

Company Registration No. 07335020 (England and Wales)

URMSTON GRAMMAR

(A COMPANY LIMITED BY GUARANTEE)

**ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021**

Haines Watts

Chartered Accountants
Bridge House
157A Ashley Road
Hale
Altrincham
Cheshire
WA14 2UT

URMSTON GRAMMAR

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URMSTON GRAMMAR

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

T Booth
K Chirema
N Crowther (Chairman)
A Edkins
R Harding* (staff trustee)
H Stedman (appointed 30 June 2021) (staff trustee)
S Knights*
K Mackey
P Marks*
A McLaren*
K Procter*
G Robinson* (resigned 25 March 2021)
J Stokes
R Wall* (Headteacher and Accounting Officer)

* Members of the finance and premises committee

Members

E May
D Kirkham
A McLaren

Senior management team

- Headteacher

R Wall

- Deputy Headteacher

T Kennedy Fowler (appointed 1 September 2020)

- Assistant Headteacher

P Roberts (appointed 1 September 2020)

- Assistant Headteacher

A Elston

- Assistant Headteacher

A Rogers

Director of finance

J Daley

Company registration number

07335020 (England and Wales)

Registered office

Newton Road, Urmston, Manchester, M41 5UG

Independent auditor

Haines Watts, Bridge House, Ashley Road, Hale, Altrincham WA14 2UT

Bankers

Lloyds Bank Plc, King Street, Manchester, M2 3AU

URMSTON GRAMMAR

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees present their annual report together with the audited financial statements and the auditor's report of the academy trust (Urmston Grammar) for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The trust operates an academy for students aged 11 to 18 serving Urmston and the surrounding area. It has a student capacity of 1,194 and had a roll of 1,060 in the school census in spring 2020.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee (company number 07335020) and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The trustees of Urmston Grammar are also directors of the charitable company for the purposes of company law. The charitable company is known as Urmston Grammar.

Details of the trustees who served throughout the year and to the date these accounts are approved as noted are included in the reference and administrative details on page 1 together with details of the registered office address.

Members' liability

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

Trustees' indemnities

In accordance with normal commercial practice the academy has purchased professional indemnity and directors' and officers' insurance to protect the trustees from claims arising from negligence, errors or omissions occurring whilst on academy business.

Method of recruitment and appointment or election of trustees

The members of the trust are responsible for the appointment of trustees except parent trustees and staff trustees who will be appointed through an election process directed by the board of trustees.

Policies and procedures adopted for the induction and training of trustees

Trustees are appointed based on the skills that they will bring to the board of trustees or based on a proposal to the board of trustees by representative groups. On appointment, trustees receive information relating to the trust, attend a briefing and receive an induction pack on the role and responsibilities of trustees.

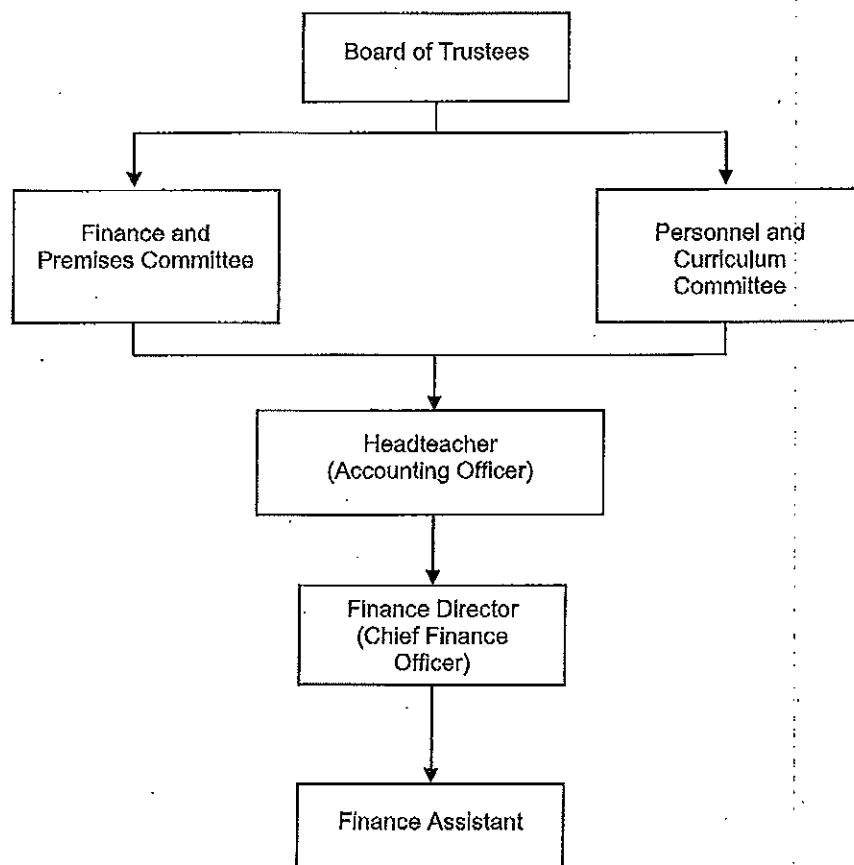
During the year, trustees are offered all necessary training.

URMSTON GRAMMAR

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Organisational structure



All trustees are members of the full board of trustees. In addition, trustees are members of committees which report to the full board of trustees.

The board of trustees meets once each term to receive reports from its sub-committees and manage its strategic objectives. The board has two sub-committees:

- Finance and Premises, which meets termly to consider the academy's budgets and financial performance, premises matters and requirements, internal assurance reports and risk management.
- Personnel and Curriculum, which meets termly to consider curricular issues and academic performance against targets, student discipline and rewards, staffing matters and remuneration.

The day to day management is delegated to the Headteacher, who has appointed a senior leadership team, which meets weekly to advise the Headteacher on the day to day responsibilities. In addition to the senior leadership team the finance director also advises on key financial issues and day to day financial matters.

Arrangements for setting pay and remuneration of key management personnel

The board of trustees has established the following pay ranges for the Deputy Headteacher(s) and Assistant Headteacher(s):

- Deputy Headteacher pay range (L12-L17)
- Assistant Headteacher pay range (L10-L15)

The board of trustees has established the following pay range for the Headteacher. The Headteacher will be paid within an eight point Individual Salary Range (ISR) within the appropriate Group Size Range in the Leadership Pay Range (L32-L39).

URMSTON GRAMMAR

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Discretionary payments to the Headteacher will be determined in accordance with the provisions of the 2020 School Teachers' Pay and Conditions Document (STPCD) and will be reviewed annually.

The board of trustees will normally appoint new leadership teachers at the bottom point of the relevant pay range. The board of trustees will pay teachers as Deputy Headteachers or Assistant Headteachers only where the board of trustees is satisfied that, in the context of the teacher's duties, the role includes a significant responsibility that is not required of all classroom teachers or TLR holders, and that the role:

- a) is focused on teaching and learning;
- b) requires the exercise of a teacher's professional skills and judgment;
- c) requires the teacher to lead and manage the school through:
 - development of teaching and learning priorities across the school;
 - accountability for the standards of achievement and behaviour of students across the school;
 - accountability for the planning and deployment of the school's resources;
 - leading policy development and implementation across the school in accordance with statutory provisions;
 - managing whole school operational activity;
 - working with external bodies and agencies; and
 - securing students' access to their educational entitlements;
- d) has an impact on the educational progress of the school's students;
- e) involves leading, developing and enhancing the teaching practice of the school's staff; and
- f) includes line management responsibility for a significant number of people and/or the line management of other line managers.

In the case of a Deputy Headteacher post, the board of trustees must also be satisfied that this significant responsibility features a job weight which exceeds that expected of an assistant Headteacher employed in the same school, including responsibility for discharging in full the responsibilities of the Headteacher in his/her absence.

The Headteacher, Deputy Headteacher(s) and Assistant Headteacher(s) will be awarded additional scale points in accordance with the provisions of the STPCD i.e. they must demonstrate sustained high quality of performance in respect of school leadership and management and student progress.

The trustees will determine a pay range, for each the Deputy Headteacher and Assistant Headteacher, consisting of five consecutive points on the leadership pay spine. When determining each pay range the trustees will take account of the context and full responsibilities of the role with reference to the professional duties set out in STPCD.

Risk management

The trustees have assessed the major risks to which the academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the academy. The trustees have implemented a number of systems to assess risks that the academy faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The academy has an effective system of internal financial controls and this is explained in more detail in the following statements.

Trade union facility time

There has been no facilitated time allocated to union representatives during the period.

Related parties and other connected charities and organisations

Urmston Grammar is not connected to any other organisations as defined by the relevant Charities SORP. The members, directors, trustees, senior staff and their families are regarded as related parties in accordance with the definitions in the Charities SORP.

URMSTON GRAMMAR

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities

Objects and aims

The principal object and activity of the charitable company is the operation of Urmston Grammar to provide education for students of different abilities between the ages of 11 and 18.

In accordance with the articles of association the charitable company has adopted a "Scheme of Governance" approved by the Secretary of State for Children, Schools and Families.

The main objectives of the academy are summarised below: -

- to raise achievement and aspirations for all through the use of Innovation and new technologies;
- to deliver a personalised curriculum which is fit for the 21st century through an outstanding learning infrastructure; and
- to ensure that all students are actively engaged in the curriculum and are making good progress.

Objectives, strategies and activities

The academy's objective for the year ended 31 August 2021 was to raise the attainment level of all students through care and well-being, curriculum structure, teaching and learning, and leadership development.

Student roll: the total number on roll for the year to 31 August 2021 was 1,060.

Admissions: Urmston Grammar uses a selective process to admit students to year 7. Parents have to apply to the academy for their child to sit an entrance examination. Those who are successful are then ranked in order of the admissions criteria that can be found in our admissions policy.

Admission to the academy's 6th form is done with GCSE exam results. Currently the requirements are 2 grade 7s and 3 Grade 6s.

Permanent exclusions: the aim is to have exclusions only in exceptional circumstances. These exclusions are dealt with through the board of trustees and the SLT.

Staffing: the average number of (full time equivalent) staff employed during the year to 31 August 2021 was 103.

Public benefit

Urmston Grammar will promote, for the benefit of inhabitants of Urmston and the surrounding area, the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities with the object of improving their greater health and wellbeing.

The academy's trustees have complied with their duty to have due regard to the guidance on public benefit by the Charity Commission in exercising their powers or duties.

Strategic report

Achievements and performance

Attainment at all key stages was outstanding: 75% of all GCSE grades awarded were 9/8/7. 99% of students achieved 5 Strong (at higher grades 9-5) GCSE Passes 5 including Maths and English.

Urmston Grammar's 6th form achieved an A Level pass rate of 100% and 75% of all grades were A* to B grades.

URMSTON GRAMMAR

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Key performance indicators

All of the trust's trustees are expected to monitor key areas of the academy. They are required to:

- maintain the percentage of all staffing costs against income received both centrally and locally at around 85% especially as the trust employs both the catering and cleaning staff; this, however, is becoming increasingly difficult with the reduced GAG allocation and increase in teachers' pay and employer's pension contributions;
- ensure that there are always sufficient funds in all bank accounts;
- ensure that procedures set out in the finance manual are adhered to;
- make sure levels of delegation are not changed without being put to the trustees for approval;
- generate additional funds to invest in the education of its students and any capital building projects under discussion;
- monitor the student premium funding to ensure it is used effectively to support the FSM/Ever 6 students and ensure that they make comparable progress to their peers;
- ensure the student admission number (PAN) is sustained and that the ability of the year 7 entrants is maintained to reflect the academic status of a selective grammar school;
- ensure sufficient progress is made by students as they move through the key stages in preparation for GCSE and A levels;
- ensure examination results at GCSE and A Level do not fall below the expected level of achievement and that individuals meet or exceed FFT targets;
- monitor attendance and see that it remains above 95%;
- increase quality assurance procedures used to monitor the quality of teaching;
- use performance management procedures to continue to improve the quality of teaching;
- continue professional development to support individual and whole school targets;
- ensure the policy and practice supports outstanding behaviour and safety of students at the school;
- use the quality assurance procedures to monitor the quality of leadership in, and management of, the school;
- ensure that the taught and extended curriculum support the spiritual, moral, social and cultural development of students at the school;
- make sure that the education provided by the school meets the needs of the range of students at the school;
- ensure and monitor the school's performance compared to all other schools and similar schools nationally; and
- ensure they fulfil their statutory duties, particularly with regard to safeguarding;

Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust 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 financial statements. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies. However, the academy trust is facing challenges due to the reduced funding and ongoing teacher pay rises above inflation rate.

There are additional costs associated with Covid-19; these are a concern as we are uncertain how long the additional requirements will be needed.

Financial review

The majority of the academy's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2021, and the associated expenditure are shown as restricted funds in the statement of financial activities.

The academy also receives grants for fixed assets from the ESFA, and from other government bodies. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2019), such grants are shown in the statement of financial activities as restricted income in the fixed asset fund. This year the academy was successful with the Condition Improvement Fund (CIF) bid rounds to help with the Fire Alarm and Emergency Lighting bid. However, due to the delay from the ESFA in announcing the results of the bid, the start of the project has been delayed to the academic year 2021/22. The successful bid came in with full funding of £364,060 and £20,000 to be funded towards costs from Urmston Grammar.

The project to replace the All Weather Pitch was completed during the year 2019. Whilst the pitch is now in full use, there remains some snagging work to be completed and at 31 August 2021 there is still the sum of £40,334 to be paid out. An independent investigation on the pitch has been carried out to determine what work is required to be done and a response from Charles Lawrence the original contractor is required for the work to repair substandard workmanship to be corrected. As of 31 August 2021 their response had still not been received.

URMSTON GRAMMAR

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Total expenditure for the year ended 31 August 2021 was £6,599,000. Recurrent grant funding from the ESFA together with other incoming resources totalled £6,052,000. The excess of expenditure over income for the year was £547,000 (including depreciation of £428,000 and adjustments from the valuation of the LGPS liability totalling £268,000). The movement in the total restricted and unrestricted funds during the year is a surplus for the year of £128,000 which compares to that for the year ended 31 August 2020 which was £121,000.

At 31 August 2021 the net book value of fixed assets was £17,170,000. The assets were used exclusively for providing education and the associated support services to the students of the academy.

Under accounting Standard FRS102, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided for support staff, to the unrestricted fund. This resulted in the pension fund showing a deficit of £2,967,000 which has been carried forward at 31 August 2021. It should be noted that this does not present a liquidity problem for the academy as the deficit is addressed by government review of the contributions made to the fund.

Financial and risk management objectives and policies

The academy holds a risk register and a risk management policy. The trustees have assessed the major risks to which the academy is exposed and a formal review of the academy's risk management is undertaken on an annual basis. The finance manual also highlights any key financial risks and responsibilities.

Reserves policy

The trustees review the reserve levels of the academy annually. This review encompasses the nature of income and expenditure stream, the need to match income with commitments and the nature of reserves. The trustees determined that the appropriate level of free reserves should be equivalent to 5% of the GAG, approximately £260,000. The reason for this is to provide sufficient funding for unexpected emergencies such as urgent maintenance. The academy's current level of free reserves (total funds less the amount held in fixed assets restricted fund and pension reserve) is £297,000. This includes £23,000 for designated purposes. The trustees will continue to keep the future reserve figure under review in light of the forecast budget and the current economic climate. The academy will exercise careful control over its expenditure in the coming year to rectify this shortfall. The trustees are also looking at ways of fundraising and this is explained in more detail below.

Investment policy

Management of cashflow should ensure that there are always sufficient funds in the main bank accounts to cover operational costs. Trustees are committed to ensuring that all funds are managed in such a way as to maximise return whilst minimising risk, seeking to ensure that any cash not required for operating expenses is placed on deposit at the most favourable rate. The approval of the accounting officer is required before any investment is made and a report is presented to the finance committee.

Principal risks and uncertainties

Urmston Grammar holds a risk management policy and a risk register highlighting events that may occur, the likelihood of the risk (rated from high to low) and the person responsible. Measures of control and mitigation in order to manage the risk have been put in place.

Covid-19 risks and uncertainties

Due to Covid-19 there were varied increased costs.

Increased financial cost associated with:

- additional cleaning staffing hours during the school day;
- additional catering staff to cover staggered lunches;
- additional lunchtime supervisors to cover staggered lunches;
- reduced catering income as students choose to bring packed lunches and have less access to canteens at breaks to maintain 'bubbles';
- reduced lettings income;
- more supply staff to cover teacher absence;
- providing FSM vouchers for those off during school term time with Covid-19 related absence;
- cost of PPE being used in school;
- employing additional staff for the mass testing in school;
- additional equipment purchased to ensure the smooth running of the mass testing; and
- additional toilet facilities, to ensure year group bubbles did not mix.

URMSTON GRAMMAR

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Increased Income associated with:

- Catch-Up fund of £63,000
 - used to enable additional teaching hours;
 - cameras to enable remote learning/teaching in class;
 - additional resources to reduce the number of items being shared, also enabling use at home for remote learning; and
 - additional online resources to help with remote learning
- FSM Vouchers during the holidays supplied by the LA.

Fundraising

The trustees are aware that due to the current climate of financial difficulty the trust has to rely on public generosity but are also aware that this cannot always be taken for granted. The trustees ensure that money is raised in a considerate and responsible way and is used effectively. It is important to protect the trust's reputation and encourage the public's trust and confidence in their charity. The trustees will deal with any conflicts of interest, implement appropriate financial controls and manage risks.

The trustees receive regular updates on charity donations and suggestions are made on how to improve donations in an effective way that best suits the trust and public interests. At the beginning of each academic year, the trustees agree an overall approach to raising the trust's fundraising strategy. This includes the methods already being used. In the case of academic year 2020/21, the trustees agreed that the Urmston Grammar Annual Fund (UGAF) – (a donation including gift aid, paid directly from parents through their bank to pay monthly or annually) should be continued with an additional request for funding from parents via Parentpay for a voluntary contribution.

The trustees have systems in place to ensure the best interests of the trust when working with commercial partners. No remuneration or reward is given to the commercial partner, which is excessive in relation to the funds raised. They ensure that it is compliant with any specific legal requirements. The trustees are aware of the trust's overall financial position and are able to demonstrate how fundraising supports the trust in its long-term strategy for the achievement of its objectives. All fundraising undertaken during the year is monitored by the trustees.

The trustees ensure that complete and accurate returns are made. When dealing with complaints the trustees will refer to the complaints policy and deal with the complaint in a timely and direct fashion. Should further assistance be required the trustees would contact the Fundraising Regulator.

Plans for future periods

For the coming financial year, the academy plans to implement the following key objectives:

- Promote a broad and balanced curriculum (including extra-curricular provision) that develops "all round" students who are academically, socially and emotionally successful who are ready to make the transition into their next phase (education, employment or training).
- Ensure that the catch-up fund is used effectively to ensure that there are no learning gaps because of lockdown.
- Continue to invest in improving IT Infrastructure to support remote learning.
- Continue to invest in improving staff confidence and skills in using IT to support high quality remote learning.
- Continue to improve the consistency of quality of teaching across the school and the departments.
- Maintain overall academic performance and that of certain specific subjects.
- Continue to improve effectiveness of leadership at all levels (middle/senior/governing body/student).
- Improve financial stability of the school by reducing the risk of a deficit budget in future years and by exploring alternative additional funding streams to improve the building and fabric of the school to enhance the students' educational experience.
- Continue to develop and strengthen the community spirit within the school, the parent body and the wider community.
- Ensure that the Catch-Up Tuition fund is used effectively to ensure that those students who require the additional help and time are targeted.

URMSTON GRAMMAR

TRUSTEES' REPORT (CONTINUED)

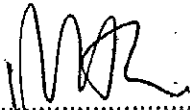
FOR THE YEAR ENDED 31 AUGUST 2021

Auditors

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 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

This trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 8/12/21 and signed on its behalf by:



.....
N Crowther
Chair of trustees

URMSTON GRAMMAR

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Urmston Grammar 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.

As trustees, we have reviewed and taken account of the guidance in the DfE's Governance Handbook and competency framework for governance.

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 Urmston Grammar and the Secretary of State for Education. They are 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:

Trustee	Meetings attended	Out of possible
T Booth	4	4
K Chirema	4	4
N Crowther	4	4
A Edkins	3	4
R Harding	1	3
S Knights	3	4
K Mackey	4	4
P Marks	4	4
A McLaren	2	4
K Procter	2	4
G Robinson (resigned 25 March 2021)	1	2
H Stedman	1	1
J Stokes	4	4
R Wall	4	4

The finance and premises committee is a sub-committee of the main board of trustees. Its purpose is to report to the full board of trustees on a timely basis the finance of the academy.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of possible
R Harding	1	2
S Knights	3	3
P Marks	3	3
A McLaren	3	3
K Procter	2	3
G Robinson (resigned 25 March 2021)	1	2
R Wall	3	3

URMSTON GRAMMAR

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Governance review

The governing body has addressed the challenges presented to it by the Covid-19 pandemic by continuing to undertake the normal course planned governing body and committee meetings via Zoom meetings, all of which were hosted by the chair of governors. It is the opinion of the governing body that it has therefore continued to perform its required scrutiny role in an uninterrupted manner.

The governing body has met in full on 4 occasions during the year. Given the weekly meetings between the chair of governors and the headteacher to keep abreast of immediate situations as they develop and the ad-hoc meetings called as required, the governing body considers this number of meetings sufficient for their governance needs.

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:

- striving to ensure that the school was using its resources effectively to meet the needs of the students;
- ensuring that the value for money principles were monitored within the school improvement plan in order to determine the extent of continuous improvement;
- implementing a new senior leadership structure in school;
- appointing high quality staff including heads of department and senior leaders;
- ensuring that teaching staff were provided with appropriate training to ensure that they continue to support and challenge students at all key stages;
- supporting staff, students and parents during lockdown;
- ensuring staff appraisals were kept up to date and targets set;
- ensuring students were given the opportunity to participate in extra-curricular activities to enrich their experiences, enhance their knowledge and develop leadership skills;
- ensuring that there was a data manager in charge of student tracking and monitoring;
- ensuring that data was used effectively to develop appropriate intervention; and
- ensuring that student premium funding was used for those students specifically and the gap was bridged between FSM and non-FSM so they achieved or exceeded their target grades. Current GCSE results showed that all year 11 students gained excellent results at GCSE.

Due to the closure of the school and the lockdown across the country, income that would have been brought into the school via lettings and catering income was greatly reduced. To help with the loss of impact of the income, the staffing in both of these areas were furloughed during January and February 2021. Moving forward we do not expect the same levels of financial loss should schools remain open. Although, losses were seen in catering income, due to the fact that lunch times were staggered, a reduced choice being available on our menu; and students bringing in their own lunches more often. Lettings also had an impact on income, especially, over the winter months when lettings are at a maximum. Lockdown meant that sporting activities could not continue.

Students were able to access online learning resources much easier during the lockdown and over the course of the academic year. With the help of the Catch-Up fund the school was able to purchase cameras and valuable resources including additional textbooks so that each child had their own textbook rather than sharing. Enabling teachers to continue with their teaching in a fairly precise manner that students were able to follow.

The funding also provided additional revision resources for subjects at GCSE and A Level, so that students could utilise their time whilst preparing for internal examinations and assessments.

Covid had a huge impact on students who had no access to any IT equipment or Wifi when working from home. Especially during the first lockdown. Additional laptops provided by both the DfE and LA helped the school to be able to provide all those impacted access to remote learning.

URMSTON GRAMMAR

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Care of students

- Welfare of the students was always the main priority ensuring that any bullying issues were dealt with within the school bullying policy.
- Any SEND students were given the correct support required.
- Any welfare issues were dealt with confidently and effectively.
- During Covid-19 all FSM students were sent weekly vouchers to cover their lunches when they were unable to attend school due to Covid-19. This continued through to the end of the summer holidays. Unfortunately, we were unable to claim for any of these vouchers provided during term time. The cost to the school was £8,740. The LA provided vouchers during the holidays.
- During the new academic year this continued for those students who were off school with Covid-19 related issues.

Staffing

- Ensuring that there were the correct numbers of teachers to deliver a broad and balanced curriculum.
- Review of the teaching timetable to enhance teaching in a cost-effective way.
- Staff were given the opportunity to attend training courses.
- Clear targets were set at appraisals.
- Staff affected by Covid-19 that were furloughed were paid 100% of their salaries with 80% being claimed back from the HMRC.

Resources

- Equipment was purchased to aid teaching and best practice and value was sought, ensuring that the cheapest is not always the best option policy.
- Price comparison was made on purchases and agreed procedures were followed.

Financial management

- Ensure that all financial policies were followed.
- Reports to the board of trustees were given in an understandable format and explained in detail.
- Finance staff ensured value for money was used on all purchases. That consideration was taken before making purchases looking at the long-term effect and benefits e.g. this year the refurbishment of a music suite and a reconfiguration of reprographics and the sick bay were carried out. Quotes were sought using best value principles.
- Benchmarking our costs against other academies to ensure that we could identify areas where we could make cost savings.
- Reviewing controls and management risks. Regular meetings with the finance director to ensure that the budget was in line with predicted cash flow.
- Continued increases in the number of student intake in Year 7. Regular meetings with the SLT and finance director to ensure that this increase would not put the finances of the academy at risk due to lagged funding. This also enabled all years from 7-11 being at 150 in student number rather than 128 with the exception of year 10 which was 180.
- Lettings of the building were monitored and discussed to see if there were opportunities to increase the levels of income generated with the addition of the all-weather pitch now being available.
- Review of the monthly management accounts is undertaken by the chair of the Finance and Premises Committee on behalf of the chair of governors.
- Ensuring that budget holders were given regular budget reports and ensuring that they used spare resources to the best of their knowledge and prevent any waste. Department budgets were looked into with the view to changing the way that budgets were being set.

The board of trustees is collectively responsible for the overall direction of the academy and its strategic management. This involves determining the guiding principles within which the academy operates, setting general policy, adopting an annual development plan and budget, monitoring the academy's activities and making major decisions about capital expenditure and senior staff appointments.

The board of trustees is also responsible for ensuring that the academy meets all its statutory obligations and through the Headteacher (the accounting officer), and finance director that it complies with financial regulations. The board of trustees recognises that it would be impractical to undertake all the day to day activities itself in discharging its responsibilities and that it is necessary to delegate some of its functions through committees and to the Headteacher and senior leadership team (SLT) of the academy.

The SLT of the academy comprises the Headteacher, Deputy Headteacher and three Assistant Headteachers. The SLT controls the academy at an executive level implementing the policies laid down by the trustees and reporting

URMSTON GRAMMAR

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

back to them. In addition to the SLT, the ELT (Extended Leadership Team) have their individual roles to support the SLT with moving the school forward, heads of faculty/department are responsible for each curriculum area and the Deputy Headteacher and Assistant Headteachers are responsible for the day to day running of the academy, in particular organising teaching and support staff, facilities and students.

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 ongoing process designed to identify and prioritise the risks to the achievement of academy's 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 Urmston Grammar for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operation, 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 of identifying, evaluating and managing the academy's significant risks that have been in place for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The risk and control framework

The academy trust's system of internal control is based on a framework of regular management and 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 premises 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 defining purchasing (assets purchase or capital investment) guidelines;
- delegation of authority and segregation of duties; and
- identification and management of risks.

The trust has sought to address the need for an internal review function totally independent of the external auditors by appointing Hallidays, Chartered Accountants, as its internal audit provider for the 2021-22 academic year.

The reviewer's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular, the checks carried out in the current period included:

- Testing of purchase systems
- Testing of control account/bank reconciliations
- Checks on student premium income and expenditure (also ensuring data was published on the trust's website)
- Testing of payroll systems

On a termly basis the reviewer reports to the board of trustees, through the finance committee on the operation of the systems of control and on the discharge of the board of trustee's financial responsibilities.

The reviewer found that systems were in place and that there were no material control issues arising.

URMSTON GRAMMAR

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

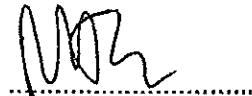
Review of effectiveness

As accounting officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- The work of the internal auditors
- External auditors
- The senior leadership team
- The finance committee
- The trustees of the academy
- The reviewer
- The finance director and managers with responsibility for the development and maintenance of the internal control framework

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the finance and premises 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 on8/12/21..... and signed on its behalf by:



N Crowther
Chair of trustees



R Wall
Accounting officer

URMSTON GRAMMAR

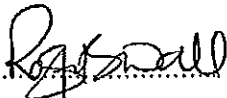
STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2021

As accounting officer of Urmston Grammar, 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 Academies Financial Handbook 2020.

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 Academies Financial Handbook 2020.

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

.....


R Wall
Accounting officer

Date: 31/12/2021

URMSTON GRAMMAR

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees (who are also the directors of Urmston Grammar for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2020 to 2021 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 accounts for each financial year. Under company law, the trustees must not approve the accounts 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 accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make 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 accounts; and
- prepare the accounts 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 accounts 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the board of trustees on 8/12/21 and signed on its behalf by:



.....
H. Crowther
Chair of trustees

URMSTON GRAMMAR

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF URMSTON GRAMMAR

FOR THE YEAR ENDED 31 AUGUST 2021

Opinion

We have audited the accounts of Urmston Grammar for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including a summary of 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 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021.

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

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

We have nothing to report in this regard.

URMSTON GRAMMAR

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

FOR THE YEAR ENDED 31 AUGUST 2021

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 accounts are prepared is consistent with the accounts; 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 accounts 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 accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, 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 accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

URMSTON GRAMMAR

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

FOR THE YEAR ENDED 31 AUGUST 2021

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

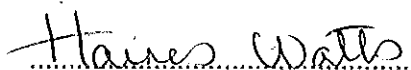
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Identify and test journal entries, in particular any journal entries posting with unusual account combinations.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (i.e. gives a true and fair view).

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Use of our report

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



John Whittick BSc FCA (Senior Statutory Auditor)

for and on behalf of

Haines Watts

Chartered Accountants

Statutory Auditor

Bridge House

Ashley Road

Hale

Altrincham

WA14 2UT

Date 8/12/21

URMSTON GRAMMAR

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

FOR THE YEAR ENDED 31 AUGUST 2021

In accordance with the terms of our engagement letter dated 7 August 2014 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Urmston Grammar during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Urmston Grammar and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Urmston Grammar 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 Urmston Grammar and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Urmston Grammar's funding agreement with the Secretary of State for Education dated 3 August 2010 and the Academies Financial Handbook, extant from 1 September 2020, 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 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

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.

URMSTON GRAMMAR

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

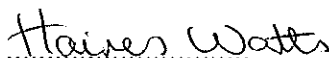
FOR THE YEAR ENDED 31 AUGUST 2021

The work undertaken to draw to our conclusion includes:

- We have confirmed that the activities conform to the academy trust's framework of authorities. As identified by review of minutes, management accounts, discussion with the accounting officer and other key management personnel.
- We have carried out an analytical review as part of the consideration of whether general activities of the academy trust are within the academy trust's framework of authorities.
- We have considered the evidence supporting the accounting officer's statement on regularity, propriety and compliance and have evaluated the general control environment of the academy trust and extended the procedures required for financial statements to include regularity.
- We have assessed and tested a sample of the specific control activities over regularity of a particular activity. In performing sample testing of expenditure, we have considered whether the activity is permissible within the academy trust's framework of authorities. We confirm that each item tested has been appropriately authorised in accordance with the academy trust's delegated authorities and that the internal delegations have been approved by the board of trustees, and conform to the limits set by the Department for Education.
- Formal representations have been obtained from the board of trustees and the accounting officer acknowledging their responsibilities including disclosing all non-compliance with laws and regulations specific to the authorising framework, access to accounting records, provision of information and explanations, and other matters where direct evidence is not available.
- In performing sample testing of expenditure, we have reviewed against specific terms of grant funding within the funding agreement. We have reviewed the list of suppliers and have considered whether supplies are from related parties, and have reviewed minutes for evidence of declaration of interest, and whether or not there was involvement in the decision to order from this supplier.
- We have performed sample testing of other income and tested whether activities are permitted within the academy trust's charitable objects.

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



Haines Watts
Reporting Accountant

Date: 28/12/21.....

URMSTON GRAMMAR

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2021 £'000	Total 2020 £'000
Income and endowments from:						
Donations and capital grants	3	7	-	29	36	29
Charitable activities:						
- Funding for educational operations	4	-	5,743	-	5,743	5,431
Other trading activities	5	269	4	-	273	532
Total		<u>276</u>	<u>5,747</u>	<u>29</u>	<u>6,052</u>	<u>5,992</u>
Expenditure on:						
Raising funds	6	293	-	-	293	549
Charitable activities:						
- Educational operations	7	-	5,849	457	6,306	6,042
Total	6	<u>293</u>	<u>5,849</u>	<u>457</u>	<u>6,599</u>	<u>6,591</u>
Net expenditure		(17)	(102)	(428)	(547)	(599)
Transfers between funds	16	-	(21)	21	-	-
Other recognised gains/(losses)						
Actuarial losses on defined benefit pension schemes	18	-	(454)	-	(454)	(413)
Net movement in funds		(17)	(577)	(407)	(1,001)	(1,012)
Reconciliation of funds						
Total funds brought forward		22	(2,098)	17,577	15,501	16,513
Total funds carried forward		<u>5</u>	<u>(2,675)</u>	<u>17,170</u>	<u>14,500</u>	<u>15,501</u>

URMSTON GRAMMAR

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Comparative year information Year ended 31 August 2020	Notes	Unrestricted	Restricted funds:		Total
		funds £'000	General £'000	Fixed asset £'000	2020 £'000
Income and endowments from:					
Donations and capital grants	3	4	1	24	29
Charitable activities:					
- Funding for educational operations	4	-	5,431	-	5,431
Other trading activities	5	531	1	-	532
Total		<u>535</u>	<u>5,433</u>	<u>24</u>	<u>5,992</u>
Expenditure on:					
Raising funds	6	549	-	-	549
Charitable activities:					
- Educational operations	7	-	5,565	477	6,042
Total	6	<u>549</u>	<u>5,565</u>	<u>477</u>	<u>6,591</u>
Net expenditure		(14)	(132)	(453)	(599)
Transfers between funds	16	-	9	(9)	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	18	-	(413)	-	(413)
Net movement in funds		(14)	(536)	(462)	(1,012)
Reconciliation of funds					
Total funds brought forward		36	(1,562)	18,039	16,513
Total funds carried forward		<u>22</u>	<u>(2,098)</u>	<u>17,577</u>	<u>15,501</u>

URMSTON GRAMMAR

BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021		2020	
		£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	11		17,170		17,577
Current assets					
Debtors	12	121		182	
Cash at bank and in hand		432		261	
		553		443	
Current liabilities					
Creditors: amounts falling due within one year	13	(241)		(244)	
Net current assets			312		199
Total assets less current liabilities			17,482		17,776
Creditors: amounts falling due after more than one year	14		(15)		(30)
Net assets before defined benefit pension scheme liability			17,467		17,746
Defined benefit pension scheme liability	18		(2,967)		(2,245)
Total net assets			14,500		15,501
Funds of the academy trust:					
Restricted funds	16				
- Fixed asset funds			17,170		17,577
- Restricted income funds			292		147
- Pension reserve			(2,967)		(2,245)
Total restricted funds			14,495		15,479
Unrestricted income funds	16		5		22
Total funds			14,500		15,501

The accounts were approved by the trustees and authorised for issue on 8/12/21 and are signed on their behalf by:



N Crowther
Chair of trustees

Company Number 07335020

URMSTON GRAMMAR

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £'000	£'000	2020 £'000	£'000
Cash flows from operating activities					
Net cash provided by/(used in) operating activities	19		207		(157)
Cash flows from investing activities					
Capital grants from DfE Group		23		59	
Purchase of tangible fixed assets		(44)		(15)	
Net cash (used in)/provided by investing activities			(21)		44
Cash flows from financing activities					
Repayment of government loan		(15)		(16)	
Net cash used in financing activities			(15)		(16)
Net increase/(decrease) in cash and cash equivalents in the reporting period			171		(129)
Cash and cash equivalents at beginning of the year			261		390
Cash and cash equivalents at end of the year			432		261

URMSTON GRAMMAR

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

Urmston Grammar is a company limited by guarantee incorporated in England. The address of the registered office is given in the Reference and Administrative Details given on page 1 of these financial statements. This address is also the principal place of business. The nature of the academy trusts operations and principal activities are set out in the Trustees' Report.

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 accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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 accounts 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 accounts.

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.

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

URMSTON GRAMMAR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

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.

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the accounts until they are sold. This income is recognised within 'Income from other trading activities'.

1.4 Expenditure

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges 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 £2,000 or more 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 life. Where there are specific conditions attached to the funding requiring 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. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

URMSTON GRAMMAR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

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:

Land and buildings	50 years straight line
Computer equipment	3 years straight line
Fixtures, fittings & equipment	5 years straight line

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.

1.7 Leased assets

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

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 are held separately from those of the academy trust.

URMSTON GRAMMAR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

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.

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 the Education and Skills Funding Agency/Department for Education/sponsor/other funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency/Department for Education.

1.12 Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in note 24.

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.

URMSTON GRAMMAR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

2 Critical accounting estimates and areas of judgement

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 18, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
Donated fixed assets	-	6	6	-
Capital grants	-	23	23	24
Other donations	7	-	7	5
	<u>7</u>	<u>29</u>	<u>36</u>	<u>29</u>

4 Funding for the academy trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
DfE / ESFA grants				
General annual grant (GAG)	-	5,196	5,196	4,984
Other DfE / ESFA grants:				
Pupil premium	-	63	63	63
Others	-	297	297	288
	<u>-</u>	<u>5,556</u>	<u>5,556</u>	<u>5,335</u>
Other government grants				
Local authority grants	-	59	59	28
	<u>-</u>	<u>59</u>	<u>59</u>	<u>28</u>
Exceptional government funding				
Coronavirus job retention scheme grant	-	18	18	68
Other DfE/ESFA covid-19 funding	-	47	47	-
Coronavirus catch-up premium	-	63	63	-
	<u>-</u>	<u>128</u>	<u>128</u>	<u>68</u>
Total funding	<u>-</u>	<u>5,743</u>	<u>5,743</u>	<u>5,431</u>

The academy trust received £59,000 from the local authority in the year in respect of funding for special educational needs.

URMSTON GRAMMAR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

4 Funding for the academy trust's educational operations

The academy received £63,000 of funding for catch-up premium, of which £11,000 was unspent at 31 August 2021.

Other DfE/ESFA covid-19 funding includes £30,000 for mass testing funding and £17,000 in emergency support.

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department for Education and ESFA, the academy trust's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

The academy furloughed some of its catering staff, premises staff and technician staff under the government's Coronavirus Job Retention Scheme. The funding received of £18,000 relates to staff costs included within note 8 to the financial statements.

There were no unfulfilled conditions or other contingencies relating to grants received in the year.

5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
Hire of facilities	14	-	14	21
Catering income	171	-	171	182
Parental contributions	60	-	60	315
Other income	24	4	28	14
	<u>269</u>	<u>4</u>	<u>273</u>	<u>532</u>

6 Expenditure

	Staff costs £'000	Non-pay expenditure		Total 2021 £'000	Total 2020 £'000
		Premises £'000	Other £'000		
Expenditure on raising funds					
- Direct costs	145	-	148	293	549
Academy's educational operations					
- Direct costs	3,869	412	395	4,676	4,520
- Allocated support costs	1,202	320	108	1,630	1,522
	<u>5,216</u>	<u>732</u>	<u>651</u>	<u>6,599</u>	<u>6,591</u>

URMSTON GRAMMAR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

6 Expenditure

Net income/(expenditure) for the year includes:	2021 £'000	2020 £'000
Fees payable to auditor for:		
- Audit	6	6
- Other services	6	6
Operating lease rentals	34	31
Depreciation of tangible fixed assets	457	477
Net interest on defined benefit pension liability	40	31
	<u> </u>	<u> </u>

7 Charitable activities

All from restricted funds:	2021 £'000	2020 £'000
Direct costs		
Educational operations	4,676	4,520
Support costs		
Educational operations	1,630	1,522
	<u> </u>	<u> </u>
	<u>6,306</u>	<u>6,042</u>

Analysis of costs

	2021 £'000	2020 £'000
Direct costs		
Teaching and educational support staff costs	3,878	3,778
Staff development	6	13
Depreciation	412	430
Technology costs	85	62
Educational supplies and services	221	138
Examination fees	74	99
	<u> </u>	<u> </u>
	<u>4,676</u>	<u>4,520</u>
Support costs		
Support staff costs	1,202	1,141
Depreciation	45	47
Maintenance of premises and equipment	120	74
Cleaning	8	7
Energy costs	79	84
Rent, rates and other occupancy costs	41	39
Insurance	27	28
Security and transport	-	1
Interest on defined benefit pension scheme	40	31
Legal costs	13	19
Other support costs	47	45
Governance costs	8	6
	<u> </u>	<u> </u>
	<u>1,630</u>	<u>1,522</u>

URMSTON GRAMMAR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

8 Staff

Staff costs

Staff costs during the year were:

	2021 £'000	2020 £'000
Wages and salaries	3,753	3,609
Social security costs	371	350
Pension costs	1,044	1,013
Staff costs	5,168	4,972
Agency staff costs	48	84
Staff development and other staff costs	15	19
Total staff expenditure	5,231	5,075

Staff numbers

The average number of persons employed by the academy trust during the year was as follows:

	2021 Number	2020 Number
Teachers	64	66
Administration and support	66	73
Management	6	6
	136	145

Higher paid staff

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

	2021 Number	2020 Number
£60,001-£70,000	1	1
£90,001 - £100,000	1	1

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 employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £480,000 (2020: £593,000).

URMSTON GRAMMAR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

9 Trustees' remuneration and expenses

The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff, and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as trustees. During the year, travel and subsistence payments totalling £nil (2020: £nil) were reimbursed to trustees.

The value of trustees' remuneration was as follows:

R Wall (principal and trustee)

Remuneration £90,001 - £95,000 (2020: £90,001 - £95,000)

Employers' pension contributions - £20,001 - £25,000 (2020: £20,001 - £25,000)

R Harding (staff and trustee) resigned 15 March 2021

Remuneration £20,001 - £25,000 (2020: £40,001 - £45,000)

Employers' pension contributions £nil (2019: £5,001 - £10,000)

S Havercroft (staff and trustee) appointed 17 October 2019 and resigned 20 April 2020

Remuneration £nil (2020: £20,001 - £25,000)

Employers' pension contributions £nil (2020: £5,001 - £10,000)

H Stedman (staff and trustee) appointed 30 June 2021

Remuneration £5,001 - £10,000

Employers' pension contributions £1 - £5,000

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

10 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 £1,000,000 on any one claim and the cost for this insurance is included in the total insurance cost.

URMSTON GRAMMAR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

11 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 September 2020	21,707	127	490	22,324
Additions	-	45	5	50
At 31 August 2021	21,707	172	495	22,374
Depreciation				
At 1 September 2020	4,185	114	448	4,747
Charge for the year	434	12	11	457
At 31 August 2021	4,619	126	459	5,204
Net book value				
At 31 August 2021	17,088	46	36	17,170
At 31 August 2020	17,522	13	42	17,577

The academy owns the freehold of the land and buildings.

12 Debtors

	2021 £'000	2020 £'000
Trade debtors	5	5
VAT recoverable	11	11
Other debtors	-	9
Prepayments and accrued income	105	157
	121	182

13 Creditors: amounts falling due within one year

	2021 £'000	2020 £'000
Government loans	15	15
Trade creditors	1	-
Other taxation and social security	86	84
Other creditors	22	22
Accruals and deferred income	117	123
	241	244

URMSTON GRAMMAR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

14 Creditors: amounts falling due after more than one year	2021	2020
	£'000	£'000
Government loans	15	30
	<u>15</u>	<u>30</u>
Analysis of loans	2021	2020
	£'000	£'000
Wholly repayable within five years	30	45
Less: included in current liabilities	(15)	(15)
Amounts included above	<u>15</u>	<u>30</u>
Loan maturity		
Debt due in one year or less	15	15
Due in more than one year but not more than two years	15	15
Due in more than two years but not more than five years	-	15
	<u>30</u>	<u>45</u>

The Government loan was part of the funding obtained in 2014 from the ESFA for a new boiler. The funding was delivered as a combination of capital grant and a 0% "Salix" loan.

15 Deferred income	2021	2020
	£'000	£'000
Deferred income is included within:		
Creditors due within one year	43	58
	<u>43</u>	<u>58</u>
Deferred income at 1 September 2020	58	53
Released from previous years	(58)	(53)
Resources deferred in the year	43	58
Deferred income at 31 August 2021	<u>43</u>	<u>58</u>

At 31 August 2021 the academy trust was holding income received in advance of educational visits to take place in 2021/2022 amounting to £31,000 (2020: £47,000).

At 31 August 2021 the academy was also holding £12,000 (2020: £11,000) of advance payments from parents to cover school meals.

URMSTON GRAMMAR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

16 Funds

	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)	135	5,196	(5,041)	(21)	269
Pupil premium	-	63	(63)	-	-
Other DfE/ESFA grants	-	297	(297)	-	-
Other government grants	-	59	(59)	-	-
Catch-up premium	-	63	(52)	-	11
Other DfE/ESFA Covid-19 funding	-	47	(47)	-	-
Coronavirus Job Retention Scheme grant	-	18	(18)	-	-
Other restricted funds	12	4	(4)	-	12
Pension reserve	(2,245)	-	(268)	(454)	(2,967)
	<u>(2,098)</u>	<u>5,747</u>	<u>(5,849)</u>	<u>(475)</u>	<u>(2,675)</u>
Restricted fixed asset funds					
Inherited on conversion	16,865	-	(420)	-	16,445
DfE group capital grants	659	23	(34)	-	648
Capital expenditure from GAG	53	-	(1)	21	73
Donated assets	-	6	(2)	-	4
	<u>17,577</u>	<u>29</u>	<u>(457)</u>	<u>21</u>	<u>17,170</u>
Total restricted funds	<u>15,479</u>	<u>5,776</u>	<u>(6,306)</u>	<u>(454)</u>	<u>14,495</u>
Unrestricted funds					
General funds	<u>22</u>	<u>276</u>	<u>(293)</u>	<u>-</u>	<u>5</u>
Total funds	<u>15,501</u>	<u>6,052</u>	<u>(6,599)</u>	<u>(454)</u>	<u>14,500</u>

URMSTON GRAMMAR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

16 Funds

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

Restricted general funds are those resources that have been designated by the grant provider in meeting the objects of the academy.

The £11,000 balance carried forward at 31 August 2021 on other restricted general funds, other government grants consists of unspent catch up grant which will be utilised in the year ended 31 August 2022.

The balance carried forward at 31 August 2021 on the other restricted funds consists of £5,000 on the Middleton fund which has been designated for payment of prizes and £7,000 for drama.

The transfer of £21,000 to fixed asset fund from general funds represents the use of GAG grants to purchase tangible fixed assets.

Unrestricted funds are those funds to which the board of trustees may use in the pursuance of the academy's objects and are expendable at the discretion of the trustees.

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amounts of GAG that they could carry forward at 31 August 2021.

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

	Balance at 1 September 2019 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2020 £'000
Restricted general funds					
General Annual Grant (GAG)	-	4,984	(4,858)	9	135
Other DfE / ESFA grants	-	351	(351)	-	-
Other government grants	-	96	(96)	-	-
Other restricted funds	12	2	(2)	-	12
Pension reserve	(1,574)	-	(258)	(413)	(2,245)
	<u>(1,562)</u>	<u>5,433</u>	<u>(5,565)</u>	<u>(404)</u>	<u>(2,098)</u>
Restricted fixed asset funds					
Transfer on conversion	17,310	-	(445)	-	16,865
DfE group capital grants	872	24	(28)	(9)	659
Capital expenditure from GAG	57	-	(4)	-	53
	<u>18,039</u>	<u>24</u>	<u>(477)</u>	<u>(9)</u>	<u>17,577</u>
Total restricted funds	<u>16,477</u>	<u>5,457</u>	<u>(6,042)</u>	<u>(413)</u>	<u>15,479</u>
Unrestricted funds					
General funds	<u>36</u>	<u>535</u>	<u>(549)</u>	<u>-</u>	<u>22</u>
Total funds	<u>16,513</u>	<u>5,992</u>	<u>(6,591)</u>	<u>(413)</u>	<u>15,501</u>

URMSTON GRAMMAR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

17 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	-	-	17,170	17,170
Current assets	8	545	-	553
Creditors falling due within one year	(3)	(238)	-	(241)
Creditors falling due after one year	-	(15)	-	(15)
Defined benefit pension liability	-	(2,967)	-	(2,967)
Total net assets	5	(2,675)	17,170	14,500

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	-	17,577	17,577
Current assets	22	421	-	443
Creditors falling due within one year	-	(244)	-	(244)
Creditors falling due after one year	-	(30)	-	(30)
Defined benefit pension liability	-	(2,245)	-	(2,245)
Total net assets	22	(2,098)	17,577	15,501

18 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 Tameside Metropolitan Borough Council. Both are defined-benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. 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.

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

Teachers' Pension Scheme

Introduction

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

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

URMSTON GRAMMAR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

18 Pension and similar obligations

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 charge)
- 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 2023.

The pension costs paid to the TPS in the period amounted to £667,000 (2020: £648,000).

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 18.6% for employers and 5.5% to 8.5% for employees.

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

Total contributions made	2021 £'000	2020 £'000
Employer's contributions	149	138
Employees' contributions	48	47
Total contributions	197	185

URMSTON GRAMMAR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

18 Pension and similar obligations

Principal actuarial assumptions	2021 %	2020 %
Rate of increase in salaries	3.65	3.0
Rate of increase for pensions in payment/inflation	2.90	2.2
Discount rate for scheme liabilities	1.65	1.7

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

	2021 Years	2020 Years
Retiring today		
- Males	20.5	20.5
- Females	23.3	23.1
Retiring in 20 years		
- Males	21.9	22.0
- Females	25.3	25.0

Sensitivity analysis

Scheme liabilities would have been affected by changes in assumptions as follows (there is no comparative figure available for the mortality assumption):

	2021 £'000	2020 £'000
0.1% (2020 - 0.5%) decrease in Real Discount rate	160	651
0.1% (2020 - 0.5%) increase in the Salary Increase Rate	18	79
0.1% (2020 - 0.5%) increase in the Pension Increase Rate	140	559
1 year increase in member life expectancy	278	-

The academy trust's share of the assets in the scheme

	2021 Fair value £'000	2020 Fair value £'000
Equities	2,828	2,180
Bonds	597	513
Cash	279	289
Property	279	224
Total market value of assets	3,983	3,206

The actual return on scheme assets was £648,000 (2020: £68,000).

URMSTON GRAMMAR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

18 Pension and similar obligations

Amount recognised in the Statement of Financial Activities	2021 £'000	2020 £'000
Current service cost	377	365
Interest income	(56)	(55)
Interest cost	96	86
Total operating charge	<u>417</u>	<u>396</u>
Changes in the present value of defined benefit obligations	2021 £'000	2020 £'000
At 1 September 2020	5,451	4,584
Current service cost	377	365
Interest cost	96	86
Employee contributions	48	47
Actuarial loss	1,046	426
Benefits paid	(68)	(57)
At 31 August 2021	<u>6,950</u>	<u>5,451</u>
Changes in the fair value of the academy trust's share of scheme assets	2021 £'000	2020 £'000
At 1 September 2020	3,206	3,010
Interest income	56	55
Actuarial gain	592	13
Employer contributions	149	138
Employee contributions	48	47
Benefits paid	(68)	(57)
At 31 August 2021	<u>3,983</u>	<u>3,206</u>

URMSTON GRAMMAR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

19 Reconciliation of net expenditure to net cash flow from operating activities

	2021 £'000	2020 £'000
Net expenditure for the reporting period (as per the statement of financial activities)	(547)	(599)
Adjusted for:		
Capital grants from DfE and other capital income	(29)	(24)
Defined benefit pension costs less contributions payable	228	227
Defined benefit pension scheme finance cost	40	31
Depreciation of tangible fixed assets	457	477
Decrease/(Increase) in debtors	61	(79)
(Decrease) in creditors	(3)	(190)
Net cash provided by/(used in) operating activities	207	(157)

20 Analysis of changes in net funds

	1 September 2020 £'000	Cash flows £'000	31 August 2021 £'000
Cash	261	171	432
Loans falling due within one year	(15)	-	(15)
Loans falling due after more than one year	(30)	15	(15)
	<u>216</u>	<u>186</u>	<u>402</u>

21 Long-term commitments, including operating leases

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

	2021 £'000	2020 £'000
Amounts due within one year	21	31
Amounts due in two and five years	13	47
	<u>34</u>	<u>78</u>

22 Related party transactions

Owing to the nature of the academy trust'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 trustees have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures.

No related party transactions took place in the period of account.

URMSTON GRAMMAR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

23 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.

24 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2021 the trust received £14,793 and disbursed £15,340 from the fund in the period. Admin fees of £nil were also deducted. An amount of £21,328 is included in other creditors relating to undistributed funds that are repayable to ESFA.