
Watford Grammar School for Girls

(A Company Limited by Guarantee)



Annual Report and Financial Statements Year ended 31 August 2023

Company Registration Number:07348254
(England and Wales)

Contents

| | |
|--|----|
| Reference and Administrative details..... | 3 |
| Structure, Governance & Management..... | 3 |
| Trustees Report..... | 5 |
| Structure, Governance and Management..... | 5 |
| Organisational Structure..... | 7 |
| Objectives and Activities..... | 10 |
| Group Strategic Report..... | 11 |
| Summary Financial Performance..... | 11 |
| Examination Achievements and Performance 2022-23..... | 11 |
| Key Performance Indicators..... | 12 |
| Going Concern..... | 13 |
| Financial Review..... | 13 |
| Fundraising..... | 15 |
| Plans for Future Periods..... | 16 |
| Governance Statement..... | 18 |
| Statement of Trustees' Responsibilities..... | 25 |
| Statement on Regularity, Propriety and Compliance..... | 26 |
| Independent Auditors' report on the financial statements..... | 27 |
| Independent reporting accountant's assurance report on regularity..... | 31 |
| Consolidated statement of financial activities (incorporating income and expenditure account)..... | 33 |
| Consolidated Balance Sheet..... | 35 |
| Academy Balance Sheet..... | 37 |
| Consolidated Statement of Cash Flows..... | 39 |
| Notes to the Financial Statements..... | 40 |

**Reference and Administrative details
Structure, Governance & Management**

Members

Tim Cosgrove (Chairman)
David Gregory
Mina Kakkad
Nick Moorhouse
Marian Pell (appointed 06.12.2022)
Sylvia Chong-Tai

Trustees

Nick Moorhouse (Chair)
Camila Woods (Vice Chair)
Sylvia Chong-Tai
Joanna Fleet (appointed 01.01.2023)
Fiona Gaskell (resigned 21.07.23)
James Hughes
Michael Lewis MBE
Mary Meerabux
Adam Newbey
Olaide Olunloyo (appointed 01.09.22)
Sharmin Pirbhai (appointed 19.11.22)
Revd Tony Rindl
Dr Rajivi Sanjeevi
Rupinder Walia (appointed 01.01.23)
Jane Willis
Julie Woolf (appointed 08.09.2023)
Dr Hannan Xiao

Resources Committee

Jane Willis (Chair)
Sylvia Chong-Tai
James Hughes
Olaide Olunloyo (appointed 01.09.22)
Sharmin Pirbhai (appointed 19.11.22)
Dr Rajivi Sanjeevi
Adam Newbey
Rupinder Walia (appointed 01.01.23)

Company Secretary

Philip Beasley

Clerk to the Governors

Sue Granville

Principal and Accounting Officer

Sylvia Chong-Tai

Senior Leadership Team

Headmistress: Sylvia Chong-Tai

Deputy Head: Christina Wilshaw

Deputy Head: Kevin Coetzee

Assistant Head (Director of Teaching & Learning): Jane Hart

Assistant Head (Head of Sixth Form): Bal Randhawa

Assistant Head (Head of Key Stage 4): Stephen Cowling

Assistant Head (Head of Key Stage 3): Jo Shrimpton

Associate Assistant Head: Dr S Macpherson

Associate Assistant Head: Adam Newbey

Finance & Business Director: Philip Beasley, ACMA

Principal and Registered Office

Lady's Close, Watford, WD18 0AE

Company Registration

Number 07348254 (England and Wales)

Independent Auditor

Hillier Hopkins LLP

Chartered Accountants & Statutory Auditor

Radius House

51 Clarendon Road

Watford

Hertfordshire

WD17 1HP

Bankers

Clydesdale

4th floor

Verulam Point

Station Way

St Albans

AL1 5HE

Lloyds Bank

Unit 32 / 32a, Intu Shopping Centre

Watford

WD17 2UB

Solicitors

Stone King LLP

13 Queen Square

Bath

BA1 2HJ

Trustees Report

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

The Academy Trust's principal activity is the provision of secondary education for girls between the ages of 11-18 in the Watford and surrounding areas in accordance with section 78 of the Education Act of 2002.

The school also has (since 1st January 2014) a 100% shareholding in a Trading Company (Watford Grammar School for Girls Services Ltd) whose profits are all gift aided annually to the school. The Trading Subsidiary was started to facilitate commercial activities to generate additional revenue for the provision of education by the school. The school has a pupil capacity of 1310 and had a roll of 1453 in the school census submitted in October 2023.

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 governors act as the trustees for the charitable activities of Watford Grammar School for Girls and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Watford Grammar School for Girls.

Details of the governors who served throughout the year, and to the date these accounts are approved, are included in the Reference and Administrative Details on page 3.

Members' Liability

All members of the Charitable Company undertake to contribute to the assets of the Charitable Company in the event of it being wound up while they are members, or within one year after each cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before ceasing to be a member.

Governors' Indemnities

The Governors are indemnified in respect of their duties on behalf of Watford Grammar School for Girls to the extent that they are covered within the specific provisions contained within the school's insurance policy, arranged through Marsh Insurance Brokers.

Method of Recruitment and Appointment or Election of Trustees (Governors)

During 2022/23 Academic year The Board of Governors consisted of:

- a) 11 Foundation Trustees appointed by the Watford Grammar Schools Foundation including the Vicar for the time being of the Ecclesiastical Parish of Watford (or his alternative, appointed by the Diocese of St Albans). Additionally a minimum of three must be parents of registered pupils attending the Academy at the date of appointment.
- b) 1 Community Trustee (Governor), appointed by the Board of Trustees.
- c) A minimum of 2 Parent Trustees (Governors)

Parent Trustees (Governors) are elected by the parents of registered pupils of the Academy and must themselves be parents of a pupil at the time of their election. When a vacancy occurs, every parent is informed of the vacancy and that he/she is entitled to stand as a candidate. If the number of candidates exceeds the number of vacancies an election is held by secret ballot. Every parent is notified that he/she is entitled to a single vote, irrespective of the number of children they have at the Academy and is provided with brief information on each candidate. Voting papers are circulated and a suitable time set for their return.

d) Co-opted Trustees

Staff Trustees (Governors) are elected by all staff under a contract of employment with the Academy (excluding the Headmistress). When a vacancy occurs, every member of staff is notified and may stand as a candidate. If the number of candidates exceeds the number of vacancies an election is held by secret ballot.

e) The principal, ex officio.

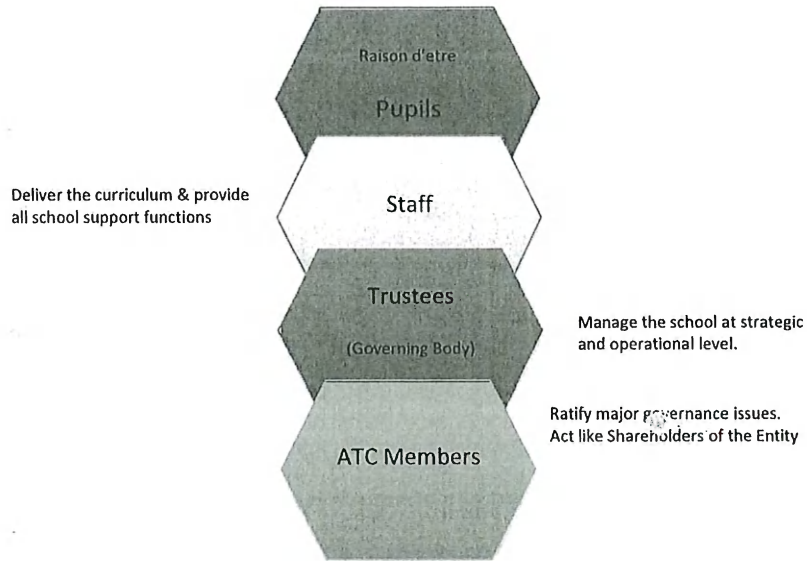
The term of appointment of Trustees (Governors) is generally for four years except for the Vicar of Watford and the Head who hold their appointment for the term of their office. Also, if a Staff Trustee (Governor) leaves the employment of the Academy they are deemed to have resigned from the Board of Trustees (Governors).

Policies and Procedures Adopted for the Induction and Training of Trustees (Governors)

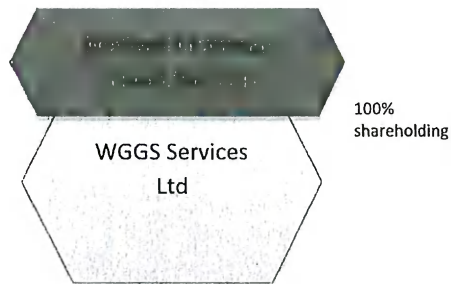
Newly appointed Trustees (Governors) are provided with recent minutes and other key documents prior to an induction session with the Headmistress, Chair of Trustees (Governors) and the Finance & Business Director if considered appropriate. Training opportunities are discussed with the Clerk to the Trustees (Governors) and overseen by the Trustee (Governor) with responsibility for ensuring training opportunities are managed and recorded.

Organisational Structure

Underpinning Success at WGGGS –The ATC Structure



Watford Grammar School for Girls Services Ltd (Company Number 08823700) is the school's trading subsidiary which is 100% owned by the school. The Trading Subsidiary was started to facilitate commercial activities to generate additional revenue for the provision of education by the school.



Organisational Structure

Subject to provisions of the Companies Act 2006, the Articles and to any directions given by special resolution, the business of the Academy Trust shall be managed by the Trustees (Governors) who may exercise all the powers of the Academy Trust. No alteration of the Articles and no such direction shall invalidate any prior act of the Trustees (Governors) which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this Article shall not be limited by any special power given to the Trustees (Governors) by the Articles and a meeting of Trustees (Governors) at which a quorum is present may exercise all the powers exercisable by the Trustees (Governors).

In addition to all powers hereby expressly conferred upon them and without detracting from the generality of their powers under the Articles the Trustees (Governors) shall have the following powers, namely to expend the funds of the Academy Trust in such manner as they shall consider most beneficial for the achievement of the Object and to invest in the name of the Academy Trust such part of the funds as they may see fit and to direct the sale or transposition of any such investments and to expend the proceeds of any such sale in furtherance of the Object.

The Trustees (Governors) may delegate to any Trustee (Governor), committee, the Headmistress or any other holder of an executive office, such of their powers or functions as they consider desirable to be exercised by them. Any such delegation may be made subject to any conditions the Trustees (Governors) may impose and may be revoked or altered. Where any power or function of the Trustees (Governors) is exercised by any committee, any Trustee (Governor), Headmistress or any other holder of an executive office, that person or committee shall report to the Trustees (Governors) in respect of any action taken or decision made with respect to the exercise of that power or function at the meeting of the Trustees (Governors) immediately following the taking of the action or the making of the decision.

Arrangements for setting pay and remuneration of key management personnel.

The WGGGS Pay Policy sets out the method of remuneration and amounts to be paid to key management personnel. Ultimate responsibility for individual pay decisions of staff below the Leadership Team rests with the Trustees but is, in practice, devolved to the Headteacher who reports to the Trustees through the Pay Committee and the Finance Committee. The Pay Committee also monitors the impact of the pay policy including trends to ensure compliance with equalities legislation and statutory requirements set out in the School Teachers' Pay and Conditions Document (STPCD).

Membership of the Pay Committee consists of a minimum of 4 Governors appointed by the Governing Body, including the Chairs of the Resources and Curriculum Committees, the Chair of Governors, and Headteacher (ex officio). The Pay Committee acts in a fair and equitable manner ensuring the application of the Pay Policy whilst observing all statutory and contractual obligations. It works with the Headteacher and consults with the Resources Committee to make recommendations to the Full Trustees Body about the budgets required to support pay and professional development.

Trade Union Facility Time

Relevant Union Officials

| | |
|---|--------------------------------------|
| Number of employees who were relevant union officials during the period | Full Time equivalent employee number |
| 2 | 1.6 |

Percentage of time spent on facility time

| Percentage of Time | Number of Employees |
|--------------------|---------------------|
| 0% | |
| 1%-50% | 2 |
| 51%-99% | |
| 100% | |

Percentage of pay bill spent on facility time.

| | |
|--|------------|
| Provide the total cost of facility time | £7,076.28 |
| Provide the total pay bill (excl. actuarial pension cost) | £7,303,167 |
| Provide the percentage of the total pay bill spent on facility time calculated as: (Total cost of facility time/total pay bill) x 100 | 0.10% |

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 | Total hours = 156 Equates to 2.20% |
|--|---|

Related Parties and other Connected Charities and Organisations

The following details the relationships which Watford Grammar School for Girls has with related parties with which it co-operates in the pursuit of charitable activities.

The Academy is supported by the Watford Grammar Schools Foundation. The principal activities of this body are to apply the Foundation's land and buildings to be used for the purposes of charitable schools. In addition, the Academy benefits through donations and other income received from bequests which are held and overseen by the Foundation. Whilst not a connected charity, it is closely related, thus we have disclosed any transactions in the related party note to the accounts.

The Academy is supported through charitable donations from the Women of Vision Trust to support projects across the Academy. Whilst not a connected charity it is closely related therefore, we have disclosed any transactions in the related party note to the accounts.

The Academy had related party transactions with other local schools namely Watford Grammar School for Boys by virtue of Revd A Rindl being a Governor at both schools. The cost and details of all transactions associated with these relationships are shown within the financial statements.

Objectives and Activities

Objects and Aims

The Academy Trust's object ("the Object") is specifically restricted to the following: to advance, for the public benefit, education in the United Kingdom in particular, but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing, and developing a partially selective school offering a broad and balanced curriculum ("the Academy").

Objectives, Strategies and Activities

The main objectives of the Academy Trust have been identified and published in the Vision and School Development Plan. The Vision was reviewed and consulted on during 2021-22 with a range of stakeholders:

Vision

As a girls' school with a proud history, we strive to empower our community to become innovators, drivers of change and leaders to create a more equitable and sustainable society.

Aims

To empower students to become innovators, drivers of change and leaders by;

- participating in academic endeavour and making outstanding progress
- developing an enduring passion for learning
- being respectful and kind towards others, having an open and tolerant mind
- being able to understand and make moral judgments.
- being mindful of their well-being and that of others
- living by the maxim 'I can do it, I will do it!'

Staff will be challenged and supported to;

- Develop their skills and knowledge through training, research and collaboration.
- Problem solve through innovation and experimentation.
- Be mindful of their wellbeing and that of others.
- Foster a sense of community.
- Promote the maxim 'I can do it, I will do it!'

There are specific action points for each area of the plan, which are regularly reviewed by the Senior Leadership Team and shared with the Governing body through the Curriculum Committee and the Full Governing Body.

Public Benefit

The Trustees (Governors) are satisfied that the Academy has complied with its requirement for the public benefit of secondary education for girls in the Watford and surrounding areas. This can be demonstrated by the continued excellent public examination results achieved by the students of the Academy and the destination choices of most of its students planning to attend universities. Additionally, Watford Grammar School for Girls engages with the local community and demonstrates a continued commitment to:

1. Education
2. Community Cohesion
3. Provision of services for the community
4. Extended use of buildings and premises

In setting our objectives and planning our activities the trustees have carefully considered the Charity Commission's general guidance on public benefit.

Group Strategic Report

Achievements and Performance

Summary Financial Performance

Most of the Academy's income is received directly from the Department for Education (via the Education and Skills Funding Agency (ESFA)) in the form of its General Annual Grant (GAG). The GAG received from the ESFA during the period ended 31st August 2023 and the associated expenditure are shown in the restricted funds section of the statement of funds note.

As at 31st August 2023 the net book value of Fixed Assets was £15,078,315 and details are shown in note 14 of the accounts. The assets were used exclusively for providing education and the associated support services to pupils of the Academy.

The Academy held fund balances at 31st August 2023 of £17,229,000 comprising of a net value of £15,949,641 in respect of restricted funds. The unrestricted funds available for spending at the discretion of the Trustees amounted to £1,279,359 In common with other Academies and Local Authorities our share of the LGPS fund is showing a small surplus of £45,000 during the year.

The Academy also has a 100% shareholding in a Trading Subsidiary (Watford Grammar School for Girls Services Ltd). During this year of operation, the company generated a profit of £133,466 to 31st August 2023 all of which will be gift aided back to the parent (Academy).

Examination Achievements and Performance 2022-23

Key Stage 4

At GCSE, students achieved results which are significantly above the national average. The average in 2023 was grade 6.6, with the national average grade being 4.7.

Students study a wide range of subjects, including both English Language and English Literature, Mathematics, Combined Science (for which around 1/3 of the cohort are entered) and separate GCSEs in Biology, Chemistry and Physics (for which around 2/3 of the cohort are entered.) We use a broader definition of humanities that the DfE subjects of Geography and History, including also Classical Civilisation and Religious Studies, with all our students studying at least one humanity. All students also study at least one language, from French, German, Latin and Spanish. We also have a range of other popular GCSE options, including Design and Technology, Drama, Music, Physical Education and 4 different disciplines of Art (Fine Art, Graphics, Photography and Textiles.) Attainment is high across the full range of subjects offered.

Students in receipt of Pupil Premium funding and those with SEND usually achieve above the national average for all students. Most importantly, they are supported in reaching their next steps in education and training, whether in the Sixth Form at Watford Grammar School for Girls or at other local sixth forms or colleges.

Students at Watford Grammar School for Girls make high levels of progress from their starting points, across the full range of curriculum areas. These results represent good progress and very high attainment. Progress 8 figures for 2023 will not be available until November, but over the last 5 years this has consistently been around +0.9 grades.

Key Stage 5

At A Level, students achieve consistently high results, with the average being 0.1 points below a B grade in 2022-23.

Students achieve these grades across the full range of subjects studied, including English Literature, Maths and Further Maths, the Sciences (Biology, Chemistry and Physics), Social Sciences (Economics, Psychology and Sociology), Humanities (Classical Civilisation, Geography, History and Religious Studies), two Art disciplines (Fine Art and Photography), Design and Technology, Music and Sports Science.

A very high proportion of students progress to university, including to Oxbridge and to study Medicine, Dentistry, Veterinary Medicine, and Law. A significant proportion of those progressing to university attend Russell Group institutions. These results represent good progress and very high attainment.

Key Performance Indicators

Financial Performance at Watford Grammar School for Girls is measured using a series of control and monitoring systems and procedures which changes annually and may include (but not limited to) some or all of the following:

1. Budget monitoring and variance analysis
2. Commercial development and initiatives
3. Income generation targets
4. Strategic capital & estate planning
5. Benchmarking activities
6. Pupil numbers
7. Staff attrition
8. Staff profile

These are regularly reviewed by the Trustees and the appropriate committees and where necessary, corrective action is initiated and taken.

An analysis against Key Financial Performance Indicators over a 3 year period are shown below.

| Key Performance Indicators | Group | | | Commentary |
|--|-----------|-----------|-----------|---|
| | 2020 - 21 | 2021 - 22 | 2022 - 23 | |
| Total Staff Costs (£) | 6,881,438 | 7,569,638 | 7,744,487 | |
| Total Staff Costs to EFA Revenue Income (%) | 93% | 98% | 90% | <i>Group staff costs to EFA revenue is misleading due to staff cost of running subsidiary. When viewed as a proportion of total income c80% is reasonable and in line with industry expectations.</i> |
| Total Staff Costs to Total Income (%) | 81% | 85% | 79% | |
| Total Staff Costs as Proportion of Total Expense (%) | 83% | 88% | 78% | |
| FTE Teaching Staff | 78.5 | 83.2 | 86.2 | <i>Increase in staff FTE to accommodate increase in PAN.</i> |
| FTE Support Staff | 49.4 | 48.1 | 46.1 | |
| Total FTE | 127.9 | 131.3 | 132.3 | |
| Total Pupil Numbers by Lagged Pupil Numbers | 1,363 | 1,404 | 1,436 | <i>Increase in pupil numbers as a result of increased PAN. Pupil teacher ratio remained consistent throughout, shows efficient planning with teaching resources.</i> |
| Pupil Teacher Ratio as per Lagged Pupil Numbers | 17.4 | 16.9 | 16.7 | |

Going Concern

After making appropriate enquiries, the Trustee Body (Governing Body) 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 and Risk Management Objectives and Policies

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

The Academy also receives grants for Capital projects / fixed assets from the DfE, the Women of Vision Trust and Watford Grammar Schools Foundation. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP, 2019), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2023 the total net movement in funds (excluding actuarial gains/losses on defined benefit schemes) resulted in a surplus. Assets are used for providing education and the associated support services to the pupils of the Academy as well as supporting activities for generating funds. The financial results of the school are shown in the Statement of Financial Activities, Balance Sheet and accompanying notes.

During the years impacted by Covid and school closure the Academy had been adversely impacted by being unable to generate its own income from weekly hiring's and lettings. During 2022-23 the amount of self-generated income exceeded all internal forecast despite having staffing and recruitment issues in our commercial operations during the year. All this additional income will allow the Academy to continue to operate in a tough period of school funding where pay awards are not necessarily being fully funded and help mitigate the additional costs from increase in utilities and other general inflationary pressures.

In addition, the Academy has been in receipt of National Tuition programme funding for catch up to deploy to help pupils who have fallen behind during the period of school closure. This funding has been used in line with the terms of grant to provide small group tuition for students. The Academy judged that this would have greatest impact if focused on core subjects, and small group tuition in English and Maths has been delivered to Year 7 students to help them transition to secondary, and also to Year 11 students as they have prepared for GCSE examinations. Additionally, a small number of Year 11 students whose experience of education had been severely disrupted by the pandemic were offered 1:1 tuition.

Reserves Policy

In a period of substantial financial uncertainty, Watford Grammar School for Girls has produced budgets that are sustainable for the duration of the forthcoming 3 year spending review period, and that also ensure continued high standards of teaching and learning.

Reserves are carefully managed to ensure the delivery of our curriculum to maintain the high teaching standards. In future years some of the reserves will be used to help make the implementation of agreed pay awards possible as they continue to not be fully funded by Dfe. Where possible, reserves are also used to support our capital investment strategy. For the period ending 31st August 2023 the Academy had unrestricted reserves of £1,279,359 and restricted funds of £447,969 excluding the pension deficit reserve.

Investment Policy

Any significant unrestricted reserves are placed on deposit for a period that the school deems will maintain sufficient operating liquidity. This has not been actioned during the period in question.

Principal Risks and Uncertainties

The Trustees (Governors) in accordance with its terms of reference, supports the Head and Senior Leadership Team in making any necessary changes to the school's cost base and income streams, to ensure that a balanced budget is prepared for the ensuing year and actions taken to address the risk of non-balanced budgets in future years. The Academy has well established ancillary income initiatives and reserves that are able to mitigate against the impact of these risks over the next few years.

One of the main specific risks to the Academy continues to be the uncertainties caused by the impact of school reforms (especially surrounding MATs) and the lack of certainty regarding future teacher and public sector worker pay awards. In addition, the impact of significant increases in energy costs plus general cost inflation and pressures especially in attracting staff to an area with high housing costs all have a significant financial impact on the Academy. Due to these cost pressures all Budget Holders were tasked in producing budgets that were at least 5% lower than previous years when submitting budgets for 2023/4 academic year.

In the current year the Academy has had to make plans to manage the higher than previously recommended pay award for teachers and support staff, and the relatively static General Annual Grant (GAG). To mitigate these risks the Academy increased teaching staff, contact ratios and imposed a recruitment freeze. Staff recruitment in almost any area of the school is challenging with key positions taking a longer time to replace requiring repeated advertising to recruit an appropriate candidate and gap filling when this is not possible.

The Trustee (Governor) Board have a Health and Safety Working Party that that considers the risks to the estate on a regular basis in conjunction with the Site Manager to ensure the site is safe, well maintained, and compliant with regulations. In the last year this has included commissioning surveys into the existence of RAAC, commissioning asbestos surveys before any building work/projects, purchase of an evacuation mattress and arranged training for its use for immobile pupils alongside compliance checks and routine safety operations.

Fundraising

The school benefits significantly from fundraising carried out by The Women of Vision Trust (registered charity number 1069040). The Trust was established in 1998 and its primary objective is to raise funds to "advance the education of pupils of the school."

The Trust raises money to support the activities of the school by encouraging parents, alumnae and friends of the school to make either a one-off or ongoing monthly donation in line with their means which can, where applicable, benefit from the HMRC gift aid scheme. Donations are collected online via the Trust's website which is hosted by Toucan Tech, a community management website and CRM system.

Donations are made in response to general non-targeted appeals made to the various donor communities at face-to-face events, and via letter and email communications.

Any communication to potential and existing donors is made in an unintrusive way and appeals are appropriately spaced throughout the year to ensure that approaches could not be considered persistent. All approaches include the wording 'if you are financially able' (or similar) when referring to donating to avoid any feelings of undue pressure, and contact is always made in accordance with GDPR guidelines.

The Trust is run and managed by volunteer Trustees and one part-time Fundraising Manager. Fundraising and administration costs are kept to a minimum and processes are continually reviewed for efficiency, donor ease of use and to increase fundraising levels in line with the fiduciary duty of trustees.

Neither the school nor the Trust are currently involved with any commercial or professional fundraisers.

The Women of Vision Trust has been registered with the Fundraising Regulator since February 2022. This is clearly displayed on the Trust's website, and they are committed to upholding the Regulators fundraising promise made to donors and the public ensuring fundraising is legal, open, honest and respectful. The Trust also has a fundraising complaints procedure available on its website and in line with the Fundraising Regulator's requirements.

The Trust is a registered member of the Institute of Development Professionals in Education (IDPE). The IDPE champions best practice in schools' fundraising and engagement through providing training, guidance, support, benchmarking, and partnership work across the schools' sector. The Fundraising Manager has engaged in IDPE training to ensure fundraising best practise is consistently carried out by the Trust.

Fundraising is also carried out by the school's Parents Association (registered charity number 272844). The Committee of parents hold different events throughout the year to raise unrestricted income for school projects and resources from the school community. This fundraising is closely monitored by the school's senior leadership team.

Plans for Future Periods

The Governors and leadership team of the Academy will focus on implementing the School Development Plan. There are specific targets / action points to meet the Aims, which has been agreed by the Governing Body. The objectives are:

Progress:

- Metacognition
- Adaptive Teaching
- Assessment

Community

- Student Engagement
- Staff Engagement
- Poverty Proofing

Sustainability

- Staff wellbeing
- Sustainable Development, with Teacher Training.
- Sixth Form Experience

The adaptation of the curriculum, ongoing assessment of knowledge and understanding and the effective use of the budget will narrow any gaps in progress between key pupil groups.

Good working relationships with the SLT, Governors and Parents Association ensure a common goal to maintain and improve the school site and ensure the delivery of the academic curriculum.

Auditor Hillier Hopkins LLP

Insofar as the Governors are aware, there is no relevant audit information of which the charitable company's auditor is unaware, and the Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by order of the members of the Governing Body on 6th December 2022 and signed on its behalf by:



.....
Nick Moorhouse
Chair of the Governing Body

Governance Statement

Scope of Responsibility

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

The Trustees (Governing Body) have delegated the day-to-day responsibility to the Head, as Accounting Officer, for ensuring that financial controls conform with the requirements of both propriety and good financial management and are in accordance with the requirements and responsibilities assigned to it in the funding agreement between Watford Grammar School for Girls and the Secretary of State for Education. They are also responsible for reporting to the Trustee Body (Governing Body) 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 Trustees (Governing Body) has formally met 4 times during the year. Attendances during the year at meetings of the Trustees were as follows:

| Trustee | Meetings Attended | Out of a possible |
|--------------------------------------|-------------------|-------------------|
| Nick Moorhouse (Chair) | 4 | 4 |
| Camila Woods (Vice Chair) | 3 | 4 |
| Sylvia Chong-Tai | 4 | 4 |
| Joanna Fleet (appointed 01.01.2023) | 2 | 2 |
| Fiona Gaskell (resigned 21.07.23) | 2 | 4 |
| James Hughes | 4 | 4 |
| Michael Lewis MBE | 4 | 4 |
| Mary Meerabux | 4 | 4 |
| Adam Newbey | 4 | 4 |
| Olaide Olunloyo (appointed 01.09.22) | 4 | 4 |
| Sharmin Pirbhai (appointed 19.11.22) | 2 | 4 |
| Revd Tony Rindl | 2 | 4 |
| Dr Rajivi Sanjeevi | 1 | 4 |
| Rupinder Walia (appointed 01.01.23) | 1 | 4 |
| Jane Willis | 4 | 4 |
| Dr Hannan Xiao | 2 | 4 |

Changes to members are detailed on the structure of the Governing Body on page 3.

Review of Governance 2022/23

The Chair of Trustees remained in post for this year, having been unanimously voted in by The Trustees. The Vice Chair was also unanimously voted in. Continuity in both these roles has proved to be of great value in supporting the Head and holding the school to account in a meaningful and balanced manner.

Whilst two Trustees resigned from the Board, two new Trustees came forward and were approved by The Members following an interview process. The new Trustees with differing yet valuable skillsets have joined The Resources or Curriculum Committees in line with their experience or working backgrounds, and the sub committees of Pay and Joint Admissions continue to meet regularly and be effective.

Full Trustees Board meetings were held four times and the sub committees met termly. The Health and Safety Working Group met termly, and a new Audit Working Group is planned for the start of next year.

A review of the effectiveness of The Board was undertaken and any actions recommended have been implemented. A separate all Board training session was undertaken by the entire Board on the subject of the data which the school produces, based upon the results which students have achieved across all years. This proved to be most valuable in explaining and providing a detailed understanding of the measurement of results, notably in the post pandemic period.

The Chair of Trustees meets formally with The Head monthly but is in school for discussions, meetings, committee meetings, celebrations or presentations often more than once a week. There is ongoing and regular written communication between the Chair and Head on a broad range of subjects.

Trustees attended one of two visit days and completed feedback was collated. Each Trustee acts as link to at least one subject or cross school department, meets with departmental leads and reports back through The Governance Professional. Training has been spread across a wide range of courses and been undertaken principally online.

Following the work undertaken by the school and The Board on the new vision, the next step has been the excellent creation of meaningful values which have been introduced, debated and welcomed by The Board.

The Performance Review of the Head was undertaken by a group of Trustees and an Educational Advisor. Following this review, a set of objectives were agreed and success against these objectives was measured throughout the year.

The Board recognises that there is an on-going energy behind the SEND and wholly supports the Head and SLT in this important area of the school.

The Board recognises that, whilst funds are less readily available than previously, they have an obligation to maintain a balanced budget and through the offices of the school, regularly receive results and commentary which highlight any variations from the budget submitted whilst ensuring that a deficit is not delivered.

As a Board of Trustees, we continue to discuss academisation and whether and indeed how to progress with other schools. We have determined to keep a very keen eye on any movement in governmental position on this important area of education.

All trustees have completed documentation relating to Pecuniary Conflicts of Interest which are recorded on Governor Hub, where additionally updated information on Trustees reading new or updated information on Safeguarding, KCSIE and other subjects is shown. Additional any new variations to the published Conflicts of Interest are invited at the start of all Full Trustee and Sub Committees meetings.

Resources Committee

The Resources Committee is a sub-committee with responsibilities delegated by the Academy Trust Board of Trustees (Governors) for matters relating to finance, staffing, premises, health and safety, and audit and risk. It is responsible for safeguarding the assets of the Academy Trust, complying with relevant laws and regulations. In addition to making sure that the Academy Trust's financial processes, policies and procedures are compliant with statutory requirements, the Committee is

responsible for ensuring resources are managed effectively and allocated in line with the Trust's strategic priorities and curriculum plans.

The Committee reviews regularly financial and staffing information advising the Board of Trustees (Governors) on progress against budget and plans. It is responsible for agreeing a program of internal scrutiny to enable the preparation of financial statements which conform to the requirements both of propriety and good financial management.

The independent auditor Hillier Hopkins LLP meets with the Committee annually and provides support in fulfilling its responsibilities. The Academy Trust continues to seek value for money in the management of its resources and opportunities to generate additional income through ancillary business initiatives.

The Resources Committee met In November 2022, February 2023 and June 2023. Key considerations for the Committee during the year were:

- Ongoing challenges due to rate of inflation increases and uncertainties over future energy costs.
- Proposed site improvements and affordability of necessary repairs to existing premises.
- Financial pressures and impact on budget preparations arising from late announcement of employee pay increases.
- Transition to new accounting system and alignment with Dfe Standard Chart of Accounts
- New arrangements for the Committee's oversight of the program of internal scrutiny and risk management
- A new initiative to address sustainability across the school including agreement of specific sustainability goals for the next seven years.

The Resources Committee has formally met 3 times during the year. Attendances during the year at meetings were as follows:

| Governor | Meetings Attended | Out of a possible |
|--------------------------------------|-------------------|-------------------|
| Jane Willis (Chair) | 3 | 3 |
| Sylvia Chong-Tai | 2 | 3 |
| James Hughes | 2 | 3 |
| Olaide Olunloyo (appointed 01.09.22) | 2 | 3 |
| Sharmin Pirbhai | 3 | 3 |
| Dr Rajivi Sanjeevi | 1 | 3 |
| Adam Newbey | 2 | 3 |
| Rupinder Walia (appointed 01.01.23) | 1 | 2 |

Review of Value for Money (VFM)

As Accounting Officer, the Headmistress 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 social outcomes achieved in return for the taxpayer resources received.

Watford Grammar School for Girls can clearly demonstrate achievement of value for money from the taxpayer resources received. All students have the opportunity and ability to benefit from the educational and wider societal outcomes achieved from a prudent and strategic allocation of resources aligned to clear objectives.

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

Review of Value for Money - Improving educational results

The value for money achieved by Watford Grammar School for Girls is most evident from student performance. In each key stage, students are making strong and/or exceptional attainment and progress.

At GCSE, students achieved results which are significantly above the national average. The average in 2023 was grade 6.6, with the national average grade being 4.7.

Students in receipt of Pupil Premium funding and those with SEND usually achieve above the national average for all students. Most importantly, they are supported in reaching their next steps in education and training, whether in the Sixth Form at Watford Grammar School for Girls or at other local sixth forms or colleges.

Students at Watford Grammar School for Girls make high levels of progress from their starting points, across the full range of curriculum areas. These results represent good progress and very high attainment. Progress 8 figures has consistently been around +0.9 grades.

At A Level, students achieve consistently high results, with the average being 0.1 points below a B grade in 2022-23.

A very high proportion of students' progress to university, including to Oxbridge and to study Medicine, Dentistry, Veterinary Medicine and Law. A significant proportion of those progressing to university attend Russell Group institutions. These results represent good progress and very high attainment.

Review of Value for Money - Operational and Estate Management

The Board of Trustees (Governors) and the Resources Committee ensure that the school complies with the principle of financial control which conforms with the requirements both of propriety and good financial management. The Resources Committee regularly review accounts and challenge Senior Leaders on all material variances. The annual budget is scrutinized in detail before formally recommending approval by the full Governing Body.

The Internal Audit is appointed by the Board of Trustees (Governors) and provides Trustees (Governors) with an independent oversight of the school's financial procedures. The Internal Auditor reports confirm that there are sound systems of financial control, and these are being maintained and financial considerations are fully considered in reaching decisions.

The Academy has made use of available grants during the year, such as the Mainstream School Additional Grant and the Supplementary Grant, to help facilitate the additional and necessary spend required over the past year to meet the needs of the Academy and its pupils. During the year the Academy completed a comprehensive tender for the renewal of its energy contracts in the year. The aim was to secure the best value energy tariffs with environmentally conscious providers. The Academy managed to obtain a significant reduction in the contract cost which equates to a financial annual saving whilst in parallel procuring energy from suppliers with green credentials.

Across the site the Academy has undertaken several tenders included the use of the additional Devolved Formula Capital Allocation. This specified prioritising projects that improved the school estate's energy efficiency and is contributing to the upgrade of the boilers in the main school building. The boilers in place were beyond their useful life and like-for-like replacements were no longer in line with government regulations. The Academy worked hard to get three quotes but were faced with several supply issues with parts and labour, and the government's push for heat pumps throughout the country meant that approved suppliers were in demand and difficult to obtain contracts with. A successful contractor was chosen based upon affordability and previous work completed within Education settings so quality and reliability were known. We estimate that these changes will reduce gas costs by a sizeable percentage as well as our carbon footprint.

The Academy was successful in obtaining CIF Funding (Condition Improvement Funding) for the replacement of its fire doors in the main building. A large percentage of the old fire doors did not meet statutory legal requirements relating to limiting fire spread and ensuring fire escape routes are adequately protected, meaning that urgent remedial works and full replacement of relevant doors was of the highest priority to the Academy. The project costs were competitively tendered with the results providing good value for money. Tender rates have been checked and are in line with similar recent projects. The Academy estimates that there will be a financial repair and maintenance saving annually which can be reinvested in other areas of building maintenance.

The Purpose of the System of Internal Control

The system of internal control is designed to manage and mitigate risk within the school's risk appetite to achieve its policies, aims and objectives; such a risk management approach, therefore, can 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 their impact, managing them efficiently, effectively, and economically.

The system of internal control has been in place in Watford Grammar School for Girls for the year ended 31 August 2023 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Governing Body has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

The Governing Body is of the view that there is a formal ongoing process for identifying, evaluating, and managing the Academy Trust's significant risks that has been in place for the year ending 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

The Risk and Control Framework

The Academy Trust 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. It includes:

- Comprehensive budgeting and monitoring systems with an annual budget and periodic review.
- Financial reports which are reviewed and agreed by the Trustees (Governing Body).
- Regular reviews by the Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes.
- Setting targets to measure financial and other performance.
- Clearly defined purchasing (asset purchase or capital investment) policies and guidelines.
- Delegation of authority and segregation of duties.
- Identification and management of risks.

Identification and Management of Risks

The Trustees (Governing Body) in line with the guidelines in the Academies Financial Handbook has considered the need for a specific internal audit function and has decided to appoint an internal auditor. Howard Wilson was appointed to fulfil the role of Internal Auditor and oversee Internal Assurance.

The Internal Auditor prepares a summary Independent Assurance report which includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems.

During the year ended 31st August 2023 the Independent Assurance work included:

- Review of the 2022 Audit Management Letter to ensure any observations and comments had been actioned.
- Review of the 16-19 Bursary Fund process.
- Sales Ledger Process review.
- Purchase Ledger Process review.
- Payroll process review.
- HR Systems review.

On a termly basis, the Internal Auditor reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities. The reports produced by the Internal Auditor identified no material concerns.

Review of Effectiveness

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

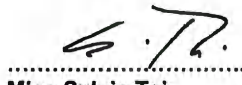
- The work of the Finance and Business Director.
- The work of the Internal Auditor.
- The work of the External Auditor.
- The financial management and governance self-assessment process including the school resource management self-assessment tool.
- The work of the Senior Leaders within the Academy 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 Resources Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Governing Body on 4th December 2023 and signed on its behalf by:



Nick Moorhouse
Chair of Governing Body



Miss Sylvia Tai
Accounting Officer

Statement of Trustees' Responsibilities

The Governors (who act as trustees for charitable activities of Watford Grammar School for Girls and are also the directors of the Charitable Company for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency (EFA), United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Governors to prepare financial statements for each financial year. Under company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and 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 Governors are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022-23
- Make judgements and 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 Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and 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 Group and Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governors are responsible for ensuring that in its conduct and operation the Group and Charitable Company applies financial and other controls, which conform to the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the EFA/DfE have been applied for the purposes intended.

The Governors 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 Governing Body on 4th December 2023 and signed on its behalf by:



Nick Moorhouse
Chair of the Governing Body

Statement on Regularity, Propriety and Compliance

As accounting officer of Watford Grammar School for Girls I have considered my responsibility to notify the academy board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy, under the funding agreement in place between the academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2023.

I confirm that I and the academy board of Trustees are able to identify any material irregular or improper use of all funds by the academy, or material non-compliance with the terms and conditions of funding under the academy's funding agreement and the Academies Financial Handbook 2023.

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



.....
Miss Sylvia Tai
Accounting Officer

.....
4.12.23
Date:

Independent Auditors' report on the financial statements

Opinion

We have audited the financial statements of Watford Grammar School For Girls (the 'parent academy') and its subsidiaries (the 'Group') for the year ended 31 August 2023 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Academy balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including 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 and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent academy's affairs as at 31 August 2023 and of the Group's 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 and 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 Group's or the parent academy's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If

we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- the parent academy has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent academy financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of trustees' responsibilities, the Trustees (who are also the directors of the academy 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 Group's and the parent academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent academy or to cease operations, or have no realistic alternative but to do so.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design

procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the control environment and performance of the Academy and Group, including the remuneration incentives and pressures of key management;
- the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. We consider the results about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Academy and Group's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override, including testing journals and evaluating whether there was evidence of bias by the Trustees that represented a risk of material misstatement due to fraud.

We also obtained an understanding of the legal and regulatory frameworks that the Academy and Group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006, the Charities SORP 2019, the Academies Accounts Direction 2022 to 2023 and relevant tax legislation.

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 for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

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



.....
Alexander Bottom ACA
(Senior statutory auditor)

for and on behalf of

Hillier Hopkins LLP
Chartered Accountants
Statutory Auditor

Radius House
51 Clarendon Road
Watford
Herts
WD17 1HP

6th June 2023

.....
Date:

Independent reporting accountant's assurance report on regularity

In accordance with the terms of our engagement letter dated 17 July 2019 and further to the requirements of the Education and 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 Watford Grammar School For Girls during the year 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 Watford Grammar School For Girls and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Watford Grammar School For Girls 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 Watford Grammar School For Girls and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Watford Grammar School For Girls's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Watford Grammar School For Girls's funding agreement with the Secretary of State for Education dated 25 August 2010 and the Academy Trust 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 year 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 Framework and Code for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material misstatement and irregularity across the Academy Trust's activities;
- Testing and review of areas identified through risk assessment including enquiry, observation, inspection and review of supporting evidence;

- Review of system controls, policies and procedures in place to ensure compliance with the regularity regime;
- Consideration of evidence obtained through the work performed as part of our financial statements audit in order to support the regularity conclusion.

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 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.

Hilina Hopkins, hll

.....
Hillier Hopkins LLP

Radius House
51 Clarendon Road
Watford
Herts
WD17 1HP

Date: *6th December 2023.*

Consolidated statement of financial activities (incorporating income and expenditure account)

| | Note | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Restricted fixed asset funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|--|------|---------------------------------|-------------------------------|---|--------------------------|--------------------------|
| Income from: | | | | | | |
| Donations and capital grants | 3 | 12,031 | 118,593 | 478,336 | 608,960 | 321,119 |
| Other trading activities | 5 | 546,481 | - | - | 546,481 | 566,938 |
| Investments | 6 | 222 | - | - | 222 | 445 |
| Charitable activities | | 317,863 | 8,803,753 | - | 9,121,616 | 8,255,460 |
| Total income | | 876,597 | 8,922,346 | 478,336 | 10,277,279 | 9,143,962 |
| Expenditure on: | | | | | | |
| Raising funds | 7 | 265,563 | - | - | 265,563 | 283,478 |
| Charitable activities | 8 | 217,219 | 9,095,405 | 324,610 | 9,637,234 | 8,848,108 |
| Total expenditure | | 482,782 | 9,095,405 | 324,610 | 9,902,797 | 9,131,586 |
| Net income/(expenditure) | | 393,815 | (173,059) | 153,726 | 374,482 | 12,376 |
| Transfers between funds | 19 | (79,200) | - | 79,200 | - | - |
| Net movement in funds before other recognised gains | | 314,615 | (173,059) | 232,926 | 374,482 | 12,376 |
| Other recognised gains: | | | | | | |
| Actuarial gains on defined benefit pension schemes | 22 | - | 355,000 | - | 355,000 | 4,304,000 |
| Net movement in funds | | 314,615 | 181,941 | 232,926 | 729,482 | 4,316,376 |

| Note | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Restricted fixed asset funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|------------------------------------|---------------------------------|-------------------------------|---|--------------------------|--------------------------|
| Reconciliation of funds: | | | | | |
| Total funds brought forward | 964,744 | 311,028 | 15,223,746 | 16,499,518 | 12,183,142 |
| Net movement in funds | 314,615 | 181,941 | 232,926 | 729,482 | 4,316,376 |
| Total funds carried forward | 1,279,359 | 492,969 | 15,456,672 | 17,229,000 | 16,499,518 |

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.


The notes on pages 40 to 65 form part of these financial statements

Consolidated Balance Sheet

| | Note | 2023 £ | 2022 £ |
|---|------|--------------------------|--------------------------|
| Fixed assets | | | |
| Tangible assets | 14 | 15,078,315 | 15,223,746 |
| | | <u>15,078,315</u> | <u>15,223,746</u> |
| Current assets | | | |
| Debtors | 16 | 312,769 | 392,519 |
| Cash at bank and in hand | | 2,533,591 | 2,055,757 |
| | | <u>2,846,360</u> | <u>2,448,276</u> |
| Creditors: amounts falling due within one year | 17 | (732,425) | (932,754) |
| Net current assets | | <u>2,113,935</u> | <u>1,515,522</u> |
| Total assets less current liabilities | | <u>17,192,250</u> | <u>16,739,268</u> |
| Creditors: amounts falling due after more than one year | 18 | (8,250) | (9,750) |
| Net assets excluding pension asset / liability | | <u>17,184,000</u> | <u>16,729,518</u> |
| Defined benefit pension scheme asset / liability | 22 | 45,000 | (230,000) |
| Total net assets | | <u><u>17,229,000</u></u> | <u><u>16,499,518</u></u> |

| | Note | 2023 £ | 2022 £ |
|--|------|--------------------------|--------------------------|
| Funds of the academy | | | |
| Restricted funds: | | | |
| Fixed asset funds | 19 | 15,456,672 | 15,223,746 |
| Restricted income funds | 19 | 447,969 | 541,028 |
| Restricted funds excluding pension liability / asset | 19 | <u>15,904,641</u> | <u>15,764,774</u> |
| Pension reserve | 19 | 45,000 | (230,000) |
| Total restricted funds | 19 | 15,949,641 | 15,534,774 |
| Unrestricted income funds | 19 | 1,279,359 | 964,744 |
| Total funds | | <u>17,229,000</u> | <u>16,499,518</u> |

The financial statements on pages 32 to 67 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



Nick Moorhouse
Chair of Trustees
Date: 4/12/23



Sylvia Chong-Tai
Accounting Officer

The notes on pages 40 to 65 form part of these financial statements

Academy Balance Sheet

| | Note | 2023 £ | 2022 £ |
|---|------|--------------------------|--------------------------|
| Fixed assets | | | |
| Tangible assets | 14 | 15,078,315 | 15,223,746 |
| Investments | 15 | 100 | 100 |
| | | <u>15,078,415</u> | <u>15,223,846</u> |
| Current assets | | | |
| Debtors | 16 | 419,882 | 958,644 |
| Cash at bank and in hand | | 2,388,608 | 1,459,366 |
| | | <u>2,808,490</u> | <u>2,418,010</u> |
| Creditors: amounts falling due within one year | 17 | (694,655) | (902,588) |
| Net current assets | | <u>2,113,835</u> | <u>1,515,422</u> |
| Total assets less current liabilities | | <u>17,192,250</u> | <u>16,739,268</u> |
| Creditors: amounts falling due after more than one year | 18 | (8,250) | (9,750) |
| Net assets excluding pension asset / liability | | <u>17,184,000</u> | <u>16,729,518</u> |
| Defined benefit pension scheme asset / liability | 22 | 45,000 | (230,000) |
| Total net assets | | <u><u>17,229,000</u></u> | <u><u>16,499,518</u></u> |
| | | | |
| | Note | 2023 £ | 2022 £ |
| Funds of the academy | | | |
| Restricted funds: | | | |
| Fixed asset funds | 19 | 15,377,525 | 15,223,746 |
| Restricted income funds | 19 | 447,916 | 541,028 |
| Pension reserve | 19 | 45,000 | (230,000) |
| Total restricted funds | 19 | <u>15,870,441</u> | <u>15,534,774</u> |
| Unrestricted income funds | 19 | <u>1,358,559</u> | <u>964,744</u> |
| Total funds | | <u><u>17,229,000</u></u> | <u><u>16,499,518</u></u> |

The financial statements on pages 32 to 67 were approved and authorised for issue by the Trustees and are signed on their behalf, by:




Nick Moorhouse

Chair of Trustees

Date:

4/12/23



Sylvia Chong-Tai

Accounting Officer

The notes on pages 40 to 65 form part of these financial statements.

Consolidated Statement of Cash Flows

| | Note | 2023 £ | 2022 £ |
|---|------|------------------|------------------|
| Cash flows from operating activities | | | |
| Net cash provided by operating activities | | 437,455 | 1,142,457 |
| Cash flows from investing activities | | 40,379 | (690,651) |
| Change in cash and cash equivalents in the year | | 477,834 | 451,806 |
| Cash and cash equivalents at the beginning of the year | | 2,055,757 | 1,603,951 |
| Cash and cash equivalents at the end of the year | | <u>2,533,591</u> | <u>2,055,757</u> |

The notes on pages 40 to 65 form part of these financial statements

Notes to the Financial Statements

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the academy, which is a public benefit entity under FRS 102, have been prepared under the historic 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.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the academy and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The academy has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

1.2 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 academy 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 has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

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

- **Grants**

Grants are included in the Consolidated 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 Consolidated statement of financial activities in the year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

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

- **Donations**

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

- **Other income**

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

1.4 Expenditure

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Consolidated statement of financial activities as the related expenditure is incurred.

1.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.7 Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Depreciation is provided on the following bases:

| | |
|---------------------------|--|
| Freehold property | - 2% straight line |
| Property improvements | - 2% straight line |
| Furniture and equipment | - 25% straight line |
| Assets under construction | - are not depreciated until transferred into an appropriate sub category upon completion of construction |

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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 Consolidated statement of financial activities.

1.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

1.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.11 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 Group anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.12 Financial instruments

The Group only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Group and their measurement bases 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 17. Prepayments are not financial instruments. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 18. 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. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment.

1.13 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

1.14 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Group 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. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Group 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 Consolidated statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.15 Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the academy does not have control over the charitable application of the funds. The academy trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of the financial activities.

The academy trust also acts as an agent for distributing Schools Direct grants to contribute to training costs for salaried trainees to achieve qualified teacher status. Grant monies received and subsequent disbursements to local schools are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The element of grant monies received in relation to staff based at the academy trust has been recognised in the statement of financial activities.

1.16 Fund accounting

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

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

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

Investment income, gains and losses are allocated to the appropriate fund.

2. Critical accounting estimates and areas of judgment

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 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.**

3. Income from donations and capital grants

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Restricted fixed asset funds 2023 £ | Total funds 2023 £ |
|-------------------|---------------------------------|-------------------------------|---|--------------------------|
| Donations | 12,031 | 118,593 | 259,000 | 389,624 |
| Government grants | - | - | 219,336 | 219,336 |
| | <u>12,031</u> | <u>118,593</u> | <u>478,336</u> | <u>608,960</u> |

| | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Restricted fixed asset funds 2022 £ | Total funds 2022 £ |
|-------------------|---------------------------------|-------------------------------|---|--------------------------|
| Donations | 4,726 | 45,364 | 224,893 | 274,983 |
| Government grants | - | - | 46,136 | 46,136 |
| | <u>4,726</u> | <u>45,364</u> | <u>271,029</u> | <u>321,119</u> |

4. Funding for the academy's charitable activities

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total funds 2023 £ |
|---|------------------------------------|----------------------------------|-----------------------------|
| Educational activities | | | |
| DfE/ESFA grants | | | |
| General Annual Grant (GAG) | - | 8,074,355 | 8,074,355 |
| Other DfE/ESFA grants | | | |
| Schools supplementary grant (SSG) | - | 271,921 | 271,921 |
| Rates relief | - | 28,160 | 28,160 |
| Other DfE grants | - | 82,169 | 82,169 |
| Schools Direct income | - | 13,860 | 13,860 |
| Pupil Premium | - | 99,567 | 99,567 |
| | - | 8,570,032 | 8,570,032 |
| Other Government grants | | | |
| Local authority | - | 205,840 | 205,840 |
| | - | 205,840 | 205,840 |
| Other income from the academy's educational activities | 317,863 | - | 317,863 |
| COVID-19 additional funding (DfE/ESFA) | | | |
| Catch-up Premium | - | 23,184 | 23,184 |
| School led tutoring grant | - | 4,697 | 4,697 |
| | - | 27,881 | 27,881 |
| | 317,863 | 8,803,753 | 9,121,616 |
| | 317,863 | 8,803,753 | 9,121,616 |

4. Funding for the academy's charitable activities (continued)

| | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total funds 2022 £ |
|---|------------------------------------|----------------------------------|-----------------------------|
| Educational activities | | | |
| DfE/ESFA grants | | | |
| General Annual Grant (GAG) | - | 7,458,484 | 7,458,484 |
| Other DfE/ESFA grants | | | |
| School Standards Fund | - | 76,444 | 76,444 |
| Other ESFA grants | - | 28,160 | 28,160 |
| TPG and TPECG grants | - | 113,751 | 113,751 |
| Schools Direct income | - | 13,750 | 13,750 |
| Other government grants | - | 6,500 | 6,500 |
| Pupil Premium | - | 90,322 | 90,322 |
| | - | 7,787,411 | 7,787,411 |
| Other Government grants | | | |
| Local authority | - | 221,102 | 221,102 |
| | - | 221,102 | 221,102 |
| Other income from the academy's educational activities | 134,950 | - | 134,950 |
| COVID-19 additional funding (DfE/ESFA) | | | |
| Catch-up Premium | - | 48,319 | 48,319 |
| Covid-19 mass testing grant | - | 25,150 | 25,150 |
| Summer School income | - | 34,256 | 34,256 |
| School led tutoring grant | - | 4,272 | 4,272 |
| | - | 111,997 | 111,997 |
| | 134,950 | 8,120,510 | 8,255,460 |
| | 134,950 | 8,120,510 | 8,255,460 |

The academy received £23,184 (2022: £11,019, £37,299 was released from deferred income totalling £48,319 recognised) of funding for COVID-19 catch-up premium during the period. The total amount of expenditure in the period was £23,184 (2022: £48,319).

The academy received £nil (2022: £16,860, £8,290 was released from deferred income totalling £25,150 recognised) of funding for COVID-19 mass testing during the period. The total amount of expenditure in the period was £nil (2022: £25,150).

The academy received £nil (2022: £34,256) of funding for the COVID-19 summer schools programme.

during the period. The total amount of expenditure in the period was £nil (2022: £34,256).

The academy received £14,094 (2022: £11,138) of funding for the School led tutoring grant, a grant aimed at providing tutoring intervention to support catch-up for lost education due to the COVID-19 pandemic. The total amount of expenditure in the period was £4,697 (2022: £4,272). The terms of the grant state that any amount not spent during the period is repayable to the ESFA, an amount of £9,397 (2022: £6,866) is included in other creditors, therefore the amount spent is the amount recognised as income during the period.

5. Income from other and trading activities

| | Unrestricted funds 2023 £ | Total funds 2023 £ |
|---------------------------------------|------------------------------------|-----------------------------|
| Beat commission | 4,792 | 4,792 |
| School shop | 11,460 | 11,460 |
| Hire of facilities | 85,609 | 85,609 |
| Other activities for generating funds | 33,649 | 33,649 |
| Evening class income | 7,180 | 7,180 |
| Teacher release income | 4,762 | 4,762 |
| Income from trading subsidiary | 399,029 | 399,029 |
| | <u>546,481</u> | <u>546,481</u> |
| | | |
| | Unrestricted funds 2022 £ | Total funds 2022 £ |
| Beat commission | 5,281 | 5,281 |
| School shop | 21,916 | 21,916 |
| Hire of facilities | 74,930 | 74,930 |
| Other activities for generating funds | 23,956 | 23,956 |
| Evening class income | 7,621 | 7,621 |
| Teacher release income | 1,500 | 1,500 |
| Income from trading subsidiary | 431,734 | 431,734 |
| | <u>566,938</u> | <u>566,938</u> |

6. Investment Income

| | Unrestricted funds 2023 £ | Total funds 2023 £ |
|-------------------|------------------------------------|-----------------------------|
| Interest received | 222 | 222 |

| | Unrestricted funds 2022 £ | Total funds 2022 £ |
|---------------------|------------------------------------|-----------------------------|
| Interest received | 295 | 295 |
| Interest receivable | 150 | 150 |
| | <u>445</u> | <u>445</u> |

7. Expenditure

| | Staff Costs 2023 £ | Premises 2023 £ | Other 2023 £ | Total 2023 £ |
|--|--------------------------|-----------------------|--------------------|--------------------|
| Expenditure on fundraising trading activities: | | | | |
| Direct costs | 220,646 | - | 44,917 | 265,563 |
| Educational activities: | | | | |
| Direct costs | 6,013,199 | - | 723,330 | 6,736,529 |
| Allocated support costs | 1,510,642 | 874,107 | 515,956 | 2,900,705 |
| Total 2023 | <u>7,744,487</u> | <u>874,107</u> | <u>1,284,203</u> | <u>9,902,797</u> |

| | Staff Costs 2022 £ | Premises 2022 £ | Other 2022 £ | Total 2022 £ |
|--|--------------------------|-----------------------|--------------------|--------------------|
| Expenditure on fundraising trading activities: | | | | |
| Direct costs | 255,138 | - | 28,340 | 283,478 |
| Educational activities: | | | | |
| Direct costs | 5,513,984 | - | 474,224 | 5,988,208 |
| Allocated support costs | 1,800,516 | 614,119 | 445,265 | 2,859,900 |
| | <u>7,569,638</u> | <u>614,119</u> | <u>947,829</u> | <u>9,131,586</u> |

8. Analysis of expenditure on charitable activities

Summary by fund type

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total 2023 £ |
|------------------------|------------------------------------|----------------------------------|--------------------|
| Educational activities | 217,219 | 9,420,015 | 9,637,234 |
| Total 2023 | 217,219 | 9,420,015 | 9,637,234 |

9. Analysis of expenditure by activities

| | Activities undertaken directly 2023 £ | Support costs 2023 £ | Total funds 2023 £ |
|------------------------|---|-------------------------------|-----------------------------|
| Educational activities | 6,736,529 | 2,900,705 | 9,637,234 |
| Total 2023 | 6,736,529 | 2,900,705 | 9,637,234 |

| | Activities undertaken directly 2022 £ | Support costs 2022 £ | Total funds 2022 £ |
|------------------------|---|-------------------------------|-----------------------------|
| Educational activities | 5,988,208 | 2,859,900 | 8,848,108 |

9. Analysis of expenditure by activities (continued)

Analysis of support costs

| | Educational activities 2023 £ | Total funds 2023 £ |
|--|--|---------------------------------------|
| FRS102 Pension cost | 11,000 | 11,000 |
| Staff costs | 1,510,642 | 1,510,642 |
| Depreciation | 324,610 | 324,610 |
| Staff development | 4,431 | 4,431 |
| Support staff costs | 3,442 | 3,442 |
| Premises maintenance costs | 174,530 | 174,530 |
| Rent and rates | 48,212 | 48,212 |
| Catering costs | 41,691 | 41,691 |
| Technology costs | 100,095 | 100,095 |
| Insurance costs | 85,283 | 85,283 |
| Heat and light costs | 292,168 | 292,168 |
| Printing, postage and stationery | 49,362 | 49,362 |
| Cleaning and caretaking costs | 34,587 | 34,587 |
| Professional fees and governance costs | 101,387 | 101,387 |
| Other support costs | 119,265 | 119,265 |
| Total 2023 | 2,900,705 | 2,900,705 |

9. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

| | <i>Educational activities 2022 £</i> | <i>Total funds 2022 £</i> |
|----------------------------------|--|---------------------------------------|
| Pension finance costs | 69,000 | 69,000 |
| Staff costs | 1,800,516 | 1,800,516 |
| Depreciation | 297,032 | 297,032 |
| Premises maintenance costs | 118,073 | 118,073 |
| Rent and rates | 49,817 | 49,817 |
| Technology costs | 81,418 | 81,418 |
| Insurance costs | 66,260 | 66,260 |
| Heat and light costs | 107,982 | 107,982 |
| Printing, postage and stationery | 66,752 | 66,752 |
| Cleaning and caretaking costs | 41,215 | 41,215 |
| Professional fees | 73,073 | 73,073 |
| Other support costs | 88,762 | 88,762 |
| <i>Total 2022</i> | <u>2,859,900</u> | <u>2,859,900</u> |

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

| | <i>2023 £</i> | <i>2022 £</i> |
|---------------------------------------|-------------------|-------------------|
| Depreciation of tangible fixed assets | 324,610 | 297,032 |
| Fees paid to auditors for: | | |
| - audit | 13,100 | 12,000 |
| - other services | 7,125 | 5,545 |
| | <u>13,100</u> | <u>12,000</u> |
| | <u>7,125</u> | <u>5,545</u> |

11. Staff

a. Staff costs

Staff costs during the year were as follows:

| | Group 2023 £ | Group 2022 £ | Academy 2023 £ | Academy 2022 £ |
|-----------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Wages and salaries | 5,792,548 | 5,315,475 | 5,614,685 | 5,114,901 |
| Social security costs | 583,140 | 547,731 | 569,405 | 533,500 |
| Pension costs | 1,370,559 | 1,696,222 | 1,335,431 | 1,655,889 |
| | 7,746,247 | 7,559,428 | 7,519,521 | 7,304,290 |
| Agency staff costs | 4,320 | 10,210 | 4,320 | 10,210 |
| | 7,750,567 | 7,569,638 | 7,523,841 | 7,314,500 |

b. Staff numbers

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

| | Group 2023 No. | Group 2022 No. | Academy 2023 No. | Academy 2022 No. |
|-------------------|-------------------------------|-------------------------------|---------------------------------|---------------------------------|
| Teachers | 90 | 94 | 90 | 94 |
| Education support | 81 | 76 | 81 | 76 |
| Management | 10 | 9 | 10 | 9 |
| | 181 | 179 | 181 | 179 |

11. Staff (continued)

c. Higher paid staff

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

| | Group 2023 No. | Group 2022 No. |
|---------------------------------|----------------------|----------------------|
| In the band £60,001 - £70,000 | 5 | 2 |
| In the band £70,001 - £80,000 | 2 | 1 |
| In the band £80,001 - £90,000 | 1 | 1 |
| In the band £100,001 - £110,000 | 1 | 1 |

8 of the above employees (2022: 4) participated in the Teachers' Pension Scheme. During the year ended 31 August 2023, pension contributions for these staff amounted to £130,406 (2022: £70,610). 1 of the above employees (2022: 1) also participated in the Local Government Pension Scheme. During the year ended 31 August 2023, pension contributions for this staff member amounted to £17,827 (2022: £18,374).

d. Key management personnel

The key management personnel of the academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy was £891,955 (2022:£886,171).

12. Trustees' remuneration and expenses

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

| | | 2023 £ | 2022 £ |
|---------------|----------------------------|-------------------|-------------------|
| Sylvia Tai | Remuneration | 105,000 - 110,000 | 100,000 - 105,000 |
| | Pension contributions paid | 25,000 - 30,000 | 20,000 - 25,000 |
| Mary Meerabux | Remuneration | 25,000 - 30,000 | 35,000 - 40,000 |
| | Pension contributions paid | 5,000 - 10,000 | 5,000 - 10,000 |
| Kerry King | Remuneration | | 20,000 - 25,000 |
| | Pension contributions paid | | 5,000 - 10,000 |
| Adam Newbey | Remuneration | 55,000 - 60,000 | 45,000 - 50,000 |
| | Pension contributions paid | 10,000 - 15,000 | 10,000 - 15,000 |

During the year, retirement benefits were accruing to 4 Trustees (2022 - 4) in respect of defined benefit pension schemes.

During the year ended 31 August 2023, no Trustee expenses have been incurred (2022 - £NIL).

13. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Group has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2023 was £296 (2022 - £296).

14. Tangible fixed assets

Group and Academy

| | Freehold property £ | Property improvements £ | Furniture and equipment £ | Assets under construction £ | Total £ |
|---------------------------|---------------------------|-------------------------------|------------------------------------|--------------------------------------|-------------------|
| Cost or valuation | | | | | |
| At 1 September 2022 | 10,453,840 | 6,435,229 | 660,600 | 667,507 | 18,217,176 |
| Additions | - | - | - | 179,179 | 179,179 |
| Disposals | - | - | (2,375) | - | (2,375) |
| Transfers between classes | - | 627,350 | 172,011 | (799,361) | - |
| At 31 August 2023 | <u>10,453,840</u> | <u>7,062,579</u> | <u>830,236</u> | <u>47,325</u> | <u>18,393,980</u> |
| Depreciation | | | | | |
| At 1 September 2022 | 1,631,950 | 752,669 | 608,811 | - | 2,993,430 |
| Charge for the year | 135,995 | 138,419 | 50,196 | - | 324,610 |
| On disposals | - | - | (2,375) | - | (2,375) |
| At 31 August 2023 | <u>1,767,945</u> | <u>891,088</u> | <u>656,632</u> | <u>-</u> | <u>3,315,665</u> |
| Net book value | | | | | |
| At 31 August 2023 | <u>8,685,895</u> | <u>6,171,491</u> | <u>173,604</u> | <u>47,325</u> | <u>15,078,315</u> |
| At 31 August 2022 | <u>8,821,890</u> | <u>5,682,560</u> | <u>51,789</u> | <u>667,507</u> | <u>15,223,746</u> |

15. Fixed asset investments

| | Investments in subsidiary companies £ |
|--------------------------|---|
| academy | |
| Cost or valuation | |
| At 1 September 2022 | 100 |
| At 31 August 2023 | <u>100</u> |
| Net book value | |
| At 31 August 2023 | 100 |
| At 31 August 2022 | <u>100</u> |

Principal subsidiaries

The following was a subsidiary undertaking of the academy:

| Name | Company number | Principal place of business | Principal activity |
|---|----------------|--|---|
| Watford Grammar School for Girls Services Limited | 08823700 | Watford Grammar School For Girls, Lady's Close, Watford, Hertfordshire, WD18 0AE | Generating funds for the academy through various trading activities |

| Class of shares | Holding | Included in consolidation |
|-----------------|---------|---------------------------|
| Ordinary | 100% | Yes |

The financial results of the subsidiary for the year were:

| Name | Income £ | Expenditure £ | Profit/(Loss) for the year £ | Net assets £ |
|---|-------------|------------------|------------------------------------|-----------------|
| Watford Grammar School for Girls Services Limited | 399,029 | 220,646 | 133,466 | 100 |

16. Debtors

| | Group 2023 £ | Group 2022 £ | Academy 2023 £ | Academy 2022 £ |
|------------------------------------|--------------------|--------------------|----------------------|----------------------|
| Due within one year | | | | |
| Trade debtors | 27,088 | 47,665 | 735 | 41,618 |
| Amounts owed by group undertakings | - | - | 133,466 | 572,355 |
| Other debtors | 74,412 | 133,570 | 74,412 | 133,570 |
| Prepayments and accrued income | 211,269 | 211,284 | 211,269 | 211,101 |
| | <u>312,769</u> | <u>392,519</u> | <u>419,882</u> | <u>958,644</u> |

17. Creditors: Amounts falling due within one year

| | Group 2023 £ | Group 2022 £ | Academy 2023 £ | Academy 2022 £ |
|------------------------------------|--------------------|--------------------|----------------------|----------------------|
| Salix loan | 1,500 | 1,500 | 1,500 | 1,500 |
| Trade creditors | 94,761 | 38,526 | 91,026 | 38,526 |
| Other taxation and social security | 145,221 | 142,021 | 137,182 | 127,460 |
| Other creditors | 191,711 | 166,775 | 191,711 | 166,775 |
| Accruals and deferred income | 299,232 | 583,932 | 273,236 | 568,327 |
| | <u>732,425</u> | <u>932,754</u> | <u>694,655</u> | <u>902,588</u> |

| | Group 2023 £ | Group 2022 £ | Academy 2023 £ | Academy 2022 £ |
|--|--------------------|--------------------|----------------------|----------------------|
| Deferred income falling due within one year | | | | |
| Deferred income at 1 September 2022 | 276,183 | 205,153 | 271,331 | 203,655 |
| Resources deferred during the year | 156,105 | 276,183 | 144,348 | 271,331 |
| Amounts released from previous periods | (276,183) | (205,153) | (271,331) | (203,655) |
| | <u>156,105</u> | <u>276,183</u> | <u>144,348</u> | <u>271,331</u> |

18. Creditors: Amounts falling due after more than one year

| | Group 2023 £ | Group 2022 £ | Academy 2023 £ | Academy 2022 £ |
|------------|--------------------|--------------------|----------------------|----------------------|
| Salix loan | 8,250 | 9,750 | 8,250 | 9,750 |

19. Statement of funds

| | Balance at 1 September 2022 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 August 2023 £ |
|-------------------------------------|--|-------------------|--------------------|--------------------------|-------------------------|--------------------------------------|
| Unrestricted funds | | | | | | |
| General Funds - all funds | 964,744 | 876,597 | (482,782) | (79,200) | - | 1,279,359 |
| Restricted general funds | | | | | | |
| General Annual Grant (GAG) | 541,028 | 8,054,355 | (8,147,414) | - | - | 447,969 |
| Pupil premium | - | 100,152 | (100,152) | - | - | - |
| Other ESFA/DFE | - | 443,405 | (443,405) | - | - | - |
| Local authority | - | 205,840 | (205,840) | - | - | - |
| Restricted donations | - | 118,594 | (118,594) | - | - | - |
| Pension reserve | (230,000) | - | (80,000) | - | 355,000 | 45,000 |
| | 311,028 | 8,922,346 | (9,095,405) | - | 355,000 | 492,969 |
| Restricted fixed asset funds | | | | | | |
| Restricted fixed asset fund | 15,223,746 | - | (324,610) | 179,179 | - | 15,078,315 |
| ESFA capital grants | - | 219,336 | - | (29,979) | - | 189,357 |
| Other donations | - | 259,000 | - | (70,000) | - | 189,000 |
| | 15,223,746 | 478,336 | (324,610) | 79,200 | - | 15,456,672 |
| Total Restricted funds | 15,534,774 | 9,400,682 | (9,420,015) | 79,200 | 355,000 | 15,949,641 |
| Total funds | 16,499,518 | 10,277,279 | (9,902,797) | - | 355,000 | 17,229,000 |

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

The General Annual Grant (GAG) represents the core funding for the educational activities of the academy that has been provided via the Education & Skills Funding Agency (ESFA) by the Department for Education. The GAG fund must be used for the normal running costs of the academy. The transfer of unrestricted funds to the GAG fund represents the use of unrestricted funds to fund educational activities

19. Statement of funds (continued)

Pupil Premium is a grant allocated to academies with pupils that are known to be eligible for free school meals. The purpose is to raise attainment for pupils from low income families.

Other ESFA/DfE income represents rates relief, schools supplementary grant, schools direct income, education recovery support grant, COVID-19 catch-up grant COVID-19 mass testing grant, TPG and TPECG allocations.

The pension reserve represents the net deficit on the LGPS defined benefit pension scheme. The deficit arose because of the pension scheme deficit inherited upon conversion and future GAG funding agreed by the ESFA is expected to be sufficient to take the fund back into surplus.

The restricted fixed asset fund includes all significant items of fixed assets. Depreciation charged on the assets is allocated to the fund. The transfer of unrestricted monies to the fixed asset restricted fund represents the use of unrestricted monies for fixed asset additions.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2023.

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

| | <i>Balance at 1 September 2021</i> | <i>Income</i> | <i>Expenditure</i> | <i>Transfers in/out</i> | <i>Gains/ (Losses)</i> | <i>Balance at 31 August 2022</i> |
|---------------------------------|--|------------------|--------------------|-----------------------------|----------------------------|--|
| | £ | £ | £ | £ | £ | £ |
| Unrestricted funds | | | | | | |
| General Funds - all funds | 758,594 | 707,059 | (333,230) | (167,679) | - | 964,744 |
| Restricted general funds | | | | | | |
| General Annual Grant (GAG) | 322,478 | 7,458,484 | (7,239,934) | - | - | 541,028 |
| Pupil premium | - | 90,322 | (90,322) | - | - | - |
| Other ESFA/DfE | - | 350,602 | (350,602) | - | - | - |
| Local authority | - | 221,102 | (221,102) | - | - | - |
| Restricted donations | - | 45,364 | (45,364) | - | - | - |
| Pension reserve | (3,980,000) | - | (554,000) | - | 4,304,000 | (230,000) |
| | <u>(3,657,522)</u> | <u>8,165,874</u> | <u>(8,501,324)</u> | <u>-</u> | <u>4,304,000</u> | <u>311,028</u> |

19. Statement of funds (continued)

| | Balance at 1 September 2021 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 August 2022 £ |
|-------------------------------------|--|------------------|--------------------|--------------------------|-------------------------|--------------------------------------|
| Restricted fixed asset funds | | | | | | |
| Restricted fixed asset fund | 14,783,491 | - | (297,032) | 737,287 | - | 15,223,746 |
| ESFA capital grants | 279,812 | 46,136 | - | (325,948) | - | - |
| HCC school expansion funding | 18,767 | - | - | (18,767) | - | - |
| Other donations | - | 224,893 | - | (224,893) | - | - |
| | <u>15,082,070</u> | <u>271,029</u> | <u>(297,032)</u> | <u>167,679</u> | <u>-</u> | <u>15,223,746</u> |
| Total Restricted funds | <u>11,424,548</u> | <u>8,436,903</u> | <u>(8,798,356)</u> | <u>167,679</u> | <u>4,304,000</u> | <u>15,534,774</u> |
| Total funds | <u>12,183,142</u> | <u>9,143,962</u> | <u>(9,131,586)</u> | <u>-</u> | <u>4,304,000</u> | <u>16,499,518</u> |

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Restricted fixed asset funds 2023 £ | Total funds 2023 £ |
|--|------------------------------------|----------------------------------|---|-----------------------------|
| Tangible fixed assets | - | - | 15,078,315 | 15,078,315 |
| Current assets | 1,279,359 | 1,188,644 | 378,357 | 2,846,360 |
| Creditors due within one year | - | (732,425) | - | (732,425) |
| Creditors due in more than one year | - | (8,250) | - | (8,250) |
| Provisions for liabilities and charges | - | 45,000 | - | 45,000 |
| Total | <u>1,279,359</u> | <u>492,969</u> | <u>15,456,672</u> | <u>17,229,000</u> |

20. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

| | <i>Unrestricted funds 2022 £</i> | <i>Restricted funds 2022 £</i> | <i>Restricted fixed asset funds 2022 £</i> | <i>Total funds 2022 £</i> |
|--|--|--|--|---------------------------------------|
| Tangible fixed assets | - | - | 15,223,746 | 15,223,746 |
| Current assets | 1,108,648 | 1,339,628 | - | 2,448,276 |
| Creditors due within one year | (134,154) | (798,600) | - | (932,754) |
| Creditors due in more than one year | (9,750) | - | - | (9,750) |
| Provisions for liabilities and charges | - | (230,000) | - | (230,000) |
| Total | 964,744 | 311,028 | 15,223,746 | 16,499,518 |

21. Capital commitments

| | Group 2023 £ | Group 2022 £ | Academy 2023 £ | Academy 2022 £ |
|--|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Contracted for but not provided in these financial statements | | | | |
| Acquisition of tangible fixed assets | - | 22,023 | - | 22,023 |

22. Pension commitments

The academy'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 Hertfordshire County Council Pension Fund. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2020 and of the LGPS 31 March 2022.

Contributions amounting to £146,523 were payable to the schemes at 31 August 2023 (2022 - £137,979) and are included within creditors.

Contributions amounting to £146,523 were payable to the schemes at 31 August 2023 (2022 - £137,979) and are included within creditors.

Teachers' Pension Scheme

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

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

22. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £877,288 (2021 - £822,989).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Group has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Group 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 2022 was £418,000 (2021

- £393,000), of which employer's contributions totalled £320,000 (2021 - £301,000) and employees' contributions totalled £ 98,000 (2021 - £92,000). The agreed contribution rates for future years are 25.3 per cent for employers and 5.5% - 12.5 per cent for employees.

As described in note the LGPS obligation relates to the employees of the academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy at the balance sheet date.

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.

Principal actuarial assumptions

| | 2023 | 2022 |
|--------------------------------------|------|------|
| | % | % |
| Rate of increase in salaries | 3.5 | 3.45 |
| Discount rate for scheme liabilities | 5.2 | 4.25 |
| Inflation assumption (CPI) | 3 | 3.05 |

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

| | 2023 | 2022 |
|-----------------------------|-------|-------|
| | Years | Years |
| <i>Retiring today</i> | | |
| Males | 20.4 | 21.9 |
| Females | 24.6 | 24.4 |
| <i>Retiring in 20 years</i> | | |
| Males | 22.1 | 22.9 |
| Females | 25.7 | 26.0 |

Sensitivity analysis

Share of scheme assets

The Group's share of the assets in the scheme was:

The actual return on scheme assets was negative (£234,000 (2022 - £419,000) positive).

The amounts recognised in the Consolidated Statement of Financial Activities are as follows:

| | 2023 | 2022 |
|--|------------------|------------------|
| | £ | £ |
| Current service cost | (426,000) | (805,000) |
| Interest income | 275,000 | 109,000 |
| Interest cost | (286,000) | (178,000) |
| Total amount recognised in the Consolidated Statement of Financial Activities | (437,000) | (874,000) |

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

| | 2023 £ | 2022 £ |
|-----------------------------|------------------|-------------------|
| At 1 September | 6,552,000 | 10,416,000 |
| Current & past service cost | 426,000 | 805,000 |
| Interest cost | 286,000 | 178,000 |
| Employee contributions | 105,000 | 98,000 |
| Actuarial gains | (396,000) | (4,832,000) |
| Benefits paid | (159,000) | (113,000) |
| At 31 August | 6,814,000 | 6,552,000 |

23. Operating lease commitments

At 31 August 2023 the Group and the academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | Group 2023 £ | Group 2022 £ | Academy 2023 £ | Academy 2022 £ |
|--|--------------------|--------------------|----------------------|----------------------|
| Not later than 1 year | 13,994 | 10,387 | 13,994 | 10,387 |
| Later than 1 year and not later than 5 years | 13,958 | 17,312 | 13,958 | 17,312 |
| | <u>27,952</u> | <u>27,699</u> | <u>27,952</u> | <u>27,699</u> |

24. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/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.

25. Related party transactions

Owing to the nature of the academy and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy's financial regulations and normal procurement procedures relating to connected and related party transactions.

During the year, restricted donations totalling £22,460 (2022: £12,521) was received from Watford Grammar Schools Foundation, relating to revenue grants and £nil (2021: £nil) of capital grants. Watford Grammar Schools Foundation is related by virtue of governors P McCloskey and T Rindl also being governors of the Watford Grammar Schools Foundation. At the year end, there were no amounts outstanding (2022: £nil).

During the year, the group received restricted donations of £62,000 (2022: £25,107) and restricted fixed asset fund donations of £259,000 (2022: £209,893) from The Women of Vision Trust. The Women of Vision Trust is related by virtue of S Tai being both the accounting officer of Watford Grammar School for Girls and a trustee of the Women of Vision Trust.

During the year, the group made purchases from Watford Grammar School for Boys of £18,342 (2022: £17,592) and sales of £12,618 (2022: £11,592). Watford Grammar School for Boys is a related party by virtue of T Rindl and E Dyson being governors of both schools. At the year end, there were £nil amounts outstanding (2022: £nil).

26. Agency arrangements

The academy trust distributes 16-19 bursary including additional bursary for vulnerable groups funds to students as an agent for the ESFA. For the year ended 31 August 2023, the academy received £12,784 (2022: £11,683) and disbursed £6,302 (2022: £10,145) from the fund. An amount of £22,659 (2022:

£16,176) is included in other creditors relating to undistributed funds that will be distributed to qualifying students in future academic years.

The academy trust acts as an agent for the Schools Direct scheme, where the academy trust receives funds from the ESFA as contributions towards the salary costs for trainee teachers in local schools. For the year ended 31 August 2022, the academy received £35,750 (2022: £24,000) and disbursed £27,500 (2022: £24,000) from the fund. At the year end there is £8,250 (2021: £nil) of undistributed funds included in other creditors.

27. Controlling party

In the opinion of the Governors there is no ultimate controlling party.

