regularly reviewed by the Board of Trustees.

The Risk and Control Framework

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint an independent internal auditor, Azets Ltd.

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

The Internal Auditor visited twice during the year. Checks carried out included:

- Website review
 - Review of Register of Pecuniary
 - Review of Whistleblowing Policy
 - Governor Induction Pack
 - School Number Data
 - School Development Plan
-

BETHS GRAMMAR SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

- Monthly Management Accounts and KPI's
- Payroll
- Top 10 Planning checks
- Vat

The IA's view is that the correct processes were followed, and that staff were highly competent in explaining the processes. No material control weaknesses have been identified and all findings have been reported to Trustees. Trustees are satisfied that the role has been delivered effectively.

Review of Effectiveness

As Accounting Officer, R Blyghton had responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review was informed by:

- the work of the Internal Auditor;
- 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 of the internal control framework.

The Accounting Officer was advised of the implications of the result of their review of the system of internal control by the finance and asset management committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the Board of Trustees on 8th December 2022 and signed on its behalf by:



.....
Mr J Brock

Chair of Trustees



.....
R Blyghton

Accounting Officer

BETHS GRAMMAR SCHOOL

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE *FOR THE YEAR ENDED 31 AUGUST 2022*

As accounting officer of Beths Grammar School, I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

I confirm that I and the Academy Trust's Board of Trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academy Trust Handbook 2021.

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

RJBlyghton

R Blyghton
Accounting Officer

08 December 2022

BETHS GRAMMAR SCHOOL

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2022

The trustees (who are also the directors of Beths Grammar School for the purposes of company law) are responsible for preparing the Trustees' report and the Financial Statements in accordance with the Academies Accounts Direction 2021 to 2022 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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


- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The 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 with the requirements both of propriety and of good financial management. They are also responsible for ensuring that grants received from ESFA/DfE have been applied for the purposes intended.

The 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 08 December 2022 and signed on its behalf by:


Mr J Brock
Chair of Trustees

BETHS GRAMMAR SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2022

Opinion

We have audited the Financial Statements of Beths Grammar School for the year ended 31 August 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the Financial Statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the Financial Statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the Financial Statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the Financial Statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

BETHS GRAMMAR SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2022

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report, including the incorporated strategic report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the Financial Statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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, the Trustees 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 Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

- Enquiry of management and those charged with governance around actual and potential litigation and claims.
- Enquiry of management to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing internal assurance reports.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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

BETHS GRAMMAR SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2022

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.



Louise Hallsworth FCA (Senior Statutory Auditor)
for and on behalf of Baxter & Co

15 December 2022
.....

Chartered Certified Accountants
Statutory Auditor

Lynwood House
Crofton Road
Orpington
Kent
BR6 8QE

BETHS GRAMMAR SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2022

In accordance with the terms of our engagement letter dated 13 May 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Beths Grammar School during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of Beths Grammar School's funding agreement with the Secretary of State for Education dated 21 September 2010 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Review of payments to staff;
- Review of payments to suppliers and other third parties;
- Review of grant and other income streams;
- Review of some key financial control procedures;
- Discussions with finance staff;
- Consideration of the record maintained by the Accounting Officer of the oversight they have exercised;
- Consideration of the programme of internal scrutiny implemented by the Academy Trust in order to comply with its obligations under 3.1 of the Academy Trust Handbook 2021, issued by the ESFA.

BETHS GRAMMAR SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2022

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Baxter & Co.

Reporting Accountant

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

Dated: 15 December 2022
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BETHS GRAMMAR SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

		Unrestricted funds	Restricted funds:		Total 2022	Total 2021
	Notes	£'000	General	Fixed asset	£'000	£'000
Income and endowments from:						
Donations and capital grants	3	11	-	36	47	293
Charitable activities:						
- Funding for educational operations	4	399	9,875	-	10,274	9,521
Other trading activities	5	74	-	-	74	20
Investments	6	1	-	-	1	1
Total		<u>485</u>	<u>9,875</u>	<u>36</u>	<u>10,396</u>	<u>9,835</u>
Expenditure on:						
Raising funds	7	69	-	-	69	-
Charitable activities:						
- Educational operations	8	317	8,841	858	10,016	9,443
Total	7	<u>386</u>	<u>8,841</u>	<u>858</u>	<u>10,085</u>	<u>9,443</u>
Net income/(expenditure)		99	1,034	(822)	311	392
Transfers between funds	17	-	(300)	300	-	-
Other recognised gains/(losses)						
Actuarial gains on defined benefit pension schemes	19	-	2,379	-	2,379	165
Net movement in funds		99	3,113	(522)	2,690	557
Reconciliation of funds						
Total funds brought forward		<u>777</u>	<u>700</u>	<u>12,517</u>	<u>13,994</u>	<u>13,437</u>
Total funds carried forward		<u>876</u>	<u>3,813</u>	<u>11,995</u>	<u>16,684</u>	<u>13,994</u>

BETHS GRAMMAR SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2022

Comparative year information		Unrestricted	Restricted funds:		Total
Year ended 31 August 2021		funds	General	Fixed asset	2021
	Notes	£'000	£'000	£'000	£'000
Income and endowments from:					
Donations and capital grants	3	5	-	288	293
Charitable activities:					
- Funding for educational operations	4	269	9,252	-	9,521
Other trading activities	5	-	20	-	20
Investments	6	1	-	-	1
Total		<u>275</u>	<u>9,272</u>	<u>288</u>	<u>9,835</u>
Expenditure on:					
Charitable activities:					
- Educational operations	8	244	8,342	857	9,443
Total	7	<u>244</u>	<u>8,342</u>	<u>857</u>	<u>9,443</u>
Net income/(expenditure)		31	930	(569)	392
Transfers between funds	17	-	(115)	115	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	19	-	165	-	165
Net movement in funds		31	980	(454)	557
Reconciliation of funds					
Total funds brought forward		746	(280)	12,971	13,437
Total funds carried forward		<u>777</u>	<u>700</u>	<u>12,517</u>	<u>13,994</u>

BETHS GRAMMAR SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2022

		2022	2021
	Notes	£'000	£'000
Fixed assets			
Tangible assets	12	11,979	12,271
Current assets			
Debtors	13	313	504
Cash at bank and in hand		5,442	4,037
		5,755	4,541
Current liabilities			
Creditors: amounts falling due within one year	14	(986)	(644)
Net current assets		4,769	3,897
Total assets less current liabilities		16,748	16,168
Creditors: amounts falling due after more than one year	16	(9)	(11)
Net assets before defined benefit pension scheme liability		16,739	16,157
Defined benefit pension scheme liability	19	(55)	(2,163)
Total net assets		16,684	13,994
Funds of the Academy Trust:			
Restricted funds	17		
- Fixed asset funds		11,995	12,517
- Restricted income funds		3,868	2,863
- Pension reserve		(55)	(2,163)
Total restricted funds		15,808	13,217
Unrestricted income funds	17	876	777
Total funds		16,684	13,994

The Financial Statements on pages 22 to 45 were approved by the Trustees and authorised for issue on 08 December 2022 and are signed on their behalf by:



Mr J Brock
Chair of Trustees

Company registration number 07379768

BETHS GRAMMAR SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

		2022		2021	
	Notes	£'000	£'000	£'000	£'000
Cash flows from operating activities					
Net cash provided by operating activities	20		1,936		1,620
Cash flows from investing activities					
Dividends, interest and rents from investments		1		1	
Capital grants from DfE Group		36		288	
Purchase of tangible fixed assets		(566)		(818)	
Net cash used in investing activities			(529)		(529)
Cash flows from financing activities					
Repayment of long term bank loan		(2)		(2)	
Net cash used in financing activities			(2)		(2)
Net increase in cash and cash equivalents in the reporting period			1,405		1,089
Cash and cash equivalents at beginning of the year			4,037		2,948
Cash and cash equivalents at end of the year			5,442		4,037

BETHS GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

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

1.1 Basis of preparation

The Financial Statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The 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 the foreseeable future and there are no material 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.

1.3 Income

All incoming resources are recognised when the Academy Trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Grants

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

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

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

Donations

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

Other income

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

BETHS GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

1.5 Tangible fixed assets and depreciation

Assets costing £5,000 or more per item (or less if they form part of a larger purchase or project where the total cost exceeds £25,000) are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding that require the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Where tangible fixed assets have been acquired / funded by other income, the fixed asset fund is also credited. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities.

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

Freehold land and buildings	2% - 5%
Computer equipment	20%
Fixtures, fittings & equipment	20%

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

1.6 Liabilities

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

BETHS GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

1.7 Leased assets

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

1.8 Financial instruments

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

Financial assets

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

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

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.9 Taxation

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

1.10 Pensions benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets and the liabilities are held separately from those of the Academy Trust.

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

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

BETHS GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

1.11 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 with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

1.12 Agency Arrangement

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

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact on the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

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

3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
Capital grants	-	36	36	288
Other donations	11	-	11	5
	<u>11</u>	<u>36</u>	<u>47</u>	<u>293</u>

BETHS GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

4 Funding for the Academy Trust's charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
DfE/ESFA grants				
General annual grant (GAG)	-	9,108	9,108	8,352
Other DfE/ESFA grants:				
- Pupil premium	-	128	128	111
- Others	-	397	397	521
	-	9,633	9,633	8,984
Other government grants				
Local authority grants	-	35	35	14
COVID-19 additional funding				
DfE/ESFA				
Catch-up premium	-	-	-	79
Other DfE/ESFA COVID-19 funding	-	52	52	10
Non-DfE/ESFA				
Other COVID-19 funding	-	24	24	40
	-	76	76	129
Other funding				
Catering income	374	-	374	244
Trips and other pupil activity income	-	85	85	70
Other incoming resources	25	46	71	80
	399	131	530	394
Total funding	399	9,875	10,274	9,521

The Academy Trust has been eligible to claim additional funding in the year from government support schemes in response to the Coronavirus outbreak. The funding received is shown above under "COVID-19 additional funding".

- The funding received for coronavirus exceptional support covers £76k of staff costs. These costs are included in notes 7 and 8 below as appropriate

5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
Hire of facilities	19	-	19	-
Income from facilities and services	55	-	55	20
	74	-	74	20

BETHS GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

6 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
Short term deposits	1	-	1	1

7 Expenditure

	Staff costs £'000	Non-pay expenditure Premises £'000	Other £'000	Total 2022 £'000	Total 2021 £'000
Expenditure on raising funds					
- Direct costs	8	-	61	69	-
Academy's educational operations					
- Direct costs	6,261	687	667	7,615	7,288
- Allocated support costs	1,130	669	602	2,401	2,155
	<u>7,399</u>	<u>1,356</u>	<u>1,330</u>	<u>10,085</u>	<u>9,443</u>

Net income/(expenditure) for the year includes:

	2022 £'000	2021 £'000
Fees payable to auditor for:		
- Audit	8	8
- Other services	20	16
Operating lease rentals	6	7
Depreciation of tangible fixed assets	858	857
Net interest on defined benefit pension liability	35	36

BETHS GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

8 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
Direct costs				
Educational operations	-	7,615	7,615	7,288
Support costs				
Educational operations	317	2,084	2,401	2,155
	<u>317</u>	<u>9,699</u>	<u>10,016</u>	<u>9,443</u>
Analysis of costs			2022 £'000	2021 £'000
Direct costs				
Teaching and educational support staff costs			6,261	5,945
Staff development			19	22
Depreciation			687	686
Technology costs			154	204
Educational supplies and services			141	128
Examination fees			213	146
Educational consultancy			34	21
Other direct costs			106	136
			<u>7,615</u>	<u>7,288</u>
Support costs				
Support staff costs			894	881
Defined benefit pension scheme - staff costs (FRS102 adjustment)			236	231
Depreciation			171	171
Technology costs			3	44
Maintenance of premises and equipment			238	139
Cleaning			25	17
Energy costs			109	99
Rent, rates and other occupancy costs			64	93
Insurance			42	37
Security and transport			20	14
Catering			413	271
Defined benefit pension scheme - finance costs (FRS102 adjustment)			35	36
Legal costs			3	5
Other support costs			120	93
Governance costs			28	24
			<u>2,401</u>	<u>2,155</u>

BETHS GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

9 Staff

Staff costs

Staff costs during the year were:

	2022 £'000	2021 £'000
Wages and salaries	5,289	5,089
Social security costs	570	506
Pension costs	1,129	1,130
Defined benefit pension scheme – staff costs (FRS102 adjustment)	236	231
	<hr/>	<hr/>
Staff costs - employees	7,224	6,956
Agency staff costs	165	98
Staff restructuring costs	10	3
	<hr/>	<hr/>
Total staff expenditure	7,399	7,057
	<hr/>	<hr/>

Staff restructuring costs comprise:

Redundancy payments	-	2
Severance payments	10	1
	<hr/>	<hr/>
	10	3
	<hr/>	<hr/>

Severance payments

The Academy Trust paid 1 severance payments in the year, disclosed in the following bands:

0 - £25,000	1
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Special staff severance payments

Special staff severance payments are amounts paid to employees outside of statutory and contractual requirements. Included in staff restructuring costs are special severance payments totalling £10k (2021: £1k). Individually, the payments were £10k.

Staff numbers

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

	2022 Number	2021 Number
Teachers	82	81
Administration and support	51	53
Management	8	8
	<hr/>	<hr/>
	141	142
	<hr/>	<hr/>

BETHS GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

9 Staff

(Continued)

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

	2022 Number	2021 Number
Teachers	74	76
Administration and support	43	42
Management	8	8
	<u>125</u>	<u>126</u>

Higher paid staff

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

	2022 Number	2021 Number
£60,000 - £70,000	5	4
£70,001 - £80,000	-	2
£80,001 - £90,000	2	1
£90,001 - £100,000	1	1
	<u>8</u>	<u>8</u>

Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £928,538 (2021: £926,995).

BETHS GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

10 Trustees' remuneration and expenses

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

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

R Blyghton (Headteacher):

- Remuneration £95,000 - £100,000 (2021: £95,000 - £100,000)
- Employer's pension contributions £20,000 - £25,000 (2021: £20,000 - £25,000)

K Sangster (Staff Trustee):

- Remuneration £30,000 - £35,000 (2021: £30,000 - £35,000)
- Employer's pension contributions £5,000 - £10,000 (2021: £5,000 - £10,000)

T Tolhurst (Staff Trustee):

- Remuneration £55,000 - £60,000 (2021: £55,000 - £60,000)
- Employer's pension contributions £10,000 - £15,000 (2021: £10,000 - £15,000)

M Pack (Co-opted Trustee)

- Remuneration £0 - £5,000 (2021: £nil)
- Employer's pension contributions £nil (2021: £nil)

During the year no expenses were reimbursed or paid directly to any Trustees (2021: £nil).

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

11 Trustees' and officers' insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2022 was £320 (2021: £329). The cost of this insurance is included in the total insurance cost.

BETHS GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

12 Tangible fixed assets

	Freehold land and buildings £'000	Computer equipment £'000	Fixtures, fittings & equipment £'000	Total £'000
Cost				
At 1 September 2021	19,345	348	397	20,090
Additions	541	-	25	566
At 31 August 2022	19,886	348	422	20,656
Depreciation				
At 1 September 2021	7,352	180	287	7,819
Charge for the year	695	89	74	858
At 31 August 2022	8,047	269	361	8,677
Net book value				
At 31 August 2022	11,839	79	61	11,979
At 31 August 2021	11,993	168	110	12,271

Freehold land is included above at a nominal value of £1, reflecting legal restrictions as to its use.

13 Debtors

	2022 £'000	2021 £'000
Trade debtors	3	2
VAT recoverable	56	43
Prepayments and accrued income	254	459
	313	504

14 Creditors: amounts falling due within one year

	2022 £'000	2021 £'000
Government loans	3	3
Trade creditors	261	190
Other taxation and social security	144	132
Other creditors	117	126
Accruals and deferred income	461	193
	986	644

BETHS GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

15 Deferred income

	2022 £'000	2021 £'000
Deferred income is included within:		
Creditors due within one year	57	34
	<u>57</u>	<u>34</u>
Deferred income at 1 September 2021	34	12
Released from previous years	(34)	(12)
Resources deferred in the year	57	34
	<u>57</u>	<u>34</u>
Deferred income at 31 August 2022	57	34

Deferred income relates to £8k (2021: £5k) balances on trips/activities, £49k (2021: £28k) relates to voluntary fund income, Jack Petchy award £nil (2021: £1k).

16 Creditors: amounts falling due after more than one year

	2022 £'000	2021 £'000
Government loans	9	11
	<u>9</u>	<u>11</u>
Analysis of loans	2022 £'000	2021 £'000
Wholly repayable within five years	12	14
Less: included in current liabilities	(3)	(3)
	<u>9</u>	<u>11</u>
Amounts included above	9	11
	<u>9</u>	<u>11</u>
Loan maturity		
Debt due in one year or less	3	3
Due in more than one year but not more than two years	5	6
Due in more than two years but not more than five years	4	5
	<u>12</u>	<u>14</u>

The loan relates to an interest free Salix Loan and is repayable over 8 years.

BETHS GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

17 Funds

	Balance at 1 September 2021 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2022 £'000
Restricted general funds					
General Annual Grant (GAG)	2,615	9,108	(7,779)	(300)	3,644
Pupil premium	-	128	(128)	-	-
Other DfE/ESFA COVID-19 funding	-	52	(52)	-	-
Other Coronavirus funding	-	24	(24)	-	-
Other DfE/ESFA grants	-	397	(382)	-	15
Other government grants	-	35	(35)	-	-
Other restricted funds	248	131	(170)	-	209
Pension reserve	(2,163)	-	(271)	2,379	(55)
	<u>700</u>	<u>9,875</u>	<u>(8,841)</u>	<u>2,079</u>	<u>3,813</u>
Restricted fixed asset funds					
Inherited on conversion	9,671	-	(642)	-	9,029
DfE group capital grants	1,848	36	(148)	-	1,736
Capital expenditure from GAG	998	-	(68)	300	1,230
	<u>12,517</u>	<u>36</u>	<u>(858)</u>	<u>300</u>	<u>11,995</u>
Total restricted funds	<u>13,217</u>	<u>9,911</u>	<u>(9,699)</u>	<u>2,379</u>	<u>15,808</u>
Unrestricted funds					
General funds	<u>777</u>	<u>485</u>	<u>(386)</u>	<u>-</u>	<u>876</u>
Total funds	<u>13,994</u>	<u>10,396</u>	<u>(10,085)</u>	<u>2,379</u>	<u>16,684</u>

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

The Restricted General Funds are used to fund the general operating costs of the Academy.

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

The Restricted Fixed Asset Fund represents the net book value of fixed assets £11,979k (2021: £12,271k) plus the unspent element of capital funds £28k (2021: £260k) and deduction of the salix loan of £12k (2021: £14k). When assets are purchased the fund is increased and depreciation charges reduce the fund.

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

BETHS GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

17 Funds

(Continued)

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

	Balance at 1 September 2020 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2021 £'000
Restricted general funds					
General Annual Grant (GAG)	1,532	8,352	(7,154)	(115)	2,615
Pupil premium	-	111	(111)	-	-
Catch-up premium	-	79	(79)	-	-
Other DfE/ESFA COVID-19 funding	-	10	(10)	-	-
Other Coronavirus funding	-	40	(40)	-	-
Other DfE/ESFA grants	14	521	(535)	-	-
Other government grants	-	14	(14)	-	-
Other restricted funds	235	145	(132)	-	248
Pension reserve	(2,061)	-	(267)	165	(2,163)
	<u>(280)</u>	<u>9,272</u>	<u>(8,342)</u>	<u>50</u>	<u>700</u>
Restricted fixed asset funds					
Inherited on conversion	10,312	-	(641)	-	9,671
DfE group capital grants	1,690	288	(143)	13	1,848
Capital expenditure from GAG	969	-	(73)	102	998
	<u>12,971</u>	<u>288</u>	<u>(857)</u>	<u>115</u>	<u>12,517</u>
Total restricted funds	<u>12,691</u>	<u>9,560</u>	<u>(9,199)</u>	<u>165</u>	<u>13,217</u>
Unrestricted funds					
General funds	<u>746</u>	<u>275</u>	<u>(244)</u>	<u>-</u>	<u>777</u>
Total funds	<u>13,437</u>	<u>9,835</u>	<u>(9,443)</u>	<u>165</u>	<u>13,994</u>

BETHS GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

18 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	-	-	11,979	11,979
Current assets	876	4,851	28	5,755
Current liabilities	-	(983)	(3)	(986)
Non-current liabilities	-	-	(9)	(9)
Pension scheme liability	-	(55)	-	(55)
Total net assets	876	3,813	11,995	16,684
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	-	-	12,271	12,271
Current assets	777	3,504	260	4,541
Current liabilities	-	(641)	(3)	(644)
Non-current liabilities	-	-	(11)	(11)
Pension scheme liability	-	(2,163)	-	(2,163)
Total net assets	777	700	12,517	13,994

19 Pension and similar obligations

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2019.

Contributions amounting to £105k were payable to the schemes at 31 August 2022 (2021: £104k) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

BETHS GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

19 Pension and similar obligations

(Continued)

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

The next valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to the TPS in the period amounted to £891k (2021: £898k).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 20.7% for employers and 5.5% to 12.5% for employees.

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

Total contributions made	2022 £'000	2021 £'000
Employer's contributions	219	212
Employees' contributions	67	64
Total contributions	286	276

BETHS GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

19 Pension and similar obligations

(Continued)

Principal actuarial assumptions	2022 %	2021 %
Rate of increase in salaries	4.4	4.2
Rate of increase for pensions in payment/inflation	3.0	2.8
Discount rate for scheme liabilities	4.3	1.7
Rate of CPI Inflation	2.9	2.7

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

	2022 Years	2021 Years
Retiring today		
- Males	22.3	22.5
- Females	25.1	25.2
Retiring in 20 years		
- Males	23.9	24.1
- Females	27.1	27.2

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

	2022 £'000	2021 £'000
Discount rate + 0.1%	5,869	8,087
Discount rate - 0.1%	6,085	8,386
Mortality assumption + 1 year	6,101	8,500
Mortality assumption - 1 year	5,854	7,978

Defined benefit pension scheme net liability	2022 £'000	2021 £'000
Scheme assets	5,921	6,072
Scheme obligations	(5,976)	(8,235)
Net liability	(55)	(2,163)

BETHS GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

19 Pension and similar obligations

(Continued)

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

	2022 Fair value £'000	2021 Fair value £'000
Equities	2,066	1,852
Government Bonds	699	844
Other Bonds	758	1,129
Cash	397	613
Property	959	662
Other assets	1,042	972
Total market value of assets	<u>5,921</u>	<u>6,072</u>

The actual return on scheme assets was £(320,000) (2021: £698,000).

Amount recognised in the statement of financial activities

	2022 £'000	2021 £'000
Current service cost	444	432
Interest income	(105)	(95)
Interest cost	140	131
Administration expenses	11	11
Total operating charge	<u>490</u>	<u>479</u>

Changes in the present value of defined benefit obligations

	2022 £'000
At 1 September 2021	8,235
Current service cost	444
Interest cost	140
Employee contributions	67
Actuarial (gain)/loss	(2,803)
Benefits paid	(107)
At 31 August 2022	<u>5,976</u>

BETHS GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

19 Pension and similar obligations

(Continued)

Changes in the fair value of the Academy Trust's share of scheme assets

	2022 £'000
At 1 September 2021	6,072
Interest income	105
Actuarial loss/(gain)	(424)
Employer contributions	219
Employee contributions	67
Benefits paid	(107)
Administration expenses	(11)
At 31 August 2022	5,921

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

	Notes	2022 £'000	2021 £'000
Net income for the reporting period (as per the statement of financial activities)		311	392
Adjusted for:			
Capital grants from DfE and other capital income		(36)	(288)
Investment income receivable	6	(1)	(1)
Defined benefit pension costs less contributions payable	19	236	231
Defined benefit pension scheme finance cost	19	35	36
Depreciation of tangible fixed assets		858	857
Decrease in debtors		191	154
Increase in creditors		342	239
Net cash provided by operating activities		1,936	1,620

21 Analysis of changes in net funds

	1 September 2021 £'000	Cash flows £'000	31 August 2022 £'000
Cash	4,037	1,405	5,442
Loans falling due within one year	(3)	-	(3)
Loans falling due after more than one year	(11)	2	(9)
	4,023	1,407	5,430

BETHS GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

22 Long-term commitments

Operating leases

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

	2022 £'000	2021 £'000
Amounts due within one year	8	6
Amounts due in two and five years	29	1
	<u>37</u>	<u>7</u>

23 Related party transactions

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the ATH and in accordance with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period.

F Gibson and R Gibson related to L Gibson, Business Manager, are employed by the academy trust, their appointments were made in open competition. L Gibson was not involved in the decision making process regarding appointment. F Gibson and R Gibson are paid within the normal pay scale for their roles and they receive no special treatment as a result of their relationship to the Business Manager.

A Blyghton, related to R Blyghton is employed by the academy trust. The appointment was made in open competition. R Blyghton was not involved in the decision making process regarding appointment. A Blyghton is paid within the normal pay scale for their role and receives no special treatment as a result of their relationship with R Blyghton.

In entering into these transactions, the Academy Trust has complied with the requirements of the ESFA's Academy Trust Handbook 2021.

24 Members' liability

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

25 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for the ESFA. The opening balance for the accounting period ending 31 August 2022 was £11,813 (2021: £13,604), the trust received £57,881 (2021: £46,561) and disbursed £57,505 (2021: £48,352) from the fund. The unspent balance at 31 August 2022 was £12,189 (2021: £11,813) and is included in Other Creditors.