

# **The Grey Coat Hospital**

## **Annual Report and Financial Statements**

**31 August 2020**

Company Limited by Guarantee  
Registration Number  
08099098 (England and Wales)

## Contents

### Reports

Reference and administrative information	2
Governors' Report	4
Governance Statement	21
Statement of regularity, propriety and compliance	26
Statement of governors' responsibilities	27
Independent auditor's report on the financial statements	28
Independent reporting accountant's report on regularity	31

### Financial statements

Statement of financial activities	33
Balance sheet	34
Statement of cash flows	35
Principal accounting policies	36
Notes to the financial statements	41

## Reference and administrative information

### Members

The Very Rev Dr J Hall (until 1 November 2019)  
The Very Rev D M Hoyle (from 16 November 2019)  
Mrs S M Lowson MSc RSCN RGN DMS  
Mr R D Clark  
Vice Admiral P A Dunt (from 21 April until 12 October 2020)  
Mrs M J Richards (from 21 April 2020)  
Mr J M Noakes (from 21 April 2020)  
Mr T Mullins (from 12 October 2020)

### Governors

Mrs C Acraman MSc (until 31 January 2020)  
Mr L Cini O'Dwyer MSc (from 3 February 2020)  
Mr R D Clark (Chair)  
Ms N S Cottier BEd  
Miss E M Gibson  
Ms A Glover (from 18 June 2020)  
The Rev Canon Dr J Hawkey MA  
Dr M Hetherington  
Mrs S M Lowson MSc  
Ms S Maddrell BA (until 31 August 2019)  
Mr J O Nesbitt ARICS  
Mr J Noakes MA (until 20 April 2020)  
Mrs J Schroer  
Mr J Slater FCA  
Mrs R N Stewart BSc  
Mr F Studemann Schulenburg BA  
Mrs P Swan MSc  
Dr G Thomas  
Mr P Shaw MA (from 1 September 2019 to 31 December 2019)  
Ms S Staab, MA (from 1 January 2020)  
Ms S Young BA (from 1 September 2019 to 31 December 2019)

### Company Secretary

R W Blackwell MA (until 31 December 2019)  
Dr G Carver (from 1 January 2020)

## Reference and administrative information

### Senior Management Team

Headteacher	Susanne Staab (1 January 2020)
Acting Head	Sandra Young (Acting Joint Headteacher from 1 September 2019 to 31 December 2019)
Acting Head	Peter Shaw (Acting Joint Headteacher and Accounting Officer from 1 September 2019 to 31 December 2019)
Deputy Head	Peter Shaw (until 31 January 2020)
Deputy Head	Sandra Young (from 1 January 2020)
Deputy Head	Ian McCartney
Bursar	Marie Holmes

**Registered address** 57 Palace Street  
London  
SW1E 5HJ

**Principal address** Greycoat Place  
London  
SW1P 2DY

**Company registration number** 08099098 (England and Wales)

**Auditor** Haysmacintyre LLP  
10 Queen Street Place  
London  
EC4R 1AG

**Bankers** National Westminster Bank plc  
Victoria Branch  
169 Victoria Street  
London  
SW1E 5BT

**Solicitors** Farrer & Co LLP  
Lincoln's Inn Fields  
London  
WC2A 3LH

The governors of The Grey Coat Hospital ('the Academy') present their annual report together with the financial statements and the auditor's reports of the charitable company for the year from 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a governors' report and a directors' report under company law.

The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) – Second Edition effective 1 January 2019.

The academy trust operates a secondary academy for pupils ages 11 to 18. The number on roll at the Autumn Census 2019 was 1,077.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Constitution**

The charitable company is a company limited by guarantee (Company Registration No. 08099098) and an exempt charity incorporated on 11 June 2012. The charitable company's Articles of Association and the funding agreement executed on 1 July 2012 are the primary governing documents of the Academy.

The governors act as trustees for the charitable activities of The Grey Coat Hospital and are also directors of the charitable company for the purposes of company law. The charitable company is known as The Grey Coat Hospital.

Details of the governors who served throughout the year except as noted are included later in this report.

### **Members' liability**

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

### **Governors' indemnities**

As stated in the Academy's Articles of Association (Clause 133): 'Subject to the provisions of the Companies Act 2006 every governor or other officer or auditor of the Academy Trust shall be indemnified out of the assets of the Academy Trust against any liability incurred by him in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Academy Trust.'

The Academy has an indemnity policy in place to cover the cost of any such claims up to a total of £5,000,000 in any one year.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT** (continued)

### **Method of recruitment and appointment or election of governors**

On the conversion date the members appointed all those governors that served the predecessor school to be governors of the newly formed Academy. These governors were appointed on a term of office that would end when their original term at the predecessor school would have ended, ensuring staggered re-election. Parent governors who were governors of the predecessor school as at the conversion date and are still governors now are deemed to be elected for the purposes of this report.

Since July 2012 new governors are appointed or elected under the Articles of Association and Funding Agreement. In general the Academy Trust will have the following governors:

- ◆ The United Westminster and Grey Coat Foundation may appoint up to 10 governors, subject to Articles of Association. There must be a minimum of 5 appointed under this arrangement;
- ◆ In addition, subject to Articles, the Academy Trust shall have the following governors:
  - a) 2 staff governors to be elected;
  - b) 2 parent governors; to be elected, however if the number of parents standing for election is fewer than the vacancies, the governors can appoint parent governors to make up the number of parent governors required;
  - c) The Headteacher;
  - d) Any additional governors, as deemed necessary by the Secretary of State under the relevant clauses in the Articles of Association; and
  - e) The governors may appoint up to 3 co-opted governors subject to the conditions set out in the Articles of Association.
- ◆ The total number of governors who are employees of the Academy Trust (including the Headteacher) must not exceed one third of the total number of governors nor shall non foundation governors exceed the number of foundation governors;
- ◆ The Headteacher shall be treated for all purposes as being an ex-officio governor; and
- ◆ The term of office for any governor (except on conversion) is four years, with the exception of:
  - a) This time limit does not apply to the Headteacher; and
  - b) A staff governor will only hold office for so long as they continue to be employed as a teacher or member of support staff.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT** (continued)

A pro-forma has been developed to assist in a skills audit of governors. By this method, the board can ascertain where its strengths and weaknesses lie and can plan succession accordingly. This skills audit is a key part of the annual governance review, which is undertaken by the Nominations Committee and the Strategy Committee, both sub-committees that report into the full governing board.

Once a "skills profile" has been agreed, the Nominations Committee (with the Clerk's assistance) will activate a range of channels to advertise publicly for prospective candidates. Once the longlist of candidates are presented, governors from the Nominations Committee will meet with individuals to validate their skill sets and motivation for joining the board. Anyone to be considered will also meet with the Foundation Clerk to understand the workings of the United Westminster and Grey Coat Hospital Foundation ('the Foundation'), and its relationship to the Academy Trust.

Once the prospective governors have been shortlisted, they will meet the Headteacher, tour the school, and undergo a formal interview by a panel of governors from the Nominations Committee. Providing the panel believe the new governor is suitable for the role, and they fully understand their duties as a school governor and charity director, the Nominations Committee will move to take references and undertake DBS checks, before recommending the candidate to the full governing board. At the next full board meeting, the candidate's C.V. is presented and the Chair of Governors will give a verbal report as to the merits of the candidate and the findings of the Nominations Committee. It is then a majority decision as to whether someone is appointed. The successful candidate then undergoes a formal induction process led by the Clerk, which involves meeting key members of school staff, reading relevant governing body meeting minutes and familiarising themselves with key school documents, such as the Safeguarding Policy and School Development Plan. The new governor will undergo further statutory checks and compliance training, as well as establishing a schedule of key trainings (e.g. Safeguarding, Safer Recruitment) over the year, delivered by external training agencies. New governors are also invited to buddy with existing governors and observe several committee meetings over the course of their first year, in order to participate fully with the workings of the school and their core governance responsibilities.

The successful candidate then receives various papers and is subject to statutory checks.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT** (continued)

### **Governors**

The governors are directors of the charitable company for the purposes of the Companies Act 2006. The following trustees were in office at 31 August 2019 and served throughout the period except

<b>Governor</b>	<b>Appointed/Resigned</b>	<b>Appointing body</b>
Mrs C Acraman MSc Mr R D Clark Ms N S Cottier BEd	until 31 January 2020	Elected Teaching Staff GCH Fdn Trustees GCH Fdn. Trustees
Mr L Cini O'Dwyer	from 3 February 2020	Elected Teaching Staff
Mr J Noakes MA Miss A Glover Miss E M Gibson Dr M Hetherington Mrs S M Lowson MSc RSCN RGN DMS	until 20 April 2020 from 18 June 2020	Queen Anne's Sch GCH Fdn Trustees GCH Fdn. Trustees GCH Fdn Trustees GCH Fdn Trustees
Ms S Maddrell BA Mr J O Nesbitt ARICS Mrs J Schroer BA	until 31 August 2019	Headteacher GCH Fdn. Trustee GCH Fdn. Trustees - Parent
Ms S Staab MA Mr J Slater FCA Mrs R N Stewart BSc	from 1 January 2020	Headteacher GCH Fdn. Trustees GCH Fdn. Trustees - Parent
Mr F Studemann Schulenburg BA		GCH Fdn. Trustees - Parent
Mrs P Swan MSc Dr G Thomas The Rev Dr J Hawkey MA		Elected Support Staff Elected Parent The Dean and Chapter of the Collegiate Church of St Peter Westminster
Mr P Shaw MA Ms S Young BA	1 September-December 2019 1 September-December 2019	Acting Joint Headteacher Acting Joint Headteacher

### **Policies and procedures adopted for the induction and training of governors**

Prior to their appointment all new governors are given details of the workings of the Academy and the governing body and policies and procedures together with general information and guidance about what being a governor entails. On their appointment they will be given copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their duties as governors.



In addition governors are encouraged to attend training sessions, the cost of which is covered by the Foundation. Regular bulletins are given to governors listing the courses available. There are INSET sessions arranged for governors and senior staff on matters such as strategic planning. This year an audit of skills and training for needs has been introduced for governors and members of the senior leadership team.

### **Organisational structure**

The Academy's organisational leadership involves the governors and the officers in the Senior Leadership Team.

The governors are responsible for setting general policy, adopting an annual plan and budget, monitoring its financial and operational performance and making strategic decisions about the direction of the Academy, approving major items of expenditure and making senior staff appointments. The full board meets at least 3 times a year and more often when necessary.

The Academy, in addition to its main board of governors, has a Finance and Buildings Committee, a Personnel Committee, a Curriculum Committee and an Admissions Committee. In addition, there is a Strategy Committee consisting of the Chairman, Vice Chairman and Chairs of Standing Committees. There is now a Development Board in place, members of which include members of the governing body, representatives from the senior leadership team, representatives from the Parents' Guild and a member of the Old Greys' Association.

From June 2020 all governing body meetings and sub committee meetings have been held via Zoom or Teams to comply with lockdown protocols. Until further notice meetings will remain on line.

All committees have approved Terms of Reference. Within these Terms of Reference authority and responsibility is delegated to the appropriate decision maker.

The day to day management of the Academy is delegated to the Headteacher.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT** (continued)

### **Arrangements for setting pay and remuneration of key management personnel**

The key management personnel of the Academy responsible for directing and controlling the Academy comprise the governors together with the Senior Leadership Team. Governors, aside from staff governors, do not receive remuneration in respect of their services to the Academy.

The governors' Remuneration Committee meets annually during the first term of the academic year when it reviews and appraises the Headteacher's performance, sets objectives and then determines pay for the coming year. The committee then determines the remuneration of each member of the key management personnel on the basis of performance appraisal reviews carried out by the Headteacher. Each member of staff has a personal pay scale and is assessed against agreed performance objectives.

### **Trade union facility time**

During the year there were 108 full time equivalent employees, none of whom were relevant union officials during the relevant period.

### **Related Parties and other Connected Charities and Organisations**

The Academy forms part of The United Westminster and Grey Coat Foundation, Charity number 1181012. The other schools under the Foundation are Emanuel School, Queen Anne's School, Sutton Valence School and Westminster City School. The Academy has a strong and historic connection with Westminster Abbey. The Academy also has links with various educational organisations including the London Diocesan Board for Schools (LDBS).

### **Objectives and Activities**

The Academy's object is specifically restricted to the following:

- a) To advance for the public benefit education by maintaining and managing an Academy with a Christian religious character offering a broad curriculum conducted in accordance with the Christian faith ethos; and
- b) To promote for the benefit of the community the provision of facilities for recreation or leisure in the interests of social welfare.

Its activities are:

- a) To provide education for pupils of different abilities between the ages of 11 and 19. In accordance with the Articles of Association, the charitable company has adopted a Transfer Agreement approved by the Secretary of State for Education, which specifies, amongst other things, the basis for admitting students and that the curriculum should be broad and balanced and taught within the context of the Christian ethos of the Academy; and

- b) To let facilities to the community.

**Objects and aims**

The principal objective is to provide a broadly based education within the framework of a Christian ethos. The aim of The Grey Coat Hospital is to enable students to take charge of their learning, make decisions based on Christian values, live in the world as independent women and meet the challenges of the twenty-first century. This educational offering embraces high academic standards with a rich and varied programme of extra-curricular activities, allied to many opportunities to undertake Academy visits and trips. The Academy is proud of its historic heritage which forms a background to its desire to equip itself with the latest technology and resources to enable the students to fulfil their potential and to become valuable and valued members of the wider community.

**Public Benefit**

In setting the Academy objectives and planning its activities, the governing body have given careful consideration to the Charity Commission's general guidance on public benefit in particular its supplementary guidance on advancing education.

**Targets 2019-2020 :**

KS5 – 70% A\*-B grades, 100% A\*-E, students are able to progress onto their first choice destination after school.

KS4 –91% grades 9-4 in English and Mathematics for whole cohort and Pupil Premium, 77% grades 9-5 in English and Mathematics for whole cohort and Pupil Premium, +0.75 Progress 8 for whole cohort and Pupil Premium.

**Achievement and performance 2019-2020**

**GCSE**

<b>Year</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
% 1+ 9-1 / A*-G	100	100	98.7	100	100	100	100	100	100
% 5+ 9-1 / A*-G	100	100	97.4	100	99.3	98.7	100	100	100
% 5+ 9-4 / A*-C	91.3	93.5	86.5	92.7	90.0	92.1	92.7	94.7	96.8
% 5+ 9-5 / A*-C						89.5	86.0	86.8	91.1
% 5+ 9-4 / A*-C incl. English & Maths	84.6	85.6	82.1	85.3	82.7	86.8	86.7	90.8	92.4
% 5+ 9-5 / A*-C incl. English & Maths						71.7	72.0	72.4	80.3
% 9-4 in English & Maths						89.5	86.7	90.8	92.4
% 9-5 in English & Maths						72.0	72.0	73.0	80.3
% Grades 9-7 / A*-A	43.5	44.2	45.4	43.5	47.4	52.5	50.4	45.9	57.5
% Grades 9-5 / A*-C						89.6	83.5	84.2	91.1
% Grades 9-4 / A*-C						92.2	91.2	93.5	96.7
English Baccalaureate (all grades 9-5)						61.0	57.3	57.9	71.3
Attainment 8		62.06	61.97	62.9	63.27	64.3	63.6	63.83	6.8
Progress 8		+ .78	+ .49	+ .57	+ .48	+ .79	+ .74	0.76	0.66
Progress 8 rank		2	9	7	7	4	7	5	6

**A-LEVEL**

% Grades awarded	2012	2013	2014	2015	2016	2017	2018	2019	2020
A*	5.9	6.9	13.8	7.3	8.5	16.4	16.8	11.7	24.0
A	18.3	23.4	21.4	19.6	25.1	20.1	22.0	24.0	26.1
B	38.0	31.9	36.1	31.0	28.5	28.5	29.8	28.1	25.8
C	21.8	24.7	17.3	26.9	23.8	22.0	21.7	20.7	19.2
D	11.6	9.3	9.1	12.0	10.6	10.2	5.5	10.2	3.9
E	2.2	3.3	2.1	2.9	2.8	2.8	2.3	4.0	0.9
A*-A	24.3	30.2	35.2	26.9	33.6	36.5	38.8	35.7	50.1
A*-B	62.3	62.1	71.3	57.9	62.1	65.0	68.6	63.8	75.9
A*-C	84.1	86.8	88.6	84.8	85.9	87.0	90.3	84.5	95.1
A*-E	97.8	99.5	99.7	99.7	99.5	100	98.1	98.8	100

### University Destinations 2020

	2018*	2018*	2019*	2019*	2020	2020
	Number of students	% of total of who applied to university	Number of students	% of total who applied to university	Number of students	% of total who applied to university (103)
<b>Russell Group Universities (inc Oxbridge)</b>	40	43%	55	39.3%	52	50.5%
<b>Other universities</b>	41	44%	65	46.4%	39	37.9%
<b>Art/Design Foundation</b>	7	7%	3	2.2%	10	9.7%
<b>Not placed/deferred</b>	12 (this included deferred applications)	13%	17 (this included deferred applications)	12.1%	2	1.9%
<b>Total number of students placed from those who applied through UCAS</b>	78*	80%	123	87.8%	103	100%

**\*Please note that in 2018 and 2019 destinations were recorded differently**

**Of the 2020 cohort (111 students)** (103 applied to university or Art College) (8 did not apply to University)

Five students will study at Cambridge University and four students will study at Oxford University (two of whom reappplied from last year). Four students will take up places to study Medicine (one of whom reappplied from last year).

13 students applied from last year or previous years.

### **Analysis of Disadvantaged students' destinations**

There were 24 students in the 2020 cohort who were 'disadvantaged' 22 (92%) of these went to university/Art College. Of these 13 (59%) were Russell Group (two of which are at Cambridge) or Medicine. Of the two remaining one is training for the clergy and one is doing an apprenticeship in Business.

### **Key performance indicators**

The Grey Coat Hospital is a popular, culturally rich, oversubscribed Academy with a diverse cohort of students. In Year 7 applications again exceeded places by a ratio of 7:1.

The publicity campaign during November 2019 was successful in increasing the profile of our sixth form as we were even more oversubscribed for places in Year 12 for September 2020.

In January 2020 we had a Statutory Inspection of Anglican and Methodist Schools (SIAMS) and were delighted to be rated outstanding. We were also pleased to be included in the Real Schools Guide 2020 where The Grey Coat Hospital was ranked the Best Secondary School in Westminster.

The examination results, which were based on Centre Estimated Grades, were outstanding and truly reflected the hard work and commitment of our students.

### **Covid-19**

The students in Year 11 were unable to sit GCSE examinations, and Year 13 students unable to sit A Level examinations in May/June 2020 due to the disruption of lockdown from March 2020 until the end of the academic year. This had a profound impact for students and teaching staff. Instead of taking an exam which would measure their actual performance on the day, students heard they would receive grades based on their past performance, which in turn would be moderated by the past performance of the school. The data manager and teachers worked relentlessly and tirelessly to ensure the recommendations they made were fair and accurate. Later the arrangements were changed so that the grades would be the Centre Estimated Grades only not further moderated as originally suggested.

Throughout lockdown our students in other years remained focused, evidenced by their participation in online lessons. Engagement was boosted by the daily school bulletin which encouraged students to keep active physically, creatively and in mind and spirit. The articles were imaginative and fun and each day there was a thought-provoking message from the Chaplain. The staff responsible for the bulletin worked tirelessly throughout the lockdown period and during the school holidays and we are extremely grateful to them.

### **Going concern**

The school continues to be oversubscribed with Year 7 and Year 12 applications. The successful outcomes for students remains the greatest driver for enrolment and there is confidence that these successes will continue. Expenditure is driven by the needs of the curriculum and the staffing necessary to deliver the curriculum. Staff costs represent the greatest area of expenditure in any educational environment so attention is paid to possible staff movement and staff pay progression both of which are therefore included in predictions of staff costs. Crown Commercial Services are used when tendering new contracts and value for money is a key factor in any purchasing decision. The financial procedures document gives clear guidance regarding levels of authorisation and the need for the separation of duties. Frequent benchmarking continues to evidence that the academy is efficient in its use of its financial resources.

#### **Covid-19**

The financial procedures referred to above were revised from mid-March 2020 onwards in order to comply with the government direction for staff to work from home and for schools to close. Despite working remotely, the academy maintained the same spending limits, separation of duties and dual authorisation for banking while working to the new protocols.

The board is informed about the finances of the academy by the circulation of the monthly management and cash flow reports. Variances are explained in the narrative to these financial reports and the risk register is reviewed regularly. Short and long term changes to the educational landscape are monitored by trustees and the senior managers of the academy. The 5 year financial forecast is updated in light of any legislative or demographic changes. There is expertise on the board to interrogate and challenge assumptions made in financial forecasts.

As a result of the systems, processes and the expertise of the board guiding financial decisions, the Board of Governors has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the principle accounting policies.

The continued provision of education is dependent on the ongoing funding by the Education Skills Funding Agency (ESFA) of which there is a reasonable expectation of it continuing for the foreseeable future.

### **Financial Review**

#### **Financial report for the year**

Most of the Academy's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of the General Annual Grant (GAG), the use of which is restricted for education purposes. The grants received from the ESFA and other government bodies during the period and the associated expenditure are shown as restricted funds in the statement of financial activities.



The total income for the year was £7,816,000 (31 August 2019- £7,583,000). At 31 August 2020, the Academy held fund balances of £(1,400,000) (2019 £(1,649,000)). These comprised £363,000 (2019 - £277,000) of unrestricted funds, £117,000 of restricted general funds, a pension deficit of £2,007,000 (2019 - £2,164,000) and a balance of £127,000 (2019- £238,000) on the restricted fixed asset fund.

The results for the period are shown on page **33**.

### **Reserves policy**

Reserves are held as a contingency against financial risks. Governors determine what, ideally, the level of reserves should be. The aim is to provide a cushion to deal with unforeseen emergencies and to even out income streams to ensure continuity of high standards of education provision. The Governors' Finance and Buildings Committee monitors and reviews the reserve levels termly, when budgeting for a new year and as a part of its medium term financial planning. These reviews encompass the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves.

### **General reserves**

A working balance (carry forward) is held to offset the effect of uneven cash flows. Such events include reductions in per pupil funding, increases in the costs of employment and unexpected events. The Academy strives to increase income at all opportunities and continues to increase income from lettings.

### **Earmarked reserves**

These are held for specific purposes to meet known or predicted requirements. Planned expenditure from reserves can only be authorised by the Headteacher. Unplanned release of funds can only be actioned after agreement by the Governors' Finance and Buildings committee and within the spending limits given in the Academy Financial Policy and Procedures arrangements.

As at 31 August 2020 the Academy held available unrestricted funds of £363,000 (2019 £277,000).

This level of reserves is in line with the Governors' medium term financial plan designed to help guard against the impact of the reductions in funding of schools and future unanticipated or unknown costs.

### **Investment policy**

The Academy funds which are held at the school are in either current or the special interest bearing accounts. The interest earned on these accounts is largely used to offset bank charges. In all matters for investment the Academy policy is clearly geared towards avoiding risk rather than maximising return.

## **PRINCIPAL RISKS AND UNCERTAINTIES**

### **Risk management**

The governors conduct formal risk assessments and have developed a system to identify, monitor and control risks and to mitigate any impact they may have on the Academy in the future. The governors have produced a risk register which is reviewed and updated. The completed register is then considered by the board and comments made. The risk register may be amended in the light of discussions and then presented to governors during the year. Governors are informed of changes to legislation and regulation which will affect them and the risk created by such changes. In addition, members of the Governors' Finance and Buildings Committee undertake a further risk management assessment to ensure all members of the Committee are engaged with both the internal and the external risks which may face the Academy.

The Academy will continue to seek advice both specific and general from the Local Authority, the Police and the Counter Terrorism Unit regarding terrorism threat levels in London and the UK. Managing other risks associated with the Academy being located in Westminster close to government and historic buildings, are also informed by close contact with the Police and the Local Authority.

The Grey Coat Hospital has been coping with a reduced budget allocation year on year at a time when all other costs have risen substantially. Staffing reductions have been made wherever possible and having increased numbers of students in recent years the Academy has no further capacity to increase income or reduce fixed operating costs. This ongoing risk remains a continuous challenge for Governors and the Leadership Team of the Academy.

### **Covid-19**

During 2019-2020 the academy dealt with the additional risk resulting from the pandemic and lockdown. There were a number of new challenges to be faced including the risk of high levels of staff absence and the resulting supply teacher cover costs; the need for staff to deliver lessons remotely from their homes to students who may not have had adequate technology at home; anxiety caused for Year 11 and Year 13 students when examinations were cancelled and in terms of income, the ceasing of lettings.

Fortunately, staff were equal to the challenge and their attendance remained high. Students were able to continue their learning from home assisted by some government support for technology and the Year 11 and Year 13 students, based on centre assessed grades, achieved excellent examination results. By being prudent across the range of expenditure headings, saving on the purchase of educational consumables not needed for the summer term, and a slight saving on staff costs we managed to break even.

Around £40,000 of lettings income was lost from March 2020 to July 2020 due to the lockdown restrictions

Lettings resumed in mid September until the lockdown which commenced in early November 2020.

Changes in regulation affecting education and charities requires constant vigilance and the costs of compliance adds a further financial burden to academies.

### **Fundraising**

Many parents make voluntary contributions to the school to support additional activities and events which benefit the students but are not required to do so. The academy is mindful of the requirements of the Charity Commission for England and Wales Guidance published June 2016 and as trustees consider their future fundraising approach, will ensure the 6 principles are adhered to. The academy has recently launched a new initiative. A part time Development Officer is in post and work is underway to contact alumni and current parents to seek their views on how best to support the school. No complaints were received in the year.

### **Future plans**

#### **The Grey Coat Hospital School Development Plan 2020 – 2023**

The overriding aim of our SDP is to continue to provide outstanding opportunities, support and outcomes for all our students. All priorities will contribute to this overriding aim and are informed by an analysis of prior outcomes, internal and external pressures and regular dialogue with all stakeholders

Priority 1. To build on our recent experiences of remote learning in order to provide seamless 'blended learning' that is engaging and challenging for all by:

- providing CPD opportunities which will enable staff to deliver outstanding lessons both in the physical and the virtual classroom
- expanding ICT hardware and software provision for both staff and students to make blended learning accessible for all and ensure that it allows for effective curriculum delivery and assessment
- working collaboratively with other schools and providers so that best practice can be appreciated and integrated into our own approach

Priority 2. To further develop the curriculum so that it inspires and motivates all students and mitigates the adverse impact of Covid-19 by:

- identifying gaps in learning and addressing these through differentiated teaching and resources, regular planned assessment and targeted support
- adjusting our internal approach to assessment and reporting so that it aligns with national plans for examinations, promotes further learning and progress and builds student confidence
- refining the curriculum and wider provision for all year groups further so that it reflects fully our diverse community and promotes high levels of engagement and community cohesion

Priority 3. To further enhance sources of support so that all students can thrive and fulfill their ambitions despite the adverse impact of Covid-19 by:

- augmenting the PSHCE curriculum in all year groups so that there are more opportunities to support healthy lifestyle choices, learn life skills and develop study skills

- increasing the in-house and external sources of support such as counselling, mentoring and the spiritual dimension
- strengthening our safeguarding provision further still so that we can meet a significant rise in need

Priority 4. To further strengthen the staff body at all levels so that the student experience can continue to be outstanding all round despite the adverse impact of Covid-19 by

- providing additional sources of support for staff wellbeing and carefully managing workload, so that colleagues feel equipped to tackle existing and new challenges
- offering structured career development and celebrating strong performance at all levels so that colleagues feel empowered and valued
- enhancing channels of communication so that staff are empowered in the face of challenge and change

Priority 5. To further develop our systems so that we can continue to provide outstanding opportunities for all students despite the challenges of Covid-19 by

- designing and implementing timetable structures which will facilitate continuity of learning in the face of potential further disruption
- streamlining our use of pupil performance data thus allowing staff to fulfil their duties with even greater confidence and impact
- planning and implementing a comprehensive communications strategy with all stakeholders which enhances our community's cohesion

Priority 6. To continue our work towards securing the long-term future and outstanding success of the Academy by

- enhancing the accommodation, facilities and resources of the School thus providing a safe and stimulating learning environment
- increasing the number of places on offer to students in all year groups and thus meeting strong parental demand for a Grey Coat education
- implementing a comprehensive private fundraising campaign to supplement our basic budget allocation thus maintaining and enhancing provision

### **A Christian Community**

The Grey Coat Hospital is a Christian community where the 'service' ethic is important. Through our annual themes, which for 2020-2021 is 'Growth' students and staff will explore in depth the meaning of growth in all its aspects. Having a theme encourages reflection on the contributions and impact others have made to society, and inspires the school community to look for ways to make a difference in their communities too. This is particularly poignant this year due to the extraordinary events driven by the Covid-19 pandemic.

In 2019-2020 the theme was 'Responsibility' where the school supported a number of good causes both locally, nationally and internationally. A longer term initiative was also launched to 'Sponsor a Child' where each year group donates funds to ensure that a disadvantaged child of a similar age in another part of the world receives sponsorship to pay for their secondary education.

**AUDITOR**

In so far as the governors are aware:

- ◆ there is no relevant audit information of which the School's auditor is unaware; and
- ◆ the governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Governors' report, incorporating a strategic report, approved by order of the members of the board of governors on 24 November 2020 and signed on its behalf by:



Mr Rod Clark

Chair of the Governing Body

### **Scope of responsibility**

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

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

The Governing Body committee structure ensures that regular scrutiny of these delegated responsibilities are undertaken evidenced in the minutes of the committee meetings which are circulated to all members of the governing body.

In addition, as informed by the DfE's governance handbook and competency framework for governance, an audit of skills and training requirements of governors has taken place and gaps in knowledge or skills are being addressed.

### **Governance**

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The Governing Body has formally met on four occasions during the year. Attendance during the year at meetings of the governing body was as follows:

<b>Governor</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Mrs C Acraman MSc	1	1
Mr R D Clark (Chair)	4	4
Mr L Cini O'Dwyer BA	3	3
Ms N S Cottier BEd	3	4
Miss E M Gibson	4	4
Miss A Glover	2	2
Dr M Hetherington	3	4
The Rev Canon Dr J Hawkey	0	4
Mrs S Lowson MSc	3	3
Mr J O Nesbitt ARICS	3	3
Mr J Noakes MA	0	3
Mrs J Schroer BA	3	3
Mr J Slater FCA	3	3
Ms S Staab MA	3	3
Mrs R N Stewart BSc	4	4
Mr F Studemann Schulenburg BA	4	4
Mrs P Swan MSc	3	4
Mr P Shaw MA	1	1
Dr G Thomas	4	4
Ms S Young BA	1	1

### **Governance review**

The annual risk management review serves as a self-evaluation tool to review governance. It tests the systems underpinning the governance structures ensuring checks and balances are in place. The governors' strategy committee, which is comprised of the chairs of the major sub-committees, has closer scrutiny of the direction the Academy is taking in the medium and longer term. The Governors' Curriculum, Finance and Buildings and Personnel sub-committees have the opportunity to be more involved in the day to day practices of the school where they can offer challenge from a closer perspective. These committees meet at least three times each academic year and, with the management accounts being regularly scrutinised by governors, it is felt that effective governance is constantly under review and mitigates the need for the six full governing body meetings recommended in the Academies Financial Handbook 2019. In addition to the sub-committees mentioned above there is also the Governors' Admissions committee which meets at least annually.

The Academy governors come from both the private and the public sector and so adherence to strict governance frameworks is nothing new to them. To ensure their skills remain up to date and to take account of changes in the educational landscape, governors and trustees have access to training courses offered by a range of providers including Association of School and College Lecturers (ASCL), the Confederation of School Trusts and the London Diocesan Board. Where needed bespoke training is arranged with all governors and senior staff encouraged to attend.

### **The Finance and Buildings Committee**

The Finance and Buildings Committee (F&B) is a committee of the main Governing Body. The purpose of which is to assist the decision making by detailed consideration being given to ensure sound management of the Academy's finances and resources, including proper planning, monitoring and probity.

The F&B remains involved in the necessary compliance and adherence to new financial regulations as outlined in the Academies Financial Handbook. The F&B will continue to monitor and implement any necessary updated requirements as they occur. Letters sent to Accounting Officers by Lord Agnew, Eileen Milner and other DfE and ESFA communications are routinely circulated to members of the F&B committee and are posted on Governor Hub for perusal by all members of the governing board.

Attendance at meetings in the period was as follows:

<b>Governor</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Mr R Clark (Chair until 27 November 2019)	4	4
Mr J O Nesbitt ARICS	3	4
Mrs P Swan MSc	3	4
Ms S Staab MA	1	1
Ms C Acraman MSc	2	2
Mr J Slater (Chair from 27 November 2019)	3	3
Mr P Shaw	1	1
Dr G Thomas	4	4
Ms S Young	1	1

### **Review of value for money**

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

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

- ◆ Retaining students from Year 11 to study in the sixth form and by recruiting external students to maximise revenue streams;
- ◆ Ensuring the timetable reflects the needs of the curriculum and the choices the students make ready for Key Stage 4 and 5, but in doing so avoiding any unnecessary capacity; and



- ◆ Assessing all other costs across the school which, while saving money, does not impact on the excellent quality or quantity of education on offer.
- ◆ Government benchmarking data illustrate that The Grey Coat Hospital spends less on operational activities and staffing costs than similar schools. The school also has fewer staff per student in all categories of staff from the Leadership Team to the non-teaching staff than any local or similar schools in the recommended benchmarking sets.

### **The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control designed to identify and prioritise the risks to the achievement of the Academy's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place at the Academy for the year ended 31 August 2020 and up to the date of approval of the annual report and financial statements.

### **Capacity to handle risk**

The Governing Body has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is an ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year ended 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the F&B Committee, on behalf of the Governing Body and is actively monitored on a regular and frequent basis by the Senior Leadership Team.

### **The risk and control framework**

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

- ◆ comprehensive budgeting and monitoring systems with an annual budget and regular financial monitoring reports reviewed and agreed by the full Governing Body;
- ◆ regular reviews by the Finance and Buildings Committee of reports which indicate financial performance against the forecasts and of major purchase plans and expenditure programmes;
- ◆ setting targets to measure financial and other performance;
- ◆ clearly defined purchasing (asset purchase or capital investment) guidelines;
- ◆ delegation of authority and segregation of duties; and
- ◆ identification and management of risks.

The Board of Governors considered the need for a specific mid-year internal audit the purpose of which would be to carry out testing of a range of financial functions. Price Bailey LLP were duly commissioned to undertake this testing during April 2020. However, the arrangement was cancelled by Price Bailey when lockdown prevented the appointed auditor being able to travel to the school site. The academy then carried out a range of benchmarking checks comparing financial performance to similar sized academies and maintained schools in London and other urban areas. As in 2018-2019, the financial performance of the academy demonstrated excellent value for money when compared to those similar schools. Further confirmation was received at a meeting in January 2020 when the bursars from the Foundation schools compared costs across a range of areas including staffing and energy and Grey Coat again performed extremely well.

### **Review of effectiveness**

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

- ♦ regular benchmarking against similar schools;
- ♦ the work of the external auditor on the financial statements; and
- ♦ the work of the Senior Leadership Team within the Academy who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has advised the Finance and Buildings Committee of the implications of her review of the system of internal control and will ensure continuous improvement of the system remains in place.

Approved by order of the Governing Body and signed on their behalf by:



Mr Rod Clark  
(Chair of Governors)



Ms S Staab  
(Headteacher and Accounting  
Officer)

Approved on: 24 November 2020

**Statement of regularity, propriety and compliance** 31 August 2020

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

I confirm that I and the Academy Trust Board of Governors are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2020.

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

*Susanne Staab*

S Staab, MA

Accounting Officer

Date: 24 November 2020

## Statement of governors' responsibilities 31 August 2020

The governors (who act as trustees of the Academy for the purpose of charity law and are also the directors of the Academy for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with the Annual Accounts Requirements issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the governors to prepare financial statements for each financial year. Under company law the governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Academy and of the incoming resources and application of resources, including the income and expenditure, for that period. In preparing these financial statements, the governors are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Charities' SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- ◆ make judgments and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom 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 Academy will continue in operation.

The governors are responsible for keeping adequate accounting records that are sufficient to show and explain the Academy's transactions and disclose with reasonable accuracy at any time the financial position of the Academy and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Academy and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The governors are responsible for ensuring that in its conduct and operation the Academy applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the Board of Governors on 24 November 2020 and signed on its behalf by:



Rod Clark

Chair of Governing Body

**Independent auditor's report on the financial statements to the members of The Grey Coat Hospital**

We have audited the financial statements of The Grey Coat Hospital for the year ended 31 August 2020 which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

**Basis of opinion**

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

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- ◆ the Governors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or

**Conclusions relating to going concern (continued)**

- ◆ the Governors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the academy's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

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

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

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- ◆ the information given in the Governors' Report including the Strategic Report for which the financial statements are prepared is consistent with the financial statements.
- ◆ the Governors' Report including the Strategic Report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Report including the Strategic Report.

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

- ◆ adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of Governors' remunerations specified by law not made; or

- ◆ we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the Statement of Governors' Responsibilities, the Governors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors 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 Governors are responsible for assessing the academy'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 Governors either intend to liquidate the academy's or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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

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

### **Use of our report**

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



Tracey Young (Senior Statutory Auditor)  
for and behalf of  
**Haysmacintyre LLP**  
Statutory Auditors

24 November 2020

10 Queen Street Place  
London  
EC4R 1AG

**Independent reporting accountant's assurance report on regularity to The Grey Coat Hospital and the Education and Skills Funding Agency**

In accordance with the terms of our engagement letter dated 23 October 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Grey Coat Hospital during the period 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of The Grey Coat Hospital's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of The Grey Coat Hospital's funding agreement with the Secretary of State for Education dated 1 July 2012 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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



**Approach (continued)**

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

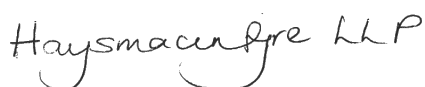
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy trust's income and expenditure.

The work undertaken to draw to our conclusion includes:

- ◆ Walkthrough testing of controls to ensure operational effectiveness;
- ◆ Substantive testing on a sample of expenditure items, ensuring expenditure is in accordance with the funding agreement and appropriately authorised;
- ◆ Detailed testing on a selection of credit card statements and expense claims;
- ◆ Review of minutes, bank certificates and related party declarations provided by Governors and senior management.

**Conclusion**

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



**Haysmacintyre LLP**  
10 Queen Street Place  
London  
EC4R 1AG

Date: 24 November 2020

**Statement of financial activities (including income and expenditure account) Year to 31 August 2020**

			Restricted funds			
		Unrestricted general funds £'000	General funds £'000	Fixed assets funds £'000	2020 Total funds £'000	2019 Total funds £'000
	Notes					
<b>Income from:</b>						
Donations and capital grants	2	261	-	24	285	309
Charitable activities:						
Funding for the academy trust's educational operations	3	-	7,364	-	7,364	6,965
Other trading activities	4	166	-	-	166	307
Investments	5	1	-	-	1	2
<b>Total</b>		428	7,364	24	7,816	7,583
<b>Expenditure on:</b>						
Charitable activities:						
Academy trust educational operations	7	342	7,613	18	7,973	7,875
<b>Total</b>		342	7,613	18	7,973	7,875
<b>Net income/(expenditure)</b>		86	(249)	6	(157)	(292)
<b>Transfers between funds</b>	16	-	117	(117)	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial gain/(loss) on defined benefit pension scheme	18	-	406	-	406	(421)
<b>Net movement in funds</b>		86	274	(111)	249	(713)
<b>Reconciliation of funds</b>						
Total funds brought forward		277	(2,164)	238	(1,649)	(936)
<b>Total funds carried forward</b>		363	(1,890)	127	(1,400)	(1,649)

All of the Academy's activities derived from continuing operations during the above two financial periods.

**Balance Sheet**  
As at 31 August 2020

	Notes	2020 £'000	2020 £'000	2019 £'000	2019 £'000
<b>Current assets</b>					
Debtors	12	124		281	
Cash at bank and in hand		<u>709</u>		<u>428</u>	
		833		709	
<b>Liabilities</b>					
Creditors: Amounts falling due within one year	13	<u>(226)</u>		<u>(194)</u>	
<b>Net current assets</b>			<u>607</u>		<u>515</u>
<b>Total assets less current liabilities</b>			607		515
<b>Net assets excluding pension scheme liability</b>			<u>607</u>		<u>515</u>
Defined benefit pension scheme liability	18		<u>(2,007)</u>		<u>(2,164)</u>
<b>Total net (liabilities)</b>			<u>(1,400)</u>		<u>(1,649)</u>
<b>Restricted funds</b>					
Fixed asset fund	16		127		238
Restricted income fund	16		117		-
Pension reserve	16		<u>(2,007)</u>		<u>(2,164)</u>
<b>Total restricted funds</b>			<u>(1,763)</u>		<u>(1,926)</u>
<b>Unrestricted funds</b>					
General fund	16		<u>363</u>		<u>277</u>
<b>Total funds</b>			<u>(1,400)</u>		<u>(1,649)</u>

The financial statements were approved by the trustees and authorised for issue on 24 November 2020 and are signed on their behalf by



Mr R D Clark

The Grey Coat Hospital  
Company Limited by Guarantee  
Registration number 08099098 (England and Wales)

## Statement of Cash Flows

for the year ended 31 August 2020

	Notes	2020 £'000	2019 £'000
<b>Net cash inflow from operating activities</b>			
Net cash provided by/(used in) operating activities	A	258	(173)
<b>Cash flows from investing activities</b>	B	23	77
<b>Change in cash and cash equivalents in the year</b>	D	281	(96)
<b>Cash and cash equivalents at beginning of the year</b>		428	524
<b>Cash and cash equivalents at the end of the year</b>	C	709	428
<b>A Reconciliation of net (expenditure) to net cash flow from operating activities</b>			
		2020 £'000	2019 £'000
Net (expenditure) for the reporting period (as per the statement of financial activities)		(157)	(292)
Adjusted for:			
Capital grants from DfE and other capital income		(24)	(79)
Interest receivable		1	2
Defined benefit pension scheme cost less contributions payable		208	295
Defined benefit pension scheme finance cost		41	36
Decrease/(increase) in debtors		157	(160)
Increase in creditors		32	25
<b>Net cash provided by/(used in) Operating Activities</b>		258	(173)
<b>B Cash flows from investing activities</b>			
		2020 £'000	2019 £'000
Interest receivable		(1)	(2)
Capital grants from DfE/EFA		24	79
<b>Net cash provided by Investing Activities</b>		23	77
<b>C Analysis of cash and cash equivalents</b>			
		2020 £'000	2019 £'000
Cash in hand and at bank		709	428
<b>Total cash and cash equivalents</b>		709	428
<b>D Analysis of changes in net cash</b>			
	Balance at 1 September 2019 £'000	Cash Flows £'000	Balance at 31 August 2020 £'000
Cash in hand and at bank	428	281	709
Total	428	281	709

## Notes to the financial statements

### for the year ended 31 August 2020

#### 1 Statement of accounting policies

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

##### **Basis of Preparation**

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

##### **Going Concern**

The trustees have assessed the various areas of risk and whether there are any material uncertainties that cast significant doubt on the ability of the academy to continue as a going concern. All areas have been reviewed including the additional burdens related to the impact of the Covid-19, this year and possibly next. The concern that there may be additional expenditure or lower student recruitment due to the pandemic has required trustees to give considerable thought and attention to the matter. Fortunately, the trust does not see a reduction in admission applications from parents and continues to be adequately resourced to meet any additional expenditure the pandemic may cause. There are no material uncertainties surrounding going concern therefore the trust continues to adopt the going concern basis of accounting in preparing the financial statements.

##### **Income**

All income is recognised when the academy trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

##### **Grants**

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

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

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

## Notes to the financial statements

for the year ended 31 August 2020

### 1 Statement of accounting policies (continued)

#### Sponsorship Income

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

#### Donations

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

#### Other Income

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

#### Expenditure

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

#### Charitable Activities

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

All expenditure is inclusive of irrecoverable VAT.

## Notes to the financial statements

### for the year ended 31 August 2020

#### 1 Statement of accounting policies (continued)

##### Tangible Fixed Assets

Assets costing £10,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

The site from which the school operates is owned by the United Westminster and Grey Coat Foundation. The Foundation reserves the right to terminate the agreement at any point and as a result there is no indication of control by the School. Consequently no value has been recognised in the financial statements. Such assets are capitalised in the books of the Foundation and any site improvements are treated as a grant to the Foundation.

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

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

Fixtures, fittings and equipment 25% pa

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

##### Liabilities

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

##### Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

##### Leased Assets

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

## Notes to the financial statements

### for the year ended 31 August 2020

#### 1 Statement of accounting policies (continued)

##### Financial Instruments

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

*Financial assets* – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 12. Prepayments are not financial instruments.

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

*Financial liabilities* – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 13. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

##### Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

##### Pensions Benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 18, TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.



## Notes to the financial statements

### for the year ended 31 August 2020

#### 1 Statement of accounting policies (continued)

##### Pensions Benefits (continued)

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

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

##### Fund Accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education and Skills Funding Agency/Department for Education.

##### Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

## 2 Donations and capital grants

	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed assets funds £'000	<b>2020 Total funds £'000</b>	2019 Total funds £'000
Capital grants	-	-	24	<b>24</b>	79
Other donations	261	-	-	<b>261</b>	230
	<b>261</b>	<b>-</b>	<b>24</b>	<b>285</b>	<b>309</b>

In 2019, of the total income from donations and capital grants, £230,000 was to unrestricted funds and £79,000 was to restricted fixed assets funds.

## 3 Funding for the Academy Trust's educational operations

	Unrestricted funds £'000	Restricted general funds £'000	<b>2020 Total funds £'000</b>	2019 Total funds £'000
<b>DfE / ESFA grants</b>				
General Annual Grant (GAG)	-	6,923	<b>6,923</b>	6,330
Pupil premium	-	232	<b>232</b>	228
	<b>-</b>	<b>7,155</b>	<b>7,155</b>	<b>6,558</b>
<b>Other Government grants</b>				
Special Educational Needs (SEN)	-	198	<b>198</b>	407
	<b>-</b>	<b>198</b>	<b>198</b>	<b>407</b>
<b>Exceptional Government Funding</b>				
Coronavirus exceptional support	-	11	<b>11</b>	-
	<b>-</b>	<b>11</b>	<b>11</b>	<b>-</b>
<b>Total</b>	<b>-</b>	<b>7,364</b>	<b>7,364</b>	<b>6,965</b>

In 2019, of the total income from charitable activities, £nil was to unrestricted funds and £6,965,000 was to restricted funds.

The funding received for Coronavirus exceptional support covers £11k of Personal Protective Equipment (PPE) costs. These costs are included in notes 6 and 7 below as appropriate.

## 4 Other trading activities

	Unrestricted funds £'000	Restricted general funds £'000	<b>2020 Total funds £'000</b>	2019 Total funds £'000
Hire of facilities/lettings income	48	-	<b>48</b>	89
Trip income	9	-	<b>9</b>	72
Miscellaneous income	109	-	<b>109</b>	146
	<b>166</b>	<b>-</b>	<b>166</b>	<b>307</b>

In 2019, of the total income from other trading activities, £307,000 was to unrestricted funds and £nil was to restricted general funds.

## 5 Investment income

	Unrestricted funds £'000	Restricted general funds £'000	<b>2020 Total funds £'000</b>	2019 Total funds £'000
Short term deposits	1	-	<b>1</b>	2
	<b>1</b>	<b>-</b>	<b>1</b>	<b>2</b>

**Notes to the financial statements**  
for the year ended 31 August 2020

**6 Expenditure (current year)**

	Staff costs £'000	Non Pay Expenditure Premises £'000	Other £'000	2020 Total funds £'000	2019 Total funds £'000
Academy's educational operations:					
Direct costs	4,696	-	565	5,261	5,088
Allocated support costs	1,722	694	296	2,712	2,787
	<b>6,418</b>	<b>694</b>	<b>861</b>	<b>7,973</b>	<b>7,875</b>

**Expenditure (prior year)**

	Staff costs £'000	Non Pay Expenditure Premises £'000	Other £'000	2019 Total funds £'000	2018 Total funds £'000
Academy's educational operations:					
Direct costs	4,436	-	652	5,088	4,939
Allocated support costs	1,773	619	395	2,787	2,730
	<b>6,209</b>	<b>619</b>	<b>1,047</b>	<b>7,875</b>	<b>7,669</b>

**Net (expenditure) for the year includes:**

	2020 £'000	2019 £'000
Operating lease rentals	65	72
Fees payable to auditor for Audit	12	12
Other services	-	2

Included within expenditure are the following transactions

	Total £	Individual items above £5,000	
		Amount £	Reason
Gifts made by the trust	1,530	-	N/a

**7 Charitable activities**

	2020 Total funds £'000	2019 Total funds £'000
Direct costs - educational operations	5,261	5,088
Support costs - educational operations	2,712	2,787
	<b>7,973</b>	<b>7,875</b>

**Analysis of support costs**

	2020 Total funds £'000	2019 Total funds £'000
Support staff costs	1,722	1,773
Technology costs	205	214
Premises costs	694	619
Legal costs - other	-	-
Other support costs	63	154
Governance costs	28	27
<b>Total support costs</b>	<b>2,712</b>	<b>2,787</b>

In 2019, of the total charitable expenditure, £579,000 was to unrestricted funds, £7,296,000 was to restricted general funds and £nil was to restricted fixed asset funds.

**8 Staff**

**(a) Staff costs**

Staff costs during the period were:

	<b>2020 Total funds £'000</b>	<b>2019 Total funds £'000</b>
Wages and salaries	<b>4,169</b>	4,114
Social security costs	<b>427</b>	436
Operating costs of defined benefit pension schemes	<b>1,137</b>	975
	<b>5,733</b>	5,525
Supply staff costs	<b>685</b>	684
	<b>6,418</b>	6,209

**(b) Staff numbers**

The average numbers of persons employed by the Academy during the period was as follows:

	<b>2020 No.</b>	<b>2019 No.</b>
Teachers	<b>78</b>	86
Administration and support	<b>48</b>	52
Management	<b>5</b>	5
	<b>131</b>	143

The average numbers of persons employed by the Academy expressed as a full time equivalent during the period was as follows:

	<b>2020 No.</b>	<b>2019 No.</b>
Teachers	<b>63</b>	63
Administration and support	<b>41</b>	41
Management	<b>5</b>	5
	<b>109</b>	109

**(c) Higher paid staff**

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

	<b>2020 No.</b>	<b>2019 No.</b>
£60,001 - £70,000	<b>3</b>	2
£70,001 - £80,000	<b>3</b>	-
£80,001 - £90,000	<b>2</b>	4
£90,001 - £100,000	<b>1</b>	-
£120,001 - £130,000	<b>-</b>	1

**(d) Key management personnel**

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £650,476 (2019: £604,093).

**9 Related Party Transactions - Trustees' remuneration and expenses**

One or more trustees have been paid remuneration or have received other benefits from an employment with the academy trust. The head teacher and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of head teacher and staff members under their contracts of employment. The value of trustees' remuneration and other benefits was as follows:

	2020 £'000	2019 £'000
S Staab , Headteacher and Trustee (01/01/2020)		
Remuneration	75k-80k	120k - 125k
Employer's pension contributions paid	15k-20k	20k - 25k
C Acraman, Staff Trustee (01/09/2019 - 31/01/2020)		
Remuneration	25k - 30k	55k - 60k
Employer's pension contributions paid	5k - 10k	5k - 10k
P Swan, Staff Trustee		
Remuneration	30k - 35k	30k - 35k
Employer's pension contributions paid	5k-10k	5k - 10k
L Cini O'Dwyer , Staff Trustee (Since 01/02/2020)		
Remuneration	20k - 25k	-
Employer's pension contributions paid	5k - 10k	-
S Young , Acting Headteacher and Trustee (01/09/2019 - 31/12/2019)		
Remuneration	30k - 35k	-
Employer's pension contributions paid	5k-10k	-
P Shaw , Acting Headteacher and Trustee (01/09/2019 - 31/12/2019)		
Remuneration	30k - 35k	-
Employer's pension contributions paid	5k-10k	-

No Trustees were reimbursed expenses during the year (2019: nil).

**10 Trustees' and Officers' insurance**

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the period ended 31 August 2020 was £363 (2019: £1,550). The cost of this insurance is included in the total insurance cost.

**11 Members liability**

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

**12 Debtors**

	<b>2020</b>	2019
	<b>£'000</b>	£'000
Trade debtors	-	2
VAT recoverable	72	82
Prepayments and accrued income	52	197
	<b>124</b>	<b>281</b>

**13 Creditors: amounts falling due within one year**

	<b>2020</b>	2019
	<b>£'000</b>	£'000
Trade creditors	159	156
Accruals and deferred income	67	38
	<b>226</b>	<b>194</b>

**Deferred income**

Deferred income at 1 September 2019	-	4
Released during the year	-	(4)
Resources deferred in the year	-	-
Deferred income at 31 August 2020	-	-

**14 Commitments under operating leases**

At 31 August 2020 the total of the Academy Trust's future minimum lease payments

	<b>2020</b>	2019
	<b>£'000</b>	£'000
Amounts due within one year	65	72
Amounts due between one and five years	19	82
	<b>84</b>	<b>154</b>

**15 Related party transactions**

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The United Westminster and Grey Coat Foundation is a registered charity (number 1181012). The charity's object is to advance for the public benefit, education by establishing, maintaining, operating, managing or otherwise and supporting the five schools which shall be run in accordance with Christian principles and practices.

*Income related transaction:*

The Foundation supported the Academy by providing £190,380 (2019: £148,566) during the year which is for use towards general educational expenditure.

16 Funds

	Balance at 1 September 2019 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2020 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	6,923	(6,923)	117	117
Coronavirus exceptional support	-	11	(11)	-	-
Pupil Premium	-	232	(232)	-	-
Pension reserve	(2,164)	-	(249)	406	(2,007)
	<u>(2,164)</u>	<u>7,166</u>	<u>(7,415)</u>	<u>523</u>	<u>(1,890)</u>
<b>Restricted fixed asset funds</b>					
DfE/ESFA capital grants	238	24	(18)	(117)	127
	<u>238</u>	<u>24</u>	<u>(18)</u>	<u>(117)</u>	<u>127</u>
<b>Other restricted funds</b>					
Special Educational Needs (SEN)	-	198	(198)	-	-
	<u>-</u>	<u>198</u>	<u>(198)</u>	<u>-</u>	<u>-</u>
<b>Total restricted funds</b>	<u>(1,926)</u>	<u>7,388</u>	<u>(7,631)</u>	<u>406</u>	<u>(1,763)</u>
<b>Unrestricted funds</b>					
General funds	277	428	(342)	-	363
<b>Total unrestricted funds</b>	<u>277</u>	<u>428</u>	<u>(342)</u>	<u>-</u>	<u>363</u>
<b>Total funds</b>	<u>(1,649)</u>	<u>7,816</u>	<u>(7,973)</u>	<u>406</u>	<u>(1,400)</u>

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

	Balance at 1 September 2018 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2019 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	6,330	(6,330)	-	-
Pupil Premium	-	228	(228)	-	-
Pension reserve	(1,412)	-	(331)	(421)	(2,164)
	<u>(1,412)</u>	<u>6,558</u>	<u>(6,889)</u>	<u>(421)</u>	<u>(2,164)</u>
<b>Restricted fixed asset funds</b>					
DfE/ESFA capital grants	159	79	-	-	238
	<u>159</u>	<u>79</u>	<u>-</u>	<u>-</u>	<u>238</u>
<b>Other restricted funds</b>					
Local authority grants	-	407	(407)	-	-
	<u>-</u>	<u>407</u>	<u>(407)</u>	<u>-</u>	<u>-</u>
<b>Total restricted funds</b>	<u>(1,253)</u>	<u>7,044</u>	<u>(7,296)</u>	<u>(421)</u>	<u>(1,926)</u>
<b>Unrestricted funds</b>					
General funds	317	539	(579)	-	277
<b>Total unrestricted funds</b>	<u>317</u>	<u>539</u>	<u>(579)</u>	<u>-</u>	<u>277</u>
<b>Total funds</b>	<u>(936)</u>	<u>7,583</u>	<u>(7,875)</u>	<u>(421)</u>	<u>(1,649)</u>

## 16 Funds (continued)

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

The General Annual Grant is funding from the DfE for the Academy's operating costs.

DfE/ESFA capital grants were to fund the purchase of fixed assets.

Pupil premium is additional government funding to raise the attainment of disadvantaged pupils of all abilities and to close the gaps between them and their peers.

Local government grants is used to support pupils with SEN and those with low attainment on entry.

The pension reserve relates to the School's Local Government Pension Scheme liability for support staff.

Other grants were to support the Academy's operating costs.

The funding received for Coronavirus exceptional support covers £11k of Personal Protective Equipment (PPE) costs.

The transfer from the restricted fixed asset fund to restricted general funds represents the use of capital funds in previous years for repairs and maintenance.

## 17 Analysis of net assets between funds

	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset funds £'000	Total funds £'000
<b>Fund balances at 31 August 2020 are represented by:</b>				
Current assets	363	343	127	<b>833</b>
Current liabilities	-	(226)	-	<b>(226)</b>
Pension scheme liability	-	(2,007)	-	<b>(2,007)</b>
<b>Total net assets</b>	<b>363</b>	<b>(1,890)</b>	<b>127</b>	<b>(1,400)</b>

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

	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset funds £'000	Total funds £'000
<b>Fund balances at 31 August 2019 are represented by:</b>				
Current assets	277	194	238	709
Current liabilities	-	(194)	-	(194)
Pension scheme liability	-	(2,164)	-	(2,164)
<b>Total net assets</b>	<b>277</b>	<b>(2,164)</b>	<b>238</b>	<b>(1,649)</b>



## **18 Pensions and similar obligations**

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff administered by Westminster City Council. Both are multi-employer defined benefit schemes.

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

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

### **Teachers' Pension Scheme**

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

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

### **Valuation of the Teachers' Pension Scheme**

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

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

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

The pension charge for the year includes contributions payable to the TPS of £1,030,649 (2019: £816,238) and at the year-end £82,392 (2019: £67,286) was accrued in respect of contributions to this scheme.

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

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

### **Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £247,458 (2019: £229,797), of which employer's contributions totalled £182,353 (2019: £166,804) and employees' contributions totalled £65,104 (2019: £62,993).

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

**18 Pensions and similar obligations (continued)**

**Principal actuarial assumptions**

	<b>At 31 August 2020</b>	At 31 August 2019
Rate of increase of salaries	<b>3.3%</b>	3.7%
Rate of increase for pensions in payment/inflation	<b>2.3%</b>	2.2%
Discount rate for scheme liabilities	<b>1.6%</b>	1.9%
Inflation assumption (CPI)	<b>2.3%</b>	2.2%

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

**Current mortality rates**

	<b>At 31 August 2020</b>	At 31 August 2019
<i>Retiring today</i>		
Males	<b>21.8</b>	23.4
Females	<b>24.4</b>	24.8
<i>Retiring in 20 years</i>		
Males	<b>23.2</b>	25.1
Females	<b>25.9</b>	26.6

**Sensitivity analysis**

	<b>At 31 August 2020</b>	At 31 August 2019
	<b>£'000</b>	£'000
Discount rate +0.1%	<b>6,233</b>	5,775
Discount rate -0.1%	<b>6,535</b>	6,052
Mortality assumption – 1 year increase	<b>6,635</b>	6,131
Mortality assumption – 1 year decrease	<b>6,139</b>	5,701

**18 Pensions and similar obligations (continued)**

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

	<b>Fair value at 31 August 2020</b>	Fair value at 31 August 2020
	<b>£'000</b>	£'000
Equities	<b>3,288</b>	2,792
Corporate bonds	<b>650</b>	570
Property	<b>411</b>	384
Cash and other liquid assets	<b>26</b>	2
<b>Total market value of assets</b>	<b>4,375</b>	3,748

The actual return on scheme assets was £402,000 (2019: £196,000)

**Amount recognised in the statement of financial activities**

	<b>2020</b>	2019
	<b>£'000s</b>	£'000s
Service cost	<b>415</b>	400
Interest cost	<b>38</b>	34
Admin expenses	<b>3</b>	2
<b>Total amount recognised in the SOFA</b>	<b>456</b>	436

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

	<b>2020</b>	2019
	<b>£'000</b>	£'000
Scheme obligations as at 1 September 2019	<b>5,912</b>	4,705
Current service cost	<b>415</b>	400
Interest cost	<b>110</b>	125
Employee contributions	<b>66</b>	62
Actuarial (gain)/loss	<b>122</b>	939
Change in demographic assumptions	<b>(207)</b>	(312)
Benefits paid	<b>(36)</b>	(7)
<b>At 31 August 2020</b>	<b>6,382</b>	5,912

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

	<b>2020</b>	2019
	<b>£'000</b>	£'000
Fair value of scheme assets at 1 September 2019	<b>3,748</b>	3,293
Interest income	<b>72</b>	89
Admin expenses	<b>(3)</b>	-
Actuarial gain/(loss)	<b>330</b>	105
Other actuarial gains/(losses)	<b>(9)</b>	-
Employer contributions	<b>207</b>	206
Employee contributions	<b>66</b>	62
Benefits paid	<b>(36)</b>	(7)
<b>At 31 August 2020</b>	<b>4,375</b>	3,748