



Bradford Grammar School

Registered Charity number 529113

**Report of the Governing Body and consolidated financial statements
for the year ended 31 August 2021**

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Bradford Grammar School
Report of the Governing Body
for the year ended 31 August 2021
Reference and administrative details

Corporate Trustee Bradford Grammar School Trustee Limited
(Company Number – 4824725)

Directors of Bradford Grammar School Trustee Limited (Referred to as governors):

Chairman	Lady Morrison LLB
Vice Chairman	Professor C Mellors OBE, BA, MA, PhD, FAcSS, FHEA, FRSA
Life President	A H Jerome MBE, MA *
Co-optative Governors	C R Beck FCCA P Cogan BA, FCA Mrs V Davey LLB D J Davies MBE, B Eng MA S R Davies BA, FRSA Mrs J Disley BA Professor A Francis BSc, ACGI, FBAM, CCMI, AcSS Mrs C Hamilton-Stewart MBE His Honour Jeffrey Lewis I McAleese FCIPD District Judge A Pema MA Dr A Qasim MB BChir, PhD * (appointed 6 November 2020) C M Wontner-Smith BA, FCA * Sir David Wootton MA *
Ex Officio	The Dean of Bradford, The Very Reverend J Lepine (resigned 31 August 2021)
Representing Bradford Chamber of Commerce	Mrs S R Watson MCIPR
Representing Bradford University	Dr P Bagley MSc, PhD (resigned 31 August 2021)
Representing Leeds University	Professor Sir A F Markham BSc, PhD, MBBS, DSc, FRCPath
Governors Emeriti	J E Barker DL, MA * P J M Bell JP, FCIS, CText, FTI, FRSA * R G Bowers BSc, C. Eng, FRSA* A Craig DL, DCR I Crawford FCA Mrs J D Fenton MCSP, SRP J G Ridings FCA
* Old Bradfordian	
Company Secretary	Mrs Homera Najib MA, FCA
Senior Leadership Team:	
Headmaster	Dr S Hinchliffe BA, M Ed, PhD, FRSA
Deputy Headmaster	Mr J D Boardman BSc Hons PGCE
Head of Junior School	Mr R F Ribeiro BSc Hons
Bursar and Clerk to the Governors	Mrs Homera Najib MA, FCA
Assistant Heads (& Roles)	Mrs MJ Chapman MA (Pastoral), Mr P Merckx BSc (Development), Mr G P Woods MA (Curriculum)

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Registered office	Bradford Grammar School Keighley Road Bradford BD9 4JP
Banker	HSBC Bank PLC 47 Market Street Bradford BD1 1LW
Auditor	Saffery Champness LLP Mitre House North Park Road Harrogate HG1 5RX
Investment advisor	Quilter Cheviot One Kingsway London WC2B 6AN
Pension Advisor	Oughtred & Harrison Financial Services Croft House 145 - 147 Wakefield Road Gildersome Leeds LS27 7HH
Solicitors	Lupton Fawcett Yorkshire House East Parade Leeds LS1 5BD Gordons Riverside West Whitehall Road Leeds LS1 4AW VWV 24 King William Street London EC4R 9AT

Bradford Grammar School

Report of the Governing Body

for the year ended 31 August 2021

The Governing Body, acting as the Corporate Trustee for the charity, is pleased to present the annual report of Bradford Grammar School ("the School") for the year ended 31 August 2021 under the Charities Act 2011 ("the Act") together with the audited consolidated financial statements for the year. The Governing Body confirms that the financial statements have been prepared in accordance with the second edition of the accounting and reporting statement of recommended practice (SORP) applicable to charities preparing accounts in accordance with the financial reporting standard applicable in the UK and Republic of Ireland (FRS102).

REFERENCE AND ADMINISTRATIVE INFORMATION

The Free Grammar School of King Charles II at Bradford is known as Bradford Grammar School (BGS). The School's registered charity number is 529113.

The Governing Body of Bradford Grammar School is a limited company, Bradford Grammar School Trustee Limited (company registered number 4824725). The current directors of Bradford Grammar School Trustee Limited and details of changes in the period are listed on page 1. Particulars of the School's executive leaders and professional advisors are given on pages 1 and 2.

GOVERNANCE, STRUCTURE AND MANAGEMENT

Governing Document

The earliest records show that the School was already flourishing in the mid-sixteenth century. In 1662 it was re-established by Royal Charter as the Free Grammar School of King Charles II at Bradford. The School is now regulated by a Scheme made under the Charities Act 1960 on 14 August 1973 and amended by Orders of the Charity Commission on 27 March 1974, 3 December 1980, 5 April 1994, 10 June 2004 and 7 July 2005.

Group Structure

Under an Order made by the Charity Commissioners for England & Wales on 10 June 2004, the company Bradford Grammar School Trustee Limited (BGSTL) became the Governing Body (as Trustee) of the charity. The Directors of BGSTL are hereafter referred to as Governors, or as members of the Governing Body.

BGSTL is a dormant company and has no trading activity. It is a company limited by the guarantee of its members, who are members of the Governing Body. The Governors do not believe it is appropriate to prepare consolidated financial statements, incorporating the financial statements of the School, for BGSTL.

The charity controls and incorporates four charitable funds whose purpose is to provide financial assistance towards school fees for new and existing pupils. These funds were previously charities in their own right but were brought under the School's management, on 12 August 2004, by a 'uniting direction' covering registration for the purposes of Part II of the Charities Act 1993 and Accounting for the purposes of Part VI of the Charities Act 1993. The funds were the School Scholarships Fund (charity no. 1083595), the University Scholarships Fund (charity no. 1083596), the Prize Fund (charity no. 1083597), and the Charles Semon Educational Foundation for Bradford Grammar School (charity no. 1095913).

The School has a wholly owned non-charitable subsidiary company BGS Commercial Activities Limited (company number 2322069), the principal activity of which is the hire of the School's facilities and provision of non-education services. The results of BGS Commercial Activities Limited are consolidated into these accounts and are separately shown in note 23 to the Consolidated Financial Statements.

All other related party transactions are disclosed in note 22 to the Consolidated Financial Statements.

Organisational Management

The Governing Body is legally responsible for the overall management and control of the School, comprising both the Senior school and the Junior school. The Governing Body normally meets as a whole at least once a term to discuss matters of strategy and then delegates most of its operational role to six main committees, most of which meet between 3 and 4 times per year. Details of each committee and its membership are given below.

Bradford Grammar School

Report of the Governing Body

for the year ended 31 August 2021

Organisational Management (continued)

The Education Committee (Edu) oversees the scope and organisation of the curriculum. It monitors curriculum delivery, educational performance and addresses other educational issues such as co-curricular and pastoral matters.

External Relations Committee (ER) oversees the work undertaken by the School's Development and Old Bradfordians' Office and admissions. It seeks to establish positive relationships with the School's stakeholders - parents, pupils, Old Bradfordians, and donors. ER also oversees all marketing and communications activity in support of recruitment of pupils, community partnership and outreach work, and the engagement of Old Bradfordians through events, careers networks, and planned fundraising activity.

Resources (Res) deals with all aspects of the School's finances and premises including overseeing the management of the investment portfolio. It approves termly management accounts and the annual financial statements for submission to the Governing Body. It also approves the budget, and cash flow forecasts, in order to set fees for the forthcoming academic year.

Human Resources (HR) deals with all aspects of the School's employees' management and welfare. It ensures that the School complies with its statutory and regulatory obligations and operates good HR practice.

Governance and Remuneration (Gov) considers all aspects of corporate governance and annually reviews the remuneration levels of the Headmaster, Deputy Head and Bursar. It also considers the appropriateness and relevance of the School's remuneration policy with reference to other independent schools to ensure that the School remunerates its employees fairly yet affordably. The Committee also considers the performance of Governors.

Compliance (Com) oversees compliance matters in order to help ensure that statutory and regulatory obligations are being met.

The day-to-day administration and executive responsibility for the School is delegated to the Senior Leadership Team (SLT).

Committee Membership During 2020-21

Member	Committees									
	Board	Edu	ER	Res	HR	Gov	Com	Total	1662	Total
L Morrison	C	✓	✓	✓	✓	C	✓	7	✓	1
C Mellors	V	✓	✓			V		4		0
A H Jerome	✓							1		0
C Beck	✓			✓				2		0
P Bagley*	✓	✓						2		0
P Cogan	✓			C		✓		3	✓	1
V Davey	✓				✓		V	3		0
J Davies	✓				C	✓		3		0
R Davies	✓		V	✓	✓			4		0
J Disley	✓	✓						2		0
A Francis	✓	V			✓			3		0
C Hamilton Stewart	✓		C			✓		3	✓	1
J A Lewis	✓					✓	C	3		0
I McAleese	✓		✓		V			3		0
A Pema	✓	✓						2		0
A Qasim	✓		✓					2	✓	1
C M Wontner-Smith	✓			V				2		0
D Wootton	✓		✓			✓		3	✓	1
J Lepine*	✓							1		0
S Watson	✓		✓					2		0
A Markham	✓	C	✓			✓		4		0
No of Members										
As at 31 August 2021	21	7	9	5	6	8	3		5	

C – Chairman of committee; V – Vice chairman of committee;

* Resigned 31 August 2021

Bradford Grammar School

Report of the Governing Body

for the year ended 31 August 2021

Appointment, recruitment and training of Governors

The Co-optative Governors are appointed at a Meeting of the board of directors of BGSTL on the basis of nominations received from the Governance and Remuneration Committee considering eligibility, personal competence, specialist skills and availability.

New Governors are inducted into the workings and policies of the School at arranged meetings with the Bursar and the Headmaster. All Governors receive information briefings from members of the SLT and/or professional advisers. They also attend training sessions covering such matters as child protection and safeguarding, governance, accounting, charity law, management and investments.

The Articles of Association for BGSTL set a period of three years for each Governor before there is the need to stand for re-election. There is no maximum number of periods that a Governor may serve.

All Governors give their time freely and no remuneration or expenses were paid in the period. No Governor or person connected with a Governor received any benefit from means tested assisted places.

Changes in the membership of the Governing Body

The changes in the membership of the Governing Body during the period are listed on page 1.

Auditor

Saffery Champness LLP has indicated its willingness to be re-elected as the School's auditor and a proposal to this effect will be put to the Governing Body at the annual general meeting on 3 December 2021.

External Relationships

The School fosters positive relationships with the local community, former pupils and with the key institutions in independent education.

The Headmaster is an active member of HMC (The Headmasters' and Headmistresses' Conference), the Head of Junior School is closely involved with IAPS (The Independent Association of Preparatory Schools), as is the Bursar with the ISBA (The Independent Schools' Bursars' Association). The School's Development & Old Bradfordians' Office is a member of the Institute for Development Professionals in Education (IDPE) and CASE (Council for Advancement & Support of Education). These relationships ensure that the School is engaged with the development and support for independent education at a national level.

There are many links with local charities and local state schools, as part of the School's policy to widen public access to both its facilities and to school places. The means-tested Assisted Places Awards (APA) programme is an important contribution to widening access to children who otherwise would not be able to attend the School. The Development & Old Bradfordians' Office seeks to create meaningful connections between the School and over 6,400 alumni, former employees, and friends, with the ultimate aim of generating support for the School. The Development & Old Bradfordians' Office works with the Old Bradfordians Association (an active alumni community with branches in West Yorkshire and London) and the Old Bradfordians Club London to facilitate support for school life through careers networks and sponsoring APAs.

Employment Policy

The School is an equal opportunities employer. All job applicants are given equal consideration irrespective of sex, race, age, physical disability, sexual orientation or religious belief. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their training and employment needs. The School adheres to industry guidelines for 'safe recruitment' and all employees undergo disclosure and barring checks to ensure their suitability to work with children.

All positions are graded and remunerated according to the role with enhancements for experience irrespective of the sex, race, age, physical disability, sexual orientation or religious belief of the person filling that role.

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Employment Policy (continued)

Consultation with employees takes place at meetings (at least termly) of the Information and Consultation Forum. In addition, employees receive regular updates of, for example, financial, marketing and employee matters at weekly briefings. A union recognition agreement for teaching employees was signed on 26 June 2018, which became effective from 1 September 2018.

Investment Policy

The Governing Body has complete discretion over fund investments and acts in accordance with the Trustees Act 2000. The School's investments consist primarily of equities and fixed interest stocks quoted on the London Stock Exchange and other major international exchanges.

All restricted and endowed funds, with the exception of two small bank accounts belonging to the Hoc Age and Scholarship Funds, are fully invested in the School's overall portfolio and earn a percentage return proportionate to the relative holding in that total portfolio. The School's investment policy is to produce a mix of income and capital growth, in order to fund current assisted places and to save for future development needs.

To achieve this investment policy, the School's investments are managed on a total return basis, maintaining a diversification across a range of asset classes in order to produce an appropriate balance between risk and return. Investment decisions are made at periodic meetings of the Investment Committee and the School's advisers with occasional consultations in between where market conditions dictate or opportunities and threats arise. The Investment Committee reports to the Resources Committee and the members of the Investment Committee are fully briefed as to the School's financial and cash requirements in order to plan accordingly.

(b) OBJECTIVE, PRINCIPAL ACTIVITY AND AIMS

Charitable Objective

The charity's (i.e. the School's) principal objective is the advancement of independent day education to both boys and girls, between the ages of 6 and 18, from Bradford and the surrounding areas.

The School also holds and manages a number of special purpose funds whose object is to provide financial support through APAs and prizes.

(c) Principal Activity

The charity's (i.e. the School's) principal activity is the provision of independent education through its day schools (Junior School aged 6 to 11 and Senior School aged 11 to 18). The pupil catchment area primarily includes the city of Bradford, and the Aire and Wharfe valleys. Pupils also travel from Leeds, Halifax, Huddersfield and Wakefield. Selection for admission to the Senior School is based primarily on academic ability, by means of a rigorous entrance procedure, and also broader class-based activities to determine the degree of fit between the applicant and the Senior School. Selection for admission to the Junior School involves formal academic assessments in English and Mathematics and time spent in Junior School lessons (typically an afternoon).

(d) The School's Aims

The Governors have carefully considered the Charity Commission's guidance on public benefit and believe that the School's aims meet the Charity Commission's requirements.

The School's principal strategic aim is to be an outstanding independent grammar school which provides a range of opportunities for Junior and Senior pupils. It strives to embrace academic, sporting, and creative excellence within an aspirational and caring environment. Pupils benefit from strong academic tuition and caring and active pastoral support, with access to a wide range of co-curricular activities.

The School aims to provide a happy and friendly working environment for both pupils and employees; to create a robust financial position to enable continual investment in and renewal of its facilities; and to provide means-tested APAs for pupils which widen access to the School.

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(e) Strategy to achieve the School's aims (incorporating future plans)

The School periodically reviews its strategy to ensure that it is achieving its aims. The SLT and Governing Body have continued to focus on the following strategies over the period 2020/2021:

- Junior School: Enhancement of the curriculum, pedagogy, facilities and admissions processes to further develop the educational offering and meet pupil recruitment ambitions
- Intellectual challenge: to offer and further develop a balanced curriculum and pedagogy, including with respect to Personal Development, that achieves outstanding results in public examinations
- Development and external relations: to communicate effectively with all stakeholders and to develop close and lasting relationships with Old Bradfordians and other friends in the School's networks, with the aim of growing philanthropic support for APAs
- Staffing: to provide an attractive working environment for employees with a fair reward structure.
- Resources management and infrastructure: to maintain a robust financial position and iconic facilities, ground and infrastructure, thereby facilitating outstanding teaching and learning.
- Governance: to be compliant with all relevant regulation and mitigate risk ensuring long term success of the School.

PUBLIC BENEFIT

(f) PUBLIC BENEFIT

The School is committed to providing the following public benefit in accordance with its founding principles:

- Offering and growing means tested APAs.
- Allowing local community groups to use its facilities.
- Encouraging pupils and employees to volunteer and fundraise for local, national and international charities.
- Building academic partnerships with local schools and educational charities, including through financial support

APAs are awarded based on a pupil's educational potential and their family's financial circumstances. They are only awarded to Senior School pupils at ages 11 and 16. A rigorous application procedure involves an initial home visit and financial assessment. Once allocated, the School undertakes annual assessments of each family's financial circumstances, reserving the right to amend the support offered if parental income varies significantly from one year to the next. Pupils must also maintain a high standard of educational attainment and general behaviour to continue receiving funding.

A number of prizes and scholarships, awarded solely on merit, are also available, including for individual music tuition at the Senior School.

The School also provides discretionary funding for situations of temporary hardship, where an existing pupil's education may be at risk, in a critical educational year, due to parental short-term difficulties.

The APA programme has historically been funded by generous donations from benefactors, legacies, income earned from the investment of those funds, and by an allowance put aside from annual income. The School established the 1662 Fund in November 2019 to increase support for APAs. Fundraising activity is overseen by the 1662 Committee, which serves as a sub-committee of ER, with specific Terms of Reference and a majority Governor membership. Currently, ten per cent of pupils receive support and the School aims to double this over the coming years. The 1662 Campaign for Assisted Places publicly launched in July 2021 following a 'quiet phase' of fundraising and, as at the year end had, already raised just over £1 million in support of this aim. This includes endowment income in the region of £390,000, contributing to the provision of APAs in perpetuity. Historic major donors have continued to provide regular and transformational support, with income around £255,000 from longstanding donors received during in the 2020/21 financial year.

The combined value of APAs, prizes, music scholarships and other awards made to the School's pupils out of both restricted and unrestricted funds totalled £721,526 in 2021 (2020: £880,328). The value of means-tested APAs alone in 2021 totalled £690,385 (2020: £836,225) representing 5.3% of gross fees (2020: 6.7%). 98 pupils (9.5% of the School population) received support compared to 134 (12.9%) in the previous year. The prior year figures include additional assistance which was put in place to address short term financial issues faced by families due to Covid-19. Full remission of fees was given to 7 (2020: 7) pupils during the year.

Bradford Grammar School

Report of the Governing Body

for the year ended 31 August 2021

(f) PUBLIC BENEFIT - Continued

The School continues to let its facilities to local clubs and community groups through its trading company BGS Commercial Activities Limited (BGSCA Ltd). Whilst the Covid-19 pandemic has curtailed the availability of lettings this year, we were nonetheless able to host a number of organisations:

- Local primary schools, including Low Ash Primary, swim in the Adrian Moorhouse swimming pool;
- Three local swimming clubs use the Adrian Moorhouse swimming pool in non-school hours;
- Several local cricket organisations and clubs including MCC cricket (MCCF Cricket Hub), Bolton Villas, Crossflatts, and Wilsden hire the School's sports facilities;
- Wilsden Badminton Club hire the Sports Hall each Wednesday;
- Kings Camp took place in October half term 2020 and Easter and Summer Terms 2021, as part of a long-term ongoing arrangement;
- In September 2021, we hosted a disability football tournament organised by Bradford Disability Football Club. 53 teams and more than 1,000 people attended during the day. The organiser commented that, of all the venues he had used across Europe, our facilities were the best he'd seen.

Our pupils are encouraged to be active agents in the local and global community and despite curtailed external opportunities for volunteering this year, have supported a range of fundraising and community initiatives.

Although the School's charitable activities this year have been restricted due to school closure, BGS has donated over £8,000 over the past 12 months to a range of charities as well as holding collections of items rather than money for additional good causes.

In the summer Interact Club donated over £1,400 to their charities from last year: Human Appeal, Yorkshire Air Ambulance and NICE (National Institute for Conductive Education). They have since raised funds for this year's charities (Martin House, Marie Curie and Doctors without Borders) amounting to over £1,300 by the end of the spring term, raised by sponsored events run remotely during the first lockdown, chocolate sales at Christmas and Easter, donations from the local Rotary Club and a recital of poetry and music recorded when school reopened in March.

The School marked World Mental Health Day in October 2020, by taking part in the charity YoungMinds' #HelloYellow Day. A series of talks on mental health were given and over £740 was raised through donations made by pupils and staff, who wore something yellow for the day to remind everyone of the need to take mental health seriously.

Red Nose Day 2021 was marked by students wearing something red for Comic Relief (raising almost £700).

The School's longstanding partnership with the charity Mary's Meals continued. Mary's Meals delivers meals to some of the world's poorest children every school day. In December, Senior School pupils and BGS parents raised £3,000 in support of the charity following a visit from its founder and former BGS student Peter Higgins. This takes the total raised by School for Mary's Meals over the past five years to £20,500. The December fundraising effort was given impetus by matched funding from the Department for International Development, which matched all donations made to Mary's Meals during the Christmas period.

Two minibuses were filled with Harvest Appeal donations of food and delivered to the Bradford Metropolitan Foodbank in October.

In November, the Interact Club ran a further appeal to collect toiletries collection for women refugees in Leeds (through the charity Women's Health Matters).

Over 600 chocolate Easter eggs were collected in March by the School for the JCI Easter Appeal.

Year 7 have collected second-hand sports equipment for Action for Sport.

Manningham Youth Talks resumed during the autumn term.

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(f) PUBLIC BENEFIT - Continued

Restrictions due to Covid-19 have meant that the Sixth Form Enrichment programme provided fewer volunteering opportunities than previously. During the autumn term, however, the local charity Neesie gave a talk to Year 12 students to recruit volunteers for a certificated leadership course which involved 22 hours of volunteering in addition to an 8-hour online course; 25 students have enrolled on this. Pupils supported after-school clubs for the children of refugees, mentored Young Carers through the Young Carers and volunteered in literacy initiatives at local primary schools.

As lockdowns continued, Sixth Formers and recent school leavers volunteered in a Befriending initiative, speaking to more than 400 self-isolating former pupils aged 65 and over, providing valuable social contact. They also participated in a socially distanced Christmas gift drop-off for former pupils in the local area, and Year 7 students wrote Christmas cards to more than 220 local and elderly Old Bradfordians, lifting spirits during a challenging time.

FINANCIAL REVIEW

Financial result for the year

The Governors can report an operating surplus for the period ended 31 August 2021 of £2,897,959. This surplus is compared to the deficit recorded last year of £565,097. The main reason for the difference is the net realised and unrealised gains on investments, due to stock market movements resulting from the easing of the Covid-19 pandemic, of £1,668,139 in the period versus losses of £959,244 last year.

The Covid-19 pandemic continued to have a large impact on the school and its pupils in the year. The Board and the SLT continued to enforce firm control of non-necessary departmental and premises expenditure. While there was some additional expenditure on virus control measures, which are ongoing into the current financial year, the overall impact of these measures was to reduce school running costs to £12,509,506 compared to £12,560,296 last year. These running costs cover all teaching, welfare, premises and support costs and include depreciation and finance costs.

Included in the consolidated surplus is the result of the School's trading company BGSCA Ltd, which hires out the School's facilities and services. As mentioned above the performance of this company was affected by the Covid-19 control measures and in the period to 31 August 2021 the company's profit was £10,948 (£40,217 in 2020).

The consolidated cash balance at 31 August 2021 was £2,245,824 an increase of £736,175 from £1,509,649 at August 2020. The increase in the cash balance was due to careful working capital management. The year on year increase in creditors of £177,375, was only partially offset by an increase in capital expenditure to £315,832 this year compared to £232,055 in 2020. Despite the effects of the Covid-19 pandemic the consolidated cash position remains strong with the net inflow from operations of £736,175 and investment income of £469,346 being reinvested during the year.

Fund Raising Performance

Total legacies and donations for the year ended 31 August 2021 were £580,099 (2020 £527,174).

For many years, the School has been receiving, from a small number of generous benefactors, regular annual donations. This year these amounted to approximately £280,000 specifically donated for the provision of Assisted Place Awards (APAs). In addition, this year the School received legacies from Old Bradfordians totalling £87,351 and further donations of just over £213,000. As noted above over £551,000 of these donations were for the new 1662 Fund.

The Governors would like to put on record their gratitude to these, and all other, donors without whom the APA programme would be far less extensive.

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Investment Performance

The School holds two portfolios with Quilter Cheviot. The main portfolio valuation (excluding cash at bank) stood at £10,811,860 at 31 August 2021. Income received from dividends and interest, totalled £417,545 (2020 £434,694). During the period, on a net total return basis (income and capital) the School's investment portfolio increased by 19.8%. This comprised a rise in capital value of 15.2%, and an income return of 4.6%. On this occasion the School's performance was ahead of the official benchmark, the MSCI WMA Balanced index, and the peer group comparator, the Asset Risk Consultants (ARC) Charity Steady Growth universe, which both rose by 17.7%.

During the year, across the individual asset classes, save for the North American, European, and Japanese investments, the portfolio enjoyed a useful outperformance across all sections of the list. The largest equity exposure remains within the domestic UK market (38%), although the focus will continue to become more international. Domestically, a total return of 31% compared favourably to a 26.6% return from the MSCI United Kingdom IMI index. Further afield, the significant contributors to the return were North America, with a total return 27%, closely in line with 27.7% from the local market. Emerging Market returns of 28.8% and Global funds of 34.3% also made useful contributions to the overall return.

The School portfolio has historically focused on income generation with most of the equity investment held in domestic equities, to benefit from the yields available. The advisors were delegated discretion in January 2020 and along with market movements, have reduced exposure in the UK. It has been agreed that this move will continue in the new financial year, with a reduction in emphasis on income and an increased focus on achieving a total return of CPI+3.5% over a rolling period.

During the year, new funds continued to be invested in a number 2 account into the Quilter Cheviot Global Income and Growth fund for charities. The fund targets CPI + 3.5%, aiming to deliver an income of 3%. The fund launched on 8 January 2020. During the year, £1,000,000 was invested, in four tranches, in November, December, February and March. The value of this number 2 account stood at £2,039,721 at 31 August 2021. The investment has delivered a total return of 16.9%, comprising 14.4% capital return and 2.6% income return. Whilst this return was behind the benchmark, this in part reflected the impact of the new fund investment throughout the year. The underlying fund returned 17.3%. Since inception in January 2020, the portfolio has enjoyed a return of 20.6% compared to 13.5% for the benchmark.

The managers are confident, as demonstrated during the worst periods of the pandemic, that the portfolios remain suitability well-diversified to withstand a reasonable level of capital volatility over the medium to long term but cannot exclude the ever-present risk of sharp movements in the short term. The managers expect that the ongoing impact of Covid-19 and variants, shorter-term supply chain constraints, the debate over the level of inflation and ongoing friction between the United States and China will all continue to contribute to market volatility in the year ahead. Overall, though, they remain positive for the long-term prospects of the current investment strategy, especially following agreement for greater geographical diversification within the equity investments.

Reserves and financial viability

The School has three main categories of reserves: Restricted Funds created by donations, bequests and appeals mainly to provide APAs, scholarships and prizes and occasionally to fund specific capital projects; Endowed Funds, created by donations, and bequests, the income from which is used to provide APAs, scholarships and prizes; and Unrestricted Funds, created by accumulated annual surpluses, which the School is free to use in accordance with its charitable objectives. The Unrestricted Funds are further split as either Designated Reserves, which represent the value of the School's fixed assets, or as Free Reserves, which represents the value of free cash available for expenditure

The School's reserve policy is to ensure that: a) it has sufficient Restricted Funds to cover its long term obligations to fund the cost of existing pupils receiving APAs; b) it maximises investment income from Endowed Funds to effectively help fund the cost of APAs; and c) it maintains sufficient Unrestricted Free reserves to meet its short term financial obligations in the event of an unexpected revenue shortfall and to meet the likely cost of any agreed capital projects.

The Governors are of the opinion that the overall reserves are sufficient for the School to continue to cover all financial obligations and to fund the existing level of APAs.

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Reserves and financial viability - Continued

At 31 August 2021 the Endowed Funds had grown by £309,716 to £2,293,196 which was driven by the growth in capital value of investments held. The investment income was used to pay for APAs. Restricted Funds appreciated by £23,730 to £1,635,293 due to the growth in investment value and investment income less payments for APAs. The Unrestricted Fund grew by £2,085,118 to £22,335,774, of which £8,691,409 is readily convertible into cash (2020 – 5,955,193) as indicated in note 17 to the consolidated financial statements.

At 31 August 2021 the 1662 Endowed Fund increased to £402,630, due to the donations in the year plus the rise in capital value of investments. The 1662 Restricted Fund increased to £500,569.

OPERATIONAL REVIEW

Academic Standing

As national lockdowns continued, the School's teaching staff continued to deliver virtual lessons via Microsoft Teams, providing the same high quality of teaching and staying connected with pupils during a challenging time.

Summer 2021 saw outstanding GCSE results far above the national average. 77% of our GCSE pupils obtained grades 9-7 (equivalent to grade A and above under the 'old' system). 27 pupils achieved a clean sweep of grades 8/9.

At A Level, 139 pupils celebrated success with 69% achieving A*/A grades. Overall, 97% of pupils secured A-C grades. Oxbridge numbers increased this year, with nine pupils progressing to Oxbridge. 24 leavers also went on to top medical schools. These results and destinations illustrate that access to a BGS education provides opportunities for pupils to make the most of their academic potential, thanks to the support they receive here. This is especially important for Assisted Place holders who in addition to these academic benefits, can also access the social and cultural capital provided as a result of their time at BGS.

In 2021, the School was again recognized as one of the best value independent schools in the UK by The Telegraph. The School was also named as one of the top ten schools in the North of England in the Sunday Times Schools Guide 2021. The ratings were published in the Sunday Times and are collated using Parent Power, which is acknowledged as the most authoritative survey of the UK's best schools. These results are testament to the hard work of pupils and staff.

Pupil numbers

During the 2020/21 academic year, there was an average of 1,035 (2019/20: 1,037) pupils in School, of whom 868 (2019/20: 868) were in Senior School and 169 (2019/20: 169) in the Junior School. Out of the overall total 45% were girls (2019/20: 45%).

School Life and Co-Curricular Activities

The School's rich ethnic diversity offers daily opportunities for pupils to appreciate and learn about different cultures and their values and beliefs; friendship groups are not bound by cultural or religious homogeneity.

Pupils have access to a wealth of co-curricular activities which build cultural capital and develop the whole individual.

Regular and compulsory Personal Development sessions are embedded within the Senior School curriculum and PHSE within the Junior School, fostering reflection and self-efficacy. The School's commitment to Personal Development can be evidenced in the creation of a permanent Head of Department role; the postholder began in September 2020. The programme circumvented the potential challenges of lockdowns by going online to explore subjects including the changing nature of the world of work, and the impact of the boom in AI technology, and Unifrog, a destinations platform which supports research into a range of careers and highlights key skills required in the workplace.

The School's dedicated Pastoral Team is staffed with a school counsellor to ensure that Senior School pupils feel happy, valued, and encouraged to reach their full potential. The Junior School also benefits from nursing support. Our strong pastoral provision was recognised nationally in 2020, when the school received the TES Independent School Wellbeing Initiative of the Year Award.

Bradford Grammar School

Report of the Governing Body

for the year ended 31 August 2021

School Live and Co-Curricular Activities – Continued

The School's commitment to providing and growing APAs was also recognized by Independent School Parent magazine in October 2021, when the magazine awarded The Independent School of the Year Award for Social Mobility award to the School.

In addition to the above-mentioned volunteering activities (page 8) and despite the restrictions imposed by lockdown, pupils continued to access an extensive and occasionally blended schedule of virtual and socially distanced events, societies and activities. Comprehensive details can be found in school publications 'Hoc Age', 'The Old Bradfordian', and 'The Bradfordian', available at www.bradfordgrammar.com/publications. Highlights are outlined below.

- In Autumn Term, Year 5 enjoyed a virtual visit to the Antarctic courtesy of the British Antarctic Survey researching the polar oceans. Year 6 also participated in 'Medical Mavericks', an educational outreach activity delivered by a charity which seeks to inspire the next generation to join the medical profession.
- In Summer Term, Junior School pupils planted seeds as part of the Commonwealth War Graves Foundation project, 'Plant wildflowers in remembrance'. They received a visit from a Foundation representative, who spoke to pupils about the Commonwealth War Graves Commission and answered their questions.
- Open Science Lectures, 'In Conversation' broadcasts with Old Bradfordians and the careers focused Beyond BGS' seminar series continued in virtual form.
- As part of the School's Personal Development Programme, Year 11 pupils were given the opportunity to participate in a live virtual session with Solutions Not Sides (SNS), an education programme which aims to empower young people with the knowledge, empathy and skills needed to promote dialogue and conflict resolution, and to challenge prejudice in the UK.

Academic competition achievements and awards

- Two Junior School pupils were awarded runner up prizes in the Ilkley Literature Festival's poetry competition, in categories for their creative and imaginative poetry, on the theme of 'kindness'.
- A team of Year 8 girls beat more than 6,500 other girls to compete in the finals of a national cybersecurity competition, making it through to the CyberFirst Girls final as North of England champions and taking Bronze nationally. The competition was run by the National Cyber Security Centre (NCSC), part of GCHQ. The competition aims to inspire girls to pursue their interests in technology and consider a career in cybersecurity.
- Two Year 11 pupils won prizes in the Queen's College Cambridge essay writing competition, with essays on the Icelandic language and addictive qualities of video games.
- The School's debating team retained their crown as champions in the Bradford University Mock Trial competition.
- In Summer Term, BGS pupils took first and second place in the annual Leeds University Classics Competition.

The Arts

The School continues deliver a thriving arts programme, in stark contrast to the decline of art and music nationally. This remained the case throughout the national lockdowns.

- In Summer Term, Junior School pupils enjoyed sessions with the National Children's Orchestra's first ever digital programme, playing viola and double bass as part of a national live streamed event on 1 July 2021.
- Year 6 took part in an exciting 'virtual' art competition.

Bradford Grammar School

Report of the Governing Body

for the year ended 31 August 2021

The Arts – Continued

- The Senior School's Music Department delivered a varied programme of co-curricular activities before and during lockdown, which included online Friday lunchtime recitals. Two solo performances were delivered at a virtual Founders' Day in Autumn Term, performed in person to a small and socially distanced audience in Bradford Cathedral. The Leavers' Recital also moved online in Summer Term, with soloists from our Year 13 cohort.
- Visiting instrumental teachers gave COVID-secure one-to-one music lessons to prepare pupils for music exams, which were delivered virtually for the first time in the School's history. Following these exams with Trinity College of Music, pupils received tremendous results: 12 distinctions, 14 merits and three passes.
- Year 10 pupils entered the Cambridge University Classics Faculty Audio-visual Competition. Their podcast on the deification of Alexander the Great impressed the judges, earning them first place along with a £75 prize.

Sport

The School has a strong track record of accommodating the needs of elite sportsmen and women whilst also fostering participation at all levels of achievement. Despite the lockdowns, pupils have enjoyed another successful year in sport, as the highlights below illustrate.

- A Sixth Former secured a contract with the Yorkshire County Cricket Club Academy at Headingley, Leeds. A recipient of an Assisted Place, he credits this with enabling him to fulfil his potential and access the specialist coaching and facilities available at BGS.
- A Year 10 pupil came third in the U17 age category and fourth in the U19 at the World Triathlon Leeds in his first triathlon competition.
- Three BGS senior rugby players were part of the U18 Yorkshire Rugby Academy squad during the pandemic.
- A Year 10 pupil was selected to run for England in the Home Countries U18 International in the Lake District. She finished 5th, second home for England and secured a silver medal for the Team. Two fellow BGS fellow pupils came fifth in the qualifier and were reserves for the England team.

Outreach

The School is very much a part of the wider Bradford community and undertakes a range of outreach activities to raise the aspirations of local school children, sharing our facilities and resources and partnering with local organisations.

Outreach highlights include:

- In July 2021, 345 local primary school children enjoyed a fortnight of science and space master classes on site at School with our STEM partner Future Transformation, which aimed to inspire the next generation of engineers and scientists.
- Chemistry teachers at School created 17 practical YouTube videos to give pupils safe experiments to try at home in during lockdown. The videos have secured more than 11,500 views collectively, proving a hit with budding chemists across the world. Videos are tailored to academic levels, from Key Stage 3 (Years 7 and 8) to A Level. Experiments have ranged from determining the products of combustion, to understanding reactivity through the displacement reactions of metals.
- The School's partnership with Skipton Tennis Centre held the youth tennis challenge for the second time, following last year's postponement as a result of the pandemic. The event was hosted at Skipton's site and saw more than 20 children take part in challenges across three zones covering match play, skills and multi-sports.
- The School's long-term partnership with Walburga's Primary School provides valuable resources for their pupils. The partnership provides them with experience of a Design & Technology laboratory, with access to tools and machinery that would otherwise be unavailable to them. The joint after school sports' club was also resurrected in the summer term engaging Year 3 and Year 4 students on a regular basis. The time and sharing of expertise has benefited their teachers' practice and Walburga's pupils have enjoyed high level teaching from specialists, with visits and competitions at BGS's state of the art sports facilities.
- BGS sports coaches have delivered sessions to PE PGCE Students at Trinity Halifax, a state secondary school in the local region.

Bradford Grammar School

Report of the Governing Body

for the year ended 31 August 2021

PRINCIPAL RISKS AND UNCERTAINTIES

The Governing Body considers the financial impact of the larger contributions to the Teachers' Pension Scheme along with the potential national Government changes affecting the independent sector to be the principal risks to the School. Whilst recent fee increases have been kept to a minimum over the last four years (1% in 2017/18, 1.8% in 2018/19 and 3.7% in 2019/20) there was no fee rise in 2020/2021.

The Governing Body, having taken into account current financial forecasts, is satisfied that the School has the necessary financial resources to continue trading for the foreseeable future.

Two further areas of risk are a) health and safety and b) damage to reputation and the failure to react positively in an adverse situation. The School continues to invest and manage expertise in both areas in order to minimise these risks.

Significant risks are recorded in a register which is regularly reviewed by the SLT and then periodically discussed by the Governing Body. The Risk Register highlights key risks including financial, reputational and legal risks and the SLT has formulated controls and procedures to mitigate the effects of the most damaging and likeliest potential events.

The key controls used by the School are:

- formal agendas for all Board and Committee meetings
- detailed and comprehensive terms of reference for Board and all Committees
- comprehensive strategic planning, budgeting and management accounting
- regular reviews of liquidity and cash flow forecasts
- an established organisational structure and lines of reporting
- formal written policies or guidance, in particular on health and safety, safeguarding and disaster recovery
- computer system back up, and dispersed 'virtual' electronic storage
- clear authorisation and approval levels; and
- vetting and clearance procedures of staff and visitors, as required by law for the protection of children and young persons.

The Governing Body is confident that the major risks have been reasonably mitigated where possible.

These financial statements have therefore been prepared on a going concern basis.

STATEMENT OF GOVERNORS RESPONSIBILITIES

The Governing Body is responsible for preparing the Trustees' Report (Governing Body Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Governing Body to prepare financial statements for each financial period which give a true and fair view of the state of affairs of both the group and the charity and of their incoming and outgoing resources for that period. In preparing these financial statements, the Governing Body is required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Statement of Recommended Practice for Charities (FRS 102)
- make judgments and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the charity will continue in business.

The Governing Body is responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions, and to disclose the financial position of the charity, and its related undertaking, at any time with reasonable accuracy. These accounting records should enable the Governing Body to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. The Governing Body is also responsible for safeguarding the assets of the charity and its related undertaking as well as taking reasonable steps to prevent and to detect fraud and other irregularities.

Bradford Grammar School
Report of the Governing Body
for the year ended 31 August 2021

STATEMENT OF GOVERNORS RESPONSIBILITIES (continued)

The Governing Body is responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

RELEVANT AUDIT INFORMATION

In so far as the Governors are aware there is no outstanding relevant audit information of which the auditor is unaware and which might adversely affect the latter's ability to complete the audit report. Each member of the Governing Body has taken all appropriate steps to make him or herself aware of all relevant audit information and to establish that the School's auditor is also aware of that information.

Approved by the Governing Body and signed on its behalf by:



Lady Morrison
Chairman, Bradford Grammar School Trustee Limited
3 December 2021

Bradford Grammar School

Independent Auditor's Report to the Trustee Governing Body (as Trustees) of Bradford Grammar School

Opinion

We have audited the financial statements of Bradford Grammar School and its subsidiary (the Group) for the year ended 31 August 2021 which comprise the Consolidated Statement of Financial Activities, Consolidated and School Balance Sheets, Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements

- give a true and fair view of the state of affairs of the group and the parent charity as at 31 August 2021 and of the group's and the parent charity's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

- In auditing the financial statements, we have concluded that the trustee's 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 group or the parent charity'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 trustee with respect to going concern are described in the relevant sections of this report.

Other information

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

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

We have nothing to report in this regard.

Bradford Grammar School

Independent Auditors' Report to the Governing Body (as Trustees) of Bradford Grammar School (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in respect of which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the Trustee's Annual Report is inconsistent in any material respect with the financial statements; or
- the parent charity has not kept proper and sufficient accounting records; or
- the parent charity's financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustee's Responsibilities Statement set out on page 14, the trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustee is responsible for assessing the charity'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 trustee either intends to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

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

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and the parent charity's financial statements to material misstatement and how fraud might occur, including through discussions with the representatives of the trustee, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charity by discussions with representatives of the trustee and updating our understanding of the sectors in which the group and the parent charity operates.

Laws and regulations of direct significance in the context of the group include guidance issued by the Charity Commission for England and Wales. Further the group is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, through significant fine, litigation or restrictions on the group operations. We identified the most significant laws and regulations to be the Independent School Standards as found in the Education and Skills Act 2008 and guidance issued by the Department for Education.

Bradford Grammar School

Independent Auditors' Report to the Governing Body (as Trustees) of Bradford Grammar School (continued)

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities including the Department for Education to identify potential material misstatements arising. We discussed the parent charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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 parent charity's trustee, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the parent charity trustee those matters we are required to state to it 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 charity and the trustee as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery Champness LLP

Saffery Champness
LLP

Mitre House

Chartered Accountants

North Park Road

Statutory Auditors

Harrogate

Date: 16 December 2021 HG1 5RX

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Bradford Grammar School

Consolidated Statement of Financial Activities for the year ended 31 August 2021

	Note	Unrestricted Funds	Restricted Funds	1662 Restricted Fund	1662 Endowed Fund	Endowed Funds	Total 2021	Total 2020
		£	£	£	£	£	£	£
Income:								
<i>From charitable activities</i>								
Tuition fees	2 (a)	12,642,702					12,642,702	11,595,673
Other educational income	3	192,468					192,468	507,638
<i>From voluntary sources</i>								
Legacies and Donations	5		28,479	464,269	87,351		580,099	527,174
<i>From other activities</i>								
Trading income	4	22,972	-	-	-	-	22,972	81,113
Investment income	9	320,723	56,796	6,186	11,345	74,296	469,346	446,446
Other income	6	361,000	-	-	-	-	361,000	338,665
Total income		13,539,865	85,275	470,455	98,696	74,296	14,268,587	13,496,709
Expenditure:								
<i>By charitable activities</i>								
School running costs	7(a)	12,490,346	7,856	859	1,364	9,081	12,509,506	12,560,296
Assisted places	2(b)	-	486,209	-	-	-	486,209	460,397
Grants and prizes	7(c)	13,917	17,224	-	-	-	31,141	44,103
<i>By other activities</i>								
Trading expenditure		11,911	-	-	-	-	11,911	37,766
Total expenditure	7	12,516,174	511,289	859	1,364	9,081	13,038,767	13,102,562
Trading surplus / (deficit) <i>(Income less expenditure)</i>		1,023,691	(426,014)	469,596	97,332	65,215	1,229,820	394,147

Bradford Grammar School
Consolidated Statement of Financial Activities for the year ended 31 August 2021 (continued)

	Note	Unrestricted Funds	Restricted Funds	1662 Restricted Fund	1662 Endowed Fund	Endowed Funds	Total 2021	Total 2020
		£	£	£	£	£	£	£
Trading surplus / (deficit) <i>(Income less expenditure)</i>		1,023,691	(426,014)	469,596	97,332	65,215	1,229,820	394,147
Investment gains/ (losses)								
Net investment gains/ (losses)	9	1,042,781	242,706	25,683	47,254	309,715	1,668,139	(959,244)
Operating surplus / (deficit) <i>(Income less expenditure plus investment gain)</i>		2,066,472	(183,308)	495,279	144,586	374,930	2,897,959	(565,097)
Transfers								
Endowment income transfers	12 to 16	-	65,214	10,171	(10,171)	(65,214)	-	-
Other transfers	12 to 16	18,646	141,824	(170,470)	10,000	-	-	-
Total transfers		18,646	207,038	(160,299)	(171)	(65,214)	-	-
Net movement in funds		2,085,118	23,730	334,980	144,415	309,716	2,897,959	(565,097)
Total funds at 1 September 2020		20,250,656	1,611,563	165,589	258,215	1,983,480	24,269,503	24,834,600
Total funds at 31 August	12 to 16	22,335,774	1,635,293	500,569	402,630	2,293,196	27,167,462	24,269,503

;

The incoming and outgoing resources and resulting net movement in funds arise from continuing operations.

The Group has no recognised gains or losses other than the net movement in funds for the year.

The notes on pages 24 to 48 form part of these consolidated financial statements

Bradford Grammar School
Consolidated Balance Sheet
at 31 August 2021

	Note	31 August 2021	31 August 2020
		£	£
Fixed assets			
Tangible assets	8	13,644,365	14,295,463
Investments	9	12,851,581	9,945,493
		26,495,946	24,240,956
Current assets			
Stock		45,150	49,205
Debtors	10	479,848	391,624
Cash at bank and short term deposits		2,245,824	1,509,649
		2,770,822	1,950,478
Current liabilities			
Creditors: amounts falling due within one year	11	(2,099,306)	(1,921,931)
Net current assets/(liabilities)		671,516	28,547
Total assets less current liabilities		27,167,462	24,269,503
Total net assets		27,167,462	24,269,503
Funds			
Endowed funds	12	2,293,196	1,983,480
1662 Endowed fund	14	402,630	258,215
<i>Total Endowed Funds</i>		2,695,826	2,241,695
Restricted funds	13	1,635,293	1,611,563
1662 Restricted fund	15	500,569	165,589
<i>Total Restricted Funds</i>		2,135,862	1,777,152
Unrestricted Designated Funds	16	13,644,365	14,295,463
Unrestricted Free Reserves	16	8,691,409	5,955,193
Total funds	18	27,167,462	24,269,503

These financial statements were approved and authorised for issue by the Governing Body on 3 December 2021, and were signed on its behalf by:



Lady L C Morrison
 (Chairman, Bradford Grammar School Trustee Limited)



P Cogan
 (Director, Bradford Grammar School Trustee Limited)

The notes on pages 24 to 48 form part of these consolidated financial statements.

Bradford Grammar School
School Balance Sheet
at 31 August 2021

	Note	School 31 August 2021	1662 31 August 2021	Total 31 August 2021	31 August 2020
		£	£	£	£
Fixed assets					
Tangible assets	8	13,644,365		13,644,365	14,295,463
Investments	9	<u>12,378,842</u>	<u>472,741</u>	<u>12,851,583</u>	<u>9,945,495</u>
		<u>26,023,207</u>	<u>472,741</u>	<u>26,495,948</u>	<u>24,240,958</u>
Current assets					
Stock		45,150		45,150	49,205
Debtors	10	500,236	4,467	504,703	410,815
Cash at bank and short term deposits		<u>1,788,619</u>	<u>425,991</u>	<u>2,214,610</u>	<u>1,447,392</u>
		2,334,005	430,458	2,764,463	1,907,412
Current liabilities					
Creditors: amounts falling due within one year	11	<u>(2,103,897)</u>		<u>(2,103,897)</u>	<u>(1,919,084)</u>
Net current (liabilities)/assets		<u>230,108</u>	<u>430,458</u>	<u>660,566</u>	<u>(11,672)</u>
Total assets less current liabilities		<u>26,253,315</u>	<u>903,199</u>	<u>27,156,514</u>	<u>24,269,503</u>
Total net assets		<u><u>26,253,315</u></u>	<u><u>903,199</u></u>	<u><u>27,156,514</u></u>	<u><u>24,229,286</u></u>
Funds					
Endowed funds	12,14	2,293,196	402,630	2,695,826	2,241,695
Restricted funds	13,15	1,635,293	500,569	2,135,862	1,777,152
Unrestricted Designated Funds	16	13,644,365		13,644,365	14,295,463
Unrestricted Free Reserves	16	<u>8,680,461</u>		<u>8,680,461</u>	<u>5,914,976</u>
Total funds	18	<u><u>26,253,315</u></u>	<u><u>903,199</u></u>	<u><u>27,156,514</u></u>	<u><u>24,229,286</u></u>

These financial statements were approved and authorised for issue by the Governing Body on 3 December 2021 and were signed on its behalf by:



Lady L C Morrison
 (Chairman, Bradford Grammar School Trustee Limited)



P Cogan
 (Director, Bradford Grammar School Trustee Limited)

The notes on pages 24 to 48 form part of these consolidated financial statements.

Bradford Grammar School
Consolidated Cash Flow Statement
for the year ended 31 August 2021

	Notes	31 August 2021	31 August 2020
	(below)	£	£
Net cash inflow from operations	1	1,820,611	714,501
Returns on investment and servicing of finance			
Investment income		469,346	446,446
Capital expenditure and financial investment			
Purchase of tangible fixed assets (note 8)		(315,832)	(232,055)
Proceeds of disposal of fixed assets (note 8)		0	2
Purchase of investments (note 9)		(2,169,166)	(2,904,918)
Proceeds from sale of investments (note 9)		<u>931,216</u>	<u>2,019,197</u>
Increase/(Decrease) in cash during the year	2	<u>736,175</u>	<u>43,173</u>

Notes to the cash flow statement

1. Reconciliation of net incoming resources to net cash inflow from operations

Operating surplus/(deficit)	2,897,959	(565,097)
Net investment loss/(gain)	(1,668,139)	959,244
Depreciation charge	894,121	916,782
Loss on disposal of fixed assets	72,809	2
Investment income	(469,346)	(446,446)
(Increase)/Decrease in stock	4,055	(4,014)
(Increase)/Decrease in debtors	(88,223)	(73,891)
Increase/(Decrease) in creditors	<u>177,375</u>	<u>(72,099)</u>
Net cash flow from operations	<u>1,820,611</u>	<u>714,501</u>

2. Analysis of changes in net funds

Cash at bank and short term deposits at start of the year	1,509,649	1,466,476
(Decrease)/Increase in cash in the year	<u>736,175</u>	<u>43,173</u>
Cash at bank and short term deposits at end of year	<u>2,245,824</u>	<u>1,509,649</u>

There are no other borrowings within the charity

The notes on pages 24 to 48 form part of these consolidated financial statements.

Bradford Grammar School

Notes to the consolidated financial statements

for the year ended 31 August 2021

1. ACCOUNTING POLICIES

Basis of preparation and consolidation

In the opinion of the Governors Bradford Grammar School meets the definition of a public benefit entity as defined by the Charities Statement of Recommended Practice 2019 and Financial Reporting Standard 102 (FRS 102) and the consolidated financial statements are prepared in accordance with this standard.

The consolidated financial statements are prepared in sterling, the School's local currency, rounded to the nearest £. They are prepared on the historical cost accounting basis except for investments which are carried at market value.

The consolidated financial statements comprise the financial statements of Bradford Grammar School and its non-charitable trading subsidiary undertaking, BGSCA Ltd. Summary income and expenditure accounts, for the year ended 31 August 2021 for BGSCA Ltd in Note 23 to the consolidated financial statements.

The principal accounting policies, together with the method of dealing with estimates and uncertainties, are set out below.

Going concern

The Governors believe that it is appropriate to prepare the consolidated financial statements on a going concern basis as there are no material uncertainties relating to events or conditions that may cast significant doubt on the ability of the School or its trading subsidiary to continue trading for the foreseeable future.

The School has no external borrowings and there is a net current asset position at the balance sheet date. Cash flow forecasts, prepared to 31 August 2022, demonstrate that it will continue to generate a positive net cash flow. The Governors have also reviewed the School's likely trading position and cash flow to 31 December 2022 and are confident that this situation will be maintained.

The Covid-19 pandemic presented a unique set of circumstances not only affecting the ability of the School to deliver the usual pupil experience but also the resulting economic disruption affecting the value of investments. The risk of these ongoing economic issues affecting parents and other benefactors cannot be ignored. This and the continued threat of additional virus control measures are the principal financial risks the School are focusing on.

Other than this the other key risk facing the School would be an inability to reduce its operating costs should pupil numbers fall significantly below its projections.

However, the Governors believe that the School is well placed to manage these risks.

Fees and similar income

Tuition fees are accounted for in the period the service is provided and are stated after deducting the cost of funding APAs and other remissions given by the Unrestricted Fund. Fees do however include contributions from restricted funds towards APAs and employees discounts.

Other educational income includes school lunches, school trips, other catering income, registration, external examination, and after school care fees. It is also accounted for in the period which the service is provided.

Bradford Grammar School

Notes to the consolidated financial statements

for the year ended 31 August 2021

1. ACCOUNTING POLICIES (continued)

Voluntary income includes legacies and donations received for APAs and other purposes.

Trading income includes that from the School's non charitable trading subsidiary undertaking plus confectionery sales from vending machines.

Investment income is accounted for when receivable and includes the related tax recoverable.

Gifts in kind are valued at estimated open market value at the date of the gift.

Legacies and Donations

Legacies and donations are included in voluntary income and included in the Consolidated Statement of Financial Activities (SOFA) in the year in which entitlement is met and the amount can be measured with reasonable clarity. Income is deferred only when the School has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be used in a future period.

Legacies and donations receivable for the general purposes of the School are taken to unrestricted funds. Those subject to the specific wishes of the donor are taken to an appropriate restricted fund, unless they are to be retained as capital when they are taken to an appropriate endowment fund.

Resources Expended

Expenditure is accounted for on an accruals basis. It is classified into the categories below. Liabilities are recognised as resources are expended or as soon as there is a legal or constructive obligation. Irrecoverable VAT is included with the item of expense to which it relates.

School running costs are sub divided into teaching, welfare, premises and support costs. Greater analysis of the makeup of those constituents is given in note 7 to the consolidated financial statements.

Termination benefits and payments are recognised as an expense when the School can no longer withdraw the offer of those benefits.

APAs, grants, and prizes represent all financial assistance given by the unrestricted and restricted funds in the form of help with school fees and scholarships.

Trading costs include the costs of the subsidiary undertaking and the costs of confectionery from vending machines.

School land, buildings and equipment

Balance sheet valuation

Tangible fixed assets are stated at cost less depreciation and any provision for impairment.

Building and equipment costs of more than £10,000 are capitalised and carried in the balance sheet at historical cost. Costs of less than £10,000 are charged to the SOFA in the year they are incurred.

Bradford Grammar School
Notes to the consolidated financial statements
for the year ended 31 August 2021

1. ACCOUNTING POLICIES (continued)

Depreciation

Depreciation is provided to write off the cost of all relevant tangible fixed assets, less estimated residual value based on current market prices, in equal annual instalments over their expected useful economic lives as follows:

Buildings: 2% - 5%

Fixtures, plant and equipment: 10% - 33%

Assets in the course of construction are not depreciated until they become fully operational.

Tangible fixed assets are reviewed for impairment where events or changes of circumstance indicate the carrying value may not be recoverable.

Operating leases

Costs in respect of operating leases are charged on a straight line basis over the lease term.

Investments

Investments are valued at market value at the balance sheet date, as required by the SORP.

Realised gains and losses are calculated by comparing the sale proceeds against the market value at previous balance sheet date, or cost if acquired during the period. Unrealised gains are calculated by comparing the current market value at the balance sheet date with that at the previous balance sheet date, or cost if acquired during the period.

Stock

Stock is valued at the lower of cost and net realisable value.

Pension schemes

The School operates 2 pension schemes for its employees: a) a defined benefits scheme for its teaching employees and b) a defined contribution scheme for its non-teaching employees.

The teachers' pension scheme is a multi-employer pension scheme. It is not possible to identify the School's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis. Therefore, as required by FRS 102, it accounts for the scheme as if it were a defined contribution scheme. The School's contributions are set by the Government Actuary and are charged in the period in which the salaries to which they relate are payable.

The non-teaching pension scheme is a defined contribution schemes with Aviva and contributions are charged to the SOFA when the salaries to which they relate are payable.

Financial instruments

The School only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and are subsequently recognised at their settlement value.

Bradford Grammar School
Notes to the consolidated financial statements
for the year ended 31 August 2021

1. ACCOUNTING POLICIES (continued)

Fund accounting

There are 3 categories of separate funds:

Unrestricted fund - represents the accumulated annual surpluses that the School is free to use in accordance with its charitable objectives.

Restricted funds - represent donations and income from various deeds, bequests and appeals and fundraising activities. The funds may be spent on providing APAs, scholarships, and prizes for pupils and former pupils and, where so designated, for specific capital projects.

Permanently endowed funds – represent donations by various deeds and bequests from individual donors. The capital received for these funds may not be used other than to generate income. The income generated from these funds is transferred to the unrestricted and restricted funds, in accordance with the terms of the endowment, and may be spent on providing APAs, scholarships and prizes to pupils.

2. TUITION FEES, ASSISTED PLACES AND FEE REMISSION

	31 August 2021	31 August 2020
	£	£
(a) Tuition fees		
Gross fees receivable	13,122,990	12,405,787
Less:		
Assisted places	(690,385)	(836,224)
Employees discount	(222,021)	(379,288)
Third sibling and other discounts	(54,091)	(54,999)
	<u>12,156,493</u>	<u>11,135,276</u>
Add:		
Assisted places financed from restricted funds	486,209	460,397
	<u><u>12,642,702</u></u>	<u><u>11,595,673</u></u>

Bradford Grammar School
Notes to the consolidated financial statements
for the year ended 31 August 2021

2. TUITION FEES, ASSISTED PLACES AND FEE REMISSION - Continued

	31 August 2021	31 August 2020
	£	£
(b) Assisted places and fee remission		
From the unrestricted fund:		
Assisted places	204,176	375,827
Employees discount	<u>222,021</u>	<u>379,288</u>
	<u>426,197</u>	<u>755,115</u>
From restricted funds:		
Assisted places	<u>486,209</u>	<u>460,397</u>
	<u>486,209</u>	<u>460,397</u>
Total:		
Assisted places	690,385	836,224
Employees discount	<u>222,021</u>	<u>379,288</u>
	<u>912,406</u>	<u>1,215,512</u>

3. OTHER EDUCATIONAL INCOME

	31 August 2021	31 August 2020
	£	£
Income from school trips	-	190,196
School meals and catering income	160,044	279,203
Registration, exam and other fees	<u>32,424</u>	<u>38,239</u>
	<u>192,468</u>	<u>507,638</u>

4. TRADING INCOME

	31 August 2021	31 August 2020
	£	£
Confectionery sales	-	14,108
Trading subsidiary undertaking	<u>22,972</u>	<u>67,005</u>
	<u>22,972</u>	<u>81,113</u>

The school owns 100% of BGS Commercial Activities Limited (company number 2322069 – registered in England and Wales). Its result for the year is shown in Note 23.

Bradford Grammar School
Notes to the consolidated financial statements
for the year ended 31 August 2021

5. VOLUNTARY INCOME

	31 August 2021	31 August 2020
	£	£
Legacies (unrestricted)	-	-
Legacies (restricted)	-	-
1662 Legacies (restricted)	-	10,000
Donations (unrestricted)	-	637
Donations (restricted)	28,479	56,045
1662 Donations (restricted)	464,269	160,469
1662 Donations (endowed)	87,351	300,023
	580,099	527,174

6. OTHER INCOME

Other income contains total grant income received from the government of £339,638 (2020: £316,610), as well as rental and other miscellaneous income of £21,362.

7. ANALYSIS OF EXPENDITURE

(a) School running costs

	31 August 2021	31 August 2021	31 August 2021	31 August 2021	31 August 2020
	Employees costs	Other	Depreciation	Total	Total
	£	£	£	£	£
Teaching	7,367,293	732,469	108,971	8,208,733	8,084,155
Welfare	352,620	143,431	12,077	508,128	608,758
Premises	548,457	898,977	744,898	2,192,332	1,997,674
Support	814,945	665,225	100,983	1,581,153	1,849,866
	9,083,315	2,440,102	966,929	12,490,346	12,540,452

The categories of school running cost comprise the following.

Teaching: remuneration of teaching and teaching support employees; departmental and library resource costs, in-service training, travelling, minibus expenses, school trips, and depreciation of (teaching) related assets.

Welfare: remuneration of nursing and catering employees; food costs, medical expenses, pupil accident insurance, health and safety costs, and depreciation of (welfare) related assets.

Premises: remuneration of all estates employees; maintenance costs, cleaning and caretaking, fuel, rates, insurances, depreciation of buildings, fixtures and related plant, and improvement works not capitalised as tangible fixed assets.

Support: remuneration of non-teaching management, finance, marketing, human resources, IT and secretarial employees; advertising and other marketing costs to promote the School, postage, telephone, printing, stationery, publications, legal and professional fees, finance costs, depreciation of general equipment, and governance costs (which is the annual audit fee of £15,500 in note 7 (b)).

Comparative movements for the year 2019/20 can be seen at note 25

Bradford Grammar School
Notes to the consolidated financial statements
for the year ended 31 August 2021

(b) Other items included in School Running Costs

	31 August 2021	31 August 2020
	£	£
Amounts payable to Saffery Champness and its associates in respect of both audit and non-audit services:		
Statutory audit of the financial statements	14,650	14,080
Accounting and taxation services	850	820
Total payable to Saffery Champness and its associates	15,500	14,900
Hire of plant and equipment under non-cancellable operating leases, (on leases expiring between two and five years from 31 August 2020 and 2025)	42,819	47,776
Depreciation of fixed assets (note 8)	894,121	916,782
Loss on disposal of fixed assets	72,809	2
Net depreciation of owned assets (Note 7a)	966,930	916,784

7. ANALYSIS OF EXPENDITURE (Continued)

(c) Grants and prizes

	2021	2020
	£	£
Funded from the unrestricted fund:		
Travel and uniform awards	6,427	7,203
Other grants and awards	7,490	16,667
	13,917	23,870
Funded from restricted funds:		
Music scholarships	15,958	17,640
Other grants and awards	1,266	2,592
	17,224	20,232
Total of grants and prizes	31,141	44,102

Travel and uniform awards are the costs of assisting some pupils on assisted places to buy school uniform and funding towards their places on educational trips.

Other grants and awards consist of prizes, speech day and Founders' Day costs, activities, grants, and Duke of Edinburgh scheme expenses.

Bradford Grammar School
Notes to the consolidated financial statements
for the year ended 31 August 2021

7. ANALYSIS OF EXPENDITURE (Continued)

(d) Analysis of employee costs

	2021	2020
	£	£
Total employee costs:		
Wages, salaries and benefits	6,965,312	6,754,034
Temporary employee costs	98,499	116,431
National insurance contributions	698,409	689,725
Pension costs	<u>1,321,095</u>	<u>1,279,789</u>
	<u>9,083,315</u>	<u>8,839,979</u>

Employee costs include £74k of restructuring costs, including statutory & ex-gratia redundancy costs (2020: nil). None of the costs were outstanding at the balance sheet date.

(e) Number of employees

The average number of total employees during the period was 259 (2020: 265).

The average number of full-time equivalent employees during the period was:

	2021	2020
	No.	No.
Teaching – Junior School	12	13
Teaching – Senior School	<u>90</u>	<u>90</u>
Total teaching	<u>102</u>	<u>103</u>
Teaching support	23	21
Welfare	15	17
Administrative support	20	21
Direct marketing	3	2
Premises	<u>24</u>	<u>24</u>
Total non-teaching	<u>85</u>	<u>85</u>
School total	<u><u>187</u></u>	<u><u>188</u></u>

Bradford Grammar School
Notes to the consolidated financial statements
for the year ended 31 August 2021

(f) Remuneration of key management personnel and highest paid employees

Neither the Governors nor persons connected with them received any remuneration, other benefits or reimbursement of expenses from the school or any connected organisation.

The number of employees whose aggregate emoluments (excluding pension contributions) exceeded £60,000 in the period was:

	31 August 2021	31 August 2020
	No.	No.
£60,001 - £70,000	5	3
£70,001 - £80,000	1	1
£80,001 - £90,000	1	1
£90,001 - £100,000	-	-
£100,001 - £110,000	-	-
£110,001 - £120,000	-	-
£120,001 - £130,000	1	1

6 (2020 – 5) of the employees earning above £60,000 in 2021 were members of the Teachers' Superannuation Pension Scheme, a defined benefit scheme, and 2 were members of the defined contribution scheme for non-teaching employees (see note 21).

The aggregate emoluments (including pension contributions and benefits) of 7 members of the SLT were £699,065 (2020 £686,778 – 7 members).

8. TANGIBLE FIXED ASSETS

	Freehold land and buildings	Fixtures, plant and equipment	Total
Consolidated and School Cost	£	£	£
At 1 September 2020	20,726,655	3,476,657	24,203,312
Additions	141,860	173,972	315,832
Transfers			-
Disposals	(80,600)		(80,600)
At 31 August 2021	<u>20,787,915</u>	<u>3,650,629</u>	<u>24,438,544</u>
Depreciation			
At 1 September 2020	7,140,879	2,766,970	9,907,849
Charge for the period	670,861	223,260	894,121
On Disposals	(7,791)	-	(7,791)
At 31 August 2021	<u>7,803,949</u>	<u>2,990,230</u>	<u>10,794,179</u>
Net book value			
At 31 August 2021	<u>12,983,966</u>	<u>660,399</u>	<u>13,644,365</u>
At 31 August 2020	<u>13,585,776</u>	<u>709,687</u>	<u>14,295,463</u>

All assets are held for charitable use.

Bradford Grammar School
Notes to the consolidated financial statements
for the year ended 31 August 2021

9. INVESTMENTS

Consolidated

	Unrestricted Funds £	Restricted Funds £	Endowed Funds £	1662 Restricted Funds £	1662 Endowed Funds £	Total £
Market value at 1 September 2020	5,969,503	1,605,270	1,983,480	129,025	258,215	9,945,493
Additions at cost	1,523,219	265,067	170,617	183,215	27,047	2,169,165
Disposals at market value	(662,826)	(136,832)	(105,402)	(10,163)	(15,993)	(931,216)
Net Investment Gain	1,042,781	242,706	309,715	25,683	47,254	1,668,139
Transfers	584,256	(347,500)	(65,214)	(170,298)	(1,244)	-
Market value at 31 August 2021	<u>8,456,933</u>	<u>1,628,711</u>	<u>2,293,196</u>	<u>157,462</u>	<u>315,279</u>	<u>12,851,581</u>
 Cost at 31 August 2021	 <u>5,252,691</u>	 <u>1,539,828</u>	 <u>1,517,279</u>	 <u>183,387</u>	 <u>327,070</u>	 <u>8,820,255</u>

All consolidated investments are listed on recognised international stock exchanges.

School

	Total £
Market value above	12,851,581
Investment in subsidiary company (note 4)	2
Value at 31 August 2021	<u>12,851,583</u>

Consolidated investment income was from listed securities.

At 31 August 2021 there was no single holding of any investment that was greater than 5% of total market value.

Comparative movements for the year 2019/20 can be seen at note 26

10. DEBTORS

	Consolidated 2021 £	2020 £	School 2021 £	2020 £
Fees	3,860	7,932	3,860	7,932
Amounts owed from subsidiary undertaking	-	-	27,319	25,977
Other debtors	265,443	231,625	262,979	224,839
Prepayments	<u>210,545</u>	<u>152,067</u>	<u>210,545</u>	<u>152,067</u>
	<u>479,848</u>	<u>391,624</u>	<u>504,703</u>	<u>410,815</u>

Bradford Grammar School
Notes to the consolidated financial statements
for the year ended 31 August 2021

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Consolidated		School	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	215,846	173,340	215,846	173,340
Taxation and social security costs	175,829	165,867	175,829	165,867
Other Creditors	381,625	305,395	386,217	302,548
Deferred income (see below)	1,250,752	1,165,414	1,250,752	1,165,414
Accruals	75,254	111,915	75,254	111,915
	2,099,306	1,921,931	2,103,897	1,919,084

Consolidated and School	Deferred income £
Balance at 1 September 2020	1,165,414
Amounts released to income earned from charitable activities	(1,165,414)
Amounts deferred in the period	1,250,752
Balance at 31 August 2021	1,250,752

Deferred income relates to school fees received or invoiced in advance of the next financial year.

12. ENDOWED FUNDS

Consolidated and School Funds	Balance at 1 September 2020	Incoming resources	Resources expended	Investment (loss)	Transfers	Balance at 31 August 2021
	£	£	£	£	£	£
Breeze Bentley (a)	568,079	21,279	(2,601)	88,704	(18,678)	656,783
Lennon (b)	60,278	2,258	(276)	9,413	(1,982)	69,691
Maitland S Herries (c)	769,071	28,807	(3,521)	120,086	(25,285)	889,158
Prize (d)	68,451	2,564	(313)	10,689	(2,251)	79,140
School Scholarship (e)	69,326	2,597	(317)	10,826	(2,279)	80,153
Semon Homes (f)	327,024	12,249	(1,498)	51,064	(10,752)	378,087
University Scholarship (g)	121,251	4,542	(555)	18,933	(3,987)	140,184
	1,983,480	74,296	(9,081)	309,715	(65,214)	2,293,196

(a) Income from the Breeze Bentley Fund is used as a contribution towards the teaching of science at the school and has been transferred to the Unrestricted Fund. (See note 16).

Income earned by each of the remaining endowed funds is transferred to the appropriate restricted fund at the end of each financial period. The purposes of these funds are as follows:

- (b) Lennon provides means tested assisted places and if appropriate support to pupils with physical disabilities.
- (c) Maitland S Herries funds scholarships for pupils going to university, assisted places to pupils at the school or any other such cognate educational purpose.
- (d) The Prize Fund provides prizes to pupils for academic or other school achievements.

Bradford Grammar School
Notes to the consolidated financial statements
for the year ended 31 August 2021

12. ENDOWED FUNDS - Continued

- (e) The School Scholarship Fund provides means tested assisted places and scholarships.
- (f) The Semon Homes Fund promotes the education of persons under 25 who are resident in the Bradford Metropolitan District by 1) the provision of exhibitions and scholarships to Bradford Grammar School or 2) the provision of exhibitions and scholarships to higher educational institutions to pupils of Bradford Grammar School.
- (g) The University Scholarship Fund may be used to promote the further or higher education of persons under 25, who have attended Bradford Grammar School and either need financial assistance or who have been selected on the grounds of merit. The Charity Commission has given consent for this fund to provide means tested assisted places to sixth form pupils.

In the opinion of the Governors sufficient resources are held in an appropriate form for each fund to be applied in accordance with any restrictions imposed.

Comparative movements for the year 2019-20 can be seen at note 27

Bradford Grammar School
Notes to the consolidated financial statements
for the year ended 31 August 2021

13. RESTRICTED FUNDS

Consolidated and School Funds	Balance at 1 September 2020	Incoming resources	Resources expended	Investment gain/(loss)	Transfers	Balance at 31 August 2021
	£	£	£	£	£	£
Hardship (c)	46,380	2,185	(214)	7,296	0	55,647
Hoc Age & General Bursary (d)	68,822	22,910	(380,180)	10,054	451,357	172,963
Kenneth Naylor (c)	3,428	128	(16)	535	0	4,075
Lennon (a)	30,116	1,128	(138)	4,702	1,982	37,790
Maitland S Herries (a)	917,234	34,357	(20,157)	143,223	(295,990)	778,667
OBA Appeal (b)	47,399	4,042	(3,499)	7,272	32	55,246
Prize (a)	0	0	(1,267)	0	2,251	984
Robert Miura (b)	86,135	5,739	(3,024)	13,511	0	102,361
School Scholarship (a)	54,248	2,105	(243)	8,275	2,279	66,664
Semon Homes (a)	124,243	4,503	(5,807)	18,824	10,752	152,515
Shears Foundation (b)	189,555	5,481	(57,184)	23,412	0	161,264
Stephen Davidson (b)	8,124	1,353	(39,396)	0	30,388	469
University Scholarship (a)	35,879	1,344	(164)	5,602	3,987	46,648
	1,611,563	85,275	(511,289)	242,706	207,038	1,635,293

- (a) The Lennon, Maitland S Herries, Prize, School Scholarship, Semon Homes and University Scholarship funds represent the accumulated income from the endowed funds, whose purposes are described in note 12 above. In the period these restricted funds have earned income in their own right and have also received transfers of income from the appropriate endowed fund. The assisted places, grants and prizes paid by these funds are included under the Resources Expended heading in the consolidated statement of financial activities.
- (b) The Stephen Davidson, The Shears Foundation, Robert Miura and OBA Appeal funds are used for the provision of means tested assisted places at the discretion of the school.
- (c) The Hardship and Kenneth Naylor Funds provide short term support to existing pupils whose parents have encountered severe financial difficulties.
- (d) The Hoc Age Appeal Fund was originally used to fund the construction of the sixth form centre, music school and swimming pool as well as means tested assisted places. All of the assets purchased and constructed are now included as part of the Unrestricted Fund. The remaining fund is now used for the provision of means tested assisted places.

The Governors are in the process of reviewing the purpose of the restricted funds as a number have similar purposes and can be used to support bursaries to ensure that as many children as possible can benefit from the education the school can provide. As part of this exercise they agreed to use some of the accumulated funds within the Maitland S Herries fund to pay additional bursaries and so a transfer was made to the Hoc Age fund during the year for onward support of students.

The Governors believe that sufficient resources are held in an appropriate form for each fund to be applied in accordance with any restrictions imposed.

Comparative movements for the year 2019-20 can be seen at note 28

Bradford Grammar School
Notes to the consolidated financial statements
for the year ended 31 August 2021

14. 1662 ENDOWED FUND

Consolidated and School Funds	Balance at 1 September 2020	Incoming resources	Resources expended	Investment (loss)	Transfers	Balance at 31 August 2021
	£	£	£	£	£	£
1662 Fund (a)	258,215	98,696	(1,364)	47,254	(171)	402,630
	258,215	98,696	(1,364)	47,254	(171)	402,630

(a) In November 2019, the 1662 Fund was launched to support fundraising efforts and a Development Committee with specific Terms of Reference established to oversee development activity.

In the opinion of the Governors sufficient resources are held in an appropriate form for each fund to be applied in accordance with any restrictions imposed.

15. 1662 RESTRICTED FUND

Consolidated and School Funds	Balance at 1 September 2020	Incoming resources	Resources expended	Investment gain	Transfers	Balance at 31 August 2021
	£	£	£	£	£	£
1662 Fund (a)	165,589	470,455	(859)	25,683	(160,299)	500,569
	165,589	470,455	(859)	25,683	(160,299)	500,569

(a) In November 2019, the 1662 Fund was launched to support fundraising efforts and a Development Committee with specific Terms of Reference established to oversee development activity.

The Governors believe that sufficient resources are held in an appropriate form for each fund to be applied in accordance with any restrictions imposed.

The Governors do not intend to accumulate significant funds within the 1662 restricted fund. In 2021 bursaries were not made directly from this fund but the amount allocated for spending was transferred into the Hoc Age fund to support the existing bursary programme.

16. UNRESTRICTED FUND

	Balance at 1 September 2020	Incoming resources	Resources expended	Investment gain	Transfers	Balance at 31 August 2021
	£	£	£	£	£	£
(a) Consolidated	20,250,656	13,539,865	(12,516,174)	1,042,781	18,646	22,335,774
(b) School	20,210,439	13,528,917	(12,475,957)	1,042,781	18,646	22,324,826

The Unrestricted Fund represents the general reserves of the School, accumulated from previous annual surpluses.

The income from the Breeze Bentley Endowed Fund has been transferred to the Unrestricted Fund.

Comparative movements for the year 2019-20 can be seen at note 31

Bradford Grammar School
Notes to the consolidated financial statements
for the year ended 31 August 2021

17. STATEMENT OF FREE RESERVES

	2021	2020
	£	£
(a) Consolidated		
Unrestricted Fund (note 16)	22,335,774	20,250,656
Less value of tangible fixed assets (note 8)	<u>(13,644,365)</u>	<u>(14,295,463)</u>
Net free reserves	<u>8,691,409</u>	<u>5,955,193</u>
	2021	2020
	£	£
(b) School		
Unrestricted Fund (note 16)	22,324,826	20,210,439
Less value of tangible fixed assets (note 8)	<u>(13,644,365)</u>	<u>(14,295,463)</u>
Net free reserves	<u>8,680,461</u>	<u>5,914,796</u>

Net free reserves represent the amount of the unrestricted fund which is not invested in tangible fixed assets and which can be readily converted into cash.

18. ALLOCATION OF NET ASSETS

(a) Consolidated	Tangible fixed assets £	Investments £	Current assets £	Creditors £	Total £
Endowed funds	-	2,293,196	-	-	2,293,196
1662 Endowed funds	-	315,279	87,351	-	402,630
1662 Restricted funds	-	157,462	343,107	-	500,569
Restricted funds	-	1,628,711	6,582	-	1,635,293
Unrestricted fund	<u>13,644,365</u>	<u>8,456,933</u>	<u>2,333,782</u>	<u>(2,099,306)</u>	<u>22,335,774</u>
Total	<u>13,644,365</u>	<u>12,851,581</u>	<u>2,770,822</u>	<u>(2,099,306)</u>	<u>27,167,462</u>
(b) School	Tangible fixed assets £	Investments £	Current assets £	Creditors £	Total £
Endowed funds	-	2,293,196	-	-	2,293,196
1662 Endowed funds	-	315,279	87,351	-	402,630
1662 Restricted funds	-	157,462	343,107	-	500,569
Restricted funds	-	1,628,711	6,582	-	1,635,293
Unrestricted fund	<u>13,644,365</u>	<u>8,456,935</u>	<u>2,327,423</u>	<u>(2,103,897)</u>	<u>22,324,826</u>
Total	<u>13,644,365</u>	<u>12,851,583</u>	<u>2,764,463</u>	<u>(2,103,897)</u>	<u>27,156,514</u>

The assets of both the endowed and restricted funds are held in the form of investments except for sundry bank balances in the restricted Hoc Age Appeal and School Scholarship funds.

Comparative movements for the year 2019-20 can be seen at note 32

Bradford Grammar School

Notes to the consolidated financial statements

for the year ended 31 August 2021

19. FINANCIAL COMMITMENTS

At 31 August 2021 the School had outstanding commitments for future minimum lease payments under non-cancellable operating leases for plant and equipment which fall due as follows:

	£
In the financial year ended 31 August 2022	34,720
Between 1 September 2022 and 31 August 2024	<u>43,297</u>
Total	<u><u>78,017</u></u>

20. CAPITAL COMMITMENTS

As at 31 August 2021, Bradford Grammar School did not have any capital commitments.

21. PENSION COSTS

Teachers' Superannuation Pension Scheme

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching employees. The pension charge for the year includes contributions payable to the TPS was £1,098,505 (2020: £1,047,715). There were accrued contributions totalling £nil at 31 August 2021 (2020: £nil).

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. The consultation closed to response on 19 August 2021 and the Government is currently analysing the responses.

Bradford Grammar School

Notes to the consolidated financial statements

for the year ended 31 August 2021

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the cost cap mechanism review is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

Other pension scheme

The school operates a defined contribution scheme with Aviva for its non-teaching employees. The total pension charge for the year amounted to £222,588 (2020: £232,075).

Forecast contributions for 2021 – 2022

Overall pension contributions for 2021 - 2022 are expected to be in the region of £1,275,000.

22. RELATED PARTY TRANSACTIONS

Governor Mr S R Davies is a director of Sovereign Health and Insurance Services. The School also purchased medical insurance services, charged at normal commercial rates, from Sovereign totalling £917 (2020 - £917). At 31 August 2021 there was nothing due to this company (2020 - £nil).

The School sold goods and services, at cost, to its subsidiary trading company, BGS Commercial Activities Limited, totalling £8,723 (2020 - £26,035). At 31 August 2020 the subsidiary trading company owed the School £27,320 (2020 - £25,978). Full details of the subsidiary company are given in note 23 below.

A number of donations were received from governors in the period and were allocated to the endowed and unrestricted funds for the provision of bursaries.

Certain governors send their children to the School but are charged full fees and receive no discount or concessions. One governor, Mr P Cogan, is in receipt of a chartered scholarship award for his daughter, which was awarded on the basis of performance in the entrance examination. The value of this award was £100 in 2021 (2020 - £100).

Bradford Grammar School
Notes to the consolidated financial statements
for the year ended 31 August 2021

23. SUBSIDIARY UNDERTAKING

BGS Commercial Activities Limited (company number 2322069) is a wholly owned subsidiary of Bradford Grammar School.

	2021	2020
	£	£
Turnover	22,972	67,005
Cost of sales	(8,722)	(19,964)
	<hr/>	<hr/>
Gross profit	14,250	47,041
Administration expenses	(3,302)	(6,824)
	<hr/>	<hr/>
Operating profit	10,948	40,217
	<hr/>	<hr/>
Retained surplus for the year	<u>10,948</u>	<u>40,217</u>

BGS Commercial Activities Limited hires out certain school facilities and services. The company makes a gift aided donation, of its retained surplus, to the School each year following the annual general meetings of both organisations. This is equal to the company's net profit for the year.

The balance sheet of BGS Commercial Activities Limited at 31 August 2021 is shown below:

	2021	2020
	£	£
Current assets		
Stock	-	-
Debtors	13,412	7,236
Cash at bank and in hand	31,214	62,257
	<hr/>	<hr/>
	44,626	69,493
Creditors: amounts falling due within one year	(33,676)	(29,274)
	<hr/>	<hr/>
Net current assets	<u>10,950</u>	<u>40,219</u>
Capital and reserves		
Called up share capital	2	2
Profit and loss account	10,948	40,217
	<hr/>	<hr/>
Total Equity	<u>10,950</u>	<u>40,219</u>

Bradford Grammar School
Notes to the consolidated financial statements
for the year ended 31 August 2021

24. PREVIOUS YEAR CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES – BY FUND TYPE

	Note	Unrestricted Funds	Restricted Funds	1662 Restricted Fund	1662 Endowed Fund	Endowed Funds	Total 12 month period 2020	Total 13 month period 2019
		£	£	£	£	£	£	£
Income:								
<i>From charitable activities</i>								
Tuition fees	2 (a)	11,595,673					11,595,673	12,020,346
Other educational income	3	507,638					507,638	696,144
<i>From voluntary sources</i>								
Legacies and Donations	5	637	56,045	170,469	300,023		527,174	390,911
<i>From other activities</i>								
Trading income	4	81,113					81,113	170,799
Investment income	9	259,672	76,617	4,043	9,165	96,949	446,446	624,572
Other income	6	338,665					338,665	16,666
Total income		12,783,398	132,662	174,512	309,188	96,949	13,496,709	13,919,438
Expenditure:								
<i>By charitable activities</i>								
School running costs	7(a)	12,540,452	7,999	480	985	10,380	12,560,296	12,585,052
Assisted places	2(b)		460,397				460,397	483,956
Grants and prizes	7(c)	23,871	20,232				44,103	56,412
<i>By other activities</i>								
Trading expenditure		37,766					37,766	82,172
Total expenditure	7	12,602,089	488,628	480	985	10,380	13,102,562	13,207,592
Trading surplus / (deficit) <i>(Income less expenditure)</i>		181,309	(355,966)	174,032	308,203	86,569	394,147	711,846

Bradford Grammar School
Notes to the consolidated financial statements
for the year ended 31 August 2021

	Note	Unrestricted Funds	Restricted Funds	1662 Restricted Fund	1662 Endowed Fund	Endowed Funds	Total 12 month period 2020	Total 13 month period 2019
		£	£	£	£	£	£	£
Trading surplus / (deficit) <i>(Income less expenditure)</i>		181,309	(355,966)	174,032	308,203	86,569	394,147	711,846
Investment gains/ (losses)								
Net investment loss	9	(525,966)	(169,253)	(16,623)	(41,808)	(205,594)	(959,244)	(242,231)
Operating surplus / (deficit) <i>(Income less expenditure plus investment gain)</i>		(344,657)	(525,219)	157,409	266,395	(119,025)	(565,097)	469,615
Transfers								
Endowment Income	12 to 16	24,793	61,776	8,180	(8,180)	(86,569)	-	-
Net movement in funds		(319,864)	(463,443)	165,589	258,215	(205,594)	(565,097)	469,615
Total funds at 1 September 2019		20,570,520	2,075,006	-	-	2,189,074	24,834,600	24,364,985
Total funds at 31 August 2020	12 to 16	20,250,656	1,611,563	165,589	258,215	1,983,480	24,269,503	24,834,600

Bradford Grammar School
Notes to the consolidated financial statements
for the year ended 31 August 2021

25. PREVIOUS YEAR ANALYSIS OF EXPENDITURE

(a) School running costs

	12 months 2020 Employees costs	12 months 2020 Other	12 months 2020 Depreciation	12 months 2020 Total	13 months 2019 Total
	£	£	£	£	£
Teaching	7,048,112	924,307	111,736	8,084,155	8,018,173
Welfare	384,788	211,586	12,383	608,758	674,444
Premises	553,830	754,721	689,122	1,997,674	2,166,842
Support	<u>853,246</u>	<u>893,078</u>	<u>103,543</u>	<u>1,849,866</u>	<u>1,725,593</u>
	<u>8,839,976</u>	<u>2,783,692</u>	<u>916,784</u>	<u>12,540,452</u>	<u>12,585,052</u>

26. PREVIOUS YEAR INVESTMENTS

Consolidated

	Unrestricted Funds £	Restricted Funds £	Endowed Funds £	1662 Restricted Funds £	1662 Endowed Funds £	Total £
Market value at 1 September 2019	5,760,966	2,068,980	2,189,074	-	-	10,019,020
Additions at cost	1,798,471	324,101	418,321	19,723	344,302	2,904,918
Disposals at market value	(1,212,773)	(324,101)	(418,321)	(19,723)	(44,279)	(2,019,197)
Net Investment Loss	(525,970)	(169,253)	(204,594)	(16,623)	(41,808)	(959,248)
Transfers	<u>148,809</u>	<u>(294,457)</u>	<u>-</u>	<u>145,648</u>	<u>-</u>	<u>-</u>
Market value at 31 August 2020	<u>5,969,503</u>	<u>1,605,270</u>	<u>1,983,480</u>	<u>129,025</u>	<u>258,215</u>	<u>9,945,493</u>
Cost at 31 August 2020	<u>5,320,582</u>	<u>1,430,768</u>	<u>1,767,859</u>	<u>170,469</u>	<u>300,023</u>	<u>8,989,700</u>

All consolidated investments are listed on recognised international stock exchanges.

School

	Total £
Market value above	9,945,493
Investment in subsidiary company (note 4)	<u>2</u>
Value at 31 August 2020	<u>9,945,495</u>

Bradford Grammar School
Notes to the consolidated financial statements
for the year ended 31 August 2021

27. PREVIOUS YEAR MOVEMENT OF ENDOWED FUNDS

Consolidated and School Funds	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Investment (loss) £	Transfers £	Balance at 31 August 2020 £
Breeze Bentley (a)	626,963	27,767	(2,973)	(58,884)	(24,794)	568,079
Lennon (b)	66,526	2,946	(316)	(6,248)	(2,630)	60,278
Maitland S Herries (c)	848,789	37,591	(4,025)	(79,718)	(33,566)	769,071
Prize (d)	75,546	3,346	(358)	(7,095)	(2,988)	68,451
School Scholarship (e)	76,511	3,389	(362)	(7,186)	(3,026)	69,326
Semon Homes (f)	360,922	15,984	(1,711)	(33,898)	(14,273)	327,024
University Scholarship (g)	133,817	5,926	(635)	(12,565)	(5,292)	121,251
	2,189,074	96,949	(10,380)	(205,594)	(86,569)	1,983,480

(a) Income from the Breeze Bentley Fund is used as a contribution towards the teaching of science at the school and has been transferred to the Unrestricted Fund. (See note 13).

Income earned by each of the remaining endowed funds is transferred to the appropriate restricted fund at the end of each financial period. The purposes of these funds are as follows:

- (b) Lennon provides means tested assisted places and if appropriate support to pupils with physical disabilities.
- (c) Maitland S Herries funds scholarships for pupils going to university, assisted places to pupils at the school or any other such cognate educational purpose.
- (d) The Prize Fund provides prizes to pupils for academic or other school achievements.
- (e) The School Scholarship Fund provides means tested assisted places and scholarships.
- (f) The Semon Homes Fund promotes the education of persons under 25 who are resident in the Bradford Metropolitan District by 1) the provision of exhibitions and scholarships to Bradford Grammar School or 2) the provision of exhibitions and scholarships to higher educational institutions to pupils of Bradford Grammar School.
- (g) The University Scholarship Fund may be used to promote the further or higher education of persons under 25, who have attended Bradford Grammar School and either need financial assistance or who have been selected on the grounds of merit. The Charity Commission has given consent for this fund to provide means tested assisted places to sixth form pupils.

In the opinion of the Governors sufficient resources are held in an appropriate form for each fund to be applied in accordance with any restrictions imposed.

Bradford Grammar School
Notes to the consolidated financial statements
for the year ended 31 August 2021

28. 1662 ENDOWED FUND

Consolidated and School Funds	Balance at 1 September 2019	Incoming resources	Resources expended	Investment (loss)	Transfers	Balance at 31 August 2020
	£	£	£	£	£	£
1662 Fund (a)	-	309,188	(985)	(41,808)	(8,180)	258,215
	-	309,188	(985)	(41,808)	(8,180)	258,215

(b) In November 2019, the 1662 Fund was launched to support fundraising efforts and a Development Committee with specific Terms of Reference established to oversee development activity.

In the opinion of the Governors sufficient resources are held in an appropriate form for each fund to be applied in accordance with any restrictions imposed.

29. 1662 RESTRICTED FUND

Consolidated and School Funds	Balance at 1 September 2019	Incoming resources	Resources expended	Investment (loss)	Transfers	Balance at 31 August 2020
	£	£	£	£	£	£
1662 Fund (a)	-	174,512	(480)	(16,623)	8,180	165,589
	-	174,512	(480)	(16,623)	8,180	165,589

(b) In November 2019, the 1662 Fund was launched to support fundraising efforts and a Development Committee with specific Terms of Reference established to oversee development activity.

The Governors believe that sufficient resources are held in an appropriate form for each fund to be applied in accordance with any restrictions imposed.

30. PREVIOUS YEAR MOVEMENT OF RESTRICTED FUNDS

Consolidated and School Funds	Balance at 1 September 2019	Incoming resources	Resources expended	Investment (loss)	Transfers	Balance at 31 August 2020
	£	£	£	£	£	£
Hardship (c)	35,597	14,279	(168)	(3,328)	0	46,380
Hoc Age & General Bursary (d)	393,876	41,358	(349,014)	(17,752)	354	68,822
Kenneth Naylor (c)	3,626	159	(18)	(339)	0	3,428
Lennon (a)	29,042	1,267	(136)	(2,688)	2,631	30,116
Maitland S Herries (a)	952,668	41,833	(22,118)	(88,715)	33,566	917,234
OBA Appeal (b)	49,412	5,717	(3,517)	(4,213)	0	47,399
Prize (a)	0	(9)	(2,592)	(33)	2,634	0
Robert Miura (b)	96,538	6,783	(8,040)	(9,146)	0	86,135
School Scholarship (a)	53,962	2,220	(37)	(4,923)	3,026	54,248
Semon Homes (a)	121,648	5,118	(5,804)	(10,992)	14,273	124,243
Shears Foundation (b)	259,151	9,542	(57,524)	(21,614)	0	189,555
Stephen Davidson (b)	47,184	2,996	(39,510)	(2,546)	0	8,124
University Scholarship (a)	32,302	1,399	(150)	(2,964)	5,292	35,879
	2,075,006	132,662	(488,628)	(169,253)	61,776	1,611,563

Bradford Grammar School
Notes to the consolidated financial statements
for the year ended 31 August 2021

- (e) The Lennon, Maitland S Herries, Prize, School Scholarship, Semon Homes and University Scholarship funds represent the accumulated income from the endowed funds, whose purposes are described in note 11 above. In the period these restricted funds have earned income in their own right and have also received transfers of income from the appropriate endowed fund. The assisted places, grants and prizes paid by these funds are included under the Resources Expended heading in the consolidated statement of financial activities.*
- (b) The Stephen Davidson, The Shears Foundation, Robert Miura and OBA Appeal funds are used for the provision of means tested assisted places at the discretion of the school.*
- (c) The Hardship and Kenneth Naylor Funds provide short term support to existing pupils whose parents have encountered severe financial difficulties.*
- (d) The Hoc Age Appeal Fund was originally used to fund the construction of the sixth form centre, music school and swimming pool as well as means tested assisted places. All of the assets purchased and constructed are now included as part of the Unrestricted Fund. The remaining fund is now used for the provision of means tested assisted places.*
- (e) The Vernon Schloss Fund is used to award scholarships, exhibitions, assisted places or maintenance allowances to pupils of the Christian or Jewish faith resident in the Bradford Metropolitan District. It is also used to award travel grants and generally in furthering the education of the aforementioned pupils.*

The Governors believe that sufficient resources are held in an appropriate form for each fund to be applied in accordance with any restrictions imposed.

Bradford Grammar School
Notes to the consolidated financial statements
for the year ended 31 August 2021

31. PREVIOUS YEAR MOVEMENT OF UNRESTRICTED FUND

	Balance at 1 September 2019	Incoming resources	Resources expended	Investment loss	Transfers	Balance at 31 August 2020
	£	£	£	£	£	£
(a) Consolidated	20,570,520	12,783,398	(12,602,089)	(525,966)	24,793	20,250,656
(b) School	20,485,815	12,801,098	(12,575,301)	(525,966)	24,793	20,210,439

The Unrestricted Fund represents the general reserves of the School, accumulated from previous annual surpluses.

The income from the Breeze Bentley Endowed Fund has been transferred to the Unrestricted Fund.

32. PREVIOUS YEAR ALLOCATION OF NET ASSETS

(c) Consolidated	Tangible fixed assets £	Investments £	Current assets £	Creditors £	Total £
Endowed funds	-	1,983,480	-	-	1,983,480
1662 Endowed funds	-	258,215	-	-	258,215
1662 Restricted funds	-	129,025	36,564	-	165,589
Restricted funds	-	1,605,271	6,292	-	1,611,563
Unrestricted fund	14,295,463	5,969,502	1,907,622	(1,921,931)	20,250,656
Total	14,295,463	9,945,493	1,950,478	(1,921,931)	24,269,503

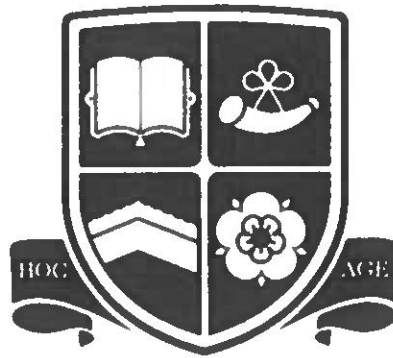
(d) School	Tangible fixed assets £	Investments £	Current assets £	Creditors £	Total £
Endowed funds	-	1,983,480	-	-	1,983,480
1662 Endowed funds	-	258,215	-	-	258,215
1662 Restricted funds	-	129,025	36,564	-	165,589
Restricted funds	-	1,605,271	6,292	-	1,611,563
Unrestricted fund	14,295,463	5,969,504	1,864,556	(1,919,084)	20,210,439
Total	14,295,463	9,945,495	1,907,412	(1,919,084)	24,229,286

The assets of both the endowed and restricted funds are held in the form of investments except for sundry bank balances in the restricted Hoc Age Appeal and School Scholarship funds.

33. PREVIOUS YEAR FINANCIAL COMMITMENTS

At 31 August 2020 the School had outstanding commitments for future minimum lease payments under non-cancellable operating leases for plant and equipment which fall due as follows:

	£
In the financial year ended 31 August 2021	38,839
Between 1 September 2021 and 31 August 2024	75,782
Total	114,621



Bradford Grammar School

Registered Charity number 529113

**Report of the Governing Body and consolidated financial statements
for the year ended 31 August 2021**

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Bradford Grammar School
Report of the Governing Body
for the year ended 31 August 2021
Reference and administrative details

Corporate Trustee Bradford Grammar School Trustee Limited
(Company Number – 4824725)

Directors of Bradford Grammar School Trustee Limited (Referred to as governors):

Chairman	Lady Morrison LLB
Vice Chairman	Professor C Mellors OBE, BA, MA, PhD, FAcSS, FHEA, FRSA
Life President	A H Jerome MBE, MA *
Co-optative Governors	C R Beck FCCA P Cogan BA, FCA Mrs V Davey LLB D J Davies MBE, B Eng MA S R Davies BA, FRSA Mrs J Disley BA Professor A Francis BSc, ACGI, FBAM, CCMI, AcSS Mrs C Hamilton-Stewart MBE His Honour Jeffrey Lewis I McAleese FCIPD District Judge A Pema MA Dr A Qasim MB BChir, PhD * (appointed 6 November 2020) C M Wontner-Smith BA, FCA * Sir David Wootton MA *
Ex Officio	The Dean of Bradford, The Very Reverend J Lepine (resigned 31 August 2021)
Representing Bradford Chamber of Commerce	Mrs S R Watson MCIPR
Representing Bradford University	Dr P Bagley MSc, PhD (resigned 31 August 2021)
Representing Leeds University	Professor Sir A F Markham BSc, PhD, MBBS, DSc, FRCPath
Governors Emeriti	J E Barker DL, MA * P J M Bell JP, FCIS, CText, FTI, FRSA * R G Bowers BSc, C. Eng, FRSA* A Craig DL, DCR I Crawford FCA Mrs J D Fenton MCSP, SRP J G Ridings FCA
* Old Bradfordian	
Company Secretary	Mrs Homera Najib MA, FCA
Senior Leadership Team:	
Headmaster	Dr S Hinchliffe BA, M Ed, PhD, FRSA
Deputy Headmaster	Mr J D Boardman BSc Hons PGCE
Head of Junior School	Mr R F Ribeiro BSc Hons
Bursar and Clerk to the Governors	Mrs Homera Najib MA, FCA
Assistant Heads (& Roles)	Mrs MJ Chapman MA (Pastoral), Mr P Merckx BSc (Development), Mr G P Woods MA (Curriculum)

Bradford Grammar School
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Registered office	Bradford Grammar School Keighley Road Bradford BD9 4JP
Banker	HSBC Bank PLC 47 Market Street Bradford BD1 1LW
Auditor	Saffery Champness LLP Mitre House North Park Road Harrogate HG1 5RX
Investment advisor	Quilter Cheviot One Kingsway London WC2B 6AN
Pension Advisor	Oughtred & Harrison Financial Services Croft House 145 - 147 Wakefield Road Gildersome Leeds LS27 7HH
Solicitors	Lupton Fawcett Yorkshire House East Parade Leeds LS1 5BD Gordons Riverside West Whitehall Road Leeds LS1 4AW VWV 24 King William Street London EC4R 9AT

Bradford Grammar School

Report of the Governing Body

for the year ended 31 August 2021

The Governing Body, acting as the Corporate Trustee for the charity, is pleased to present the annual report of Bradford Grammar School ("the School") for the year ended 31 August 2021 under the Charities Act 2011 ("the Act") together with the audited consolidated financial statements for the year. The Governing Body confirms that the financial statements have been prepared in accordance with the second edition of the accounting and reporting statement of recommended practice (SORP) applicable to charities preparing accounts in accordance with the financial reporting standard applicable in the UK and Republic of Ireland (FRS102).

REFERENCE AND ADMINISTRATIVE INFORMATION

The Free Grammar School of King Charles II at Bradford is known as Bradford Grammar School (BGS). The School's registered charity number is 529113.

The Governing Body of Bradford Grammar School is a limited company, Bradford Grammar School Trustee Limited (company registered number 4824725). The current directors of Bradford Grammar School Trustee Limited and details of changes in the period are listed on page 1. Particulars of the School's executive leaders and professional advisors are given on pages 1 and 2.

GOVERNANCE, STRUCTURE AND MANAGEMENT

Governing Document

The earliest records show that the School was already flourishing in the mid-sixteenth century. In 1662 it was re-established by Royal Charter as the Free Grammar School of King Charles II at Bradford. The School is now regulated by a Scheme made under the Charities Act 1960 on 14 August 1973 and amended by Orders of the Charity Commission on 27 March 1974, 3 December 1980, 5 April 1994, 10 June 2004 and 7 July 2005.

Group Structure

Under an Order made by the Charity Commissioners for England & Wales on 10 June 2004, the company Bradford Grammar School Trustee Limited (BGSTL) became the Governing Body (as Trustee) of the charity. The Directors of BGSTL are hereafter referred to as Governors, or as members of the Governing Body.

BGSTL is a dormant company and has no trading activity. It is a company limited by the guarantee of its members, who are members of the Governing Body. The Governors do not believe it is appropriate to prepare consolidated financial statements, incorporating the financial statements of the School, for BGSTL.

The charity controls and incorporates four charitable funds whose purpose is to provide financial assistance towards school fees for new and existing pupils. These funds were previously charities in their own right but were brought under the School's management, on 12 August 2004, by a 'uniting direction' covering registration for the purposes of Part II of the Charities Act 1993 and Accounting for the purposes of Part VI of the Charities Act 1993. The funds were the School Scholarships Fund (charity no. 1083595), the University Scholarships Fund (charity no. 1083596), the Prize Fund (charity no. 1083597), and the Charles Semon Educational Foundation for Bradford Grammar School (charity no. 1095913).

The School has a wholly owned non-charitable subsidiary company BGS Commercial Activities Limited (company number 2322069), the principal activity of which is the hire of the School's facilities and provision of non-education services. The results of BGS Commercial Activities Limited are consolidated into these accounts and are separately shown in note 23 to the Consolidated Financial Statements.

All other related party transactions are disclosed in note 22 to the Consolidated Financial Statements.

Organisational Management

The Governing Body is legally responsible for the overall management and control of the School, comprising both the Senior school and the Junior school. The Governing Body normally meets as a whole at least once a term to discuss matters of strategy and then delegates most of its operational role to six main committees, most of which meet between 3 and 4 times per year. Details of each committee and its membership are given below.

Bradford Grammar School

Report of the Governing Body

for the year ended 31 August 2021

Organisational Management (continued)

The Education Committee (Edu) oversees the scope and organisation of the curriculum. It monitors curriculum delivery, educational performance and addresses other educational issues such as co-curricular and pastoral matters.

External Relations Committee (ER) oversees the work undertaken by the School's Development and Old Bradfordians' Office and admissions. It seeks to establish positive relationships with the School's stakeholders - parents, pupils, Old Bradfordians, and donors. ER also oversees all marketing and communications activity in support of recruitment of pupils, community partnership and outreach work, and the engagement of Old Bradfordians through events, careers networks, and planned fundraising activity.

Resources (Res) deals with all aspects of the School's finances and premises including overseeing the management of the investment portfolio. It approves termly management accounts and the annual financial statements for submission to the Governing Body. It also approves the budget, and cash flow forecasts, in order to set fees for the forthcoming academic year.

Human Resources (HR) deals with all aspects of the School's employees' management and welfare. It ensures that the School complies with its statutory and regulatory obligations and operates good HR practice.

Governance and Remuneration (Gov) considers all aspects of corporate governance and annually reviews the remuneration levels of the Headmaster, Deputy Head and Bursar. It also considers the appropriateness and relevance of the School's remuneration policy with reference to other independent schools to ensure that the School remunerates its employees fairly yet affordably. The Committee also considers the performance of Governors.

Compliance (Com) oversees compliance matters in order to help ensure that statutory and regulatory obligations are being met.

The day-to-day administration and executive responsibility for the School is delegated to the Senior Leadership Team (SLT).

Committee Membership During 2020-21

Member	Committees								1662	Total
	Board	Edu	ER	Res	HR	Gov	Com	Total		
L Morrison	C	✓	✓	✓	✓	C	✓	7	✓	1
C Mellors	V	✓	✓			V		4		0
A H Jerome	✓							1		0
C Beck	✓			✓				2		0
P Bagley*	✓	✓						2		0
P Cogan	✓			C		✓		3	✓	1
V Davey	✓				✓		V	3		0
J Davies	✓				C	✓		3		0
R Davies	✓		V	✓	✓			4		0
J Disley	✓	✓						2		0
A Francis	✓	V			✓			3		0
C Hamilton Stewart	✓		C			✓		3	✓	1
J A Lewis	✓					✓	C	3		0
I McAleese	✓		✓		V			3		0
A Pema	✓	✓						2		0
A Qasim	✓		✓					2	✓	1
C M Wontner-Smith	✓			V				2		0
D Wootton	✓		✓			✓		3	✓	1
J Lepine*	✓							1		0
S Watson	✓		✓					2		0
A Markham	✓	C	✓			✓		4		0
No of Members										
As at 31 August 2021	21	7	9	5	6	8	3		5	

C – Chairman of committee; V – Vice chairman of committee;

* Resigned 31 August 2021

Bradford Grammar School

Report of the Governing Body

for the year ended 31 August 2021

Appointment, recruitment and training of Governors

The Co-optative Governors are appointed at a Meeting of the board of directors of BGSTL on the basis of nominations received from the Governance and Remuneration Committee considering eligibility, personal competence, specialist skills and availability.

New Governors are inducted into the workings and policies of the School at arranged meetings with the Bursar and the Headmaster. All Governors receive information briefings from members of the SLT and/or professional advisers. They also attend training sessions covering such matters as child protection and safeguarding, governance, accounting, charity law, management and investments.

The Articles of Association for BGSTL set a period of three years for each Governor before there is the need to stand for re-election. There is no maximum number of periods that a Governor may serve.

All Governors give their time freely and no remuneration or expenses were paid in the period. No Governor or person connected with a Governor received any benefit from means tested assisted places.

Changes in the membership of the Governing Body

The changes in the membership of the Governing Body during the period are listed on page 1.

Auditor

Saffery Champness LLP has indicated its willingness to be re-elected as the School's auditor and a proposal to this effect will be put to the Governing Body at the annual general meeting on 3 December 2021.

External Relationships

The School fosters positive relationships with the local community, former pupils and with the key institutions in independent education.

The Headmaster is an active member of HMC (The Headmasters' and Headmistresses' Conference), the Head of Junior School is closely involved with IAPS (The Independent Association of Preparatory Schools), as is the Bursar with the ISBA (The Independent Schools' Bursars' Association). The School's Development & Old Bradfordians' Office is a member of the Institute for Development Professionals in Education (IDPE) and CASE (Council for Advancement & Support of Education). These relationships ensure that the School is engaged with the development and support for independent education at a national level.

There are many links with local charities and local state schools, as part of the School's policy to widen public access to both its facilities and to school places. The means-tested Assisted Places Awards (APA) programme is an important contribution to widening access to children who otherwise would not be able to attend the School. The Development & Old Bradfordians' Office seeks to create meaningful connections between the School and over 6,400 alumni, former employees, and friends, with the ultimate aim of generating support for the School. The Development & Old Bradfordians' Office works with the Old Bradfordians Association (an active alumni community with branches in West Yorkshire and London) and the Old Bradfordians Club London to facilitate support for school life through careers networks and sponsoring APAs.

Employment Policy

The School is an equal opportunities employer. All job applicants are given equal consideration irrespective of sex, race, age, physical disability, sexual orientation or religious belief. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their training and employment needs. The School adheres to industry guidelines for 'safe recruitment' and all employees undergo disclosure and barring checks to ensure their suitability to work with children.

All positions are graded and remunerated according to the role with enhancements for experience irrespective of the sex, race, age, physical disability, sexual orientation or religious belief of the person filling that role.

Bradford Grammar School

Report of the Governing Body

for the year ended 31 August 2021

Employment Policy (continued)

Consultation with employees takes place at meetings (at least termly) of the Information and Consultation Forum. In addition, employees receive regular updates of, for example, financial, marketing and employee matters at weekly briefings. A union recognition agreement for teaching employees was signed on 26 June 2018, which became effective from 1 September 2018.

Investment Policy

The Governing Body has complete discretion over fund investments and acts in accordance with the Trustees Act 2000. The School's investments consist primarily of equities and fixed interest stocks quoted on the London Stock Exchange and other major international exchanges.

All restricted and endowed funds, with the exception of two small bank accounts belonging to the Hoc Age and Scholarship Funds, are fully invested in the School's overall portfolio and earn a percentage return proportionate to the relative holding in that total portfolio. The School's investment policy is to produce a mix of income and capital growth, in order to fund current assisted places and to save for future development needs.

To achieve this investment policy, the School's investments are managed on a total return basis, maintaining a diversification across a range of asset classes in order to produce an appropriate balance between risk and return. Investment decisions are made at periodic meetings of the Investment Committee and the School's advisers with occasional consultations in between where market conditions dictate or opportunities and threats arise. The Investment Committee reports to the Resources Committee and the members of the Investment Committee are fully briefed as to the School's financial and cash requirements in order to plan accordingly.

(b) OBJECTIVE, PRINCIPAL ACTIVITY AND AIMS

Charitable Objective

The charity's (i.e. the School's) principal objective is the advancement of independent day education to both boys and girls, between the ages of 6 and 18, from Bradford and the surrounding areas.

The School also holds and manages a number of special purpose funds whose object is to provide financial support through APAs and prizes.

(c) Principal Activity

The charity's (i.e. the School's) principal activity is the provision of independent education through its day schools (Junior School aged 6 to 11 and Senior School aged 11 to 18). The pupil catchment area primarily includes the city of Bradford, and the Aire and Wharfe valleys. Pupils also travel from Leeds, Halifax, Huddersfield and Wakefield. Selection for admission to the Senior School is based primarily on academic ability, by means of a rigorous entrance procedure, and also broader class-based activities to determine the degree of fit between the applicant and the Senior School. Selection for admission to the Junior School involves formal academic assessments in English and Mathematics and time spent in Junior School lessons (typically an afternoon).

(d) The School's Aims

The Governors have carefully considered the Charity Commission's guidance on public benefit and believe that the School's aims meet the Charity Commission's requirements.

The School's principal strategic aim is to be an outstanding independent grammar school which provides a range of opportunities for Junior and Senior pupils. It strives to embrace academic, sporting, and creative excellence within an aspirational and caring environment. Pupils benefit from strong academic tuition and caring and active pastoral support, with access to a wide range of co-curricular activities.

The School aims to provide a happy and friendly working environment for both pupils and employees; to create a robust financial position to enable continual investment in and renewal of its facilities; and to provide means-tested APAs for pupils which widen access to the School.

Bradford Grammar School

Report of the Governing Body

for the year ended 31 August 2021

(e) Strategy to achieve the School's aims (incorporating future plans)

The School periodically reviews its strategy to ensure that it is achieving its aims. The SLT and Governing Body have continued to focus on the following strategies over the period 2020/2021:

- Junior School: Enhancement of the curriculum, pedagogy, facilities and admissions processes to further develop the educational offering and meet pupil recruitment ambitions
- Intellectual challenge: to offer and further develop a balanced curriculum and pedagogy, including with respect to Personal Development, that achieves outstanding results in public examinations
- Development and external relations: to communicate effectively with all stakeholders and to develop close and lasting relationships with Old Bradfordians and other friends in the School's networks, with the aim of growing philanthropic support for APAs
- Staffing: to provide an attractive working environment for employees with a fair reward structure.
- Resources management and infrastructure: to maintain a robust financial position and iconic facilities, ground and infrastructure, thereby facilitating outstanding teaching and learning.
- Governance: to be compliant with all relevant regulation and mitigate risk ensuring long term success of the School.

PUBLIC BENEFIT

(f) PUBLIC BENEFIT

The School is committed to providing the following public benefit in accordance with its founding principles:

- Offering and growing means tested APAs.
- Allowing local community groups to use its facilities.
- Encouraging pupils and employees to volunteer and fundraise for local, national and international charities.
- Building academic partnerships with local schools and educational charities, including through financial support

APAs are awarded based on a pupil's educational potential and their family's financial circumstances. They are only awarded to Senior School pupils at ages 11 and 16. A rigorous application procedure involves an initial home visit and financial assessment. Once allocated, the School undertakes annual assessments of each family's financial circumstances, reserving the right to amend the support offered if parental income varies significantly from one year to the next. Pupils must also maintain a high standard of educational attainment and general behaviour to continue receiving funding.

A number of prizes and scholarships, awarded solely on merit, are also available, including for individual music tuition at the Senior School.

The School also provides discretionary funding for situations of temporary hardship, where an existing pupil's education may be at risk, in a critical educational year, due to parental short-term difficulties.

The APA programme has historically been funded by generous donations from benefactors, legacies, income earned from the investment of those funds, and by an allowance put aside from annual income. The School established the 1662 Fund in November 2019 to increase support for APAs. Fundraising activity is overseen by the 1662 Committee, which serves as a sub-committee of ER, with specific Terms of Reference and a majority Governor membership. Currently, ten per cent of pupils receive support and the School aims to double this over the coming years. The 1662 Campaign for Assisted Places publicly launched in July 2021 following a 'quiet phase' of fundraising and, as at the year end had, already raised just over £1 million in support of this aim. This includes endowment income in the region of £390,000, contributing to the provision of APAs in perpetuity. Historic major donors have continued to provide regular and transformational support, with income around £255,000 from longstanding donors received during in the 2020/21 financial year.

The combined value of APAs, prizes, music scholarships and other awards made to the School's pupils out of both restricted and unrestricted funds totalled £721,526 in 2021 (2020: £880,328). The value of means-tested APAs alone in 2021 totalled £690,385 (2020: £836,225) representing 5.3% of gross fees (2020: 6.7%). 98 pupils (9.5% of the School population) received support compared to 134 (12.9%) in the previous year. The prior year figures include additional assistance which was put in place to address short term financial issues faced by families due to Covid-19. Full remission of fees was given to 7 (2020: 7) pupils during the year.

Bradford Grammar School

Report of the Governing Body

for the year ended 31 August 2021

(f) PUBLIC BENEFIT - Continued

The School continues to let its facilities to local clubs and community groups through its trading company BGS Commercial Activities Limited (BGSCA Ltd). Whilst the Covid-19 pandemic has curtailed the availability of lettings this year, we were nonetheless able to host a number of organisations:

- Local primary schools, including Low Ash Primary, swim in the Adrian Moorhouse swimming pool;
- Three local swimming clubs use the Adrian Moorhouse swimming pool in non-school hours;
- Several local cricket organisations and clubs including MCC cricket (MCCF Cricket Hub), Bolton Villas, Crossflatts, and Wilsden hire the School's sports facilities;
- Wilsden Badminton Club hire the Sports Hall each Wednesday;
- Kings Camp took place in October half term 2020 and Easter and Summer Terms 2021, as part of a long-term ongoing arrangement;
- In September 2021, we hosted a disability football tournament organised by Bradford Disability Football Club. 53 teams and more than 1,000 people attended during the day. The organiser commented that, of all the venues he had used across Europe, our facilities were the best he'd seen.

Our pupils are encouraged to be active agents in the local and global community and despite curtailed external opportunities for volunteering this year, have supported a range of fundraising and community initiatives.

Although the School's charitable activities this year have been restricted due to school closure, BGS has donated over £8,000 over the past 12 months to a range of charities as well as holding collections of items rather than money for additional good causes.

In the summer Interact Club donated over £1,400 to their charities from last year: Human Appeal, Yorkshire Air Ambulance and NICE (National Institute for Conductive Education). They have since raised funds for this year's charities (Martin House, Marie Curie and Doctors without Borders) amounting to over £1,300 by the end of the spring term, raised by sponsored events run remotely during the first lockdown, chocolate sales at Christmas and Easter, donations from the local Rotary Club and a recital of poetry and music recorded when school reopened in March.

The School marked World Mental Health Day in October 2020, by taking part in the charity YoungMinds' #HelloYellow Day. A series of talks on mental health were given and over £740 was raised through donations made by pupils and staff, who wore something yellow for the day to remind everyone of the need to take mental health seriously.

Red Nose Day 2021 was marked by students wearing something red for Comic Relief (raising almost £700).

The School's longstanding partnership with the charity Mary's Meals continued. Mary's Meals delivers meals to some of the world's poorest children every school day. In December, Senior School pupils and BGS parents raised £3,000 in support of the charity following a visit from its founder and former BGS student Peter Higgins. This takes the total raised by School for Mary's Meals over the past five years to £20,500. The December fundraising effort was given impetus by matched funding from the Department for International Development, which matched all donations made to Mary's Meals during the Christmas period.

Two minibuses were filled with Harvest Appeal donations of food and delivered to the Bradford Metropolitan Foodbank in October.

In November, the Interact Club ran a further appeal to collect toiletries collection for women refugees in Leeds (through the charity Women's Health Matters).

Over 600 chocolate Easter eggs were collected in March by the School for the JCI Easter Appeal.

Year 7 have collected second-hand sports equipment for Action for Sport.

Manningham Youth Talks resumed during the autumn term.

Bradford Grammar School

Report of the Governing Body

for the year ended 31 August 2021

(f) PUBLIC BENEFIT - Continued

Restrictions due to Covid-19 have meant that the Sixth Form Enrichment programme provided fewer volunteering opportunities than previously. During the autumn term, however, the local charity Neesie gave a talk to Year 12 students to recruit volunteers for a certificated leadership course which involved 22 hours of volunteering in addition to an 8-hour online course; 25 students have enrolled on this. Pupils supported after-school clubs for the children of refugees, mentored Young Carers through the Young Carers and volunteered in literacy initiatives at local primary schools.

As lockdowns continued, Sixth Formers and recent school leavers volunteered in a Befriending initiative, speaking to more than 400 self-isolating former pupils aged 65 and over, providing valuable social contact. They also participated in a socially distanced Christmas gift drop-off for former pupils in the local area, and Year 7 students wrote Christmas cards to more than 220 local and elderly Old Bradfordians, lifting spirits during a challenging time.

FINANCIAL REVIEW

Financial result for the year

The Governors can report an operating surplus for the period ended 31 August 2021 of £2,897,959. This surplus is compared to the deficit recorded last year of £565,097. The main reason for the difference is the net realised and unrealised gains on investments, due to stock market movements resulting from the easing of the Covid-19 pandemic, of £1,668,139 in the period versus losses of £959,244 last year.

The Covid-19 pandemic continued to have a large impact on the school and its pupils in the year. The Board and the SLT continued to enforce firm control of non-necessary departmental and premises expenditure. While there was some additional expenditure on virus control measures, which are ongoing into the current financial year, the overall impact of these measures was to reduce school running costs to £12,509,506 compared to £12,560,296 last year. These running costs cover all teaching, welfare, premises and support costs and include depreciation and finance costs.

Included in the consolidated surplus is the result of the School's trading company BGSCA Ltd, which hires out the School's facilities and services. As mentioned above the performance of this company was affected by the Covid-19 control measures and in the period to 31 August 2021 the company's profit was £10,948 (£40,217 in 2020).

The consolidated cash balance at 31 August 2021 was £2,245,824 an increase of £736,175 from £1,509,649 at August 2020. The increase in the cash balance was due to careful working capital management. The year on year increase in creditors of £177,375, was only partially offset by an increase in capital expenditure to £315,832 this year compared to £232,055 in 2020. Despite the effects of the Covid-19 pandemic the consolidated cash position remains strong with the net inflow from operations of £736,175 and investment income of £469,346 being reinvested during the year.

Fund Raising Performance

Total legacies and donations for the year ended 31 August 2021 were £580,099 (2020 £527,174).

For many years, the School has been receiving, from a small number of generous benefactors, regular annual donations. This year these amounted to approximately £280,000 specifically donated for the provision of Assisted Place Awards (APAs). In addition, this year the School received legacies from Old Bradfordians totalling £87,351 and further donations of just over £213,000. As noted above over £551,000 of these donations were for the new 1662 Fund.

The Governors would like to put on record their gratitude to these, and all other, donors without whom the APA programme would be far less extensive.

Bradford Grammar School

Report of the Governing Body

for the year ended 31 August 2021

Investment Performance

The School holds two portfolios with Quilter Cheviot. The main portfolio valuation (excluding cash at bank) stood at £10,811,860 at 31 August 2021. Income received from dividends and interest, totalled £417,545 (2020 £434,694). During the period, on a net total return basis (income and capital) the School's investment portfolio increased by 19.8%. This comprised a rise in capital value of 15.2%, and an income return of 4.6%. On this occasion the School's performance was ahead of the official benchmark, the MSCI WMA Balanced index, and the peer group comparator, the Asset Risk Consultants (ARC) Charity Steady Growth universe, which both rose by 17.7%.

During the year, across the individual asset classes, save for the North American, European, and Japanese investments, the portfolio enjoyed a useful outperformance across all sections of the list. The largest equity exposure remains within the domestic UK market (38%), although the focus will continue to become more international. Domestically, a total return of 31% compared favourably to a 26.6% return from the MSCI United Kingdom IMI index. Further afield, the significant contributors to the return were North America, with a total return 27%, closely in line with 27.7% from the local market. Emerging Market returns of 28.8% and Global funds of 34.3% also made useful contributions to the overall return.

The School portfolio has historically focused on income generation with most of the equity investment held in domestic equities, to benefit from the yields available. The advisors were delegated discretion in January 2020 and along with market movements, have reduced exposure in the UK. It has been agreed that this move will continue in the new financial year, with a reduction in emphasis on income and an increased focus on achieving a total return of CPI+3.5% over a rolling period.

During the year, new funds continued to be invested in a number 2 account into the Quilter Cheviot Global Income and Growth fund for charities. The fund targets CPI + 3.5%, aiming to deliver an income of 3%. The fund launched on 8 January 2020. During the year, £1,000,000 was invested, in four tranches, in November, December, February and March. The value of this number 2 account stood at £2,039,721 at 31 August 2021. The investment has delivered a total return of 16.9%, comprising 14.4% capital return and 2.6% income return. Whilst this return was behind the benchmark, this in part reflected the impact of the new fund investment throughout the year. The underlying fund returned 17.3%. Since inception in January 2020, the portfolio has enjoyed a return of 20.6% compared to 13.5% for the benchmark.

The managers are confident, as demonstrated during the worst periods of the pandemic, that the portfolios remain suitability well-diversified to withstand a reasonable level of capital volatility over the medium to long term but cannot exclude the ever-present risk of sharp movements in the short term. The managers expect that the ongoing impact of Covid-19 and variants, shorter-term supply chain constraints, the debate over the level of inflation and ongoing friction between the United States and China will all continue to contribute to market volatility in the year ahead. Overall, though, they remain positive for the long-term prospects of the current investment strategy, especially following agreement for greater geographical diversification within the equity investments.

Reserves and financial viability

The School has three main categories of reserves: Restricted Funds created by donations, bequests and appeals mainly to provide APAs, scholarships and prizes and occasionally to fund specific capital projects; Endowed Funds, created by donations, and bequests, the income from which is used to provide APAs, scholarships and prizes; and Unrestricted Funds, created by accumulated annual surpluses, which the School is free to use in accordance with its charitable objectives. The Unrestricted Funds are further split as either Designated Reserves, which represent the value of the School's fixed assets, or as Free Reserves, which represents the value of free cash available for expenditure

The School's reserve policy is to ensure that: a) it has sufficient Restricted Funds to cover its long term obligations to fund the cost of existing pupils receiving APAs; b) it maximises investment income from Endowed Funds to effectively help fund the cost of APAs; and c) it maintains sufficient Unrestricted Free reserves to meet its short term financial obligations in the event of an unexpected revenue shortfall and to meet the likely cost of any agreed capital projects.

The Governors are of the opinion that the overall reserves are sufficient for the School to continue to cover all financial obligations and to fund the existing level of APAs.

Bradford Grammar School

Report of the Governing Body

for the year ended 31 August 2021

Reserves and financial viability - Continued

At 31 August 2021 the Endowed Funds had grown by £309,716 to £2,293,196 which was driven by the growth in capital value of investments held. The investment income was used to pay for APAs. Restricted Funds appreciated by £23,730 to £1,635,293 due to the growth in investment value and investment income less payments for APAs. The Unrestricted Fund grew by £2,085,118 to £22,335,774, of which £8,691,409 is readily convertible into cash (2020 – 5,955,193) as indicated in note 17 to the consolidated financial statements.

At 31 August 2021 the 1662 Endowed Fund increased to £402,630, due to the donations in the year plus the rise in capital value of investments. The 1662 Restricted Fund increased to £500,569.

OPERATIONAL REVIEW

Academic Standing

As national lockdowns continued, the School's teaching staff continued to deliver virtual lessons via Microsoft Teams, providing the same high quality of teaching and staying connected with pupils during a challenging time.

Summer 2021 saw outstanding GCSE results far above the national average. 77% of our GCSE pupils obtained grades 9-7 (equivalent to grade A and above under the 'old' system). 27 pupils achieved a clean sweep of grades 8/9.

At A Level, 139 pupils celebrated success with 69% achieving A*/A grades. Overall, 97% of pupils secured A-C grades. Oxbridge numbers increased this year, with nine pupils progressing to Oxbridge. 24 leavers also went on to top medical schools. These results and destinations illustrate that access to a BGS education provides opportunities for pupils to make the most of their academic potential, thanks to the support they receive here. This is especially important for Assisted Place holders who in addition to these academic benefits, can also access the social and cultural capital provided as a result of their time at BGS.

In 2021, the School was again recognized as one of the best value independent schools in the UK by The Telegraph. The School was also named as one of the top ten schools in the North of England in the Sunday Times Schools Guide 2021. The ratings were published in the Sunday Times and are collated using Parent Power, which is acknowledged as the most authoritative survey of the UK's best schools. These results are testament to the hard work of pupils and staff.

Pupil numbers

During the 2020/21 academic year, there was an average of 1,035 (2019/20: 1,037) pupils in School, of whom 868 (2019/20: 868) were in Senior School and 169 (2019/20: 169) in the Junior School. Out of the overall total 45% were girls (2019/20: 45%).

School Life and Co-Curricular Activities

The School's rich ethnic diversity offers daily opportunities for pupils to appreciate and learn about different cultures and their values and beliefs; friendship groups are not bound by cultural or religious homogeneity.

Pupils have access to a wealth of co-curricular activities which build cultural capital and develop the whole individual.

Regular and compulsory Personal Development sessions are embedded within the Senior School curriculum and PHSE within the Junior School, fostering reflection and self-efficacy. The School's commitment to Personal Development can be evidenced in the creation of a permanent Head of Department role; the postholder began in September 2020. The programme circumvented the potential challenges of lockdowns by going online to explore subjects including the changing nature of the world of work, and the impact of the boom in AI technology, and Unifrog, a destinations platform which supports research into a range of careers and highlights key skills required in the workplace.

The School's dedicated Pastoral Team is staffed with a school counsellor to ensure that Senior School pupils feel happy, valued, and encouraged to reach their full potential. The Junior School also benefits from nursing support. Our strong pastoral provision was recognised nationally in 2020, when the school received the TES Independent School Wellbeing Initiative of the Year Award.

Bradford Grammar School

Report of the Governing Body

for the year ended 31 August 2021

School Live and Co-Curricular Activities – Continued

The School's commitment to providing and growing APAs was also recognized by Independent School Parent magazine in October 2021, when the magazine awarded The Independent School of the Year Award for Social Mobility award to the School.

In addition to the above-mentioned volunteering activities (page 8) and despite the restrictions imposed by lockdown, pupils continued to access an extensive and occasionally blended schedule of virtual and socially distanced events, societies and activities. Comprehensive details can be found in school publications 'Hoc Age', 'The Old Bradfordian', and 'The Bradfordian', available at www.bradfordgrammar.com/publications. Highlights are outlined below.

- In Autumn Term, Year 5 enjoyed a virtual visit to the Antarctic courtesy of the British Antarctic Survey researching the polar oceans. Year 6 also participated in 'Medical Mavericks', an educational outreach activity delivered by a charity which seeks to inspire the next generation to join the medical profession.
- In Summer Term, Junior School pupils planted seeds as part of the Commonwealth War Graves Foundation project, 'Plant wildflowers in remembrance'. They received a visit from a Foundation representative, who spoke to pupils about the Commonwealth War Graves Commission and answered their questions.
- Open Science Lectures, 'In Conversation' broadcasts with Old Bradfordians and the careers focused Beyond BGS' seminar series continued in virtual form.
- As part of the School's Personal Development Programme, Year 11 pupils were given the opportunity to participate in a live virtual session with Solutions Not Sides (SNS), an education programme which aims to empower young people with the knowledge, empathy and skills needed to promote dialogue and conflict resolution, and to challenge prejudice in the UK.

Academic competition achievements and awards

- Two Junior School pupils were awarded runner up prizes in the Ilkley Literature Festival's poetry competition, in categories for their creative and imaginative poetry, on the theme of 'kindness'.
- A team of Year 8 girls beat more than 6,500 other girls to compete in the finals of a national cybersecurity competition, making it through to the CyberFirst Girls final as North of England champions and taking Bronze nationally. The competition was run by the National Cyber Security Centre (NCSC), part of GCHQ. The competition aims to inspire girls to pursue their interests in technology and consider a career in cybersecurity.
- Two Year 11 pupils won prizes in the Queen's College Cambridge essay writing competition, with essays on the Icelandic language and addictive qualities of video games.
- The School's debating team retained their crown as champions in the Bradford University Mock Trial competition.
- In Summer Term, BGS pupils took first and second place in the annual Leeds University Classics Competition.

The Arts

The School continues deliver a thriving arts programme, in stark contrast to the decline of art and music nationally. This remained the case throughout the national lockdowns.

- In Summer Term, Junior School pupils enjoyed sessions with the National Children's Orchestra's first ever digital programme, playing viola and double bass as part of a national live streamed event on 1 July 2021.
- Year 6 took part in an exciting 'virtual' art competition.

Bradford Grammar School

Report of the Governing Body

for the year ended 31 August 2021

The Arts – Continued

- The Senior School's Music Department delivered a varied programme of co-curricular activities before and during lockdown, which included online Friday lunchtime recitals. Two solo performances were delivered at a virtual Founders' Day in Autumn Term, performed in person to a small and socially distanced audience in Bradford Cathedral. The Leavers' Recital also moved online in Summer Term, with soloists from our Year 13 cohort.
- Visiting instrumental teachers gave COVID-secure one-to-one music lessons to prepare pupils for music exams, which were delivered virtually for the first time in the School's history. Following these exams with Trinity College of Music, pupils received tremendous results: 12 distinctions, 14 merits and three passes.
- Year 10 pupils entered the Cambridge University Classics Faculty Audio-visual Competition. Their podcast on the deification of Alexander the Great impressed the judges, earning them first place along with a £75 prize.

Sport

The School has a strong track record of accommodating the needs of elite sportsmen and women whilst also fostering participation at all levels of achievement. Despite the lockdowns, pupils have enjoyed another successful year in sport, as the highlights below illustrate.

- A Sixth Former secured a contract with the Yorkshire County Cricket Club Academy at Headingley, Leeds. A recipient of an Assisted Place, he credits this with enabling him to fulfil his potential and access the specialist coaching and facilities available at BGS.
- A Year 10 pupil came third in the U17 age category and fourth in the U19 at the World Triathlon Leeds in his first triathlon competition.
- Three BGS senior rugby players were part of the U18 Yorkshire Rugby Academy squad during the pandemic.
- A Year 10 pupil was selected to run for England in the Home Countries U18 International in the Lake District. She finished 5th, second home for England and secured a silver medal for the Team. Two fellow BGS fellow pupils came fifth in the qualifier and were reserves for the England team.

Outreach

The School is very much a part of the wider Bradford community and undertakes a range of outreach activities to raise the aspirations of local school children, sharing our facilities and resources and partnering with local organisations.

Outreach highlights include:

- In July 2021, 345 local primary school children enjoyed a fortnight of science and space master classes on site at School with our STEM partner Future Transformation, which aimed to inspire the next generation of engineers and scientists.
- Chemistry teachers at School created 17 practical YouTube videos to give pupils safe experiments to try at home in during lockdown. The videos have secured more than 11,500 views collectively, proving a hit with budding chemists across the world. Videos are tailored to academic levels, from Key Stage 3 (Years 7 and 8) to A Level. Experiments have ranged from determining the products of combustion, to understanding reactivity through the displacement reactions of metals.
- The School's partnership with Skipton Tennis Centre held the youth tennis challenge for the second time, following last year's postponement as a result of the pandemic. The event was hosted at Skipton's site and saw more than 20 children take part in challenges across three zones covering match play, skills and multi-sports.
- The School's long-term partnership with Walburga's Primary School provides valuable resources for their pupils. The partnership provides them with experience of a Design & Technology laboratory, with access to tools and machinery that would otherwise be unavailable to them. The joint after school sports' club was also resurrected in the summer term engaging Year 3 and Year 4 students on a regular basis. The time and sharing of expertise has benefited their teachers' practice and Walburga's pupils have enjoyed high level teaching from specialists, with visits and competitions at BGS's state of the art sports facilities.
- BGS sports coaches have delivered sessions to PE PGCE Students at Trinity Halifax, a state secondary school in the local region.

Bradford Grammar School

Report of the Governing Body

for the year ended 31 August 2021

PRINCIPAL RISKS AND UNCERTAINTIES

The Governing Body considers the financial impact of the larger contributions to the Teachers' Pension Scheme along with the potential national Government changes affecting the independent sector to be the principal risks to the School. Whilst recent fee increases have been kept to a minimum over the last four years (1% in 2017/18, 1.8% in 2018/19 and 3.7% in 2019/20) there was no fee rise in 2020/2021.

The Governing Body, having taken into account current financial forecasts, is satisfied that the School has the necessary financial resources to continue trading for the foreseeable future.

Two further areas of risk are a) health and safety and b) damage to reputation and the failure to react positively in an adverse situation. The School continues to invest and manage expertise in both areas in order to minimise these risks.

Significant risks are recorded in a register which is regularly reviewed by the SLT and then periodically discussed by the Governing Body. The Risk Register highlights key risks including financial, reputational and legal risks and the SLT has formulated controls and procedures to mitigate the effects of the most damaging and likeliest potential events.

The key controls used by the School are:

- formal agendas for all Board and Committee meetings
- detailed and comprehensive terms of reference for Board and all Committees
- comprehensive strategic planning, budgeting and management accounting
- regular reviews of liquidity and cash flow forecasts
- an established organisational structure and lines of reporting
- formal written policies or guidance, in particular on health and safety, safeguarding and disaster recovery
- computer system back up, and dispersed 'virtual' electronic storage
- clear authorisation and approval levels; and
- vetting and clearance procedures of staff and visitors, as required by law for the protection of children and young persons.

The Governing Body is confident that the major risks have been reasonably mitigated where possible.

These financial statements have therefore been prepared on a going concern basis.

STATEMENT OF GOVERNORS RESPONSIBILITIES

The Governing Body is responsible for preparing the Trustees' Report (Governing Body Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Governing Body to prepare financial statements for each financial period which give a true and fair view of the state of affairs of both the group and the charity and of their incoming and outgoing resources for that period. In preparing these financial statements, the Governing Body is required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Statement of Recommended Practice for Charities (FRS 102)
- make judgments and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the charity will continue in business.

The Governing Body is responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions, and to disclose the financial position of the charity, and its related undertaking, at any time with reasonable accuracy. These accounting records should enable the Governing Body to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. The Governing Body is also responsible for safeguarding the assets of the charity and its related undertaking as well as taking reasonable steps to prevent and to detect fraud and other irregularities.

Bradford Grammar School
Report of the Governing Body
for the year ended 31 August 2021

STATEMENT OF GOVERNORS RESPONSIBILITIES (continued)

The Governing Body is responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

RELEVANT AUDIT INFORMATION

In so far as the Governors are aware there is no outstanding relevant audit information of which the auditor is unaware and which might adversely affect the latter's ability to complete the audit report. Each member of the Governing Body has taken all appropriate steps to make him or herself aware of all relevant audit information and to establish that the School's auditor is also aware of that information.

Approved by the Governing Body and signed on its behalf by:



Lady Morrison
Chairman, Bradford Grammar School Trustee Limited
3 December 2021

Bradford Grammar School

Independent Auditor's Report to the Trustee Governing Body (as Trustees) of Bradford Grammar School

Opinion

We have audited the financial statements of Bradford Grammar School and its subsidiary (the Group) for the year ended 31 August 2021 which comprise the Consolidated Statement of Financial Activities, Consolidated and School Balance Sheets, Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements

- give a true and fair view of the state of affairs of the group and the parent charity as at 31 August 2021 and of the group's and the parent charity's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

- In auditing the financial statements, we have concluded that the trustee's 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 group or the parent charity'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.

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

Other information

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

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

We have nothing to report in this regard.

Bradford Grammar School

Independent Auditors' Report to the Governing Body (as Trustees) of Bradford Grammar School (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in respect of which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the Trustee's Annual Report is inconsistent in any material respect with the financial statements; or
- the parent charity has not kept proper and sufficient accounting records; or
- the parent charity's financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustee's Responsibilities Statement set out on page 14, the trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustee is responsible for assessing the charity'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 trustee either intends to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

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

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and the parent charity's financial statements to material misstatement and how fraud might occur, including through discussions with the representatives of the trustee, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charity by discussions with representatives of the trustee and updating our understanding of the sectors in which the group and the parent charity operates.

Laws and regulations of direct significance in the context of the group include guidance issued by the Charity Commission for England and Wales. Further the group is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, through significant fine, litigation or restrictions on the group operations. We identified the most significant laws and regulations to be the Independent School Standards as found in the Education and Skills Act 2008 and guidance issued by the Department for Education.

Bradford Grammar School

Independent Auditors' Report to the Governing Body (as Trustees) of Bradford Grammar School (continued)

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities including the Department for Education to identify potential material misstatements arising. We discussed the parent charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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 parent charity's trustee, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the parent charity trustee those matters we are required to state to it 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 charity and the trustee as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery Champness LLP

Saffery
LLP

Champness

Mitre House

Chartered Accountants

North Park Road

Statutory Auditors

Harrogate

Date: 16 December 2021 HG1 5RX

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Bradford Grammar School

Consolidated Statement of Financial Activities for the year ended 31 August 2021

	Note	Unrestricted Funds	Restricted Funds	1662 Restricted Fund	1662 Endowed Fund	Endowed Funds	Total 2021	Total 2020
		£	£	£	£	£	£	£
Income:								
<i>From charitable activities</i>								
Tuition fees	2 (a)	12,642,702					12,642,702	11,595,673
Other educational income	3	192,468					192,468	507,638
<i>From voluntary sources</i>								
Legacies and Donations	5		28,479	464,269	87,351		580,099	527,174
<i>From other activities</i>								
Trading income	4	22,972	-	-	-	-	22,972	81,113
Investment income	9	320,723	56,796	6,186	11,345	74,296	469,346	446,446
Other income	6	361,000	-	-	-	-	361,000	338,665
Total income		13,539,865	85,275	470,455	98,696	74,296	14,268,587	13,496,709
Expenditure:								
<i>By charitable activities</i>								
School running costs	7(a)	12,490,346	7,856	859	1,364	9,081	12,509,506	12,560,296
Assisted places	2(b)	-	486,209	-	-	-	486,209	460,397
Grants and prizes	7(c)	13,917	17,224	-	-	-	31,141	44,103
<i>By other activities</i>								
Trading expenditure		11,911	-	-	-	-	11,911	37,766
Total expenditure	7	12,516,174	511,289	859	1,364	9,081	13,038,767	13,102,562
Trading surplus / (deficit) <i>(Income less expenditure)</i>		1,023,691	(426,014)	469,596	97,332	65,215	1,229,820	394,147

Bradford Grammar School
Consolidated Statement of Financial Activities for the year ended 31 August 2021 (continued)

Note	Unrestricted Funds	Restricted Funds	1662 Restricted Fund	1662 Endowed Fund	Endowed Funds	Total 2021	Total 2020
	£	£	£	£	£	£	£
Trading surplus / (deficit) (Income less expenditure)	1,023,691	(426,014)	469,596	97,332	65,215	1,229,820	394,147
Investment gains/ (losses)							
Net investment gains/ (losses)	1,042,781	242,706	25,683	47,254	309,715	1,668,139	(959,244)
Operating surplus / (deficit) (Income less expenditure plus investment gain)	2,066,472	(183,308)	495,279	144,586	374,930	2,897,959	(565,097)
Transfers							
Endowment income transfers	-	65,214	10,171	(10,171)	(65,214)	-	-
Other transfers	18,646	141,824	(170,470)	10,000	-	-	-
Total transfers	18,646	207,038	(160,299)	(171)	(65,214)	-	-
Net movement in funds	2,085,118	23,730	334,980	144,415	309,716	2,897,959	(565,097)
Total funds at 1 September 2020	20,250,656	1,611,563	165,589	258,215	1,983,480	24,269,503	24,834,600
Total funds at 31 August	22,335,774	1,635,293	500,569	402,630	2,293,196	27,167,462	24,269,503

The incoming and outgoing resources and resulting net movement in funds arise from continuing operations.

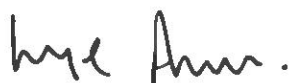
The Group has no recognised gains or losses other than the net movement in funds for the year.

The notes on pages 24 to 48 form part of these consolidated financial statements

Bradford Grammar School
Consolidated Balance Sheet
at 31 August 2021

	Note	31 August 2021	31 August 2020
		£	£
Fixed assets			
Tangible assets	8	13,644,365	14,295,463
Investments	9	12,851,581	9,945,493
		<u>26,495,946</u>	<u>24,240,956</u>
Current assets			
Stock		45,150	49,205
Debtors	10	479,848	391,624
Cash at bank and short term deposits		2,245,824	1,509,649
		<u>2,770,822</u>	<u>1,950,478</u>
Current liabilities			
Creditors: amounts falling due within one year	11	(2,099,306)	(1,921,931)
Net current assets/(liabilities)		<u>671,516</u>	<u>28,547</u>
Total assets less current liabilities		<u>27,167,462</u>	<u>24,269,503</u>
Total net assets		<u>27,167,462</u>	<u>24,269,503</u>
Funds			
Endowed funds	12	2,293,196	1,983,480
1662 Endowed fund	14	402,630	258,215
<i>Total Endowed Funds</i>		<u>2,695,826</u>	<u>2,241,695</u>
Restricted funds	13	1,635,293	1,611,563
1662 Restricted fund	15	500,569	165,589
<i>Total Restricted Funds</i>		<u>2,135,862</u>	<u>1,777,152</u>
Unrestricted Designated Funds	16	13,644,365	14,295,463
Unrestricted Free Reserves	16	8,691,409	5,955,193
Total funds	18	<u>27,167,462</u>	<u>24,269,503</u>

These financial statements were approved and authorised for issue by the Governing Body on 3 December 2021, and were signed on its behalf by:



Lady L C Morrison
(Chairman, Bradford Grammar School Trustee Limited)



P Cogan
(Director, Bradford Grammar School Trustee Limited)

The notes on pages 24 to 48 form part of these consolidated financial statements.

Bradford Grammar School
School Balance Sheet
at 31 August 2021

	Note	School 31 August 2021	1662 31 August 2021	Total 31 August 2021	31 August 2020
		£	£	£	£
Fixed assets					
Tangible assets	8	13,644,365		13,644,365	14,295,463
Investments	9	<u>12,378,842</u>	<u>472,741</u>	12,851,583	<u>9,945,495</u>
		<u>26,023,207</u>	<u>472,741</u>	26,495,948	<u>24,240,958</u>
Current assets					
Stock		45,150		45,150	49,205
Debtors	10	500,236	4,467	504,703	410,815
Cash at bank and short term deposits		<u>1,788,619</u>	<u>425,991</u>	2,214,610	<u>1,447,392</u>
		2,334,005	430,458	2,764,463	1,907,412
Current liabilities					
Creditors: amounts falling due within one year	11	<u>(2,103,897)</u>		(2,103,897)	<u>(1,919,084)</u>
Net current (liabilities)/assets		<u>230,108</u>	<u>430,458</u>	660,566	<u>(11,672)</u>
Total assets less current liabilities		<u>26,253,315</u>	<u>903,199</u>	27,156,514	<u>24,269,503</u>
Total net assets		<u>26,253,315</u>	<u>903,199</u>	27,156,514	<u>24,229,286</u>
Funds					
Endowed funds	12,14	2,293,196	402,630	2,695,826	2,241,695
Restricted funds	13,15	1,635,293	500,569	2,135,862	1,777,152
Unrestricted Designated Funds	16	13,644,365		13,644,365	14,295,463
Unrestricted Free Reserves	16	<u>8,680,461</u>		8,680,461	<u>5,914,976</u>
Total funds	18	<u>26,253,315</u>	<u>903,199</u>	27,156,514	<u>24,229,286</u>

These financial statements were approved and authorised for issue by the Governing Body on 3 December 2021 and were signed on its behalf by:



Lady L C Morrison
 (Chairman, Bradford Grammar School Trustee Limited)



P Cogan
 (Director, Bradford Grammar School Trustee Limited)

The notes on pages 24 to 48 form part of these consolidated financial statements.

Bradford Grammar School
Consolidated Cash Flow Statement
for the year ended 31 August 2021

	Notes	31 August 2021	31 August 2020
	(below)	£	£
Net cash inflow from operations	1	1,820,611	714,501
Returns on investment and servicing of finance			
Investment income		469,346	446,446
Capital expenditure and financial investment			
Purchase of tangible fixed assets (note 8)		(315,832)	(232,055)
Proceeds of disposal of fixed assets (note 8)		0	2
Purchase of investments (note 9)		(2,169,166)	(2,904,918)
Proceeds from sale of investments (note 9)		931,216	2,019,197
Increase/(Decrease) in cash during the year	2	736,175	43,173

Notes to the cash flow statement

1. Reconciliation of net incoming resources to net cash inflow from operations

Operating surplus/(deficit)	2,897,959	(565,097)
Net investment loss/(gain)	(1,668,139)	959,244
Depreciation charge	894,121	916,782
Loss on disposal of fixed assets	72,809	2
Investment income	(469,346)	(446,446)
(Increase)/Decrease in stock	4,055	(4,014)
(Increase)/Decrease in debtors	(88,223)	(73,891)
Increase/(Decrease) in creditors	177,375	(72,099)
Net cash flow from operations	1,820,611	714,501

2. Analysis of changes in net funds

Cash at bank and short term deposits at start of the year	1,509,649	1,466,476
(Decrease)/Increase in cash in the year	736,175	43,173
Cash at bank and short term deposits at end of year	2,245,824	1,509,649

There are no other borrowings within the charity

The notes on pages 24 to 48 form part of these consolidated financial statements.

Bradford Grammar School

Notes to the consolidated financial statements

for the year ended 31 August 2021

1. ACCOUNTING POLICIES

Basis of preparation and consolidation

In the opinion of the Governors Bradford Grammar School meets the definition of a public benefit entity as defined by the Charities Statement of Recommended Practice 2019 and Financial Reporting Standard 102 (FRS 102) and the consolidated financial statements are prepared in accordance with this standard.

The consolidated financial statements are prepared in sterling, the School's local currency, rounded to the nearest £. They are prepared on the historical cost accounting basis except for investments which are carried at market value.

The consolidated financial statements comprise the financial statements of Bradford Grammar School and its non-charitable trading subsidiary undertaking, BGSCA Ltd. Summary income and expenditure accounts, for the year ended 31 August 2021 for BGSCA Ltd in Note 23 to the consolidated financial statements.

The principal accounting policies, together with the method of dealing with estimates and uncertainties, are set out below.

Going concern

The Governors believe that it is appropriate to prepare the consolidated financial statements on a going concern basis as there are no material uncertainties relating to events or conditions that may cast significant doubt on the ability of the School or its trading subsidiary to continue trading for the foreseeable future.

The School has no external borrowings and there is a net current asset position at the balance sheet date. Cash flow forecasts, prepared to 31 August 2022, demonstrate that it will continue to generate a positive net cash flow. The Governors have also reviewed the School's likely trading position and cash flow to 31 December 2022 and are confident that this situation will be maintained.

The Covid-19 pandemic presented a unique set of circumstances not only affecting the ability of the School to deliver the usual pupil experience but also the resulting economic disruption affecting the value of investments. The risk of these ongoing economic issues affecting parents and other benefactors cannot be ignored. This and the continued threat of additional virus control measures are the principal financial risks the School are focusing on.

Other than this the other key risk facing the School would be an inability to reduce its operating costs should pupil numbers fall significantly below its projections.

However, the Governors believe that the School is well placed to manage these risks.

Fees and similar income

Tuition fees are accounted for in the period the service is provided and are stated after deducting the cost of funding APAs and other remissions given by the Unrestricted Fund. Fees do however include contributions from restricted funds towards APAs and employees discounts.

Other educational income includes school lunches, school trips, other catering income, registration, external examination, and after school care fees. It is also accounted for in the period which the service is provided.

Bradford Grammar School

Notes to the consolidated financial statements

for the year ended 31 August 2021

1. ACCOUNTING POLICIES (continued)

Voluntary income includes legacies and donations received for APAs and other purposes.

Trading income includes that from the School's non charitable trading subsidiary undertaking plus confectionery sales from vending machines.

Investment income is accounted for when receivable and includes the related tax recoverable.

Gifts in kind are valued at estimated open market value at the date of the gift.

Legacies and Donations

Legacies and donations are included in voluntary income and included in the Consolidated Statement of Financial Activities (SOFA) in the year in which entitlement is met and the amount can be measured with reasonable clarity. Income is deferred only when the School has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be used in a future period.

Legacies and donations receivable for the general purposes of the School are taken to unrestricted funds. Those subject to the specific wishes of the donor are taken to an appropriate restricted fund, unless they are to be retained as capital when they are taken to an appropriate endowment fund.

Resources Expended

Expenditure is accounted for on an accruals basis. It is classified into the categories below. Liabilities are recognised as resources are expended or as soon as there is a legal or constructive obligation. Irrecoverable VAT is included with the item of expense to which it relates.

School running costs are sub divided into teaching, welfare, premises and support costs. Greater analysis of the makeup of those constituents is given in note 7 to the consolidated financial statements.

Termination benefits and payments are recognised as an expense when the School can no longer withdraw the offer of those benefits.

APAs, grants, and prizes represent all financial assistance given by the unrestricted and restricted funds in the form of help with school fees and scholarships.

Trading costs include the costs of the subsidiary undertaking and the costs of confectionery from vending machines.

School land, buildings and equipment

Balance sheet valuation

Tangible fixed assets are stated at cost less depreciation and any provision for impairment.

Building and equipment costs of more than £10,000 are capitalised and carried in the balance sheet at historical cost. Costs of less than £10,000 are charged to the SOFA in the year they are incurred.

Bradford Grammar School
Notes to the consolidated financial statements
for the year ended 31 August 2021

1. ACCOUNTING POLICIES (continued)

Depreciation

Depreciation is provided to write off the cost of all relevant tangible fixed assets, less estimated residual value based on current market prices, in equal annual instalments over their expected useful economic lives as follows:

Buildings: 2% - 5%

Fixtures, plant and equipment: 10% - 33%

Assets in the course of construction are not depreciated until they become fully operational.

Tangible fixed assets are reviewed for impairment where events or changes of circumstance indicate the carrying value may not be recoverable.

Operating leases

Costs in respect of operating leases are charged on a straight line basis over the lease term.

Investments

Investments are valued at market value at the balance sheet date, as required by the SORP.

Realised gains and losses are calculated by comparing the sale proceeds against the market value at previous balance sheet date, or cost if acquired during the period. Unrealised gains are calculated by comparing the current market value at the balance sheet date with that at the previous balance sheet date, or cost if acquired during the period.

Stock

Stock is valued at the lower of cost and net realisable value.

Pension schemes

The School operates 2 pension schemes for its employees: a) a defined benefits scheme for its teaching employees and b) a defined contribution scheme for its non-teaching employees.

The teachers' pension scheme is a multi-employer pension scheme. It is not possible to identify the School's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis. Therefore, as required by FRS 102, it accounts for the scheme as if it were a defined contribution scheme. The School's contributions are set by the Government Actuary and are charged in the period in which the salaries to which they relate are payable.

The non-teaching pension scheme is a defined contribution schemes with Aviva and contributions are charged to the SOFA when the salaries to which they relate are payable.

Financial instruments

The School only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and are subsequently recognised at their settlement value.

Bradford Grammar School
Notes to the consolidated financial statements
for the year ended 31 August 2021

1. ACCOUNTING POLICIES (continued)

Fund accounting

There are 3 categories of separate funds:

Unrestricted fund - represents the accumulated annual surpluses that the School is free to use in accordance with its charitable objectives.

Restricted funds - represent donations and income from various deeds, bequests and appeals and fundraising activities. The funds may be spent on providing APAs, scholarships, and prizes for pupils and former pupils and, where so designated, for specific capital projects.

Permanently endowed funds – represent donations by various deeds and bequests from individual donors. The capital received for these funds may not be used other than to generate income. The income generated from these funds is transferred to the unrestricted and restricted funds, in accordance with the terms of the endowment, and may be spent on providing APAs, scholarships and prizes to pupils.

2. TUITION FEES, ASSISTED PLACES AND FEE REMISSION

	31 August 2021	31 August 2020
	£	£
(a) Tuition fees		
Gross fees receivable	13,122,990	12,405,787
Less:		
Assisted places	(690,385)	(836,224)
Employees discount	(222,021)	(379,288)
Third sibling and other discounts	<u>(54,091)</u>	<u>(54,999)</u>
	12,156,493	11,135,276
Add:		
Assisted places financed from restricted funds	486,209	460,397
	<u>12,642,702</u>	<u>11,595,673</u>

Bradford Grammar School
Notes to the consolidated financial statements
for the year ended 31 August 2021

2. TUITION FEES, ASSISTED PLACES AND FEE REMISSION - Continued

	31 August 2021	31 August 2020
	£	£
(b) Assisted places and fee remission		
From the unrestricted fund:		
Assisted places	204,176	375,827
Employees discount	<u>222,021</u>	<u>379,288</u>
	<u>426,197</u>	<u>755,115</u>
From restricted funds:		
Assisted places	<u>486,209</u>	<u>460,397</u>
	<u>486,209</u>	<u>460,397</u>
Total:		
Assisted places	690,385	836,224
Employees discount	<u>222,021</u>	<u>379,288</u>
	<u>912,406</u>	<u>1,215,512</u>

3. OTHER EDUCATIONAL INCOME

	31 August 2021	31 August 2020
	£	£
Income from school trips	-	190,196
School meals and catering income	160,044	279,203
Registration, exam and other fees	<u>32,424</u>	<u>38,239</u>
	<u>192,468</u>	<u>507,638</u>

4. TRADING INCOME

	31 August 2021	31 August 2020
	£	£
Confectionery sales	-	14,108
Trading subsidiary undertaking	<u>22,972</u>	<u>67,005</u>
	<u>22,972</u>	<u>81,113</u>

The school owns 100% of BGS Commercial Activities Limited (company number 2322069 – registered in England and Wales). Its result for the year is shown in Note 23.

Bradford Grammar School
Notes to the consolidated financial statements
for the year ended 31 August 2021

5. VOLUNTARY INCOME

	31 August 2021	31 August 2020
	£	£
Legacies (unrestricted)	-	-
Legacies (restricted)	-	-
1662 Legacies (restricted)	-	10,000
Donations (unrestricted)	-	637
Donations (restricted)	28,479	56,045
1662 Donations (restricted)	464,269	160,469
1662 Donations (endowed)	87,351	300,023
	<u>580,099</u>	<u>527,174</u>

6. OTHER INCOME

Other income contains total grant income received from the government of £339,638 (2020: £316,610), as well as rental and other miscellaneous income of £21,362.

7. ANALYSIS OF EXPENDITURE

(a) School running costs

	31 August 2021 Employees costs	31 August 2021 Other	31 August 2021 Depreciation	31 August 2021 Total	31 August 2020 Total
	£	£	£	£	£
Teaching	7,367,293	732,469	108,971	8,208,733	8,084,155
Welfare	352,620	143,431	12,077	508,128	608,758
Premises	548,457	898,977	744,898	2,192,332	1,997,674
Support	814,945	665,225	100,983	1,581,153	1,849,866
	<u>9,083,315</u>	<u>2,440,102</u>	<u>966,929</u>	<u>12,490,346</u>	<u>12,540,452</u>

The categories of school running cost comprise the following.

Teaching: remuneration of teaching and teaching support employees; departmental and library resource costs, in-service training, travelling, minibus expenses, school trips, and depreciation of (teaching) related assets.

Welfare: remuneration of nursing and catering employees; food costs, medical expenses, pupil accident insurance, health and safety costs, and depreciation of (welfare) related assets.

Premises: remuneration of all estates employees; maintenance costs, cleaning and caretaking, fuel, rates, insurances, depreciation of buildings, fixtures and related plant, and improvement works not capitalised as tangible fixed assets.

Support: remuneration of non-teaching management, finance, marketing, human resources, IT and secretarial employees; advertising and other marketing costs to promote the School, postage, telephone, printing, stationery, publications, legal and professional fees, finance costs, depreciation of general equipment, and governance costs (which is the annual audit fee of £15,500 in note 7 (b)).
Comparative movements for the year 2019/20 can be seen at note 25

Bradford Grammar School
Notes to the consolidated financial statements
for the year ended 31 August 2021

(b) Other items included in School Running Costs

	31 August 2021	31 August 2020
	£	£
Amounts payable to Saffery Champness and its associates in respect of both audit and non-audit services:		
Statutory audit of the financial statements	14,650	14,080
Accounting and taxation services	850	820
Total payable to Saffery Champness and its associates	15,500	14,900
Hire of plant and equipment under non-cancellable operating leases, (on leases expiring between two and five years from 31 August 2020 and 2025)	42,819	47,776
Depreciation of fixed assets (note 8)	894,121	916,782
Loss on disposal of fixed assets	72,809	2
Net depreciation of owned assets (Note 7a)	966,930	916,784

7. ANALYSIS OF EXPENDITURE (Continued)

(c) Grants and prizes

	2021	2020
	£	£
Funded from the unrestricted fund:		
Travel and uniform awards	6,427	7,203
Other grants and awards	7,490	16,667
	13,917	23,870
Funded from restricted funds:		
Music scholarships	15,958	17,640
Other grants and awards	1,266	2,592
	17,224	20,232
Total of grants and prizes	31,141	44,102

Travel and uniform awards are the costs of assisting some pupils on assisted places to buy school uniform and funding towards their places on educational trips.

Other grants and awards consist of prizes, speech day and Founders' Day costs, activities, grants, and Duke of Edinburgh scheme expenses.

Bradford Grammar School
Notes to the consolidated financial statements
for the year ended 31 August 2021

7. ANALYSIS OF EXPENDITURE (Continued)

(d) Analysis of employee costs

	2021	2020
	£	£
Total employee costs:		
Wages, salaries and benefits	6,965,312	6,754,034
Temporary employee costs	98,499	116,431
National insurance contributions	698,409	689,725
Pension costs	1,321,095	1,279,789
	<u>9,083,315</u>	<u>8,839,979</u>

Employee costs include £74k of restructuring costs, including statutory & ex-gratia redundancy costs (2020: nil). None of the costs were outstanding at the balance sheet date.

(e) Number of employees

The average number of total employees during the period was 259 (2020: 265).

The average number of full-time equivalent employees during the period was:

	2021	2020
	No.	No.
Teaching – Junior School	12	13
Teaching – Senior School	<u>90</u>	<u>90</u>
Total teaching	<u>102</u>	<u>103</u>
Teaching support	23	21
Welfare	15	17
Administrative support	20	21
Direct marketing	3	2
Premises	24	24
Total non-teaching	<u>85</u>	<u>85</u>
School total	<u>187</u>	<u>188</u>

Bradford Grammar School
Notes to the consolidated financial statements
for the year ended 31 August 2021

(f) Remuneration of key management personnel and highest paid employees

Neither the Governors nor persons connected with them received any remuneration, other benefits or reimbursement of expenses from the school or any connected organisation.

The number of employees whose aggregate emoluments (excluding pension contributions) exceeded £60,000 in the period was:

	31 August 2021	31 August 2020
	No.	No.
£60,001 - £70,000	5	3
£70,001 - £80,000	1	1
£80,001 - £90,000	1	1
£90,001 - £100,000	-	-
£100,001 - £110,000	-	-
£110,001 - £120,000	-	-
£120,001 - £130,000	1	1

6 (2020 – 5) of the employees earning above £60,000 in 2021 were members of the Teachers' Superannuation Pension Scheme, a defined benefit scheme, and 2 were members of the defined contribution scheme for non-teaching employees (see note 21).

The aggregate emoluments (including pension contributions and benefits) of 7 members of the SLT were £699,065 (2020 £686,778 – 7 members).

8. TANGIBLE FIXED ASSETS

	Freehold land and buildings	Fixtures, plant and equipment	Total
Consolidated and School Cost	£	£	£
At 1 September 2020	20,726,655	3,476,657	24,203,312
Additions	141,860	173,972	315,832
Transfers			-
Disposals	(80,600)		(80,600)
At 31 August 2021	<u>20,787,915</u>	<u>3,650,629</u>	<u>24,438,544</u>
Depreciation			
At 1 September 2020	7,140,879	2,766,970	9,907,849
Charge for the period	670,861	223,260	894,121
On Disposals	(7,791)	-	(7,791)
At 31 August 2021	<u>7,803,949</u>	<u>2,990,230</u>	<u>10,794,179</u>
Net book value			
At 31 August 2021	<u>12,983,966</u>	<u>660,399</u>	<u>13,644,365</u>
At 31 August 2020	<u>13,585,776</u>	<u>709,687</u>	<u>14,295,463</u>

All assets are held for charitable use.

Bradford Grammar School
Notes to the consolidated financial statements
for the year ended 31 August 2021

9. INVESTMENTS

Consolidated

	Unrestricted Funds £	Restricted Funds £	Endowed Funds £	1662 Restricted Funds £	1662 Endowed Funds £	Total £
Market value at 1 September 2020	5,969,503	1,605,270	1,983,480	129,025	258,215	9,945,493
Additions at cost	1,523,219	265,067	170,617	183,215	27,047	2,169,165
Disposals at market value	(662,826)	(136,832)	(105,402)	(10,163)	(15,993)	(931,216)
Net Investment Gain	1,042,781	242,706	309,715	25,683	47,254	1,668,139
Transfers	584,256	(347,500)	(65,214)	(170,298)	(1,244)	-
Market value at 31 August 2021	<u>8,456,933</u>	<u>1,628,711</u>	<u>2,293,196</u>	<u>157,462</u>	<u>315,279</u>	<u>12,851,581</u>
 Cost at 31 August 2021	 <u>5,252,691</u>	 <u>1,539,828</u>	 <u>1,517,279</u>	 <u>183,387</u>	 <u>327,070</u>	 <u>8,820,255</u>

All consolidated investments are listed on recognised international stock exchanges.

School

	Total £
Market value above	12,851,581
Investment in subsidiary company (note 4)	2
Value at 31 August 2021	<u>12,851,583</u>

Consolidated investment income was from listed securities.

At 31 August 2021 there was no single holding of any investment that was greater than 5% of total market value.

Comparative movements for the year 2019/20 can be seen at note 26

10. DEBTORS

	Consolidated 2021 £	2020 £	School 2021 £	2020 £
Fees	3,860	7,932	3,860	7,932
Amounts owed from subsidiary undertaking	-	-	27,319	25,977
Other debtors	265,443	231,625	262,979	224,839
Prepayments	<u>210,545</u>	<u>152,067</u>	<u>210,545</u>	<u>152,067</u>
	<u>479,848</u>	<u>391,624</u>	<u>504,703</u>	<u>410,815</u>

Bradford Grammar School
Notes to the consolidated financial statements
for the year ended 31 August 2021

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Consolidated		School	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	215,846	173,340	215,846	173,340
Taxation and social security costs	175,829		175,829	
Other Creditors	381,625	165,867	386,217	165,867
Deferred income (see below)	1,250,752	305,395	1,250,752	302,548
Accruals	75,254	1,165,414	75,254	1,165,414
		111,915		111,915
	2,099,306	1,921,931	2,103,897	1,919,084

Consolidated and School	Deferred income £
Balance at 1 September 2020	1,165,414
Amounts released to income earned from charitable activities	(1,165,414)
Amounts deferred in the period	1,250,752
Balance at 31 August 2021	1,250,752

Deferred income relates to school fees received or invoiced in advance of the next financial year.

12. ENDOWED FUNDS

Consolidated and School Funds	Balance at 1 September 2020	Incoming resources	Resources expended	Investment (loss)	Transfers	Balance at 31 August 2021
	£	£	£	£	£	£
Breeze Bentley (a)	568,079	21,279	(2,601)	88,704	(18,678)	656,783
Lennon (b)	60,278	2,258	(276)	9,413	(1,982)	69,691
Maitland S Herries (c)	769,071	28,807	(3,521)	120,086	(25,285)	889,158
Prize (d)	68,451	2,564	(313)	10,689	(2,251)	79,140
School Scholarship (e)	69,326	2,597	(317)	10,826	(2,279)	80,153
Semon Homes (f)	327,024	12,249	(1,498)	51,064	(10,752)	378,087
University Scholarship (g)	121,251	4,542	(555)	18,933	(3,987)	140,184
	1,983,480	74,296	(9,081)	309,715	(65,214)	2,293,196

(a) Income from the Breeze Bentley Fund is used as a contribution towards the teaching of science at the school and has been transferred to the Unrestricted Fund. (See note 16).

Income earned by each of the remaining endowed funds is transferred to the appropriate restricted fund at the end of each financial period. The purposes of these funds are as follows:

- (b) Lennon provides means tested assisted places and if appropriate support to pupils with physical disabilities.
- (c) Maitland S Herries funds scholarships for pupils going to university, assisted places to pupils at the school or any other such cognate educational purpose.
- (d) The Prize Fund provides prizes to pupils for academic or other school achievements.

Bradford Grammar School
Notes to the consolidated financial statements
for the year ended 31 August 2021

12. ENDOWED FUNDS - Continued

- (e) The School Scholarship Fund provides means tested assisted places and scholarships.
- (f) The Semon Homes Fund promotes the education of persons under 25 who are resident in the Bradford Metropolitan District by 1) the provision of exhibitions and scholarships to Bradford Grammar School or 2) the provision of exhibitions and scholarships to higher educational institutions to pupils of Bradford Grammar School.
- (g) The University Scholarship Fund may be used to promote the further or higher education of persons under 25, who have attended Bradford Grammar School and either need financial assistance or who have been selected on the grounds of merit. The Charity Commission has given consent for this fund to provide means tested assisted places to sixth form pupils.

In the opinion of the Governors sufficient resources are held in an appropriate form for each fund to be applied in accordance with any restrictions imposed.

Comparative movements for the year 2019-20 can be seen at note 27

Bradford Grammar School
Notes to the consolidated financial statements
for the year ended 31 August 2021
13. RESTRICTED FUNDS

Consolidated and School Funds	Balance at 1 September 2020	Incoming resources	Resources expended	Investment gain/(loss)	Transfers	Balance at 31 August 2021
	£	£	£	£	£	£
Hardship (c)	46,380	2,185	(214)	7,296	0	55,647
Hoc Age & General Bursary (d)	68,822	22,910	(380,180)	10,054	451,357	172,963
Kenneth Naylor (c)	3,428	128	(16)	535	0	4,075
Lennon (a)	30,116	1,128	(138)	4,702	1,982	37,790
Maitland S Herries (a)	917,234	34,357	(20,157)	143,223	(295,990)	778,667
OBA Appeal (b)	47,399	4,042	(3,499)	7,272	32	55,246
Prize (a)	0	0	(1,267)	0	2,251	984
Robert Miura (b)	86,135	5,739	(3,024)	13,511	0	102,361
School Scholarship (a)	54,248	2,105	(243)	8,275	2,279	66,664
Semon Homes (a)	124,243	4,503	(5,807)	18,824	10,752	152,515
Shears Foundation (b)	189,555	5,481	(57,184)	23,412	0	161,264
Stephen Davidson (b)	8,124	1,353	(39,396)	0	30,388	469
University Scholarship (a)	35,879	1,344	(164)	5,602	3,987	46,648
	1,611,563	85,275	(511,289)	242,706	207,038	1,635,293

- (a) The Lennon, Maitland S Herries, Prize, School Scholarship, Semon Homes and University Scholarship funds represent the accumulated income from the endowed funds, whose purposes are described in note 12 above. In the period these restricted funds have earned income in their own right and have also received transfers of income from the appropriate endowed fund. The assisted places, grants and prizes paid by these funds are included under the Resources Expended heading in the consolidated statement of financial activities.
- (b) The Stephen Davidson, The Shears Foundation, Robert Miura and OBA Appeal funds are used for the provision of means tested assisted places at the discretion of the school.
- (c) The Hardship and Kenneth Naylor Funds provide short term support to existing pupils whose parents have encountered severe financial difficulties.
- (d) The Hoc Age Appeal Fund was originally used to fund the construction of the sixth form centre, music school and swimming pool as well as means tested assisted places. All of the assets purchased and constructed are now included as part of the Unrestricted Fund. The remaining fund is now used for the provision of means tested assisted places.

The Governors are in the process of reviewing the purpose of the restricted funds as a number have similar purposes and can be used to support bursaries to ensure that as many children as possible can benefit from the education the school can provide. As part of this exercise they agreed to use some of the accumulated funds within the Maitland S Herries fund to pay additional bursaries and so a transfer was made to the Hoc Age fund during the year for onward support of students.

The Governors believe that sufficient resources are held in an appropriate form for each fund to be applied in accordance with any restrictions imposed.

Comparative movements for the year 2019-20 can be seen at note 28

Bradford Grammar School
Notes to the consolidated financial statements
for the year ended 31 August 2021

14. 1662 ENDOWED FUND

Consolidated and School Funds	Balance at 1 September 2020	Incoming resources	Resources expended	Investment (loss)	Transfers	Balance at 31 August 2021
	£	£	£	£	£	£
1662 Fund (a)	258,215	98,696	(1,364)	47,254	(171)	402,630
	258,215	98,696	(1,364)	47,254	(171)	402,630

(a) In November 2019, the 1662 Fund was launched to support fundraising efforts and a Development Committee with specific Terms of Reference established to oversee development activity.

In the opinion of the Governors sufficient resources are held in an appropriate form for each fund to be applied in accordance with any restrictions imposed.

15. 1662 RESTRICTED FUND

Consolidated and School Funds	Balance at 1 September 2020	Incoming resources	Resources expended	Investment gain	Transfers	Balance at 31 August 2021
	£	£	£	£	£	£
1662 Fund (a)	165,589	470,455	(859)	25,683	(160,299)	500,569
	165,589	470,455	(859)	25,683	(160,299)	500,569

(a) In November 2019, the 1662 Fund was launched to support fundraising efforts and a Development Committee with specific Terms of Reference established to oversee development activity.

The Governors believe that sufficient resources are held in an appropriate form for each fund to be applied in accordance with any restrictions imposed.

The Governors do not intend to accumulate significant funds within the 1662 restricted fund. In 2021 bursaries were not made directly from this fund but the amount allocated for spending was transferred into the Hoc Age fund to support the existing bursary programme.

16. UNRESTRICTED FUND

	Balance at 1 September 2020	Incoming resources	Resources expended	Investment gain	Transfers	Balance at 31 August 2021
	£	£	£	£	£	£
(a) Consolidated	20,250,656	13,539,865	(12,516,174)	1,042,781	18,646	22,335,774
(b) School	20,210,439	13,528,917	(12,475,957)	1,042,781	18,646	22,324,826

The Unrestricted Fund represents the general reserves of the School, accumulated from previous annual surpluses.

The income from the Breeze Bentley Endowed Fund has been transferred to the Unrestricted Fund.

Comparative movements for the year 2019-20 can be seen at note 31

Bradford Grammar School
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17. STATEMENT OF FREE RESERVES

	2021	2020
	£	£
(a) Consolidated		
Unrestricted Fund (note 16)	22,335,774	20,250,656
Less value of tangible fixed assets (note 8)	<u>(13,644,365)</u>	<u>(14,295,463)</u>
Net free reserves	<u>8,691,409</u>	<u>5,955,193</u>

	2021	2020
	£	£
(b) School		
Unrestricted Fund (note 16)	22,324,826	20,210,439
Less value of tangible fixed assets (note 8)	<u>(13,644,365)</u>	<u>(14,295,463)</u>
Net free reserves	<u>8,680,461</u>	<u>5,914,796</u>

Net free reserves represent the amount of the unrestricted fund which is not invested in tangible fixed assets and which can be readily converted into cash.

18. ALLOCATION OF NET ASSETS

(a) Consolidated	Tangible fixed assets £	Investments £	Current assets £	Creditors £	Total £
Endowed funds	-	2,293,196	-	-	2,293,196
1662 Endowed funds	-	315,279	87,351	-	402,630
1662 Restricted funds	-	157,462	343,107	-	500,569
Restricted funds	-	1,628,711	6,582	-	1,635,293
Unrestricted fund	<u>13,644,365</u>	<u>8,456,933</u>	<u>2,333,782</u>	<u>(2,099,306)</u>	<u>22,335,774</u>
Total	<u>13,644,365</u>	<u>12,851,581</u>	<u>2,770,822</u>	<u>(2,099,306)</u>	<u>27,167,462</u>

(b) School	Tangible fixed assets £	Investments £	Current assets £	Creditors £	Total £
Endowed funds	-	2,293,196	-	-	2,293,196
1662 Endowed funds	-	315,279	87,351	-	402,630
1662 Restricted funds	-	157,462	343,107	-	500,569
Restricted funds	-	1,628,711	6,582	-	1,635,293
Unrestricted fund	<u>13,644,365</u>	<u>8,456,935</u>	<u>2,327,423</u>	<u>(2,103,897)</u>	<u>22,324,826</u>
Total	<u>13,644,365</u>	<u>12,851,583</u>	<u>2,764,463</u>	<u>(2,103,897)</u>	<u>27,156,514</u>

The assets of both the endowed and restricted funds are held in the form of investments except for sundry bank balances in the restricted Hoc Age Appeal and School Scholarship funds.

Comparative movements for the year 2019-20 can be seen at note 32

Bradford Grammar School

Notes to the consolidated financial statements

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19. FINANCIAL COMMITMENTS

At 31 August 2021 the School had outstanding commitments for future minimum lease payments under non-cancellable operating leases for plant and equipment which fall due as follows:

	£
In the financial year ended 31 August 2022	34,720
Between 1 September 2022 and 31 August 2024	<u>43,297</u>
Total	<u><u>78,017</u></u>

20. CAPITAL COMMITMENTS

As at 31 August 2021, Bradford Grammar School did not have any capital commitments.

21. PENSION COSTS

Teachers' Superannuation Pension Scheme

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching employees. The pension charge for the year includes contributions payable to the TPS was £1,098,505 (2020: £1,047,715). There were accrued contributions totalling £nil at 31 August 2021 (2020: £nil).

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. The consultation closed to response on 19 August 2021 and the Government is currently analysing the responses.

Bradford Grammar School

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In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the cost cap mechanism review is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

Other pension scheme

The school operates a defined contribution scheme with Aviva for its non-teaching employees. The total pension charge for the year amounted to £222,588 (2020: £232,075).

Forecast contributions for 2021 – 2022

Overall pension contributions for 2021 - 2022 are expected to be in the region of £1,275,000.

22. RELATED PARTY TRANSACTIONS

Governor Mr S R Davies is a director of Sovereign Health and Insurance Services. The School also purchased medical insurance services, charged at normal commercial rates, from Sovereign totalling £917 (2020 - £917). At 31 August 2021 there was nothing due to this company (2020 - £nil).

The School sold goods and services, at cost, to its subsidiary trading company, BGS Commercial Activities Limited, totalling £8,723 (2020 - £26,035). At 31 August 2020 the subsidiary trading company owed the School £27,320 (2020 - £25,978). Full details of the subsidiary company are given in note 23 below.

A number of donations were received from governors in the period and were allocated to the endowed and unrestricted funds for the provision of bursaries.

Certain governors send their children to the School but are charged full fees and receive no discount or concessions. One governor, Mr P Cogan, is in receipt of a chartered scholarship award for his daughter, which was awarded on the basis of performance in the entrance examination. The value of this award was £100 in 2021 (2020 - £100).

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23. SUBSIDIARY UNDERTAKING

BGS Commercial Activities Limited (company number 2322069) is a wholly owned subsidiary of Bradford Grammar School.

	2021	2020
	£	£
Turnover	22,972	67,005
Cost of sales	(8,722)	(19,964)
	<hr/>	<hr/>
Gross profit	14,250	47,041
Administration expenses	(3,302)	(6,824)
	<hr/>	<hr/>
Operating profit	10,948	40,217
	<hr/>	<hr/>
Retained surplus for the year	<u>10,948</u>	<u>40,217</u>

BGS Commercial Activities Limited hires out certain school facilities and services. The company makes a gift aided donation, of its retained surplus, to the School each year following the annual general meetings of both organisations. This is equal to the company's net profit for the year.

The balance sheet of BGS Commercial Activities Limited at 31 August 2021 is shown below:

	2021	2020
	£	£
Current assets		
Stock	-	-
Debtors	13,412	7,236
Cash at bank and in hand	31,214	62,257
	<hr/>	<hr/>
	44,626	69,493
Creditors: amounts falling due within one year	(33,676)	(29,274)
	<hr/>	<hr/>
Net current assets	<u>10,950</u>	<u>40,219</u>
Capital and reserves		
Called up share capital	2	2
Profit and loss account	10,948	40,217
	<hr/>	<hr/>
Total Equity	<u>10,950</u>	<u>40,219</u>

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24. PREVIOUS YEAR CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES – BY FUND TYPE

	Note	Unrestricted Funds	Restricted Funds	1662 Restricted Fund	1662 Endowed Fund	Endowed Funds	Total 12 month period 2020	Total 13 month period 2019
		£	£	£	£	£	£	£
Income:								
<i>From charitable activities</i>								
Tuition fees	2 (a)	11,595,673					11,595,673	12,020,346
Other educational income	3	507,638					507,638	696,144
<i>From voluntary sources</i>								
Legacies and Donations	5	637	56,045	170,469	300,023		527,174	390,911
<i>From other activities</i>								
Trading income	4	81,113					81,113	170,799
Investment income	9	259,672	76,617	4,043	9,165	96,949	446,446	624,572
Other income	6	338,665					338,665	16,666
Total income		12,783,398	132,662	174,512	309,188	96,949	13,496,709	13,919,438
Expenditure:								
<i>By charitable activities</i>								
School running costs	7(a)	12,540,452	7,999	480	985	10,380	12,560,296	12,585,052
Assisted places	2(b)		460,397				460,397	483,956
Grants and prizes	7(c)	23,871	20,232				44,103	56,412
<i>By other activities</i>								
Trading expenditure		37,766					37,766	82,172
Total expenditure	7	12,602,089	488,628	480	985	10,380	13,102,562	13,207,592
Trading surplus / (deficit) <i>(Income less expenditure)</i>		181,309	(355,966)	174,032	308,203	86,569	394,147	711,846

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	Note	Unrestricted Funds	Restricted Funds	1662 Restricted Fund	1662 Endowed Fund	Endowed Funds	Total 12 month period 2020	Total 13 month period 2019
		£	£	£	£	£	£	£
Trading surplus / (deficit) <i>(Income less expenditure)</i>		181,309	(355,966)	174,032	308,203	86,569	394,147	711,846
Investment gains/ (losses)								
Net investment loss	9	(525,966)	(169,253)	(16,623)	(41,808)	(205,594)	(959,244)	(242,231)
Operating surplus / (deficit) <i>(Income less expenditure plus investment gain)</i>		(344,657)	(525,219)	157,409	266,395	(119,025)	(565,097)	469,615
Transfers								
Endowment Income	12 to 16	24,793	61,776	8,180	(8,180)	(86,569)	-	-
Net movement in funds		(319,864)	(463,443)	165,589	258,215	(205,594)	(565,097)	469,615
Total funds at 1 September 2019		20,570,520	2,075,006	-	-	2,189,074	24,834,600	24,364,985
Total funds at 31 August 2020	12 to 16	20,250,656	1,611,563	165,589	258,215	1,983,480	24,269,503	24,834,600

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25. PREVIOUS YEAR ANALYSIS OF EXPENDITURE

(a) School running costs

	12 months 2020 Employees costs	12 months 2020 Other	12 months 2020 Depreciation	12 months 2020 Total	13 months 2019 Total
	£	£	£	£	£
Teaching	7,048,112	924,307	111,736	8,084,155	8,018,173
Welfare	384,788	211,586	12,383	608,758	674,444
Premises	553,830	754,721	689,122	1,997,674	2,166,842
Support	853,246	893,078	103,543	1,849,866	1,725,593
	<u>8,839,976</u>	<u>2,783,692</u>	<u>916,784</u>	<u>12,540,452</u>	<u>12,585,052</u>

26. PREVIOUS YEAR INVESTMENTS

Consolidated

	Unrestricted Funds £	Restricted Funds £	Endowed Funds £	1662 Restricted Funds £	1662 Endowed Funds £	Total £
Market value at 1 September 2019	5,760,966	2,068,980	2,189,074	-	-	10,019,020
Additions at cost	1,798,471	324,101	418,321	19,723	344,302	2,904,918
Disposals at market value	(1,212,773)	(324,101)	(418,321)	(19,723)	(44,279)	(2,019,197)
Net Investment Loss	(525,970)	(169,253)	(204,594)	(16,623)	(41,808)	(959,248)
Transfers	148,809	(294,457)	-	145,648	-	-
Market value at 31 August 2020	<u>5,969,503</u>	<u>1,605,270</u>	<u>1,983,480</u>	<u>129,025</u>	<u>258,215</u>	<u>9,945,493</u>
Cost at 31 August 2020	<u>5,320,582</u>	<u>1,430,768</u>	<u>1,767,859</u>	<u>170,469</u>	<u>300,023</u>	<u>8,989,700</u>

All consolidated investments are listed on recognised international stock exchanges.

School

	Total £
Market value above	9,945,493
Investment in subsidiary company (note 4)	2
Value at 31 August 2020	<u>9,945,495</u>

Bradford Grammar School
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27. PREVIOUS YEAR MOVEMENT OF ENDOWED FUNDS

Consolidated and School Funds	Balance at 1 September 2019	Incoming resources	Resources expended	Investment (loss)	Transfers	Balance at 31 August 2020
	£	£	£	£	£	£
Breeze Bentley (a)	626,963	27,767	(2,973)	(58,884)	(24,794)	568,079
Lennon (b)	66,526	2,946	(316)	(6,248)	(2,630)	60,278
Maitland S Herries (c)	848,789	37,591	(4,025)	(79,718)	(33,566)	769,071
Prize (d)	75,546	3,346	(358)	(7,095)	(2,988)	68,451
School Scholarship (e)	76,511	3,389	(362)	(7,186)	(3,026)	69,326
Semon Homes (f)	360,922	15,984	(1,711)	(33,898)	(14,273)	327,024
University Scholarship (g)	133,817	5,926	(635)	(12,565)	(5,292)	121,251
	2,189,074	96,949	(10,380)	(205,594)	(86,569)	1,983,480

(a) *Income from the Breeze Bentley Fund is used as a contribution towards the teaching of science at the school and has been transferred to the Unrestricted Fund. (See note 13).*

Income earned by each of the remaining endowed funds is transferred to the appropriate restricted fund at the end of each financial period. The purposes of these funds are as follows:

- (b) *Lennon provides means tested assisted places and if appropriate support to pupils with physical disabilities.*
- (c) *Maitland S Herries funds scholarships for pupils going to university, assisted places to pupils at the school or any other such cognate educational purpose.*
- (d) *The Prize Fund provides prizes to pupils for academic or other school achievements.*
- (e) *The School Scholarship Fund provides means tested assisted places and scholarships.*
- (f) *The Semon Homes Fund promotes the education of persons under 25 who are resident in the Bradford Metropolitan District by 1) the provision of exhibitions and scholarships to Bradford Grammar School or 2) the provision of exhibitions and scholarships to higher educational institutions to pupils of Bradford Grammar School.*
- (g) *The University Scholarship Fund may be used to promote the further or higher education of persons under 25, who have attended Bradford Grammar School and either need financial assistance or who have been selected on the grounds of merit. The Charity Commission has given consent for this fund to provide means tested assisted places to sixth form pupils.*

In the opinion of the Governors sufficient resources are held in an appropriate form for each fund to be applied in accordance with any restrictions imposed.

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28. 1662 ENDOWED FUND

Consolidated and School Funds	Balance at 1 September 2019	Incoming resources	Resources expended	Investment (loss)	Transfers	Balance at 31 August 2020
	£	£	£	£	£	£
1662 Fund (a)	-	309,188	(985)	(41,808)	(8,180)	258,215
	-	309,188	(985)	(41,808)	(8,180)	258,215

(b) In November 2019, the 1662 Fund was launched to support fundraising efforts and a Development Committee with specific Terms of Reference established to oversee development activity.

In the opinion of the Governors sufficient resources are held in an appropriate form for each fund to be applied in accordance with any restrictions imposed.

29. 1662 RESTRICTED FUND

Consolidated and School Funds	Balance at 1 September 2019	Incoming resources	Resources expended	Investment (loss)	Transfers	Balance at 31 August 2020
	£	£	£	£	£	£
1662 Fund (a)	-	174,512	(480)	(16,623)	8,180	165,589
	-	174,512	(480)	(16,623)	8,180	165,589

(b) In November 2019, the 1662 Fund was launched to support fundraising efforts and a Development Committee with specific Terms of Reference established to oversee development activity.

The Governors believe that sufficient resources are held in an appropriate form for each fund to be applied in accordance with any restrictions imposed.

30. PREVIOUS YEAR MOVEMENT OF RESTRICTED FUNDS

Consolidated and School Funds	Balance at 1 September 2019	Incoming resources	Resources expended	Investment (loss)	Transfers	Balance at 31 August 2020
	£	£	£	£	£	£
Hardship (c)	35,597	14,279	(168)	(3,328)	0	46,380
Hoc Age & General Bursary (d)	393,876	41,358	(349,014)	(17,752)	354	68,822
Kenneth Naylor (c)	3,626	159	(18)	(339)	0	3,428
Lennon (a)	29,042	1,267	(136)	(2,688)	2,631	30,116
Maitland S Herries (a)	952,668	41,833	(22,118)	(88,715)	33,566	917,234
OBA Appeal (b)	49,412	5,717	(3,517)	(4,213)	0	47,399
Prize (a)	0	(9)	(2,592)	(33)	2,634	0
Robert Miura (b)	96,538	6,783	(8,040)	(9,146)	0	86,135
School Scholarship (a)	53,962	2,220	(37)	(4,923)	3,026	54,248
Semon Homes (a)	121,648	5,118	(5,804)	(10,992)	14,273	124,243
Shears Foundation (b)	259,151	9,542	(57,524)	(21,614)	0	189,555
Stephen Davidson (b)	47,184	2,996	(39,510)	(2,546)	0	8,124
University Scholarship (a)	32,302	1,399	(150)	(2,964)	5,292	35,879
	2,075,006	132,662	(488,628)	(169,253)	61,776	1,611,563

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- (e) The Lennon, Maitland S Herries, Prize, School Scholarship, Semon Homes and University Scholarship funds represent the accumulated income from the endowed funds, whose purposes are described in note 11 above. In the period these restricted funds have earned income in their own right and have also received transfers of income from the appropriate endowed fund. The assisted places, grants and prizes paid by these funds are included under the Resources Expended heading in the consolidated statement of financial activities.*
- (b) The Stephen Davidson, The Shears Foundation, Robert Miura and OBA Appeal funds are used for the provision of means tested assisted places at the discretion of the school.*
- (c) The Hardship and Kenneth Naylor Funds provide short term support to existing pupils whose parents have encountered severe financial difficulties.*
- (d) The Hoc Age Appeal Fund was originally used to fund the construction of the sixth form centre, music school and swimming pool as well as means tested assisted places. All of the assets purchased and constructed are now included as part of the Unrestricted Fund. The remaining fund is now used for the provision of means tested assisted places.*
- (e) The Vernon Schloss Fund is used to award scholarships, exhibitions, assisted places or maintenance allowances to pupils of the Christian or Jewish faith resident in the Bradford Metropolitan District. It is also used to award travel grants and generally in furthering the education of the aforementioned pupils.*

The Governors believe that sufficient resources are held in an appropriate form for each fund to be applied in accordance with any restrictions imposed.

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31. PREVIOUS YEAR MOVEMENT OF UNRESTRICTED FUND

	Balance at 1 September 2019	Incoming resources	Resources expended	Investment loss	Transfers	Balance at 31 August 2020
	£	£	£	£	£	£
(a) Consolidated	20,570,520	12,783,398	(12,602,089)	(525,966)	24,793	20,250,656
(b) School	20,485,815	12,801,098	(12,575,301)	(525,966)	24,793	20,210,439

The Unrestricted Fund represents the general reserves of the School, accumulated from previous annual surpluses.

The income from the Breeze Bentley Endowed Fund has been transferred to the Unrestricted Fund.

32. PREVIOUS YEAR ALLOCATION OF NET ASSETS

(c) Consolidated	Tangible fixed assets £	Investments £	Current assets £	Creditors £	Total £
Endowed funds	-	1,983,480	-	-	1,983,480
1662 Endowed funds	-	258,215	-	-	258,215
1662 Restricted funds	-	129,025	36,564	-	165,589
Restricted funds	-	1,605,271	6,292	-	1,611,563
Unrestricted fund	14,295,463	5,969,502	1,907,622	(1,921,931)	20,250,656
Total	14,295,463	9,945,493	1,950,478	(1,921,931)	24,269,503

(d) School	Tangible fixed assets £	Investments £	Current assets £	Creditors £	Total £
Endowed funds	-	1,983,480	-	-	1,983,480
1662 Endowed funds	-	258,215	-	-	258,215
1662 Restricted funds	-	129,025	36,564	-	165,589
Restricted funds	-	1,605,271	6,292	-	1,611,563
Unrestricted fund	14,295,463	5,969,504	1,864,556	(1,919,084)	20,210,439
Total	14,295,463	9,945,495	1,907,412	(1,919,084)	24,229,286

The assets of both the endowed and restricted funds are held in the form of investments except for sundry bank balances in the restricted Hoc Age Appeal and School Scholarship funds.

33. PREVIOUS YEAR FINANCIAL COMMITMENTS

At 31 August 2020 the School had outstanding commitments for future minimum lease payments under non-cancellable operating leases for plant and equipment which fall due as follows:

	£
In the financial year ended 31 August 2021	38,839
Between 1 September 2021 and 31 August 2024	75,782
Total	114,621