

Bradford Girls' Grammar School
(A Company Limited by Guarantee)

Annual Report and Financial Statements

Year ended 31 August 2017

Charity Registration Number - 1137298
Company Registration Number - 7281806



Bradford Girls' Grammar School

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Year ended 31 August 2017

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Bradford Girls' Grammar School

Reference and Administrative Details

Year ended 31 August 2017

Governors:

Mr N J Shaw (Chairman)
Mrs S M Sedgwick – resigned 22 June 2017

Principal and Registered Office:

Bradford Girls' Grammar School
Squire Lane
Bradford
BD9 6RB

Company Registration Number:

7281806 (England and Wales)

Charity Registration Number:

1137298

Bankers:

Barclays Bank plc
10 Market Street
Bradford
BD1 1NR

Bradford Girls' Grammar School

Governors' Report

Year ended 31 August 2017

The governor present the annual report and unaudited financial statements of the charitable company for the year ended 31 August 2017. The annual report serves the purposes of both a governors' report and a directors' report under company law.

Structure, Governance and Management

Constitution

The charity is a company limited by guarantee and a registered charity, and is governed by a memorandum and articles of association dated 8 June 2010.

Details of the governors who served during the year are included are page 1.

Members' Liability

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

Governors' Indemnities

In accordance with normal commercial practice the charitable company has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on charity business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2017 was £265 (2016 - £265). The cost of this insurance is included in the total cost of insurance.

Organisational Structure

The governor determines the general policy of the charitable company.

Connected Organisations including Related Party Relationships

The charitable company is related to Bradford Girls' Grammar School Trust, a registered company and an exempt charity, which had two governors in common during the year.

Objectives and Activities

Objectives, Strategies and Activities

The charitable company's key objective is to support Bradford Girls' Grammar School Trust in such a manner as the governor thinks fit.

Public Benefit

In setting the objectives and planning for future activities, the governor has given careful consideration to the Charity Commission's general guidance on public benefit.

Going Concern

After making appropriate enquiries, the board of governors has a reasonable expectation that the charitable company 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.

Bradford Girls' Grammar School

Governors' Report (continued)

Year ended 31 August 2017

Financial Review

Review of the year

The governors took the decision to apply for 'Free School' status from September 2013, which was approved by the Secretary of State on 13 July 2012 with the Funding Agreement being signed on 27 August 2013. As such, the current entity ceased to operate as from 1 September 2013 with the 'Free School' operating through a new entity. The current entity collects debts, several of which are on long term payment plans, which were incurred in previous years when operating as an independent school.

During the year, there were no incoming resources and outgoing resources totalled £81,156, which included a donation of £80,000 to Bradford Girls' Grammar School Trust, giving a deficit for the year of £81,156. The unrestricted fund surplus carried forward at the year end was £51,389. There were no restricted funds.

Investment Policy

The charitable company's funds are held in a low risk bank current account.

Principal Risks and Uncertainties

The governor has examined the major risks that the charitable company faces each financial year when preparing and updating the strategic plan. The charitable company has developed systems to monitor and control these risks to mitigate any impact that they may have on the charitable company in the future.

Plans for Future Periods

The charitable company will continue to support Bradford Girls' Grammar School Trust in such a manner as the governors think fit.

Approved by order of the board of governors on 11 December 2017 and signed on its behalf by:



N J Shaw
Chair of Governors

Bradford Girls' Grammar School

Statement of Governors' Responsibilities

Year ended 31 August 2017

The governors (who act as trustees of Bradford Girls' Grammar School 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 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 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 2015
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards (FRS102) have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

The governors are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management.

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 board of governors on 11 December 2017 and signed on its behalf by:



N J Shaw
Chair of Governors

Bradford Girls' Grammar School

Statement of Financial Activities (including Income and Expenditure Account)

Year ended 31 August 2017

	Notes	Unrestricted Funds £	Total 2017 £	Total 2016 £
EXPENDITURE ON:				
Charitable activities	3	81,156	81,156	121,021
Total		<u>81,156</u>	<u>81,156</u>	<u>121,021</u>
Net expenditure		<u>(81,156)</u>	<u>(81,156)</u>	<u>(121,021)</u>
Net movement in funds		<u>(81,156)</u>	<u>(81,156)</u>	<u>(121,021)</u>
RECONCILIATION OF FUNDS				
Total funds brought forward		132,545	132,545	253,566
Total funds carried forward	9	<u>51,389</u>	<u>51,389</u>	<u>132,545</u>

Balance Sheet
As at 31 August 2017

	Notes	2017 £	2016 £
Current assets			
Debtors	6	19,940	25,752
Cash at bank and in hand		44,319	240,538
		<u>64,259</u>	<u>266,290</u>
Current liabilities			
Creditors (amounts falling due within one year)	7	(12,870)	(133,745)
Net current assets		<u>51,389</u>	<u>132,545</u>
Total net assets		<u><u>51,389</u></u>	<u><u>132,545</u></u>
Reserves			
Unrestricted funds	9	<u>51,389</u>	<u>132,545</u>
Total funds		<u><u>51,389</u></u>	<u><u>132,545</u></u>

For the year ended 31 August 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies and its members have not required the company to have an audit of its financial statements for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The financial statements on pages 5 to 11 were approved by the governors and authorised for issue on 11 December 2017 and are signed on their behalf by:



N J Shaw
Chair of Governors

Bradford Girls' Grammar School

Statement of Cash Flows

Year ended 31 August 2017

	Notes	2017 £	2016 £
Cash flows from operating activities			
Net cash provided by / (used in) operating activities	10	(196,219)	7,173
Change in cash and cash equivalents in the reporting period		(196,219)	7,173
Cash and cash equivalents at 1 September 2016		240,538	233,365
Cash and cash equivalents at 31 August 2017	11	44,319	240,538

Bradford Girls' Grammar School

Notes to the Financial Statements

Year ended 31 August 2017

1. Statement of accounting policies

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

Basis of preparation

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Charities Act 2011 and the Companies Act 2006.

Bradford Girls' Grammar School meets the definition of a public benefit entity under FRS 102.

Going concern

The governors assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The governors 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 charitable company has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the charitable company's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Expenditure

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

Liabilities

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

Financial Instruments

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 6. Prepayments are not financial instruments.

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

Financial liabilities – other creditors and accruals are financial instruments, and are measured at amortised cost as detailed in note 7.

Bradford Girls' Grammar School

Notes to the Financial Statements (continued)

Year ended 31 August 2017

1. Statement of accounting policies (continued)

Taxation

The charitable company is considered to pass the tests set out in paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charitable company is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fund accounting

All the funds are unrestricted and represent those resources which may be used towards meeting any of the charitable objects of the charitable company at the discretion of the governors.

2. Expenditure

	Other Non Pay Expenditure £	Total 2017 £	Total 2016 £
Charitable activities:			
• Direct costs	80,000	80,000	120,000
• Support costs	1,156	1,156	1,021
	<u>81,156</u>	<u>81,156</u>	<u>121,021</u>

Expenditure was £81,156 (2016: £121,021) of which £81,156 was unrestricted (2016: £121,021).

3. Charitable activities

	Total 2017 £	Total 2016 £
Direct costs – charitable objectives	80,000	120,000
Support costs – charitable objectives	1,156	1,021
	<u>81,156</u>	<u>121,021</u>

Expenditure on charitable activities was £81,156 (2016: £121,021) of which £81,156 was unrestricted (2016: £121,021).

4. Staff

There were no staff costs incurred during the year.

5. Related party transactions – governors' remuneration & expenses

Governors did not receive any payments or expenses from the charitable company in respect of their role as governors.

Other related party transactions involving the governors are set out in note 12.

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Notes to the Financial Statements (continued)

Year ended 31 August 2017

6. Debtors

	2017 £	2016 £
Fees receivable	18,556	23,653
Prepayments	1,384	2,099
	<u>19,940</u>	<u>25,752</u>

7. Creditors: amounts falling due within one year

	2017 £	2016 £
Other creditors	12,602	133,451
Accruals	268	294
	<u>12,870</u>	<u>133,745</u>

8. Analysis of net assets between funds

	Unrestricted funds £	Total £
Current assets	64,259	64,259
Current liabilities	(12,870)	(12,870)
	<u>51,389</u>	<u>51,389</u>

9. Unrestricted funds

	Balance at 1 September 2016 £	Incoming resources £	Resources expended £	Balance at 31 August 2017 £
General reserve	132,545	-	(81,156)	51,389
	<u>132,545</u>	<u>-</u>	<u>(81,156)</u>	<u>51,389</u>

Unrestricted funds may be used towards meeting any of the charitable objects of the charitable company at the discretion of the governors.

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Notes to the Financial Statements (continued)

Year ended 31 August 2017

10. Reconciliation of net expenditure to net cash flow from operating activities

	2017 £	2016 £
Net expenditure for the reporting period (as per the statement of financial activities)	(81,156)	(121,021)
Adjusted for:		
Decrease in debtors	5,812	9,461
(Decrease)/increase in creditors	(120,875)	118,733
Net cash provided by / (used in) operating activities	(196,219)	7,173

11. Analysis of cash and cash equivalents

	2017 £	2016 £
Cash at bank	44,319	240,538
Total cash and cash equivalents	44,319	240,538

12. Related party transactions

The following related party transactions took place in the period of account:

Bradford Girls' Grammar School Trust – a company in which Mr N J Shaw and Mrs S M Sedgwick were governors during the year. The charitable company made a donation of £80,000 (2016: £120,000) to Bradford Girls' Grammar School Trust during the year. There was a balance of £60 owing from the charitable company to Bradford Girls' Grammar School Trust at 31 August 2017 (2016: £120,169) which was paid after the year end.

13. Members liability

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