



The North Halifax Grammar School Academy Trust

**For accounting period ending
31 August 2023**

**(A Company Limited by Guarantee)
Annual Report and Financial Statements**

**Company Registration Number:
7628903 (England and Wales)**

The North Halifax Grammar School Academy Trust

Contents

	Page
Reference and Administrative Details	3
Trustees' Report	5
Governance Statement	15
Statement on Regularity, Propriety and Compliance	19
Statement of Trustees' Responsibilities	20
Independent Auditor's Report on the Financial Statements	21
Independent Reporting Accountant's Report on Regularity	25
Statement of Financial Activities incorporating Income & Expenditure Account	27
Balance Sheet	29
Statement of Cash Flows	30
Notes to the Financial Statements, incorporating:	
Statement of Accounting Policies	31
Other Notes to the Financial Statements	36

The North Halifax Grammar School Academy Trust

Reference and Administrative Details

Members

R Hartley
A Cade
M Pitts
M Leicester

Trustees

A Cade (Chair)
D Deehan (Headteacher from 1 January 2023)
A Fisher (Principal / Executive Principal until 31 December 2022)
A Prathivadi Bhayankaram
M Carrigan
N Sheehan
C Sankey
C Marston (Staff Trustee)
C Hooper
J Jackson
H Cannon (Resigned 31 August 2023)
A Bostan
R Bacon
C Cresswell (Staff Trustee from 28.09.2023)

Company Secretary

E Casson

Senior Management Team:

- Headteacher D Deehan (from 1 January 2023)
- Principal/Executive Headteacher A Fisher (until 31 December 2022)
- Deputy Headteacher R Haworth (Head of School 1 September 2022 to 31 December 2022)
- Deputy Headteacher C Tomlin
- Deputy Headteacher D Crossland (Resigned 30.09.22)
- Senior Assistant Headteacher G Quigley
- Assistant Headteacher A Kent
- Assistant Headteacher H Ablewhite
- Assistant Headteacher D Kennedy
- Associate Member of SMT J Alexander
- Academy Finance Director E Casson

Company Name	The North Halifax Grammar School Academy Trust
Principal and Registered Office	Moorbottom Road Ilingworth Halifax HX2 9SU
Independent Auditor	Lambert, Roper & Horsfield Limited First Floor Rosemount House Huddersfield Road Elland HX5 0EE
Internal Auditors	BHP LLP New Chartford House Centurion Way Cleckheaton BD19 3QB
Bankers	Lloyds Bank Commercial Street Halifax HX1 1BB
Solicitors	Irwin Mitchell LLP Wellington Place Leeds LS1 4BZ

The North Halifax Grammar School Academy Trust

Trustees' Report

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1st September 2022 to 31st August 2023. The annual report serves the purposes of both a Trustees' report and a Directors' report under company law.

The Trust operates an academy for pupils aged 11 to 19 serving a catchment area across several different local authorities in its capacity as a selective grammar school.

Structure, Governance and Management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The Trustees of The North Halifax Grammar School Academy Trust are also the Directors of the Charitable Company for the purposes of company law. The Charitable Company is known as The North Halifax Grammar School Academy Trust.

Details of the Trustees who served during the year are included in the Reference and Administrative Details on page 3.

Members' Liability

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

Trustees' Indemnities

In accordance with normal commercial practice the Academy has purchased insurance to protect all Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides up to £5,000,000 on any one claim.

Method of Recruitment and Appointment or Election of Trustees

The management of the Academy is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

The term of office for any Trustee shall be four years, save that this time limit shall not apply to the Headteacher who is entitled to be a Trustee for as long as he or she is Headteacher. Subject to remaining eligible to be a particular type of Trustee, any Director may be re-appointed or re-elected. The Trustees who were in office at 31st August 2023 and who served during the period are listed on page 3.

New Trustees are recruited in accordance with the procedures outlined in the Articles of Association. The Members may appoint up to eight Trustees plus an additional two staff Trustees. The Local Authority may appoint one Trustee and parents of current students may elect two Parent Trustees. Additionally, up to three co-opted Trustees may be appointed. Each new Trustee is recruited following an application and interview process to ensure their suitability and the transparency of the process. A reference is also obtained.

Six Trustees are parents of students at the school and two Trustees are parents of former students.

Recruitment is carried out through contacting parents, local businesses and governor specific recruitment sites.

Policies and Procedures Adopted for the Induction and Training of Trustees

The Chair of the Governance Board is responsible for overseeing the induction of new Trustees by the Governance Professional. The training and induction provided for all new Trustees is dependent on their existing experience. Where necessary, induction will include a meeting with the Governance Professional to the Governance Board and presentation of an Induction Pack which contains key documentation such as accounts, budgets and policies and other documentation they need to undertake their role as a Trustee. Induction training is made available on educational, legal and financial matters through courses provided by the Local Authority or other external agencies. All new Trustees are given the opportunity of a tour of the Academy and to meet with the Headteacher.

Ongoing training is provided throughout the year for all Trustees on specific topics. Trustees receive general updates from the Governance Professional via external agencies and all Trustees also attend an annual Training Event held at the Academy. Training is also available face to face and online.

Organisational Structure

The management structure of the Academy consists of the Trustees and the Strategic Leadership Group. The Headteacher of the Academy is the Accounting Officer. The aim of the management structure is to devolve responsibility where appropriate and encourage involvement in decision making at all levels.

The Trustees are responsible for setting the strategic vision and direction of the Academy. This is achieved by taking account of the changing educational landscape both nationally and locally, the educational aspirations of the staff and students and the constraints of current resources. These responsibilities are applied through the determination of Academy vision, the adoption and challenge of an Improvement Plan (which is reviewed annually), the agreement and monitoring of an annual budget and key financial information, the approval of key areas of capital expenditure and the appointment of senior staff.

The Strategic Leadership Group (SLG) manages the Academy on an operational level, implementing the policies and actions approved by the Trustees and reporting back to them. The SLG is also responsible for delivering the areas of improvement identified in the Improvement Plan.

In 2022/23, for the period 1 September to 31 December 2023, the SLG comprised of an Executive Principal, Head of School, two Vice Principals, one acting Vice Principal, four Assistant Vice Principals and the Academy Finance Director. From 1 January 2023, following the retirement of the Principal at 31 December 2022, the SLG comprised of the Principal, three Vice Principals, one Acting Vice Principal, four Assistant Vice Principals and the Academy Finance Director. The structure was reviewed by the new Principal and with effect from 1 September 2023, the SLG structure comprises of the Headteacher, two Deputy Headteachers, four Assistant Headteachers, an Associate member and the Finance Director.

Management is also provided throughout the Academy by Heads of Departments and Year Group Leaders. These groups of staff are responsible for curriculum development, attainment, achievement, the pastoral welfare of students and key business support functions.

Arrangements for setting pay and remuneration of key management personnel

The Trustees are committed to taking decisions in accordance with the 'key principles of public life': objectivity, openness and accountability, recognising the requirement for a fair and transparent policy to determine the pay and grading for all staff employed in the Academy, which takes account of the conditions of service under which staff are employed and relevant statutory requirements.

The Trustees recognise their responsibilities under relevant legislation including the Equality Act 2010 and ensure that all pay related decisions are taken equitably and fairly in compliance with statutory requirements.

The Trustees assign a seven point Individual School Range (ISR) based on the school group size, as determined by the School Teachers' Pay and Conditions document and ensure that there is no overlap of salary bands between the Headteacher and other leadership posts.

Progression on the ISR for the Headteacher will be subject to a review of the Headteacher's performance set against the annual appraisal targets. The Headteacher's annual appraisal is carried out by a small group of Trustees who are advised by an external consultant.

The Trustees may decide to award one increment for sustained high quality performance or two increments where performance has been exceptional. Where performance has not been of a sustained high quality the Trustees may decide that there should be no pay progression.

The Trustees will ensure that reasons for setting the ISR at a given level are recorded and that the process for the determination of the Headteacher's salary is fair and transparent.

The Trustees will determine a pay range for all other members of the Strategic Leadership Group, either from within the leadership range contained in the School Teachers' Pay and Conditions document or from appropriate NJC scale ranges.

The pay range for the Strategic Leadership Group will be reviewed by 31st October or at any time during the year where there is a significant permanent change in the duties and responsibilities of the post, or where it is necessary to consider a retention payment for a member of staff on the leadership spine.

Progress on the pay range for a member of staff paid on the leadership scale will be subject to a review of their performance set against annual appraisal targets. The Pay and Audit Committee may decide to award one increment for sustained high quality performance or two increments where performance has been exceptional. Where performance has not been of a sustained high quality the Pay and Audit Committee may decide that there should be no pay progression.

Trade Union Facility Time

Relevant Union Officials

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

Percentage of time spent on Facility Time

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

Percentage of pay bill spent on facility time

Provide the total cost of facility time	0
Provide the total pay bill	
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	

Paid Trade Union Activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	0
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Related Parties and other Connected Charities and Organisations

The Academy is a member of the following organisations:

- The Calderdale Association of Secondary Heads (CASH) - a group of local Headteachers established to discuss issues and their impact upon local schools.

- The AA Teamworks SCITT (School Centred Initial Teacher Training) offers high quality Initial Teacher Education.
- The Trinity Institute of Education Teaching School Alliance – an alliance of local schools taking School Direct trainee teachers.
- Calderdale Secondary School Improvement Cluster (CSSIC) - a peer group of schools established to facilitate improvement through peer review and collective discussions.
- Grammar School Heads' Association (GSHA) – group of Headteachers to discuss issues as they arise and in particular the impact of these on Grammar schools.
- The Schools, Students and Teachers Network (SSAT)
- Confederation of School Trusts (CST)

Membership of the above networks does not have either an influence nor an impact on the operating policies of the Academy Trust.

The Academy also purchases services from the Local Authority, Calderdale MBC under normal business arrangements.

Objectives and Activities

Objects and Aims

The principal object and activity of the charitable company is the operation of The North Halifax Grammar School Academy Trust, to provide academically selective education for students between the ages of 11 and 19.

The Academy's motto "Living to Learn | Learning to Live" encapsulates the Academy's purpose.

Objectives, Strategies and Activities

The Academy's main strategy is to raise standards of achievement and progress through a focus on continuous improvement in all aspects of the organisation. The core purpose of the Academy is teaching and learning. The staff and resources are continuously measured by their contribution to the overall quality of teaching and learning and therefore the standards achieved by its students.

The Academy is a co-educational selective school serving the whole of Calderdale and beyond. It is compliant with the current statutory arrangements laid down in the national Admissions Code (revised December 2014).

NHGS Vision Statement

NHGS is the school that everyone wishes they went to: where enthusiasm is infectious and excellence is standard; where co-operation is at the heart of all we do; where everyone strives to achieve their goals and is mindful of the right ways to do so.

We equip our students with the knowledge, skills and understanding to navigate life with confidence and set courses of their own choosing.

Together, we develop the whole person by: Living to Learn, Learning to Live.

NHGS Mission Statement

Our mission is to be a school where our behaviours create excellence.

Key Strategic Objectives

To be a school where everyone is safe, is valued, and enjoys the highest possible level of personal well-being;

To be a school where students develop the skills, knowledge and attributes to navigate life with confidence and set courses of their own choosing;

To be a school where all students make excellent progress from their different starting points as a result of world-class teaching, learning and assessment.

Public Benefit

The Trustees have considered the Charity Commission's guidance on public benefit and in particular its supplementary public benefit guidance on advancing education. The key public benefit delivered by the Academy is the provision of a high quality education for its students. During the period under review the Academy had 1,246 students on roll.

The Academy provides education to young people aged 11 to 19 that:

- safeguards students effectively;
- is broad and balanced;
- includes the study of English, Mathematics, RS and Science for all students from 11 to 16;
- includes the teaching of SRE according to an agreed syllabus;
- promotes the personal, spiritual, moral, social, cultural, intellectual and physical development of students at the school and their understanding of the legally protected characteristics under The Equality Act;
- engenders in students the capacity for lifelong learning which requires the development of skills, the acquisition of knowledge and improved understanding;
- develops students who are lively, critical, independent, curious and creative;
- produces well-rounded, young adults with an enlightened set of attitudes and values including an appreciation of sustainability, who respect others and accept responsibility; and
- prepares students at the Academy for the opportunities, responsibilities and experiences of later life which include citizenship and employment; and
- promotes fundamental British values.

Strategic Report

Achievements and Performance

The Improvement Plan for 2022-2023

The Trustees and Directors approved an interim one year School Improvement Plan for 2022-2023 due to the anticipated change in Headship. The Governance Board monitors the progress against objectives within the various sections of the Improvement Plan. The Headteacher reports annually to the Trustees and Directors in the Autumn term on progress against objectives.

Goal 1: Everyone feels safe, is valued, and enjoys the highest possible level of personal well-being

Goal 2: Students develop the skills, knowledge and attributes to navigate life with confidence and set courses of their own choosing

Goal 3: All students make excellent progress from their different starting points as a result of world-class teaching, learning and assessment

The new Goals for 2023-2025 are:

Goal 1

Our students are enquiring scholars with an academic curiosity which leads them to the highest levels of achievement. Inspired by their time at NHGS they ambitiously continue their own pursuit of excellence
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Goal 2

Everyone develops the skills, knowledge and character to navigate life with confidence and resilience. To set courses of their own choosing and to make the world a better place
--

Goal 3

Everyone feels safe, has a sense of belonging, is respected and supported to gain self-fulfilment

In 2022/23 the Academy focused on continuing to address post Covid issues and the recruitment of a new Headteacher following the retirement of the existing Headteacher. Absence rates remained higher than

normal and social behaviours were still not back to pre Covid norms. A new Headteacher was appointed and took up post in the January. The transition was successfully managed. Changes were introduced around Diversity and Equalities, Behaviour, Smartphone usage and a restructure of the Senior Leadership Group. A review began of the curriculum and the focus on aspects of Teaching and Learning. Additional training time was provided for staff to update on new developments and prepare for the next academic year.

Financial Key Performance Indicators

The Academy reviews its financial performance through monthly management accounts, discussion and challenge at Strategic Leadership Group meetings and discussion and challenge at the Governance Board. For the financial year 2022/23 the Academy has performed as expected against the following performance indicators.

	<u>2022/23</u>	<u>2021/22</u>
Staff costs as a percentage of GAG	94%	98%
In-house catering outturn deficit	£95k deficit	£121k deficit
Catering outturn excluding Pension adjustment	£84k deficit	£57k deficit
Level of General Fund and Unrestricted Reserves carried forward	£0.534m	£0.517m

The catering service is continuing to evolve and develop a cost efficient and nutritional offer. External consultants have been engaged to work with the catering team to develop this further in 2023/24.

Academy Performance Indicators

As well as performing against the objectives in the School Improvement Plan (SIP) the Trust is responsible for the academic attainment of students particularly at Year 11 (GCSE) and Year 13 (A Level). The students at the Trust continue to achieve significantly better than the national average.

11 – 16 Measure	NHGS	England Average*
Entering EBacc	67% (2023)	39% (2023)
Staying in education or entering employment based on leavers 2021	98%	94%
Grade 5 or above in English and Maths GCSEs	93% (2023)	45% (2023)
Attainment 8 score	67.89 pts (2023)	46.2 pts (2023)
EBacc Average Point Score	6.14 (2023)	4.05 (2023)
Progress 8 score	0.14 (2023)	N/A
16 – 18 Measure	NHGS	England Average*
Average grade (A Level)	C+ (2023)	B (2022)
Average points score (A Level)	34.98 (2023)	38.87 (2022)

2023 information is based on unvalidated results. Validated performance measures will be available early in 2024.

Key Performance Indicators

An important requirement for academies is to ensure a high level of student attendance. In 2022/23, attendance in Years 7-11 was 93.8% and in Years 12-13 it was 93.4%.

The national attendance figures for Years 7-11 in 2021/22 is 91.0%. Figures for 2022/23 are not yet available.

Student Outcomes

73% of students in Year 13 went on to study 87 different courses at 50 different Universities around the UK. 33% of students who went onto university went to study at Russell Group Universities including 1 at Oxford. 10% of students went into apprenticeships or employment with training.

Going Concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Financial Review

Financial report for the year under review

Most of the Academy's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the 12 months ended 31 August 2023 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities (SOFA).

The Academy also receives grants for fixed assets and capital projects from the ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (FRS 102), such grants are shown in the SOFA as income from donations and capital grants in the Restricted Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the period under review the Academy received income of £8.2m (2022: £7.9m). Of this sum 83% (2022: 83%) was received from the ESFA in respect of its General Annual Grant, used for its day to day running costs. Other income includes that received towards the provision of trips and visits and catering income. Other income is also received in the form of donations and grants received for the purpose of funding fixed assets and in 2022/23 this accounted for 3% of total income. During the period ended 31 August 2023, the deficit of income over expenditure, excluding the Restricted Fixed Asset Fund, was £19k (2022: deficit of £342k).

At 31 August 2023 the net book value of fixed assets was £12.184m (2022: £12.503m) as shown in note 12 to the financial statements. The assets were used for providing education and the associated support services to the students of the Academy.

The Academy's non-teaching staff are entitled to membership of the West Yorkshire Pension Fund. The Academy's share of the Scheme's assets is currently assessed to be more than its liabilities in the Scheme, and consequently the Academy balance sheet shows a net asset of £236k (2022: liability of £99k).

Reserves Policy

The Trustees review the reserve levels of the Academy annually and as part of its ongoing short and long term budget planning. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

The Trustees are aware of the need to build the level of reserves to provide sufficient working capital to cover delays between spending and the receipt of grants, and to provide a cushion to deal with unexpected emergencies such as urgent maintenance and to cover approximately one month of salary expenditure.

The Academy's current level of Restricted General Funds, excluding the Pension Reserve, is £228k (2022: £237k) and the Academy's current level of free reserves, being Unrestricted Funds is £306k (2022: £280k).

Free reserves are the resources the Academy has or can make available to spend for any or all of the Academy's purposes once it has met its commitments and covered its other planned expenditure. More specifically free reserves represent income to the Academy which is to be spent at the Trustees' discretion in furtherance of any of the Academy's objectives but which is not yet spent, committed or designated.

Historically, the Trustees have determined that the minimum level of reserves is £0.35m and all short to medium financial planning is built upon retaining this level as a minimum. However, the reduction in Government funding and the increase in statutory expenditure is requiring short term budget deficits to be funded through the use of these reserves. This, together with the the significant costs being incurred to maintain adequate staffing levels, are having a detrimental impact on the Academy's reserves. The use of these reserves for this purpose has been agreed by the Trustees.

It is therefore unlikely that the pre-determined reserves level of £0.35m can be maintained in the long term based on the limited funding information available each year. The Governance Board is monitoring the situation on a regular basis and if necessary, cost reduction plans will be put into place.

The Pension Reserve is now showing as an asset as a result of the changes in the market and the higher than anticipated return on investments. Historically this has always been a deficit and should this liability materialise upon the closure of the Academy, the outstanding liabilities would be met by the Department for Education. The change to a net asset has resulted in the employer's pension contributions decreasing year on year over the next four years from April 2023.

The Academy's cash reserves at 31 August 2023 are £0.870m (2022: £0.968m).

In the year under review, the Academy has completed the final phase of the five year electrical project which means that all of the necessary rewiring of the school has been completed. Plans are currently being drawn up to develop a new premises and capital strategy going forward. This may include further work being undertaken on the internal fabric of the building, to ensure that the buildings remain fit for purpose and the best use is made of the available space. In addition, significant work needs to be planned and undertaken to upgrade the heating from the current single pipe system, ideally to a greener system to help reduce the carbon footprint of the Academy. All of these projects will require a financial contribution from the Academy although grants will also be sourced wherever possible.

Investment Policy

The Academy has continued its policy of seeking to maximise returns from its investments, minimise risk and maintain flexibility and access to funds. The Trustees have resolved to invest funds in High Interest Deposit Accounts for medium to longer term investments and to invest monthly in a Treasury Deposit account where appropriate. This will generate a return on any surplus cash balances whilst balancing any risks to the Academy's resources. During the 2022/23 financial period the Trust did not have sufficient available financial balances to invest.

Principal Risks and Uncertainties

The primary source of funding for the Academy is the Government grant received through the ESFA. This is determined through the use of a National Funding Formula (NFF) which has introduced a single rate of funding per pupil for primary and secondary schools. In 2022/23, funding for the Academy still came through Calderdale Council and the Council provided funding of £5,525 per student aged 11-16 years. This funding had increased from 2021/22 (£5,415).

The level of funding from the Government remains a principal risk for the Academy as national decisions on pay awards, minimum levels of pay, increases in energy costs and the ongoing recovery from the pandemic are not being factored into the funding provided. Additionally, the absence of three year grant allocations means that often decisions have to be taken to future proof the Academy without knowing whether the funding will be available in two or three years to match the expenditure incurred. The impact of the pandemic is lessening although staff absence levels continue to be higher than historically. The situation is managed on a day by day basis and decisions are made to safeguard the staff and students at the Academy whilst effectively fulfilling our principal objective of delivering high quality education.

The local educational marketplace continues to undergo significant change as organisations continue to form Multi Academy Trusts (MATs) and Post 16 providers grow and further develop their offer. This remains an area of uncertainty as the Trust cannot know how the emergence of new organisations will affect student numbers, especially Post 16 students, or how growing Post 16 providers will influence the decision of students in determining where they go for Post 16 education.

The Schools White Paper 2022 which established the need for all schools to be part of a MAT, or in the process of becoming part of a MAT, by 2030, was withdrawn during the year. Nevertheless, as a Single Academy Trust (SAT) the future strategic direction of the Academy continues to be under constant review as both opportunities and risks are identified and investigated.

These risks are being managed through ongoing professional discussions with local stakeholders, involvement in discussions across the borough and keeping up to date with the Regional Schools' Commissioner. Risk management is therefore a continual process which is reviewed on a regular basis. Key priority risks are identified, managed and reported on and each is owned by a member of the Strategic Leadership Group.

Fundraising

The Academy works in partnership with the Parents' Association (PA) to raise additional funds through a programme of planned activities. The work of the PA has concentrated on a monthly prize draw and specific events, for example the Christmas hamper raffle, and has by its nature, been largely limited to those immediately associated with the Academy, for example students, staff and parents. The work of the PA has increased in 2022/23 as pandemic restrictions were removed and membership of the PA increased.

The Academy has raised funds through the sale of revision guides and other curriculum related resources and has also undertaken specific events. Funding has also been received for specific expenditure as a result of a number of successful grant applications. This work is ongoing as different grants become available for which the Academy fulfils the criteria.

The Governance Board are kept informed of all fundraising activities and are actively involved in any significant events or decisions.

The Academy does not have any contracts with commercial fundraisers. All fund raising conforms to recognised standards and is monitored on a regular basis. No complaints have been made and no pressure is applied to anyone to donate.

Plans for Future Periods

The Trustees adopted a one year Improvement Plan to cover the academic year 2022/23, due to the forthcoming change in Headship. The plan focused on delivering the Academy's Vision Statement last year.

Trustees also put in considerable effort to determine their priorities for the medium term (up to five years). Given current turmoil and uncertainties in the external environment and the appointment of a new Headteacher from January 2023, Trustees adopted a detailed one year School Improvement Plan for 2022/23 while investigation options around the Government's stated desire for all schools to be part of Multi Academy Trusts by 2030. This was then no longer a focus for the Government and the school, under the new Headship from January 2023, sought to make collaborative links with like minded schools within and outside the Local Authority. Trustees also adopted a new three year School Improvement Plan from 2023-2025.

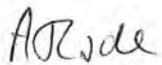
Auditor

In so far as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Governance Board, as the Company Directors, on 6th December 2023 and signed on the Board's behalf by:

Signed:



Amanda Cade
Trustee and Chair of the Governance Board

The North Halifax Grammar School Academy Trust

Governance Statement

Scope of Responsibility

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

As Trustees, we have reviewed and taken account of the guidance in the DfE's Governance Handbook and Competency Framework for Governance.

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

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Governance Board has formally met 8 times during the year. Six face to face meetings and three via Google Meet,. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
A Prathivadi Bhayankaram	4	8
M Carrigan	2	8
A Fisher	4	4
D Deehan	4	4
A Cade (Chair)	8	8
N Sheehan	8	8
C Sankey	8	8
C Hooper (Vice Chair)	6	8
J Jackson	6	8
H Cannon	6	8
A Bostan	7	8
R Bacon	7	8
C Marston	5	7

The Governance Board reflects on its performance during the annual training day and makes suggestions for improvement, as required, in the following year. The vacancy for the post of a second Staff Trustee was filled in September 2023.

For the academic year 2022/23, the Governance Board met as a single Governance Board with a named lead governor for both Resources and Standards. This ensured that the Strategic Leadership Group of the Academy continued to be supported and challenged in order that the annual budget recommended to the Trustees supports the achievement of the aims of the Trust and to ensure that all resources are deployed efficiently in such a way as to achieve best value.

The Board received reports from key members of the Strategic Leadership Group at its meetings. Trustees were linked to those members of staff with key responsibilities, including statutory links for SEND/Inclusion, Safeguarding, Children Looked After, Health and Safety, Governor Development and Pupil Premium. Termly meetings were held between the links and reports presented at Board meetings.

The Board carried out a nationally recognised Skills Audit Test to identify any gaps in knowledge to recruit new Trustees in the Autumn Term 2023.

Information provided by the Headteacher and Strategic Leadership Group to members of the Board and members of a working group, the Data Working Group, was found to be clear and of a high quality, therefore providing Trustees with the information they required to be confident in the progress of the Academy.

The Pay and Audit Committee is also a sub-committee of the main Governance Board. Its purpose is to ensure that Appraisal and Pay Progression are applied fairly and rigorously in the Academy and to ensure that the Academy is rigorously audited in accordance with guidance and best practice. The Committee ensures that any recommendations from the auditors are implemented. There were no 'particular issues' outside of its normal business dealt with by the committee in 2022/2023.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
A Cade (Chair of Board)	4	4
N Sheehan (Chair of Pay and Audit)	4	4
C Hooper (Vice Chair of Board)	4	4

Conflicts of interest

Trustees complete a new Declaration of Pecuniary Interest (DPI) form at the start of each new academic year. There is an agenda item at the start of each Board meeting where Trustees are asked to declare if they have any pecuniary interests. Trustees are excused from any aspect of a meeting where there is a conflict of interest and invited back into the meeting for the next agenda item. A centralised register of interests is maintained by the Governance Professional and this is published on the school's website. The Governance Professional can then pre-empt any possible conflicts of interest. Trustees notify the Governance Professional of any changes to their interests throughout the year, so that the centralised register can be updated and a new DPI form completed.

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, as well as estates safety and management, achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Governance Board where value for money can be improved, including the use of benchmarking data where appropriate.

The Accounting Officer for the Academy Trust has delivered improved value for money by:

- Continually reviewing all Academy contracts and negotiating for better terms and lower prices;

- Purchasing gas supplies in advance using a flexible purchase plan which enables future supplies to be bought at any time when the unit costs are advantageous;
- Completing capital projects to replace old electrical wiring and lighting and to provide purposeful and effective teaching space. The replacement of age-worn wiring and old lighting will reduce future electricity bills as LED lighting is introduced in large areas of the school; and
- Using the Integrated Curriculum and Financial Planning (ICFP) tools to assess the efficiency and effectiveness of the curriculum against the available resources. This identified areas where the deployment of staff time could be more effective, leading to cost savings, and is also feeding into a further curriculum review in 2023/24. This work was complemented by working with a Schools Resource Management Advisor.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Academy Trust for the period 1st September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Governance Board has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governance Board is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1st September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governance Board and reported to the Pay and Audit Committee.

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and monthly management accounts which are reviewed and agreed by the Board;
- regular reviews by the Board of reports which indicate financial performance against the forecasts and of major purchase plans, explanation of variances, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing guidelines;
- delegation of authority and segregation of duties; and
- identification and management of risks.

The Governance Board considered the need for a specific internal audit function and decided to appoint an external company, BHP LLP, to carry out a programme of internal checks.

BHP LLP's role includes providing advice on financial matters and performing a range of checks on the Academy Trust's financial systems. In particular, the checks carried out in the current period included:

- testing of credit card expenditure;
- testing of general expenditure and procurement; and
- testing of Post 16 school census data.

BHP LLP reports to the Governance Board through the Pay and Audit Committee on the operation of systems of control and on the discharge of the Board of Trustees' financial responsibilities. They also prepare an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The internal auditor has delivered their schedule of work as planned. No significant issues were identified during 2022/23.

Review of Effectiveness

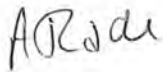
As Accounting Officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process; and
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Pay and Audit Committee and ensures that continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 6th December 2023 and signed on its behalf by:

Signed



Amanda Cade
Chair of the Governance Board

Signed



Desmond Deehan
Accounting Officer

The North Halifax Grammar School Academy Trust

Statement of Regularity, Propriety and Compliance

As Accounting Officer of The North Halifax Grammar School Academy Trust, I have considered my responsibility to notify the Academy Trust Governance Board and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement 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 Trust Handbook 2022, including responsibilities for estates safety and management.

I confirm that I and the Academy Trust Governance Board 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 Trust Handbook 2022.

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 Governance Board and ESFA.

Signed

A handwritten signature in black ink, appearing to read 'D Deehan', written over a circular stamp or seal.

Desmond Deehan

Accounting Officer

6th December 2023

The North Halifax Grammar School Academy Trust

Statement of Trustees' Responsibilities

The Trustees (who act as governors of The North Halifax Grammar School Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

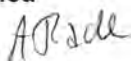
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements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

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

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

Approved by order of the members of the Board of Trustees on 6th December 2023 and signed on its behalf by:

Signed



Amanda Cade

Trustee

The North Halifax Grammar School Academy Trust

Independent Auditor's Report to the Members of The North Halifax Grammar School Academy Trust

Opinion

We have audited the financial statements of The North Halifax Grammar School Academy Trust (the 'Academy Trust') for the year ended 31 August 2023 which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*, the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2023, 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 2022 to 2023 issued by the Education & Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report, which includes the strategic report and the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' 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 Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 20, the Trustees (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy Trust 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.

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

We obtained an understanding of the legal and regulatory frameworks that are applicable to the academy and determined that the most significant are those that relate to:

i) Laws and regulations generally recognized to have a direct effect on the determination of material amounts and disclosures in the financial statements:

- The Academies Accounts Direction 2022 to 2023
- Charities SORP 2019
- The Companies Act 2006
- Tax legislation
- Employment law
- Pension Regulations

ii) Laws and regulations which provide the legal framework within which the academy conducts its business and which are central to the academy's ability to conduct its business:

- Compliance with the Funding Agreement

We assessed the risks of material misstatement in respect of fraud through:

i) enquiries with the Accounting Officer and Those Charged with Governance

ii) review of the academy's Financial Procedures, including its Fraud and Detection Response

iii) the audit team discussions with management on fraud to identify particular areas that were susceptible to misstatement

Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above.

The audit team was assessed to have the appropriate competence and capability to identify or recognise non-compliance with laws and regulation.

Our approach to understanding the academy's policies and procedures for compliance with those laws and regulations and to gaining an understanding of how instances of non-compliance with laws and regulations or knowledge of actual, suspected, or alleged fraud is documented was via enquiry with management and Those Charged with Governance and obtaining a copy of the academy's policies and procedures.

We corroborated our enquiries through:

- i) review of board meeting minutes
- ii) review of internal audit reports
- iii) review of signed agreements / contracts
- iv) review of trustees' declarations of interests and the academy's register of interests

Based on the results of our risk assessment we designed our audit procedures to identify and to address material misstatements in relation to fraud. The audit tests implemented involved checks with compliance on various academy and employment laws and regulations.

Where there was considered to be a lack of segregation of duty, systems of controls in place were verified through observation and enquiry and substantive testing.

We considered the risk of fraud through management override and, in response, we incorporated testing of manual journal entries and accounting estimates into our audit approach. Any unusual transactions were investigated further and relevant documentary evidence obtained where deemed necessary.

We considered the risk of fraud through the selection and application of accounting policies by the academy, particularly those related to subjective measurements and complex transactions, which may be indicative of fraudulent financial reporting resulting from management's effort to manage earnings. In response, in our audit approach we reviewed the application of accounting policies, in particular those associated with accounting estimates, for reasonableness and correct application within the financial statements.

Audit test sample selection process involves random selection to incorporate an element of unpredictability in the selection of audit procedures.

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

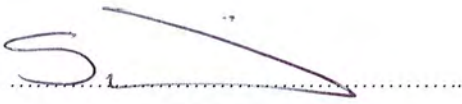
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed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

A further description of our responsibilities is available on the FRC's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>

This description forms part of our auditor's report.

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

This report is made solely to the Academy Trust'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 Trust'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 Trust and the Academy Trust's members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in dark ink, appearing to read 'S. Mitchell', with a long horizontal stroke extending to the right.

Samuel Mitchell FCA (Senior Statutory Auditor)

For and on behalf of Lambert Roper & Horsfield Limited, Statutory Auditor

First Floor, Rosemount House

Huddersfield Road

Elland

West Yorkshire

HX5 0EE

6th December 2023

The North Halifax Grammar School Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to The North Halifax Grammar School Academy Trust and the Education & Skills Funding Agency

In accordance with the terms of our engagement letter dated 18 October 2023 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The North Halifax Grammar School Academy Trust during the period 1 September 2022 to 31 August 2023 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 North Halifax Grammar School Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The North Halifax Grammar School Academy Trust 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 North Halifax Grammar School Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The North Halifax Grammar School Academy Trust's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of The North Halifax Grammar School Academy Trust's funding agreement with the Secretary of State for Education dated 1 June 2011 and the Academies Financial Handbook, extant from 1 September 2022, 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 2022 to 2023. 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 2022 to 31 August 2023 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 2022 to 2023 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusions includes:

- Detailed audit tests being extended to assess whether the expenditure related to an activity which is permissible within the Academy Trust's framework of authorities and whether the expenditure was in agreement to specific terms of grant funding. To seek evidence of the tendering process for applicable purchases and evidence of quotes to allow 'value for money' decisions.
- The minutes of Governor and Committee meetings being reviewed with specific purpose to identify any restricted transactions and seek evidence of any items requiring Governor approval.
- Formal representations being sought from the Governing Body for any matters where direct evidence is not available.

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 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Samuel Mitchell FCA (Senior Statutory Auditor)

For and on behalf of Lambert Roper & Horsfield Limited, Chartered Accountants

First Floor, Rosemount House

Huddersfield Road

Elland

West Yorkshire

HX5 0EE

6th December 2023

The North Halifax Grammar School Academy Trust

Statement of Financial Activities for the year ended 31 August 2023

(including Income and Expenditure Account)

	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2023 £000	Total 2022 £000
Income and endowments from:						
Donations and capital grants	3	3	11	211	225	485
Charitable activities:						
Funding for the academy trust's educational operations	4	351	7,553	-	7,904	7,276
Other trading activities	5	34	69	-	103	97
Total		388	7,633	211	8,232	7,858
Expenditure on:						
Raising funds	6	-	25	-	25	18
Charitable activities:						
Academy trust educational operations	7	-	8,015	551	8,566	8,255
Total		-	8,040	551	8,591	8,273
Net income / (expenditure)		388	(407)	(340)	(359)	(415)
Transfers between funds	16	(362)	309	53	-	-
Other recognised gains / (losses):						
Actuarial (losses) / gains on defined benefit pension schemes	16,25	-	424	-	424	3,869
Net movement in funds		26	326	(287)	65	3,454
Reconciliation of funds						
Total funds brought forward		280	138	12,330	12,748	9,294
Total funds carried forward		306	464	12,043	12,813	12,748

The North Halifax Grammar School Academy Trust

Statement of Financial Activities for the year ended 31 August 2022

(including Income and Expenditure Account)

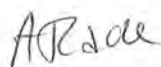
	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2022 £000	Total 2021 £000
Income and endowments from:						
Donations and capital grants	3	10	19	456	485	379
Charitable activities:						
Funding for the academy trust's educational operations	4	318	6,958	-	7,276	6,483
Other trading activities	5	28	69	-	97	80
Total		356	7,046	456	7,858	6,942
Expenditure on:						
Raising funds	6	-	18	-	18	10
Charitable activities:						
Academy trust educational operations	7	-	7,726	529	8,255	7,297
Total		-	7,744	529	8,273	7,307
Net income / (expenditure)		356	(698)	(73)	(415)	(365)
Transfers between funds	16	(327)	203	124	-	-
Other recognised gains / (losses):						
Actuarial (losses) / gains on defined benefit pension schemes	16,25	-	3,869	-	3,869	104
Net movement in funds		29	3,374	51	3,454	(261)
Reconciliation of funds						
Total funds brought forward		251	(3,236)	12,279	9,294	9,555
Total funds carried forward		280	138	12,330	12,748	9,294

The North Halifax Grammar School Academy Trust

Balance Sheet as at 31 August 2023

	Notes	2023 £000	2023 £000	2022 £000	2022 £000
Fixed assets					
Tangible assets	11		12,184		12,503
Current assets					
Stock	12	8		6	
Debtors	13	163		408	
Cash at bank and in hand		870		968	
		<u>1,041</u>		<u>1,382</u>	
Liabilities					
Creditors: Amounts falling due within one year	14	<u>(523)</u>		<u>(877)</u>	
Net current assets			<u>518</u>		<u>505</u>
Total assets less current liabilities			<u>12,702</u>		<u>13,008</u>
Creditors: Amounts falling due after more than one year	15		<u>(125)</u>		<u>(161)</u>
Net assets excluding pension asset/liability			<u>12,577</u>		<u>12,847</u>
Defined benefit pension scheme asset/liability	25		<u>236</u>		<u>(99)</u>
Total net assets			<u>12,813</u>		<u>12,748</u>
Funds of the academy trust:					
Restricted funds					
. Fixed asset fund	16	12,043		12,330	
. Restricted income fund	16	228		237	
. Pension reserve	16	<u>236</u>		<u>(99)</u>	
Total restricted funds			<u>12,507</u>		<u>12,468</u>
Unrestricted income funds	16		<u>306</u>		<u>280</u>
Total funds			<u>12,813</u>		<u>12,748</u>

The financial statements on pages 27 to 51 were approved by the Trustees and authorised for issue on 6th December 2023 and are signed on their behalf by:



Amanda Cade
Trustee

Company Registration Number 7628903

The North Halifax Grammar School Academy Trust

Statement of Cash Flows for the year ended 31 August 2023

	Notes	2023 £000	2022 £000
Cash flows from operating activities			
Net cash provided by (used in) operating activities	20	(41)	229
Cash flows from investing activities	22	(21)	(95)
Cash flows from financing activities	21	(36)	(34)
Change in cash and cash equivalents in the reporting period		(98)	100
Cash and cash equivalents at 1 September 2022		968	868
Cash and cash equivalents at 31 August 2023	23	870	968

The North Halifax Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2023

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 Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006. North Halifax Grammar School Academy Trust meets the definition of a public benefit entity under FRS 102.

Going Concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

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

- Grants

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the 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 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.

The North Halifax Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2023

1 Statement of accounting policies (continued)

- **Donations**
Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.
- **Other Income**
Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the Academy Trust has provided the goods or services.
- **Donated goods, facilities and services**
Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.
- **Donated fixed assets**
Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy Trust's accounting policies.

Expenditure

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

- **Expenditure on Raising Funds**
This includes all expenditure incurred by the Academy Trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.
- **Charitable Activities**
These are costs incurred on the Academy Trust's educational operations, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

The North Halifax Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2023

1 Statement of accounting policies (continued)

Tangible Fixed Assets

Assets costing £2,500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful 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.

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

• Freehold buildings	20-50 years; 2-5% per annum
• Fixtures, fittings and equipment	5 years; 20% per annum
• ICT hardware	4 years; 25% per annum
• Motor Vehicles	4 years; 25% per annum

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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.

Operating Lease Assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

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 13. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

The North Halifax Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2023

1 Statement of accounting policies (continued)

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 14 and 15. 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.

Stock

Stock consists of purchased goods for resale. Stocks are valued at the lower of cost and net realisable value. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

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 and the assets are held separately from those of the Academy Trust.

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 26, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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.

The North Halifax Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2023

1 Statement of accounting policies (continued)

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.

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

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 26, will impact the carrying amount of the pensions liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2 General Annual Grant (GAG)

The funding agreement with the Secretary of State does not include any limits on the amount of GAG that could be carried forward from one year to the next.

The North Halifax Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

3 Donations and capital grants

	Unrestricted Funds £000	Restricted Funds £000	Total 2023 £000	Total 2022 £000
Capital grants	-	195	195	435
Capital donations	-	16	16	21
Other donations	3	11	14	29
	<u>3</u>	<u>222</u>	<u>225</u>	<u>485</u>

4 Funding for the Academy Trust's educational operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2023 Funds £000	Total 2022 Funds £000
DfE / ESFA grants				
General Annual Grant (GAG)	-	6,835	6,835	6,496
Other DfE/ESFA grants:				
Pupil Premium		63	63	56
Teachers Pay Grant		-	-	26
Teachers Pension Grant		67	67	72
Schools Supplementary Grant		223	223	64
Coronavirus Support		-	-	21
Other DfE/ESFA grants	-	23	23	26
	<u>-</u>	<u>7,211</u>	<u>7,211</u>	<u>6,761</u>
Other Government grants				
Other Government grants		5	5	3
Special educational projects	-	18	18	3
	<u>-</u>	<u>23</u>	<u>23</u>	<u>6</u>
Other income from the Academy Trust's educational operations	351	319	670	509
	<u>351</u>	<u>7,553</u>	<u>7,904</u>	<u>7,276</u>

5 Other trading activities

	Unrestricted Funds £000	Restricted Funds £000	Total 2023 £000	Total 2022 £000
Other income	10	20	30	29
Catering	11	-	11	10
Hire of facilities	13	-	13	14
Music and lockers	-	49	49	44
	<u>34</u>	<u>69</u>	<u>103</u>	<u>97</u>

The North Halifax Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

6 Expenditure

	Staff Costs £000	Non Pay Expenditure		Total 2023 £000	Total 2022 £000
		Premises £000	Other £000		
Expenditure on raising funds	-	-	25	25	18
Academy's educational operations:					
. Direct costs	5,076	551	846	6,473	5,980
. Allocated support costs	1,347	302	444	2,093	2,275
	<u>6,423</u>	<u>853</u>	<u>1,315</u>	<u>8,591</u>	<u>8,273</u>

Net income/(expenditure) for the period includes:

	2023 £000	2022 £000
Operating lease rentals	17	31
Depreciation	551	529
(Gain)/loss on disposal	-	(3)
Fees payable to auditor for:		
- audit	16	12
- other services	-	-
	<u>584</u>	<u>569</u>

The North Halifax Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

7 Charitable activities

	Total 2023 £000	Total 2022 £000
Direct costs – educational operations	6,473	5,980
Support costs – educational operations	2,093	2,275
	<u>8,566</u>	<u>8,255</u>

Analysis of support costs	Educational operations £000	Total 2023 £000	Total 2022 £000
Support staff costs	1,347	1,347	1,536
Technology costs	18	18	17
Premises costs	302	302	339
Legal costs - other	25	25	19
Other support costs	383	383	351
Governance costs	18	18	13
Total support costs	<u>2,093</u>	<u>2,093</u>	<u>2,275</u>

8 Staff

a. Staff costs

Staff costs during the period were:	Total 2023 £000	Total 2022 £000
Wages and salaries	4,664	4,318
Social security costs	476	444
Operating costs of defined benefit pension schemes	1,082	1,389
	<u>6,222</u>	<u>6,151</u>
Supply staff costs	161	174
Staff restructuring costs	40	13
	<u>6,423</u>	<u>6,338</u>
Staff restructuring costs comprise:		
Severance payments	40	13
	<u>40</u>	<u>13</u>

The North Halifax Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

b. Severance payments

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

£25,001- £50,000	1	(2022: 0)
£0 - £25,000	0	(2022: 1)

c. Special staff

Included in staff restructuring costs are special staff severance payments totalling £40,000 (2022: £13,280). Individually, the payment was £40,000.

d. Staff numbers

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

	2023 No.	2022 No.
Teachers	73	72
Administration and support	59	62
Management	9	11
	<hr/>	<hr/>
	141	145

e. Higher paid staff

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

	2023 No.	2022 No.
£60,001 - £70,000	4	4
£70,001 - £80,000	4	1
£80,001 - £90,000	0	0
£90,001 - £100,000	0	1

f. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the Strategic Leadership team as listed on page 3. The total amount of employee benefits (including employer pension contributions and national insurance contributions) received by key management personnel for their services to the Academy Trust was £897k (2022: £881k).

9 Related Party Transactions – Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Headteacher/Principal and other Staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher/Principal and staff members under their contracts of employment.

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

D Deehan (Headteacher and Trustee)

Remuneration £70,001 - £75,000 (2022: nil)

Employer's pension contributions paid £15,000 - £20,000 (2022: nil)

A Fisher (Principal and Trustee):

Remuneration £20,001 - £25,000 (2022: £95,001 - £100,000)

Employer's pension contributions paid £0 - £5,000 (2022: £20,000 - £25,000)

The North Halifax Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

9 Related Party Transactions – Trustees' remuneration and expenses (continued)

C Marston (Staff Trustee):

Remuneration £30,001 - £35,000 (2022: £25,001 - £30,000)

Employer's pension contributions paid £5,001 - £10,000 (2022: £5,000 - £10,000)

During the period ended 31 August 2023, no travel and subsistence expenses were reimbursed or paid directly to Trustees (2022: nil).

10 Trustees' and Officers' insurance

The Academy has opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. The scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £5,000,000. It is not possible to quantify the Trustees' and officers' indemnity element from the overall cost of the RPA scheme.

11 Tangible fixed assets

	Freehold Land and Buildings £000	Assets Under Construction £000	Furniture and Equipment £000	Computer Hardware £000	Motor Vehicles £000	Total £000
Cost						
At 1 September 2022	15,761	362	463	466	26	17,078
Additions		136	65	31		232
Transfers between categories	479	(479)				-
Disposals				(23)		(23)
At 31 August 2023	16,240	19	528	474	26	17,287
Depreciation						
At 1 September 2022	3,876		286	387	26	4,575
Charged in year	463		53	35		551
Disposals				(23)		(23)
At 31 August 2022	4,339		339	399	26	5,103
Net book values						
At 31 August 2022	11,885	362	177	79	-	12,503
At 31 August 2023	11,901	19	189	75	-	12,184

12 Stock

	2023 £000	2022 £000
Resources	3	3
Catering	5	3
	8	6

The North Halifax Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

13 Debtors

	2023	2022
	£000	£000
Trade debtors	5	11
VAT recoverable	50	110
Other debtors	-	-
Prepayments and accrued income	108	287
	<u>163</u>	<u>408</u>

14 Creditors: amounts falling due within one year

	2023	2022
	£000	£000
Trade creditors	77	2
CMBC loan	7	7
SALIX loans	3	3
CIF loan	27	27
Other creditors	155	170
Capital creditors	75	476
Accruals	75	71
Deferred income	104	121
	<u>523</u>	<u>877</u>

	2023	2022
	£000	£000
Deferred income		
Deferred income at 1 September 2022	121	130
Released from previous years	(121)	(130)
Resources deferred in the year	104	121
Deferred Income at 31 August 2023	<u>104</u>	<u>121</u>

At the balance sheet date the Academy Trust was holding funds received in advance for dinner money, trips, music tuition and rate relief.

The repayment for the loan from Calderdale Council is made annually on 1 April. The interest charged on the loan taken out with the Prudential (via Calderdale MBC) is at a rate of 6.67% per annum.

Two SALIX loans have been taken out through the ESFA as part of two CIF funded projects and these are interest free. Repayments are made half yearly in March and September.

Two loans have been taken out from the ESFA as part of two CIF funded projects. The the interest rate on the first one is 2.21% per annum and the monthly repayments started in September 2018 for a period of ten years. A further CIF loan was taken out in 2021 as part of the CIF funded project and the interest rates on this is 2.07% per annum. The monthly repayments started in September 2022 for a period of 10 years.

The North Halifax Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

15 Creditors: amounts falling due in greater than one year

	2023 £000	2022 £000
CMBC loan	7	13
SALIX loans	4	7
ESFA CIF loans	114	141
	125	161

The repayment for the loan from Calderdale Council is made annually on 1 April. The interest is charged on the loan taken out with the Prudential (via Calderdale MBC) is at a rate of 6.67% per annum.

Two SALIX loans have been taken out through the ESFA as part of two CIF funded projects and these are interest free. Repayments will be made half yearly in March and September.

Two loans have been taken out from the ESFA as part of two CIF funded projects. The the interest rate on the first one is 2.21% per annum and the monthly repayments started in September 2018 for a period of ten years. A further CIF loan was taken out in 2021 as part of the CIF funded project and the interest rates on this is 2.07% per annum. The monthly repayments started in September 2022 for a period of 10 years.

The amount due over five years is £7k (2022:£34k).

16 Funds

	Balance at 31 August 2022 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2023 £000
Restricted general funds					
General Annual Grant (GAG)	255	6,835	(7,1617)	302	231
Pupil Premium	-	63	(58)		5
Loan reserve	(18)			7	(11)
Other restricted	-	735	(732)		3
Pension reserve	(99)		(89)	424	236
	138	7,633	(8,040)	733	464
Restricted fixed asset funds					
Assets donated on conversion	2,947		(258)		2,689
DfE/ESFA capital grants	8,306	195	(234)		8,267
Capital expenditure from GAG	940		(40)	53	953
Other capital donations	137	16	(19)		134
	12,330	211	(551)	53	12,043
Total restricted funds	12,468	7,844	(8,591)	786	12,507
Total unrestricted funds	280	388	-	(362)	306
Total funds	12,748	8,232	(8,591)	424	12,813

The North Halifax Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

16 Funds (continued)

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

	Balance at 31 August 2021 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2022 £000
Restricted general funds					
General Annual Grant (GAG)	254	6,496	(6,683)	188	255
Pupil Premium	41	56	(105)	8	-
Loan reserve	(25)			7	(18)
Other restricted	-	494	(494)		-
Pension reserve	(3,506)		(462)	3,869	(99)
	(3,236)	7,046	(7,744)	4,072	138
Restricted fixed asset funds					
Assets donated on conversion	3,204		(257)		2,947
DfE/ESFA capital grants	8,093	435	(222)		8,306
Capital expenditure from GAG	853		(37)	124	940
Other capital donations	129	21	(13)		137
	12,279	456	(529)	124	12,330
Total restricted funds	9,043	7,502	(8,273)	4,196	12,468
Total unrestricted funds	251	356	-	(327)	280
Total funds	9,294	7,858	(8,273)	3,869	12,748

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

Restricted General Funds

GAG - This is received for the running of the Academy and covers all recurrent expenditure including the repair, renewal and replacement of assets including the building. The funding agreement with the Secretary of State does not include any limits on the amount of GAG that could be carried forward from one year to the next.

Pupil Premium - The funds have been received based on the number of students meeting the government specified criteria. The expenditure from the fund was in relation to staff and resources costs applied for the benefit of the eligible pupils, as required by the terms of the funding.

Other Restricted Funds - These are made up of income and the associated expenses relating to Academy activities, including non-educational activities. Income received is a mix of being for a specific purpose to pay for the activity or a voluntary contribution against the cost of putting on the activity.

The Loan Reserve represents loans taken out by the Foundation School which transferred to the Academy on conversion.

The North Halifax Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

16 Funds (continued)

The Pension Reserve is the West Yorkshire Pension Fund. This is the defined benefit pension scheme available for non-teaching members of staff.

Restricted Fixed Asset Funds are analysed based on sources of income but relate to one fund. All fixed assets are held within this fund. Expenditure relates to depreciation which is allocated to specific assets based on the source of income used to purchase them. When income is received for the funding of an asset it is allocated directly to this fund, the remaining assets are deemed to be purchased from the GAG, or Unrestricted Funds where GAG funds are not available. The fund includes the cash balances for grants received but not yet spent on assets, less the balance of loans received, but not yet repaid. Fixed assets are also financed by loans.

Unrestricted Funds

Unrestricted General Funds are made up of catering income, lettings and the sale of sundry items (photos, uniform sale commissions etc). The money raised from these is available to cover any shortfall in GAG income for the running of the Academy and the purchase of fixed assets. Catering income is treated as a contribution against GAG expenses. There is an overall net deficit within the GAG fund for catering.

Transfers between funds

A balance equal to the catering income has been transferred from Unrestricted General Funds into Restricted General Funds (GAG), the cost of catering is covered by GAG income but all charges made for food are offset against the expense.

The repayments made on the loan have been treated as paid from GAG. An amount of the repayment has therefore been transferred between the Loan Reserve and GAG.

The North Halifax Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

17 Analysis of net assets between funds

Fund balances at 31 August 2023 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets			12,184	12,184
Current assets	306	652	83	1,041
Current liabilities		(417)	(106)	(523)
Non-current liabilities		(7)	(118)	(125)
Pension scheme liability		236		236
Total net assets	306	464	12,043	12,813

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

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets			12,503	12,503
Current assets	280	621	481	1,382
Current liabilities		(371)	(506)	(877)
Non-current liabilities		(13)	(148)	(161)
Pension scheme liability		(99)	-	(99)
Total net assets	280	138	12,330	12,748

18 Capital commitments

	2023 £000	2022 £000
Contracted for, but not provided in the financial statements	14	139

The North Halifax Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

19 Commitments under operating leases

Operating leases

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

	2023 £000	2022 £000
Amounts due within one year	8	18
Amounts due between one and five years	10	18
Amounts due after five years	-	-
	<u>18</u>	<u>36</u>

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

	2023 £000	2022 £000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(359)	(415)
Adjusted for:		
Proceeds from the sale of fixed assets	-	(3)
Depreciation [note 12]	551	529
Capital grants from DfE and other capital income	(211)	(456)
Defined benefit pension scheme cost less contributions payable [note 26]	89	404
Defined benefit pension scheme finance cost [note 26]	-	58
(Increase)/decrease in stocks	(2)	(1)
(Increase)/decrease in debtors	245	(16)
Increase/(decrease) in creditors	(354)	129
Net cash provided by / (used in) Operating Activities	<u>(41)</u>	<u>229</u>

21 Cash flows from financing activities

	2023 £000	2022 £000
Repayments of borrowing	(36)	(36)
Cash inflows from new borrowing	-	2
Net cash provided by / (used in) financing activities	<u>(36)</u>	<u>(34)</u>

22 Cash flows from investing activities

	2023 £000	2022 £000
Dividends, interest and rents from investments	-	-
Proceeds from sale of tangible fixed assets	-	3
Purchase of tangible fixed assets	(232)	(554)
Capital grants from DfE/ESFA	195	435
Capital funding received from sponsors and others	16	21
Net cash provided by / (used in) investing activities	<u>(21)</u>	<u>(95)</u>

The North Halifax Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

23 Analysis of cash and cash equivalents

	At 31 August 2023 £000	At 31 August 2022 £000
Cash in hand and at bank	870	968
Notice deposits (less than 3 months)	-	-
Total cash and cash equivalents	870	968

24 Analysis of changes in net debt

	At 1 September 2022 £000	Cash flows £000	Other non- cash changes £000	At 31 August 2023 £000
Cash	968	(98)		870
Cash equivalents	-			-
Loans falling due within one year	(37)			(37)
Loans falling due after more than one year	(161)	36		(125)
Total	770	(62)		708

25 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.

26 Pension and similar obligations

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by The West Yorkshire Pension Fund. 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 2019.

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

The North Halifax Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

26 Pension and similar obligations (continued)

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for 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 four 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; and
- 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 2024.

The employer's pension costs paid to TPS in the period amounted to £752k (2022: £712k).

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 has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy 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 2023 was £316k (2022: £283k), of which employer's contributions totalled £237k (2022: £211k) and employees' contributions totalled £79k (2022: £72k). The agreed contribution rates for future years are currently 18.4% reducing to 18.1% for employers in 2025/26 and 5.5-12.5% for employees.

The North Halifax Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

26 Pension and similar obligations (continued)

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 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on [GOV.UK](https://www.gov.uk).

Principal actuarial assumptions	At 31 August 2023	At 31 August 2022
Rate of increase in salaries	3.85%	3.95%
Rate of increase for pensions in payment/inflation	2.60%	2.70%
Discount rate for scheme liabilities	5.10%	4.10%
Inflation assumption (CPI)	2.60%	2.70%
Commutation of pensions to lump sums	75.00%	75.00%

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

	At 31 August 2023	At 31 August 2022
<i>Retiring today</i>		
Males	21.0	21.8
Females	24.1	24.6
<i>Retiring in 20 years</i>		
Males	22.2	22.5
Females	25.1	25.7

Sensitivity analysis	At 31 August 2023 £000	At 31 August 2022 £000
Discount rate +0.1%	5,100	5,108
Discount rate -0.1%	5,303	5,348
Mortality assumption 1 year increase	5,069	5,082
Mortality assumption 1 year decrease	5,329	5,374
Salary increase rate +0.1%	5,209	5,249
Salary increase rate -0.1%	5,189	5,207

The North Halifax Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31

August 2023 (continued)

26 Pension and similar obligations (continued)

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

	Fair value at 31 August 2023 £000	Fair value at 31 August 2022 £000
Equities	4,354	4,098
Government bonds	402	328
Corporate bonds	245	221
Property	179	200
Cash	212	205
Other	43	77
Total market value of assets	5,435	5,129

The actual return on scheme assets was £102k (2022: £46k loss).

Amount recognised in the Statement of Financial Activities

	2023 £000	2022 £000
Current service cost (net of employee contributions)	(326)	(615)
Interest Income		
Interest Cost	-	(58)
Benefit changes, gain/(loss) on curtailment and gain/(loss) on settlement		
Admin expenses		
Total amount recognised in the SOFA	(326)	(673)

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

	2023 £000	2022 £000
At 1 September	5,228	8,487
Upon conversion		
Current service cost	326	615
Interest cost	214	144
Employee contributions	79	72
Actuarial (gain)/loss	(530)	(4,001)
Benefits paid	(118)	(89)
Past service cost	-	-
At 31 August	5,199	5,228

The North Halifax Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

26 Pension and similar obligations (continued)

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

	2023 £000	2022 £000
At 1 September	5,129	4,981
Conversion of academy trusts		-
Interest income	214	86
Actuarial gain/(loss)	(106)	(132)
Employer contributions	237	211
Employee contributions	79	72
Benefits paid	(118)	(89)
Effect of non-routine settlements		
At 31 August	5,435	5,129

27 Related party transactions

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