

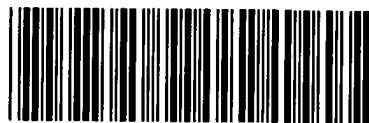
Registered number: 07369704



**PATE'S GRAMMAR SCHOOL**  
(A Company Limited by Guarantee)

**GOVERNORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**PATE'S GRAMMAR SCHOOL**  
**(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE SCHOOL, ITS GOVERNORS AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2022**

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<b>Members</b>	Wallace Ascham Guy Bradshaw John Clarke Rebecca Flaxman Carolyn Hopper Paul Kenmir John Parker	
<b>Governors</b>	Rebecca Flaxman - Chair of Governors Carolyn Hopper – Vice Chair of Governors Warwick Ainsworth-Parker (term of office ended 24/01/22) Nicolas Andrews Heidi Binford (appointed 27/04/22) Jenny Dye (term of office ended 07/03/22) Russel Ellicott, Head Master & Accounting Officer Seth Elliott (appointed 13/06/22) Gayathiri Gowri Shankar Fiona Johnston Molly Macleod Graeme May Rob Morton (term of office ended 30/11/22) Laura Ralph (resigned 14/07/22) Mangala Sekhar (appointed 27/04/22) Bryan Stiles Dwight Terrett (appointed 01/12/21) Miriam Wright	Co-Opted Co-Opted Foundation Parent Parent Parent  Corpus Christi Foundation Foundation Co-Opted Foundation Staff Corpus Christi Parent Co-Opted Corpus Christi Staff
<b>Company Secretary</b>	Stephen Locke	
<b>Senior Leadership Team (SLT)</b>	Russel Ellicott - Head Master & Accounting Officer Andrew Jones - Senior Deputy Head, Pastoral Care, Intervention & Safeguarding Rachel Thorpe (resigned 31/05/22) - Deputy Head, Academic Strategy, Teaching School Hub, Staff Development Anthony Henley - Assistant Head, Data & Reporting, Accountability Measures, Curriculum. Appointed Deputy Head, Academic, with effect from 01/06/22 Chris Nicholas – Assistant Head, Head of Sixth Form, UCAS Bethan Morgan – Assistant Head, Partnership Plan, Co-Curricular, Inclusion & Diversity Geoff Worth – Assistant Head, Digital & Technology Strategy Stephen Locke - Chief Financial Officer Tim Connoles – Director of the Teaching School Hub (appointed to SLT 01/01/23)	

The SLT directs the School at an executive level, implementing the policies laid down by the Governors and reporting back to them. It is responsible for the day-to-day operation of the School. The SLT is deemed to be the Key Management Personnel of the School.

**PATE'S GRAMMAR SCHOOL**  
**(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE SCHOOL, ITS GOVERNORS AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2022**

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**Company Name** Pate's Grammar School

**Registered Office** Princess Elizabeth Way  
Cheltenham  
Gloucestershire  
GL51 0HG

**Company Registration Number** 07369704

**Statutory Auditor** Hazlewoods LLP  
Staverton Court  
Staverton  
Cheltenham  
Gloucestershire  
GL51 0UX

**Bankers** Barclays Bank Plc  
128 High Street  
Cheltenham  
Gloucestershire  
GL50 1EL

**Solicitors** Harrison Clark Rickerbys LLP  
Ellenborough House  
Wellington Street  
Cheltenham  
Gloucestershire  
GL50 1YD

Stone King LLP  
Upper Borough Court  
Upper Borough Walls  
Bath  
BA1 1RG

**PATE'S GRAMMAR SCHOOL**  
**(A Company Limited by Guarantee)**

**GOVERNORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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The Governors (who act as trustees of Pate's Grammar School and are also directors of the charitable company for the purposes of the company law) present their Annual Report together with the audited financial statements of Pate's Grammar School (the School) for the year ended 31 August 2022. The Governors confirm that the Annual Report and financial statements of the School comply with the current statutory requirements, the requirements of the School's governing document and the provisions of the Charities SORP (FRS102) issued in October 2019. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' Report under company law.

The Statement of Financial Activities, Balance Sheet and Cash Flow consolidate the results of the School and its subsidiary undertaking so as to disclose the position of the Group.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**CONSTITUTION**

Pate's Grammar School is a company limited by guarantee and an exempt charity. It was incorporated on 8 September 2010 and commenced trading on 1 December 2010. The School's Memorandum and Articles of Association, together with the Funding Agreement are the primary governing documents of the School. As a school, the company generally refers to itself as a school rather than a company, to its Directors as Governors and to the Principal as the Head Master.

Details of the Governors who have served during the year are listed within the reference and administrative details of the School.

**MEMBERS' LIABILITY**

The School currently has seven members. Two are appointed by the Pate's Grammar School Foundation (Guy Bradshaw and John Clarke), two are original signatories (Wallace Ascham and John Parker), one has been appointed by fellow members (Paul Kenmir) and the Chair (Rebecca Flaxman) and Vice-Chair (Carolyn Hopper) of Governors are members ex-officio.

Each member undertakes to contribute to the assets of the School 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**

Subject to the provisions of the Companies Act, every Governor or other officer of the School shall be indemnified out of the assets of the School against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the School.

**GOVERNORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**PRINCIPAL ACTIVITIES**

The principal activity is the provision of public benefit education by maintaining, managing and developing a selective Secondary School offering a broad and balanced curriculum.

**SIGNIFICANT CONTRACTS**

The School entered into a Funding Agreement to provide educational services with selective admission as part of the state provision of education from 1 December 2010. The School commenced operations on this date. The agreement is for an indefinite period, subject to seven years' notice by either party. There is no indication that it will be terminated other than as a restructuring of state education.

The School occupies the School buildings under a 125 year lease from the Pate's Grammar School Foundation at a peppercorn rent. The School is also one of the beneficiaries of the Pate's Grammar School Foundation, an educational charity. The lease can be terminated by the Pate's Grammar School Foundation if the School ceases to have selective admission arrangements.

If the School ceases to be part of the state sector, the Pate's Grammar School Foundation will have a liability to pay an amount to the public sector to recognise the value of the capital funds invested in the School buildings by the state. Alternatively, the Secretary of State can direct the transfer of the land and buildings to the state on paying the Pate's Grammar School Foundation compensation for the value it has invested in the buildings.

The playing fields, now owned by the School, were transferred to the School for no consideration when the Funding Agreement above was signed. The School must obtain the Secretary of State's permission for any disposal of the fields. On ceasing to be a state school, the School would have to transfer the playing fields or any funds derived from their sale to the state without compensation.

**METHOD OF RECRUITMENT AND APPOINTMENT OF GOVERNORS**

The Governing Body consists of seventeen Governors (there are currently seven vacancies, although there are four co-opted Governors). Six (three vacancies) are appointed by the Pate's Grammar School Foundation, three (one vacancy) by Corpus Christi College, Oxford, four (one vacancy) are elected by parents of current students, two (two vacancies) are elected by Teachers, one is elected by Support Staff and the Head Master is a Governor ex-officio.

**GOVERNORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF GOVERNORS**

Governors undertake training as appropriate to their work at the School. New Governors are provided with an induction programme and training as appropriate for their skills and experience, specifically:

- They meet separately with the Chair of Governors and Head Master, where they receive a briefing on important aspects of the School including its history, its governing documentation and its associated bodies and its future plans.
- They are required to sign a confidentiality agreement and to register their business interests. They are registered as directors at Companies House.
- They also receive a DBS clearance application form, copy of the School Development Plan, minutes of all recent Governor meetings, all relevant background papers, list of all Governor contact details, details of the various roles and responsibilities of fellow Governors, as well as a calendar of meetings for the rest of the academic year.
- They attend Local Authority Governor induction training.

**ORGANISATIONAL STRUCTURE**

The purpose of governance is to provide confident, aspirational and strategic leadership, whilst ensuring robust accountability, oversight and assurance for educational and financial performance.

The Governing Body has three strategic core functions:

- Ensuring clarity of vision, ethos and strategic direction;
- Holding Executive Leaders / Head Master to account for the educational performance of the organisation/school and its pupils, and the performance management of staff; and
- Overseeing the financial performance of the organisation/school and making sure its money is well spent.

These additional functions and responsibilities, and guidance on the constitution and operation of the Academy Full Governing Body (FGB), are set out in the Memorandum and Articles of Association of Pate's Grammar School. The FGB will typically meet 4 times per year.

The Governing Body is structured into several sub-committees all of which report back to the Full Governing Body:

- Education
- Finance & Facilities
- People & Wellbeing

Additionally, there are the following panels:

- Audit & Risk (now combined with Finance & Facilities)
- Head Teacher PD
- Head Teacher Pay
- Admissions Review Group
- International Development

**GOVERNORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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Link Governors are appointed in the following areas:

- Careers
- Health & Safety
- Induction & Training
- Internal Scrutiny
- Mental Health
- Outreach
- Safeguarding
- SEND
- Staff Development
- Teaching School Hub
- Trading Company

The terms of reference for all of the above are agreed during the autumn term.

The School Development Plan and Annual Planner guides the agenda for each meeting ensuring Governors focus on key strategic areas that further the aspirational and outstanding nature of the school, whilst ensuring that tasks required of the Governing Body are completed.

The Governing Body, to ensure its core functions are fulfilled, delegated monitoring responsibilities to Link Governors or Panels (both detailed above). These include both the statutory required individual roles and those focused on the priorities of the School Plan. Whenever a function had been delegated the findings, actions or recommended decisions were reported to the Governing Body by the next meeting.

The Governing Body may commission work arising from the business of the meeting, which will be recorded in the minutes. Any commissioned working groups may have terms of reference drafted and agreed by the Governing Body.

As an Academy, the Pate's FGB also has some additional functions and responsibilities:

- to act as its own Admissions Authority;
- to employ staff;
- to own/manage land and buildings on behalf of the Secretary of State and the Pate's Grammar School Foundation;
- to ensure revenue funding and any capital funds delegated by the Secretary of State (via the Education and Skills Funding Agency) are used only for agreed and specified educational purposes;
- to fulfil risk management and reporting obligations as an exempt charity, as set out by the Charity Commission.

These additional functions and responsibilities, and guidance on the constitution and operation of the Academy FGB, are set out in the Memorandum and Articles of Association of Pate's Grammar School.



## **ARRANGEMENTS FOR SETTING PAY AND REMUNERATION OF KEY MANAGEMENT PERSONNEL**

The Trustees consider that the Governing Body and the Senior Leadership Team (SLT) comprise the key management personnel of the School in charge of directing and controlling, running and operating the School on a day to day basis. All Governors give of their time freely and no Governor received remuneration in the year.

Details of trustees' remuneration and expenses are disclosed in Note 10 to the accounts.

Remuneration for the School's Head Master is reviewed annually following a formal appraisal process by the Governing Body. The Governing Body delegates authority to the Head Master for decisions on SLT pay. Decisions regarding leadership pay progression are taken according to the relevant local and national documents, including the School Teachers' Pay & Conditions Document's statutory provisions along with the School Teachers' Pay Policy's criteria for pay progression. It ensures that pay decisions can be objectively justified, are differentiated on performance, as well as considering the budgetary implications of pay decisions within the School's spending plan. The remuneration is set to ensure it is both fair but also will attract and retain staff of the appropriate calibre and experience required by the School.

## **CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS**

There is a related party relationship with Pate's Grammar School Foundation, due to common members of the governing boards, and with Pate's Grammar School Trading Company Limited as Pate's Grammar School holds 100% of the £1 share capital (further details are provided in Note 27 of the accounts).

## **TRADE UNION FACILITIES TIME**

The School does not have any relevant costs.

## **OBJECTS AND AIMS**

To advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing a selective school offering a broad and balanced curriculum, providing an outstanding education for students between the ages of 11 and 18.

The main objectives (specific targets) of Pate's Grammar School during the year ended 31 August 2022 are detailed in the School Development Plan (SDP) for 2021/22. These targets all sit beneath our 'Pate's 2025 Vision' of 'Nurturing Excellence', namely:

*At Pate's we are committed to nurturing excellence in every aspect of school life. It is our passionately held belief that the 'Pate's way' is the nexus that connects staff, students and the wider community, creating a happy environment in which all can flourish.*

**GOVERNORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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These targets comprise three key strands:

1. Embracing Challenge
2. Supporting Each Other
3. Shaping The Future

**PUBLIC BENEFIT**

The provision of outstanding education at Pate's Grammar School is for public benefit. The Governors have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties. The School continues to develop links with local primary schools, through our 'Shaping Futures' programme and organisations which support the local community e.g. piloting the Gloucestershire Constabulary's BOOST programme, offering use of our facilities to charity groups such as Wiggly Worm and running clubs in primary schools. Students also participated in Community Action initiatives during Tuesday Afternoon Enrichment (TPM) sessions, whereby learners collected litter to keep the public areas in the local environment clean.

**STRATEGIC REPORT**

**ACHIEVEMENTS AND PERFORMANCE**

**IMPACT OF COVID-19**

The school year started with many of the restrictions of the previous year having been removed. However, September 2021 saw another round of mass-testing and some measures such as spot-cleaning, ventilation and restrictions on large gatherings remaining in place. During the Autumn term, there were significant spikes in Covid cases amongst both pupils and staff. As the academic year progressed, and more students had received the vaccination, the numbers reduced significantly, and therefore a return to more normal operations was welcomed by all.

**EDUCATIONAL PERFORMANCE**

The results achieved in GCSEs and A levels this year were remarkable. After two very challenging years affected by Covid lockdowns, it was a relief simply to see students sit public exams, and in August we discovered that their grades were at record levels. The two results' days were wonderful occasions with so many delighted students and parents in school!

There were a few adjustments to exam content and grading this year: certain subjects had a slightly reduced list of topics or advanced information was provided, and Ofqual promised to set grade boundaries somewhere between those of 2019 (the last external exams) and 2021 (Teacher Assessed Grades (TAGs)). But none of that should detract from the outstanding performance of the students: we have rarely achieved over 30% A\* grades in A level exams, but this year well over 40% of entries were top grades; and at GCSE, there were even more grade 9s than when TAGs were awarded in 2021! The tail of lower results was also extremely small in both Year 11 and Year 13. All of this should be considered in the context of the huge difficulties posed by the Covid pandemic during these students' GCSE and A level courses. It is a testament to our students' resilience and to the exceptional academic and pastoral support provided by Pate's staff that they should end up achieving such success.

**GOVERNORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

We now await the publication of school accountability measures, which (mostly) return this year, such as Attainment 8 and Progress 8 scores at GCSE. There should also be news on how summer 2023 exams will run: the DfE has already confirmed a return to full subject content coverage, but having previously announced that grading would be in line with pre-pandemic years, they have more recently stated that Ofqual will "consider the approach to grading for 2023 in light of outcomes in 2022".

The following data gives a more detailed comparison of A level and GCSE results to previous years. Data for Covid years are in grey to indicate that Teacher Assessed Grades were used.

A Level	Pupils	%A*	%A	%B	%C	%D	%E	%U	%A*-A	%A*-B
2022	228	43.2	37.8	14.4	3.8	0.8	0.1	0	81.0	95.4
2021	237	57.6	33.7	7.2	1.0	0.5	0	0	91.4	98.5
2020	205	40.4	42.4	14.9	2.3	0	0	0	82.8	97.7
2019	190	33.3	43.3	19.0	3.4	0.8	0.2	0.2	76.6	95.6
2018	219	29.9	42.8	19.6	5.5	2.2	0	0	72.7	92.3
2017	230	30.9	39.6	20.1	6.4	2.3	0.4	0.3	70.5	90.6

GCSE	Pupils	%9	%8	%7	%6	%5	%4	%3	%9-8	%9-7
2022	144	56.6	26.3	12.0	4.1	0.9	0.1	0.0	82.9	94.9
2021	150	56.5	26.3	12.3	3.7	0.7	0.5	0.0	82.8	95.1
2020	123	50.8	26.8	15.4	6.4	0.6	0.0	0.0	77.6	93.0
2019	124	43.3	29.1	15.8	8.3	2.5	0.7	0.2	72.4	88.2
2018	123	46.4	25.4	15.4	9.9	2.2	0.6	0.1	71.8	87.2

**GOVERNORS' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2022**

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**UCAS 2022**

We were delighted that over 200 students obtained a place at their first-choice university this summer – an extremely positive picture. There were 19 Oxbridge places accepted alongside some excellent degree apprenticeships at PWC, Goldman Sachs and Deloitte. We expect around 20 students to reapply in 2023 for a range of reasons: some received offers in this year's cycle but decided to reapply once they had their (excellent) A level results confirmed.

57 students applied for Medicine in 2022, this included 12 from 'Year 14' who had been unsuccessful the previous year. 36 students were made offers and 34 of these were successful in securing places at Medical School.

Figures published by UCAS stated that (nationally) only 16% of all Medicine applications were successful. At Pate's, the 34 students placed is a success rate of 60% (and 36 offers was equivalent to 63%). This is very impressive and testament to the exceptional support provided to them. Of the 23 students who were unsuccessful this year, some have accepted alternative course offers but the majority are planning to reapply, and we are supporting them in their applications.

**UCAS 2023**

We are now supporting our Year 13 cohort (243 students) with their UCAS applications. This is the largest number ever and will include around 150 early entrants – approximately 65 medics, dentists or vets and 90-100 Oxford or Cambridge applicants. Providing appropriate support to all UCAS applicants is a priority for the Sixth Form team during the autumn term and we continue to offer an extensive range of support, including guidance on how to write a personal statement, practice interviews, entrance test preparation etc.

This year has also seen the beginning of the Pate's Sixth Form Access Programme to identify those students who may be eligible for widening access opportunities offered by universities and who may require additional support with their applications. 8 students have signed up for this programme and are being given bespoke support with their plans for life beyond Pate's.

**ADMISSIONS**

The quality and quantity of applicants to join the Sixth Form has been unprecedented this year. We are delighted that 243 students are currently in Y12, with around 120 new students joining us from close to 50 other schools. With such high numbers, our Y12 induction takes on even greater importance, and the students have enjoyed two full days of induction activities at the start of term. This is in addition to the Taster Day that was provided to new Y12 students in July.

We have 150 new students in Year 7. Early impressions have been extremely positive, with the new students settling in very quickly. Overall, the new numbers now give us a student population of 1243, the largest we have ever been. The number of applications for places in Year 7 and Year 12 continues to increase and is testament to the excellent outcomes, facilities, pastoral care, extracurricular activities and the exceptional reputation that we enjoy – all a result of the hard work and dedication of the school staff. The induction programmes for both these year groups received very positive feedback.

**GOVERNORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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The admissions test for 2023 was held on 17 September 2022 – we had c450 students on site over the course of the day; similar to the previous 2 years we held two 'sittings', and this was a very successful and well organised occasion.

## **CAMPUS**

The premises and grounds continue to look in excellent condition. The final phase of the Fire Safety project (installation of the fire doors) was completed over the October 2022 half term. This project was completed both to time and budget – this project was fully funded by the ESFA (Condition Improvement Fund).

Additionally, over the summer 2022 holiday period, we transformed a large 'spare' room into a fully equipped science laboratory. This was a c£200k project, funded from a variety of sources – thanks to the Pate's Grammar School Foundation, the Pate's Parents Association, and the Wolfson Foundation for their very generous support. This is a superb facility that will benefit staff and students for many years.

As previously mentioned, we now have a student population of 1243, and this is probably around the maximum number that our current campus and associated facilities can comfortably accommodate – the last Premises Development Plan (PDP) was modelled on 1220 students and 150 permanent staff. We commissioned a new PDP during academic year 2021/22 to ensure that we can continue to provide excellent facilities for our staff and students and also seek to address some of the 'pinch points' we are currently experiencing. We anticipate receiving the final document, which will include an associated Heat Decarbonisation Plan, in early 2023 and this will identify a range of potential options to help us achieve our strategic aims. Further, it will analyse the options to guide our decision making and make sure that our choices are realistic and achievable.

## **TECHNOLOGY**

In the last year our move to Child Protection Online Management System (CPOMS) has been highly successful and a hugely valuable tool for all staff. We have built on the training from last year and have made revisions to the way in which staff use the platform. In July we submitted our application to become a fully-fledged Microsoft Showcase School and we were delighted to be awarded with their accreditation in September. As part of this several staff have become Microsoft Innovative Educator Experts (this involved an application procedure) and separately a group of staff have passed a formal exam to achieve the much more rigorous status of Microsoft Certified Educator. Both awards are part of the continuing program of digital learning within lessons. The Cyber hub has also made great progress over the last few months. We have made significant progress with the infrastructure of the building with significant investment in new IT equipment and furniture for the Computing department. This will also be the physical base for the KS2 outreach work. This is another step along the road towards our cyber future.

## **FINANCE**

The additional central government funding received this year has been very welcome. However, the continuing impact of the pandemic, energy prices and the financial crisis, meant that all of our income streams, outside of core funding, remain under considerable pressure.

The next few years will continue to be challenging. However, our financial and strategic approaches remain sound, and we believe that we have the correct mechanisms in place to ensure Pate's remains one of the top schools in the country for the foreseeable future.

**GOVERNORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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We remain hugely grateful for the kind and generous support of the Pate's Grammar School Foundation, who have continued to support our revenue income stream, despite the considerable economic pressures and the resultant fallout from the pandemic, during 2021/22 at a level of £252,000. They also contributed £50,000 of capital funding towards the science laboratory project.

Clearly, we will continue to monitor the financial situation very carefully, making savings where possible and continuing to explore income 'opportunities', all the while ensuring that the student experience and outcomes are in no way diminished.

## **THE FACULTY SYSTEM AND TEACHING & LEARNING**

The Faculty System has been refreshed this year with a new emphasis on giving our excellent heads of department the autonomy to "lead from the middle", supported and led by the Heads of Faculty on the Academic Board. Departments are encouraged to innovate in their approaches to teaching and learning, and there is a whole-school focus each term on particular aspects of the Pate's Learning Framework. Evidence-based research underpins our pedagogy and there is a team of Pate's staff who conduct their own classroom research projects. In July 2022, the school was re-accredited as a World Class School by independent assessors from the organisation High Performance Learning.

Increasingly, we are aware of the overlap between academic and pastoral factors in terms of students' learning, and the Academic Board are now working directly with Heads of Year to address issues ranging from mental health to exam access, so that every student can be supported to fulfil their potential.

## **CURRICULUM**

As an Academy we have the freedom to decide the best curriculum for our very able students and we keep our model under constant review to ensure our students benefit from the best opportunities available. Our curriculum is a seven year journey, carefully planned to create a rich experience that is coherent across all areas of school life.

Breadth of opportunity is particularly important to us and this aligns closely with our school vision. For our students to be individuals and have the true opportunity to explore their place in the world, it is vital that the curriculum remains as broad as possible, for as long as possible. We believe passionately in the study of four subjects at Year 12 and in the academic value this brings, even if only three A levels are taken as examination subjects in Year 13. We believe excellent academic outcomes are supported by this approach, rather than by merely focusing on narrow examination content. Likewise, we 'nurture excellence through supporting each other' and focusing on the individual. Reflecting this, our curriculum is student centred and meets the needs of our diverse community. For example, at Key Stage 4 we don't have option blocks, instead building the timetable around students. This is about knowing, valuing and supporting our students as unique learners. At Pate's we 'embrace challenge' as part of our vision. Academic rigour is important and students of our calibre should rightly be challenged by a curriculum that expects them to go deeper and far beyond the National Curriculum. All the subjects we offer are rigorous academic disciplines providing powerful knowledge and cultural capital for all students regardless of background. We are fortunate to have outstanding facilities including two dedicated and fully staffed libraries that support and enhance student learning across the curriculum.

**GOVERNORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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Pate's offers an exceptional range of co-curricular activities. At both lunch times and after school Pate's buzzes with activity, allowing students to be creative, perform, play sport and be active to their heart's content. Indeed, so committed are we as a school to a true breadth of education, that on Tuesday afternoons and Flexible Learning Days lessons are suspended, allowing all students to access the 'exceptional range' (Ofsted) of enrichment activities that are on offer (see more details per Key Stage below). Furthermore, for two weeks each summer, 'Activities Fortnight' allows students in Years 7 - 10 to participate in an additional myriad of exciting opportunities. Our House system is also an integral part of our curriculum offering, overseen by staff but led and driven by a team of Sixth Form House Officials. Each year over twenty inter-house competitions are staged, many involving whole year groups, in an atmosphere of friendly competition.

**Key Stage 3 - Years 7, 8 and 9**

Students joining us in Year 7 study Art, Computing, Drama, English, French, Geography, German, History, Mandarin, Mathematics, Music, Personal Development Curriculum (including life skills e.g. cookery), Physical Education and Games, Philosophy, Theology and Ethics (PTE) and Science. Students can choose to opt into the Mandarin Excellence Programme in Year 7 and as they progress through their first three years, they also have the opportunity to start learning Spanish. On Tuesday afternoons we further enrich our curriculum with a wide range of additional learning activities from astronomy to climbing, and bushcraft to yoga! Year 9 is a transition year when in most subjects students start to meet some GCSE skills and content while still exploring and extending the Key Stage 3 curriculum. During Year 9 our information, advice and guidance programme helps students in deciding which subjects they will choose to study in Years 10 and 11 to GCSE.

**Key Stage 4 - Years 10 and 11**

Students take all their external GCSE qualifications at the end of Year 11. All students have a core curriculum of English Literature, English Language, Maths, Chemistry, Biology and Physics. They can then choose four options subjects from the list below, on top of the non-examined subjects of PDC (Personal Development Curriculum), Physical Education, Core PTE and Games. Tuesday afternoons and termly Flexible Learning Days for all students again provide extra opportunities for enrichment activities and careers advice. For some students it can be appropriate to sit a GCSE in Further Maths.

The option subjects comprise: Art, Business Studies, Computing, Drama, French, Geography, German, History, Mandarin, Music, Physical Education, Religious Studies, Spanish.

Our student-centred system means we give free choice, under guidance of the pastoral and academic teams, as to which GCSEs a student would like to follow. We then build the curriculum around them. All of our students select a broad range of GCSEs and despite not being compulsory, the vast majority of students fulfil the EBacc criteria. We feel this is the best approach to meet the needs of each individual student in our care.

**Key Stage 5 - Years 12 and 13**

The Sixth Form years offer exceptional opportunities for academic progress and self-development. Our curriculum meets all aspects of the Study Programmes for 16-19 year olds, our IAG (Information, Advice and Guidance) Programme and a vast array of enrichment and super-curricular activity supplementing pupils' core academic study.

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The majority of our students begin year 12 on four A level courses, usually moving onto three in year 13. A small number of students studying Maths and Further Maths may wish to study 5 subjects, but this is the exception rather than the norm. Many students also elect to complete an EPQ (Extended Project Qualification), an area in which our students have had outstanding success. The Pate's Bacc on a Tuesday afternoon offers an additional opportunity to broaden and enrich students' analytical and critical skills.

Subjects currently on offer at Pate's Sixth Form are:

Art, Biology, Chemistry, Computing, Economics, English, French, Geography, German, History (Early Modern and Modern pathways), Maths, Further Maths, Music, Physics, Physical Education, Politics, Psychology, PTE, Spanish and Theatre Studies.

The impact of our curriculum is clear to see. Our students achieve the very highest possible outcomes in terms of academic qualifications (attainment and progress), that see them go on to the very best University courses (both in the UK and abroad) and also increasingly to highly competitive Higher Apprenticeship courses. Crucially however, our students also embody the skills and qualities set out in our school vision. These skills are recorded, reflected on and assessed through our Personal Development Curriculum and IAG programme – resulting in the happy, curious, resilient and well-rounded young individuals who are the hallmark of our school.

## **STAFF DEVELOPMENT AND TRAINING**

At Pate's we continue to believe passionately in the investment in the professional development of our staff, regardless of their job role, career stage or areas of expertise and interest. For teaching staff we see this professional development as a personalised learning journey with the theoretical possibility of moving from Schools Direct trainee to Headship and beyond, via any number of different routes. Professional Development isn't however only a journey for those who aspire to leadership, equally (and perhaps even more) important are pathways for those who are committed to developing their skills in the classroom, to exploring a role in our pastoral system, in teacher training or in CPD facilitation and school to school support. We continue to invest in all our staff and see them as the school's greatest resource.

## **PASTORAL CARE**

The Year 7 – Year 13 Pastoral system at Pate's continues to grow from its current position of strength. We continue to educate students and their families both academically, pastorally, and socially about the risks of being a teenager in our society. We are continuing to experiment with new technology and systems to support students and log the increasing number of incidents we deal with.

## **STUDENT SUPPORT**

We have continued to grow our support for students who have long term medical issues or those who are finding school a challenge. We now have dedicated staff who can cover several subjects expertly to support those who have missed considerable chunks of teaching. With input in the sciences, maths and the social sciences we have successfully reintegrated a number of students back into our community. The success of this has grown to using these members of staff to support students at risk of not achieving their potential at GCSE or A-level. Recent examination outcomes show that this has improved outcomes greatly for those accessing the support. This scheme demonstrates an increased interaction between the pastoral and academic arms of the school, allowing 360° care for our students.

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**PUPIL PREMIUM**

We continue to provide our Pupil Premium/Pupil Premium Plus (PP/PP+) students with the best possible guidance, care and opportunities at school to ensure equitable access to a high-quality, rounded education. This year we have created the role of Pupil Premium Champion to oversee existing processes to ensure that any barriers to learning are identified at the earliest opportunity and students' individual needs are met across the years. This role will work alongside colleagues to ensure best practice for PP and PP+ students is monitored, evaluated and developed across the school as our numbers of PP/PP+ students on roll increase significantly.

Each Head of Year meets with their Pupil Premium students on a half-termly basis and we have continued to allocate most of our PP budget to provide students with 'Quality First Teaching' and, where needed, on one-to-one intervention with students for both academic and organisational support. PP/PP+ funding is also used to support expenditure on trips, music lessons, school uniform and other resources as appropriate, as part of our recently developed Pate's Pledge initiative which has been communicated to existing and prospective parent/guardians of PP/PP+ students. A full breakdown of the support we provide can be found in our recently published online Pupil Premium Statement.

**SHAPING FUTURES**

This year we successfully launched the Pate's Shaping Futures programme, which aims to further equal opportunities by providing extended primary to secondary school transition familiarisation and pre-entrance test support to primary students in our local community.

As part of the programme, Year 5 students who are attaining "at" or "above" the expected levels of progress, were nominated by our local primary schools to receive 1:1 support from our Sixth Form Shaping Futures mentors in the following areas:

- Additional academic support (provided with resources from our partnership with Skyward Kids)
  - Guidance on the knowledge, skills, and characteristics required to achieve future goals
  - Activities such as team sports, robotics, ceramic painting and cookery to support pupils to develop self-esteem, motivation for learning or self-efficacy
  - Opportunities for pupils to encounter new experiences and settings such as wall climbing and trips
- In addition, all students registered to sit the test at Pate's, who are eligible for Pupil Premium support, were invited into Pate's to help familiarise them with the school venue. The Shaping Futures mentors supported students in accessing and practising 11 plus resources through Skyward Kids, as well as participating in a range of fun extra-curricular activities across the 3 days. A welcome lunch and information session on the entrance test process was also offered to the parents and guardians of Pupil Premium students at the start of the programme, to support them make an informed decision regarding the grammar school entrance test registration process.

An optional information session was also delivered at a local primary school hub, where all students from across our neighbouring primary schools were invited to listen to past students' experiences of the 11 plus entrance test and life at Pate's, following their transition from one of the local primary schools.

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As part of wider outreach, our Shaping Futures programme has helped engage 10 primary schools across Cheltenham in activities such as Science Week experiments, Science and Language Fairs, a Community Christmas Concert and the CHaOS Science roadshow, which was hosted at Pate's and run by undergraduates at Cambridge University.

Our Sixth Form Community Team and Shaping Futures mentors have also worked hard to support and volunteer with local initiatives such as the Cheltenham West Pantry, Cheltenham Children's Festival and reading with local primary students at St. Thomas More.

**STUDENT LEADERSHIP**

Despite the tail end of Covid-19, the 2021-22 academic year continued to offer an extensive range of leadership opportunities for the Sixth Form students. In September, eighteen Y13 students helped to roll out a brand-new leadership programme to our new Y7s, under the instruction of the Gloucestershire Constabulary. This BOOST programme aimed to promote self-leadership and resilience for incoming Y7 students as well as providing the Sixth Formers involved with transformational leadership qualities.

Sixty Y13 students held House Official positions and they continued to lead all year groups in the many and various House Activities. Although most of these events have returned live, Covid has meant that some had to be adapted. House Music in September happened, but with a smaller number of participants (Y9 & Y10 were not able to participate). A wide breadth of House Events has enabled our House Officials to demonstrate their creativity, organisational skills and leadership. Year 13s also form the student committees: Community, Wellbeing, Yearbook and Development & Alumni. Such work is, as ever, wonderfully supported by the Student Council and the Environment Society.

Our Sixth Form students continue to lead and organise the school-wide Charity Fundraising Events and last year they raised a record high of £16,709. This was largely due to an additional fundraising event in March in aid of The Disasters Emergency Committee in response to the Ukraine appeal. This was a non-uniform day which alone raised more than £6,500. The other charities the students chose to support include Gloucestershire Young Carers, Cheltenham Open Door, Gloucestershire Night Stop, The Palestine Children's Relief Fund, Gloucestershire Action for Refugees and Asylum Seekers, and Blood Cancer UK. We are delighted with the levels of engagement, and our students have shown themselves to be wonderful ambassadors in the local community and passionate advocates within their own school.

Student Societies remain an important opportunity for the students to demonstrate their initiative and leadership. At the start of the year there were more than 20 different societies being run by the Y13 students for the benefit of all the Sixth Formers. These societies are set up and run with only minimal staff intervention. As the year progressed, the Y12s set up new, additional societies, and by the summer term had taken over running them entirely. Some of the most popular societies were: MedSoc, Ceramics, and Business & World Finance.

Y12 volunteering in the community resumed for TPM, but only for the primary schools. Students went out regularly to hear young pupils read at Rowanfield and St Thomas More. The local care homes have naturally been slower to open up after Covid; there were a few online virtual sessions held but no in person visits. Links to Food Banks have strengthened. The Community Committee have developed strong links with local group West Cheltenham Community Pantry. Five school-wide food collections were made during the year.

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Sixth Formers also played a central role in the first year of the school's Shaping Futures programme. We were delighted that 70 Y12s contributed to the Shaping Futures Programme in some way last year. 30 Y13s are continuing to act as mentors this year and will support the Y12s who sign up. Our hope is that the numbers involved in this programme will rise this year and beyond.

The summer term saw a brand new event, arising from the idea and initiative of one of our Y12 students. The resultant Culture Day was an opportunity for students to come in wearing what they felt to represent their background or culture of their own heritage. The day also included dance, music and food from these cultures. This was a great example of a student identifying an opportunity, acting on it and then making it happen. So successful was it that it is expected to be repeated in subsequent years.

As part of our work to support student wellbeing and mental health, all Y12s will be participating in a journaling project during tutor time. 'Reimagining the Diary – Diary Keeping as a Positive Tool for Student Wellbeing' has grown out of an academic research project led by Dr Lucy Kelly at the University of Bristol. The Diary Toolkits have been used by hundreds of teachers and refined to meet as many of their needs as possible. Results have repeatedly shown an increase in people's mental health and wellbeing. In 2022, a group of Year 12 students at Pate's tested the Diary Toolkit and provided feedback on how to adapt it for their age group. The result is the Student Diary Toolkit which is being used by all students this year. We are keen to see the impact on their wellbeing.

### **ODYSSEY TEACHING SCHOOL HUB**

Pate's was designated as a teaching school hub in February 2021, one of 87 across the country, on a three year contract from September 2021 to August 2024. Pate's, using the Odyssey brand, works closely with the other teaching school hub in Gloucestershire, Balcarras School.

The remit of the teaching school hubs is to deliver the Department for Education's "Golden Thread" of professional development for teachers, covering:

- Initial teacher training
- Acting as an appropriate body for schools with early career teachers, supporting schools with their statutory obligations
- Delivering a professional development programme for early career teachers (and their mentors), as a delivery partner for a lead national provider. Odyssey and Balcarras have chosen to work with University College London (UCL)
- Delivering National Professional Qualifications for leadership roles in teaching. Again we do this in partnership with UCL.

Tim Connoles took over from Rachel Thorpe as Director of the Teaching School Hub in September 2022. The Hub met 13 of its 14 key performance indicators in its first year and exceeded some of them significantly. We are now working with:

- Over 230 early career teachers and over 200 mentors
- Over 250 NPQ participants, across 7 different programmes

We are also acting as the appropriate body for 156 early career teachers.

It is a large and important piece of work, establishing Pate's as significant leader within the local education system.

## **FUNDRAISING**

The ongoing financial uncertainties resulting from the pandemic mean that we need to maintain diverse income streams. This includes our successful revenue fundraising appeal. We have raised more than £125,000 during this financial year – an excellent achievement, particularly given the pressures caused by both Covid and the cost of living crisis.

Our fundraising work is carried out by our own staff in the Development Office. We seek the support of our parent and alumni community with an honest, transparent, and factual appeal. We provide regular progress updates throughout the School year. Stewardship of our donor community, (by means of emails and letters) is extremely important and the Head Master and the Chief Financial Officer (CFO) become involved in this stewardship by making thank you phone calls to some of our donors.

All funds raised go towards educational activities or the stated appeal. We have an anti-money laundering policy which involves more rigorous checks of donations in excess of £2,500. Personal data is handled in accordance with our privacy policies and the Data Protection Act 2018. We voluntarily comply with the fundraising regulator's code of practice and are members of the Institute of Development Professionals in Education (IDPE). We have not received any fundraising complaints during this period.

Parents and alumni are not pressured in any way to donate towards the appeal. We operate soft asks by presentations, videos, emails or brochures, and do not target individuals to seek gifts. We do not target non-donors to seek their support. We make no differentiation between those who donate and those who don't. We are so very grateful to the parent, alumni and wider community and our fabulous Parents' Association that have supported our appeals, with such a positive response.

During this period we have also continued to develop our international links, through our Trading Company, with the aim of seeking to secure a surplus which can then be transferred to Pate's Grammar School. This venture is now entering its sixth year and, similar to the previous two years, we are now starting to see some real benefits. The Trading Company was able to generate a surplus of over £355,000 during this financial year, which will be transferred to the Grammar School, particularly important when we are seeing other income streams impacted as a result of the current cost of living crisis.

## **PLANS FOR THE FUTURE**

The Governors and the Senior Leadership Team are currently creating the development plan for the next 5 years that will articulate how this successful school will improve further. Fundamental to this will be securing the highest academic outcomes, and this is enabled by supporting our teachers to further develop their practice. The 'Pate's Learning Journey' offers a wide range of professional development opportunities that staff can access to create their own bespoke package. Additionally, we have introduced 'The Pate's Learner' around the school – a visible manifestation of all the attributes that are required by a successful learner at our school. This will form the basis of our Teaching and Learning practice and is based on our Pate's Learning Framework, current pedagogical research and our work as a 'World Class' school through the High Performance Learning community. This year the students gained the highest grades in the history of the school at GCSE and A Level, and the success of our students in gaining access to the most competitive courses in the best Universities across the UK should be celebrated. We continue to focus on developing learning behaviours that go far beyond the exam syllabus, and this will always be attractive to those looking for the most creative and resilient minds.

Pate's continues to embed its role as one of only 87 Teaching School Hubs across the country. This places Pate's at the centre for professional development in Gloucestershire and the Odyssey Teaching School hub has offered training for teachers from their first steps in a school right through to Headteacher level. This is a significant honour and is part of our outward facing ethos that sees us engaged with groups of schools and businesses across the UK and internationally. Additionally, we have launched a 'Shaping Futures' initiative that works with disadvantaged pupils from local schools, helping them to become more familiar with the transition to Secondary school, and Grammar Schools in particular. This has been incredibly successful, and we will now roll out the offer out to other selective schools in the county and beyond.

As an outstanding provider we are determined to be considered as an integral and creative part of the educational landscape and have ensured that we have the capacity to take this further in the coming years. It is an exciting time for Pate's!

## **GOING CONCERN**

After making appropriate enquiries, the Governing Body has a reasonable expectation that the School 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.

## **KEY FINANCIAL PERFORMANCE INDICATORS**

The key financial performance indicator is the net revenue for the year compared to budget. The School normally plans to run a balanced budget each financial period unless there are operational reasons for increasing this timescale. There have been significant financial changes to state education funding over recent years and this has created weighty challenges. Governors had originally set a surplus budget for unrestricted funds for the financial year 2021/22 and the final figures show an improvement on this number.

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Before the FRS102 pension adjustment, actuarial loss and transfer to the restricted fixed asset fund the surplus was £413,222 (2021: surplus £279,618). The balance carried forward within unrestricted and restricted funds (excluding pension liability) at 31 August 2022 is £1,386,958 (2021: £1,146,121). Please see Note 17 for full details of these funds together with movements on restricted fixed assets and endowment funds.

**PRINCIPAL RISKS AND UNCERTAINTIES**

Funding is currently not guaranteed for more than one year in advance and there continues to be considerable uncertainty regarding future funding levels. However, the additional money coming into the education sector this year and next is certainly welcome, although there remains the uncertainty around salary levels and energy costs.

Income is primarily based on student numbers. At present the School is oversubscribed, but if this changed there might be a time lag before the cost base could be adjusted.

Many of the staff are members of defined benefit pension schemes which might lead to unexpected costs if the actuarial assumptions prove optimistic.

These risks are monitored and controlled as part of the Risk Management Strategy described below.

**RESERVES & INVESTMENT POLICY**

The funds of the School are detailed in Note 17 of the financial statements. The Group's total reserves of £30,465,202 (2021: £27,862,845) included free reserves of £1,078,214 (2021: £856,492). The Governing Body has examined the requirement for free reserves, i.e., those income funds that are freely available for general purposes and are not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The Governors have agreed that the School should aim to hold between £600,000 and £750,000 in free reserves to be able to meet unplanned expenditures and shortfalls in income (e.g. urgent repairs, unfunded pay increases, uninsured cyber costs – see Post Balance Sheet Events Disclosure). In summary, the Governors require the operation of a tight cash flow management system at all times to ensure that the School holds sufficient cash to meet any outstanding liabilities.

The value of the endowment funds was £1,097,048 (2021: £1,149,179).

Total restricted funds excluding pension liability were £28,803,940 (2021: £29,105,174) including restricted fixed asset funds of £28,495,196 (2021: £28,815,545).

The only fund in deficit was in respect of the pension fund (deficit £514,000, 2021: deficit £3,248,000). Annual contributions are set at a level which it is intended will eliminate the deficit over 20 years from 1 April 2014.

## **RISK MANAGEMENT**

Risk management is a central part of any organisation's strategic management. It is the process whereby organisations methodically address the risks attached to their activities with the goal of achieving sustained benefit within each activity and across the range of all activities. The focus of good risk management is the identification and treatment of these risks. Its objective is to add maximum sustainable value to all the activities of the organisation.

We identified during the period that the key risk facing us was revenue funding. The long awaited National Funding Formula (NFF) was introduced in September 2018, and although this has provided some additional money, we will continue to face cost pressures going forward. However, as also detailed earlier in the report, strategies (and most importantly funding) are now in place to ensure relative stability for the next 3 years at least. We will, of course, continue to monitor this area very closely and ensure that the relevant and appropriate mechanisms are in place to safeguard the student outcomes, opportunities, support strategies and experiences.

The objectives for managing risk across the School are:

- To comply with risk management best practice;
- To ensure risks facing the School are identified and appropriately documented;
- To provide assurance to Governors that risks are being adequately controlled, or identify areas for improvement;
- To ensure action is taken appropriately in relation to accepting, mitigating, transferring and avoiding risks.

The Senior Leadership Team (SLT) has overall responsibility for risk management. The CFO has lead responsibility for risk management processes and the School-wide Risk Register. This responsibility includes:

- Monitoring the performance of risk management processes;
- Ensuring that appropriate controls are in place to manage identified risks;
- Preparation of periodic reports to the Finance & Facilities Committee, Full Governing Body (FGB) and Link Governors as appropriate.

The Risk Register is formally reviewed each term by the CFO and presented to the FGB and/or Finance and Facilities Committee as appropriate. A Risk Management Strategy is reviewed annually in the autumn term by the Finance and Facilities Committee and any key items reported to the FGB.

## **POST BALANCE SHEET EVENTS DISCLOSURE**

### **CYBER INCIDENT**

On 28 September 2022, we discovered that we had been subject to a cyber-security incident, during which our systems were accessed by an unauthorised third party. Upon discovery, we immediately engaged the services of experienced cyber-security specialists to contain the issue, assist with our recovery efforts, and conduct a thorough investigation. Our cyber-security specialists helped to restore our systems securely and mitigate the impact as far as possible.

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It appears that the threat actors gained remote access to the system using legitimate credentials for an account. It is still unclear how the attackers gained the credentials for the account, and this is unlikely to ever be known.

We have provided regular and comprehensive updates to relevant stakeholders and the school community throughout this period, and notified the relevant authorities, including the Information Commissioner's Office (ICO) on 30 September 2022, the ESFA, Action Fraud and the Police. With the help of external cyber-security specialists, we monitored for any evidence of references to the incident emerging on the part of the internet that is not accessed through normal search engines, which is commonly known as the dark web.

Through this monitoring it was subsequently identified on 11 October 2022 that some data had been posted to a website operated by the group claiming to be responsible for the incident. As soon as we became aware that data was taken, we worked closely with external cyber-security specialists to obtain a copy, assess, and analyse this data. Most of the data was non-sensitive administrative data that did not relate to individuals. However, in some cases the data copied could include identity documents, financial information and health data. The data is patchy in nature, derived from only some folders on our system, and so does not comprise all of the data we held relating to any one person. We instructed our legal team to undertake a review of the data which was published online and the legal team has assisted us in notifying relevant data subjects as necessary. Identify theft, credit and darkweb monitoring was offered to data subjects. Notification took place from 25-28 January 2023.

**Financial value of the loss and extent of insurance cover**

To date our losses have amounted to c.£460,000. £250,000 of this relates to the rebuilding of our systems and infrastructure and will be reclaimed through the RPA. Costs of c.£210,000 of the losses will not be covered by the RPA scheme and will be funded from our reserves.

**Measures taken to prevent recurrence**

We have been securely rebuilding our systems and focussing on continuing to deliver lessons. We have successfully restored access to all Office365 based systems - emails, SharePoint, OneDrive, Teams, and Stream. The phone system is now fully functional, door access is now operational, cashless catering is up and running. Payroll continued running throughout the period. The Finance system is proving more of a challenge, hence the delay in producing these accounts.

Our focus has been to ensure continuity of education for our students throughout the incident and we were able to operate whilst the systems were being secured and restored. Once the systems were secured, we undertook a review to understand how the attack occurred, how it can be prevented and putting in place preventative measures to ensure a similar incident does not happen again. This includes obtaining specialist advice from forensic investigators to ensure our systems are as secure as possible, ensuring sophisticated systems are in place which are able to detect cyber incidents and involving a third party specialist company who will respond to and help resolve future cyber alerts or incidents.



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**Next steps**

As before the cyber incident we continue to take IT security very seriously. We have been undertaking ongoing reviews of our systems and procedures since the attack took place and, following the forensic investigator's report, we have introduced improved systems to better protect the information we hold.

The ICO has confirmed that it has closed its file following a decision not to take any formal enforcement action on the basis that the case does not reach the requirements for regulatory action. The ESFA have similarly closed their case file.

**DISCLOSURE OF INFORMATION TO AUDITORS**

Each of the persons who are Governors at the time when this Governors' Report is approved has confirmed that:

- So far as that Governor is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- That Governor has taken all the steps that ought to have been taken as a Governor in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information.

This report was approved by order of the members of the Governing Body on 4 May 2023 and signed on its behalf by:



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Rebecca Flaxman, Chair of Governors

**GOVERNANCE STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**SCOPE OF RESPONSIBILITY**

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

As Governors, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

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

**GOVERNANCE**

The information on governance here supplements that described in the Governors' Report and in the Governors' Responsibilities Statement. The Full Governing Body has formally met 4 times during the year, supplemented by sub-committee and panel meetings, as well as link governor sessions with SLT and other senior staff. Attendance during the year at meetings of the Full Governing Body was as follows:

Governor	% total eligible meetings attended
Rebecca Flaxman (Chair of Governors)	100
Carolyn Hopper (Vice Chair of Governors)	75
Warwick Ainsworth-Parker	50
Russel Ellicott (Head Master)	100
Nicolas Andrews	100
Heidi Binford	100
Jenny Dye	100
Seth Elliott	100
Gayathiri Gowri Shankar	100
Fiona Johnston	100
Molly Macleod	75
Graeme May	100
Rob Morton	75
Laura Ralph	25
Mangela Sekhar	100
Bryan Stiles	75
Dwight Terrett	50
Miriam Wright	100

**GOVERNANCE STATEMENT**  
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**Conflicts of interest**

In accordance with statutory requirements as set out in the Academy Trust Handbook and the Charity Commission law, The Trustees and the Clerk regularly reviews any potential conflicts of interest. This ensures that any personal or business interests, either direct or indirect, does not influence any decisions made within the Trust. The Clerk requests personal and business disclosures regularly from all Board members and reports back to the Board as necessary.

Section 2.3 of the Academies Financial Handbook 2022 sets out that the board and its committees must meet regularly enough to discharge their responsibilities and ensure robust governance and effective management arrangements. It states that board meetings must take place at least three times a year and larger trusts should consider meeting more frequently. We have fulfilled the above obligation.

Amongst other duties, the FGB meetings throughout the year have:

- Established and maintained proper financial management arrangements, accounting procedures and a sound system of internal controls.
- Assisted the Head Master in developing a financial budget and ensuring that statutory financial reporting requirements are complied with.
- Monitored actual expenditure against plans and taken necessary action to ensure that the School remains solvent at all times.
- Approved and recommended for acceptance the Annual Budget and financial strategy.

**GOVERNANCE REVIEWS**

The Governing Body regularly audits the range of skills it needs and, when required, appoints new Governors with experience and expertise in relevant fields. On-going reviews of our structures and approach ensure that we have a comprehensive and coherent set of governance / administrative organisational processes which enable the Full Governing Body to understand and fulfil formal and statutory requirements more effectively; create a clearer focus on the School Development Plan; and is flexible enough to respond to future governance needs as they arise. In addition, Governors undertake specific training as required.

**VALUE FOR MONEY STATEMENT**

We acknowledge that we are responsible and accountable for ensuring that the School delivers good value in the use of public resources. We are aware of the guide to academy value for money statements published by the Education and Skills Funding Agency and understand that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received. In summary, we are committed to:

- Improving educational results
- Financial Governance and oversight
- Ensuring the operation of the Academy demonstrates good value for money and efficient use of resources
- Maximising income generation
- Reviewing controls and managing risks

**GOVERNANCE STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Pate's Grammar School policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Pate's Grammar School for the year ended 31 August 2022 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 Pate's Grammar School 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 School's significant risks that has been in place for the year ending 31 August 2022 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**

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

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

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Governors have continued to conduct Internal Scrutiny reviews at least three times a year via the appointment of a Responsible Officer (RO). This role was performed by Laura Ralph (Corpus Christi Governor) during the period.

The RO's role includes giving advice on financial matters and performing a range of checks on the School's financial systems. All reports resulting from these checks are shared with the Finance and Facilities committee and onward transmission to the FGB to ensure that the FGB fully discharges its financial responsibilities.

We confirm that the RO function has delivered the schedule of work as planned. There have been no material control issues arising from the RO reports thus far.

**GOVERNANCE STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**REVIEW OF EFFECTIVENESS**

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

- The work of the Responsible Officer;
- The work of the external auditors;
- The financial management and governance self-assessment process;
- The work of the executive managers within the School who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer, Russel Ellicott, has been advised of the implications of the result of their review of the system of internal control by the Governing Body and a plan to address any identified weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Governing Body on 4 May 2023 and signed on their behalf by:



Rebecca Flaxman, Chair of Governors



Russel Ellicott, Accounting Officer

**PATE'S GRAMMAR SCHOOL**  
**(A Company Limited by Guarantee)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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As Accounting Officer of Pate's Grammar School I have considered my responsibility to notify the School Governing Body and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

I confirm that I and the School Governing Body are able to identify any material irregular or improper use of funds by the School, or material non-compliance with the terms and conditions of funding under the School's funding agreement and the Academies Financial Handbook 2021.

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 Governing Body and ESFA.



.....  
Russel Ellicott  
Accounting Officer

Date: 4 May 2023

**GOVERNORS' RESPONSIBILITIES STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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

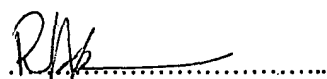
Company law requires the Governors to prepare financial statements for each financial year. Under company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure. 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 2021 to 2022;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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 to the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the Education & Skills Funding Agency and Department for Education 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 4 May 2023 and signed on its behalf by:



Rebecca Flaxman, Chair of Governors

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PATE'S GRAMMAR SCHOOL  
FOR THE YEAR ENDED 31 AUGUST 2022**

---

**Opinion**

We have audited the financial statements of Pate's Grammar School for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2022, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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

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

**Other information**

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's 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.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PATE'S GRAMMAR SCHOOL  
FOR THE YEAR ENDED 31 AUGUST 2022**

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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.

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

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

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

In the light of our knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

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

**Responsibilities of trustees**

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

In preparing the financial statements, the trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the academy trust or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PATE'S GRAMMAR SCHOOL  
FOR THE YEAR ENDED 31 AUGUST 2022**

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when

it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- We obtained an understanding of the legal and regulatory frameworks applicable to the company financial statements or that had a fundamental effect on the operations of the company. We determined that the most significant laws and regulations included UKGAAP, UK Companies Act 2006 and taxation laws;
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included challenging assumptions and judgments made by management in its significant accounting estimates and identifying and testing journal entries, in particular any journal entries posted with unusual characteristics.

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the academy trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PATE'S GRAMMAR SCHOOL  
FOR THE YEAR ENDED 31 AUGUST 2022**

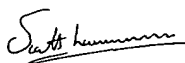
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- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the academy trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the academy trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

**Use of our report**

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



.....  
Scott Lawrence FCA DChA (Senior Statutory Auditor)  
For and on behalf of Hazlewoods LLP, Statutory Auditor, Cheltenham

Date.....15 May 2023.....

**PATE'S GRAMMAR SCHOOL**  
**(A Company Limited by Guarantee)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY  
TO PATE'S GRAMMAR SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY  
FOR THE YEAR ENDED 31 AUGUST 2022**

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In accordance with the terms of our engagement letter dated 29 July 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022 we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Pate's Grammar School during the year 1 September 2021 to 31 August 2022 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 Pate's Grammar School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Pate's Grammar School 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 Pate's Grammar School and ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF PATE'S GRAMMAR SCHOOL'S  
ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Pate's Grammar School's funding agreement with the Secretary of State for Education date 29 November 2010, and the Academies Financial Handbook extant from 1 September 2021, 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 2021 to 2022. 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 2021 to 31 August 2022 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 Guide 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.

**PATE'S GRAMMAR SCHOOL**  
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY  
TO PATE'S GRAMMAR SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY  
FOR THE YEAR ENDED 31 AUGUST 2022**

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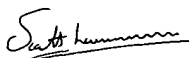
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the School's income and expenditure.

In this regard, we have carried out the following:

- specific testing of a sample of items of income and expenditure to ensure appropriately applied for the purposes intended;
- specific testing of a sample of system controls relevant to the above items;
- a general review of relevant correspondence with the ESFA regarding Academy governance matters during the period since conversion; and
- a general review and discussion of the Academy's internal processes for establishing and maintaining systems of control and documentation regarding these matters.

**CONCLUSION**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



.....  
Scott Lawrence FCA DChA (Senior Statutory Auditor)  
For and on behalf of Hazlewoods LLP, Statutory Auditor  
Cheltenham

Date...15 May 2023.....

**PATE'S GRAMMAR SCHOOL**  
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
(Incorporating Income and Expenditure Account)  
FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Endowment funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>INCOME AND ENDOWMENTS FROM:</b>							
Donations and capital grants	3	125,319	2,065	435,528	-	562,912	341,386
<b>Charitable activities:</b>							
Funding for the School's educational operations	4	456,513	8,055,754	-	-	8,512,267	7,164,359
Other trading activities	5	455,019	-	-	-	455,019	354,210
Investment income	6	204	-	-	24,448	24,652	24,348
<b>TOTAL</b>		<b>1,037,055</b>	<b>8,057,819</b>	<b>435,528</b>	<b>24,448</b>	<b>9,554,850</b>	<b>7,884,303</b>
<b>EXPENDITURE FROM:</b>							
Raising funds	7	43,552	-	-	-	43,552	37,174
<b>Charitable activities:</b>							
School's educational operations	7	583,297	8,475,803	952,710	-	10,011,810	8,632,517
<b>TOTAL</b>		<b>626,849</b>	<b>8,475,803</b>	<b>952,710</b>	<b>-</b>	<b>10,055,362</b>	<b>8,669,691</b>
<b>NET INCOME/(EXPENDITURE) BEFORE REVALUATION OF INVESTMENTS</b>		<b>410,206</b>	<b>(417,984)</b>	<b>(517,182)</b>	<b>24,448</b>	<b>(500,512)</b>	<b>(785,388)</b>
Revaluation of investment	13	-	-	-	(52,131)	(52,131)	212,358
<b>NET INCOME/(EXPENDITURE) C/F</b>		<b>410,206</b>	<b>(417,984)</b>	<b>(517,182)</b>	<b>(27,683)</b>	<b>(552,643)</b>	<b>(573,030)</b>

**PATE'S GRAMMAR SCHOOL**  
**(A Company Limited by Guarantee)**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**(Incorporating Income and Expenditure Account)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Endowment funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>NET INCOME/(EXPENDITURE) B/F</b>		410,206	(417,984)	(517,182)	(27,683)	(552,643)	(573,030)
Transfers between funds	17	(188,484)	16,099	196,833	(24,448)	-	-
<b>NET INCOME /(EXPENDITURE)</b>		221,722	(401,885)	(320,349)	(52,131)	(552,643)	(573,030)
<b>FOR THE YEAR</b>							
Actuarial gains/(losses) on defined benefit pension schemes	26	-	3,155,000	-	-	3,155,000	(527,000)
<b>NET MOVEMENT IN FUNDS</b>		221,722	2,753,115	(320,349)	(52,131)	2,602,357	(1,100,030)
<b>RECONCILIATION OF FUNDS</b>							
Total funds brought forward		856,492	(2,958,371)	28,815,545	1,149,179	27,862,845	28,962,875
<b>Total funds carried forward</b>	17	1,078,214	(205,256)	28,495,196	1,097,048	30,465,202	27,862,845

All activities relate to continuing operations.

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

The notes on pages 40 to 68 form part of these financial statements.

**PATE'S GRAMMAR SCHOOL**  
(A Company Limited by Guarantee)

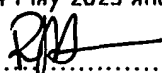
**BALANCE SHEETS**  
**AS AT 31 AUGUST 2022**

Company registration number: 07369704

**CONSOLIDATED BALANCE SHEET**

	Note	2022 £	2021 £
<b>FIXED ASSETS</b>			
Tangible assets	12	28,495,196	28,815,545
Investments	13	1,097,048	1,149,179
<b>CURRENT ASSETS</b>			
Stocks	14	212	2,270
Debtors	15	568,334	326,812
Cash at bank and in hand		1,823,616	1,388,334
		<u>2,392,162</u>	<u>1,717,416</u>
<b>LIABILITIES</b>			
Creditors: Amounts falling due within one year	16	(1,005,204)	(571,295)
<b>NET CURRENT ASSETS</b>		<u>1,386,958</u>	<u>1,146,121</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>30,979,202</u>	<u>31,110,845</u>
Defined benefit pension scheme liability	26	(514,000)	(3,248,000)
<b>TOTAL NET ASSETS</b>		<u><u>30,465,202</u></u>	<u><u>27,862,845</u></u>
<b>CONSOLIDATED FUNDS</b>			
Endowment Funds	17	1,097,048	1,149,179
Restricted funds:			
Restricted funds	17	308,744	289,629
Restricted fixed asset funds	17	28,495,196	28,815,545
		<u>28,803,940</u>	<u>29,105,174</u>
Restricted funds excluding pension liability		(514,000)	(3,248,000)
Pension reserve			
Total restricted funds	17	28,289,940	25,857,174
Unrestricted income funds	17	1,078,214	856,492
<b>TOTAL FUNDS</b>		<u><u>30,465,202</u></u>	<u><u>27,862,845</u></u>

The financial statements were approved by the Governors, and authorised for issue, on 4 May 2023 and are signed on their behalf, by:



Rebecca Flaxman, Chair of Governors



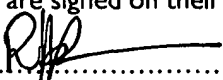
**PATE'S GRAMMAR SCHOOL**  
(A Company Limited by Guarantee)

**BALANCE SHEETS**  
**AS AT 31 AUGUST 2022**

Company registration number: 07369704

<b>ACADEMY BALANCE SHEET</b>		<b>2022</b>		<b>2021</b>	
	<b>Note</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>FIXED ASSETS</b>					
Tangible assets	12	28,495,196		28,815,545	
Investments	13	1,097,049		1,149,180	
<b>CURRENT ASSETS</b>					
Stocks	14	212		2,270	
Debtors	15	906,745		581,226	
Cash at bank and in hand		1,483,384		1,115,494	
		<u>2,390,341</u>		<u>1,698,992</u>	
<b>LIABILITIES</b>					
Creditors: Amounts falling due within one year	16	(1,003,384)		(552,870)	
<b>NET CURRENT ASSETS</b>			<u>1,386,957</u>		<u>1,146,120</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>30,979,202</u>		<u>31,110,845</u>
Defined benefit pension scheme liability	26	(514,000)		(3,248,000)	
<b>TOTAL NET ASSETS</b>			<u><u>30,465,202</u></u>		<u><u>27,862,845</u></u>
<b>FUNDS OF THE ACADEMY</b>					
Endowment Funds	17	1,097,048		1,149,179	
Restricted funds:					
Restricted funds	17	308,744		289,629	
Restricted fixed asset funds	17	28,495,196		28,815,545	
		<u>28,803,940</u>		<u>29,105,174</u>	
Restricted funds excluding pension liability		(514,000)		(3,248,000)	
Pension reserve					
		<u>28,289,940</u>		<u>25,857,174</u>	
Total restricted funds	17	28,289,940		25,857,174	
Unrestricted income funds	17	1,078,214		856,492	
<b>TOTAL FUNDS</b>			<u><u>30,465,202</u></u>		<u><u>27,862,845</u></u>

The financial statements were approved by the Governors, and authorised for issue, on 4 May 2023 and are signed on their behalf, by:

  
.....  
Rebecca Flaxman, Chair of Governors

**PATE'S GRAMMAR SCHOOL**  
**(A Company Limited by Guarantee)**

**CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

	<b>Note</b>	<b>2022</b> <b>£</b>	<b>2021</b> <b>£</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net cash provided by/(used in) operating activities	21	601,263	86,611
Cash flows from investing activities	22	(165,981)	97,014
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b> <b>IN THE REPORTING PERIOD</b>			
		435,282	183,625
Cash and cash equivalents at 1 September 2021		1,388,334	1,204,709
<b>CASH AND CASH EQUIVALENTS</b> <b>AT 31 AUGUST 2022</b>			
	23	1,823,616	1,388,334

## **I 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 of Financial Statements**

The financial statements of the School, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention (with the exception of investments which are recognised at their fair value or market value) 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 (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006. Pate's Grammar School meets the definition of a public benefit entity under FRS 102.

The basis of consolidation used in the financial statements is to consolidate the Statement of Financial Activities so as to disclose income and expenditure relating to the School and subsidiary company as a Group. The Statement of Financial Activities and Balance Sheet consolidate the financial statements of the school and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The School 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.

### **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 School to continue as a going concern. The Governors make this assessment in respect of a period of one year from the date of approval of the financial statements. On review, taking into account the current financial position, future projections, the continuing high demand for places, and a detailed analysis of the Risk Register, the Governors have concluded that they are to adopt the going concern basis in preparing the annual financial statements.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**I STATEMENT OF ACCOUNTING POLICIES (continued)**

**Income**

All income is included in the Statement of Financial Activities when the School has entitlement to the funds, receipt is probable and the amount can be measured with sufficient reliability.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund. Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Sponsorship income provided to the School which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where there is certainty of receipt and it is measurable.

The values of donated services and gifts in kind provided to the School are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the School can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the School's policies.

Donations are recognised on a receivable basis where receipt is probable and the amount can be reliably measured. Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

**Expenditure**

All expenditure is recognised in the period in which a liability is incurred and has been classified under the headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**I STATEMENT OF ACCOUNTING POLICIES (continued)**

**Expenditure on Raising Funds:** This includes all expenditure incurred by the School to raise funds for its charitable purposes and includes costs of all fundraising activities events and other charitable trading.

**Charitable Activities:** These are costs incurred on the School's educational operations, including support costs and costs relating to the governance of the School apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

**Freehold and Leasehold Land and Buildings**

The School owns the School playing fields and leases the School buildings from the Pate's Grammar School Foundation. The lease is for 125 years at a peppercorn rent. Although there are break clauses in the lease, there are no current indications that circumstances will arise such that they can be exercised by the Pate's Grammar School Foundation. Accordingly as the School is entitled to the risk and rewards of ownership, their value has been included in the School's balance sheet. This is consistent with the treatment adopted in the accounts of Pate's Grammar School Foundation. The valuation basis of the Leasehold Property was an estimate of the current market value. The value of the Freehold Land for its current use is immaterial compared with the Leasehold Property and has thus been amalgamated with the Leasehold Property in these accounts. See Note 12.

**Tangible Fixed Assets and Depreciation**

All assets costing more than £1,000 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. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and are carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the School's depreciation policy.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the costs of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold Property	-	2% - 10%
Motor Vehicles	-	20% - 50%
Fixtures and fittings	-	10% - 20%
Computer equipment	-	20%

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**I STATEMENT OF ACCOUNTING POLICIES (continued)**

Computer equipment transferred from the predecessor school was transferred at depreciated cost and has been depreciated over the useful life from original purchase.

Leasehold property and Fixtures and fittings transferred from the predecessor school were transferred at an estimate of depreciated replacement cost and are treated as if purchased at that date.

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

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

**Leased Assets**

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

**Investments**

Investments are valued at market value. Unrealised gains or losses are calculated as the difference between opening and closing market value and are taken to the Statement of Financial Activities.

**Financial Instruments**

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Amounts due to the charity'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.

**I STATEMENT OF ACCOUNTING POLICIES (continued)**

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 16. 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

**Stocks**

Unsold uniforms are valued at the lower of cost or net realisable value.

**Taxation**

The School 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 School is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 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.

**Pension Benefits**

Retirement benefits to employees of the School are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes and the assets are held separately from those of the School.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the School in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 26, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**I STATEMENT OF ACCOUNTING POLICIES (continued)**

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

**Fund Accounting**

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by Education and Skills Funding Agency, Department for Education and Pate's Grammar School Foundation where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from the Education and Skills Funding Agency and the Department for Education. Restricted funds also incorporate School Fund accounts and revenue donations received from Pate's Grammar School Foundation.

Endowment funds are monies from the Biffen Fund money which are invested with Newton Investment Management and held separately as a permanent endowment fund. The School benefits from the annual investment return but, under the rules of the Trust, cannot access the capital without an approach to the Biffen Trustee and subsequent (if approved) application to the Charity Commission.

**Critical Accounting Estimates and Areas of Judgement**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Governors do not consider that they have made any critical judgements apart from those involving estimation in the preparation of the financial statements.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

**I STATEMENT OF ACCOUNTING POLICIES (continued)**

**Critical Accounting Estimates and Assumptions**

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the 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 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

**2 GENERAL ANNUAL GRANT (GAG)**

Under the funding agreement with the Secretary of State the School was subject to limits at 31 August 2022 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The School has not exceeded these limits during the year ended 31 August 2022.

**3 DONATIONS AND CAPITAL GRANTS**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Capital grants	-	-	435,528	435,528	162,672
Other donations	125,319	2,065	-	127,384	178,714
	<u>125,319</u>	<u>2,065</u>	<u>435,528</u>	<u>562,912</u>	<u>341,386</u>
2021 Total	<u>176,714</u>	<u>2,000</u>	<u>162,672</u>	<u>341,386</u>	

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**4 FUNDING FOR SCHOOL'S EDUCATIONAL OPERATIONS**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>DfE/ESFA grants</b>				
General Annual Grant (GAG)	-	6,585,428	6,585,428	6,160,533
Other DfE/ESFA grants	-	213,357	213,357	144,960
	-	6,798,785	6,798,785	6,305,493
<b>Other government grants</b>				
Local authority grants	-	66,598	66,598	65,575
<b>COVID-19 additional funding (DfE/ESFA)</b>				
Catch-up premium	-	-	-	60,240
Other DfE/ESFA COVID-19 funding	-	11,096	11,096	29,330
	-	6,876,479	6,876,479	6,460,638
<b>Other income</b>				
Catering income	293,386	-	293,386	156,083
Pate's Foundation income	-	252,000	252,000	100,000
Teaching schools income	-	156,991	156,991	83,474
School trips income	-	414,240	414,240	120,947
Other income	163,127	356,044	519,171	243,217
	456,513	1,179,275	1,635,788	703,721
	456,513	8,055,754	8,512,267	7,164,359
<b>2021 Total</b>	<b>211,797</b>	<b>6,952,562</b>	<b>7,164,359</b>	

The academy received £60,240 of funding for catch-up premium in the previous year which was used to provide additional resource for academic support and the pastoral team.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**5 OTHER TRADING ACTIVITIES**

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Hire of facilities	21,997	21,997	250
Trading, consulting and brand income	433,022	433,022	353,960
	<u>455,019</u>	<u>455,019</u>	<u>354,210</u>
2021 Total	<u>354,210</u>	<u>354,210</u>	

**6 INVESTMENT INCOME**

	Unrestricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £	Total funds 2021 £
Short term deposits	204	-	204	16
Investments	-	24,448	24,448	24,332
	<u>204</u>	<u>24,448</u>	<u>24,652</u>	<u>24,348</u>
2021 Total	<u>16</u>	<u>24,332</u>	<u>24,348</u>	

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

**7 EXPENDITURE**

	Staff costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £	Total 2021 £
Expenditure on raising funds					
- Direct Costs	37,492	-	6,060	43,552	37,174
Educational operations					
- Direct Costs (note 8)	5,167,584	-	1,393,667	6,561,251	5,640,483
Educational operations					
- Support Costs (note 8)	1,386,400	616,783	1,447,376	3,450,559	2,992,034
	<u>6,591,476</u>	<u>616,783</u>	<u>2,847,103</u>	<u>10,055,362</u>	<u>8,669,691</u>

Expenses of £77,917 (2021: £84,123) for Pate's Grammar School Trading Company Limited are included above in educational operations comprising direct staff costs of £26,168 (2021: £27,455), support staff costs of £12,000 (2021: £12,000) and other direct costs of £39,749 (2021: £44,668).

Expenditure on raising funds in 2021 was £37,174 all of which was unrestricted funds. Expenditure on Educational operations in 2021 was £8,632,517 of which £403,255 was unrestricted funds £7,229,252 was restricted funds and £1,000,010 was restricted fixed asset funds.

**Net income/(expenditure) for the period includes:**

	2022 £	2021 £
Depreciation of tangible fixed assets:		
- owned by the charity	952,710	1,000,010
Operating leases – non property	30,333	32,881
Fees paid to auditor for:		
- Audit (including £1,775 charged to Subsidiary Company (2021: £1,650))	13,275	12,350
- Advice (including £170 charged to Subsidiary Company (2021: £320))	170	320

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**8 CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS**

	Total funds 2022 £	Total funds 2021 £
<b>DIRECT COSTS</b>		
Teaching and educational support staff costs	5,167,584	4,913,228
Educational supplies and services	1,121,583	501,899
Examination fees	153,765	110,286
Staff development	14,168	14,524
Other direct costs	104,151	100,546
	<hr/> 6,561,251	<hr/> 5,640,483
<b>SUPPORT COSTS</b>		
Support staff costs	965,400	893,954
Depreciation	952,710	1,000,010
Pension costs (FRS102 adjustment)	421,000	252,000
Maintenance of premises and equipment	178,336	149,455
Cleaning	179,702	156,797
Rent and rates	74,930	61,464
Heat and light	159,005	117,484
Insurance	24,810	22,779
Security and transport	15,782	16,670
Catering and vending machines	201,918	116,911
Bank interest and charges	3,725	2,146
Computer expenses	109,005	90,107
Legal costs – other	10,907	11,281
Other support costs	118,865	66,563
Governance costs	34,464	34,413
	<hr/> 3,450,559	<hr/> 2,992,034
	<hr/> <hr/> 10,011,810	<hr/> <hr/> 8,632,517

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

**9 STAFF**

**a. Staff costs during the year were:**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Wages and salaries	4,607,374	4,377,134
Social security costs	474,009	428,593
Operating costs of defined benefit pension schemes	1,070,952	1,035,537
Supply teacher costs	15,489	5,639
	<hr/>	<hr/>
Total	<b>6,167,824</b>	<b>5,846,903</b>
	<hr/> <hr/>	<hr/> <hr/>

**b. Staff numbers**

The average number of persons (including Senior Leadership Team) employed by the School during the year expressed as full time equivalents was as follows:

	<b>2022</b>	<b>2021</b>
	<b>No.</b>	<b>No.</b>
Teachers	70	71
Administration and support	42	43

Included within the categories of Teachers and Administration and support are 8 (2021: 7) members of the Senior Leadership Team who are responsible for the day to day operations of the School.

**c. Higher paid staff**

The number of employees whose annual equivalent emoluments exceeded £60,000 was:

	<b>2022</b>	<b>2021</b>
	<b>No.</b>	<b>No.</b>
£60,000 - £70,000	3	3
£70,000 - £80,000	1	2
£80,000 - £90,000	1	1
£90,000 - £100,000	1	-
£120,000 - £130,000	1	1

5 (2021: 6) employees participated in the Teachers' Pension Scheme.

	<b>2022</b>	<b>2021</b>
	<b>No.</b>	<b>No.</b>
£10,000 - £15,000	-	1
£15,000 - £20,000	4	4
£25,000 - £30,000	1	1

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**9 STAFF (continued)**

The other employee participated in the Local Government Pension Scheme: employer's pension contributions amount to £23,924 (2021: £23,912).

**d. Key management personnel**

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £812,341 (2021: £766,625).

**10 GOVERNORS' REMUNERATION AND EXPENSES**

The Head Master and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of the Head Master and staff, and not in respect of their services as Governors. Other Governors also did not receive any payments, from the School in respect of their role as Governors. The value of Governors' remuneration, including employer pension contributions, fell within the following bands:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Russel Ellicott	150,000-155,000	150,000-155,000
Robert Morton	45,000-50,000	45,000-50,000
Catherine Smith	-	10,000-15,000
Miriam Wright	20,000-25,000	15,000-20,000

During the year, no Governors received any reimbursement of expenses incurred in their role as Governor (2021: £Nil). Where other related party transactions involving the Governors arise these are set out in note 27.

**11 GOVERNORS' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice the School has purchased cover through the Department for Education's (DfE's) Risk Protection Arrangement (RPA) – this commenced on 1 December 2016. The RPA is not an insurance scheme but is a mechanism through which the cost of risks that materialise are covered by government funds. The scheme protects Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The RPA Administrator's Limit of Liability is £10,000,000 (2021: £10,000,000) on any one claim and any one membership year. The cost of this cover is included in the overall RPA cost (£19 per student per year in the year ending 31 August 2022).

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**12 TANGIBLE FIXED ASSETS (GROUP & ACADEMY)**

	Long leasehold property & improvements £	Assets under construction £	Motor vehicles £	Fixtures & fittings £	Computer equipment £	Total £
<b>Cost</b>						
1 September 2021	35,753,530	5,200	44,119	1,730,367	595,081	38,128,297
Additions	-	485,859	-	70,936	75,566	632,361
Disposals	-	-	-	-	(60,913)	(60,913)
Transfers	192,581	(192,581)	-	-	-	-
At 31 August 2022	35,946,111	298,478	44,119	1,801,303	609,734	38,699,745
<b>Depreciation</b>						
1 September 2021	7,333,291	-	25,159	1,550,499	403,803	9,312,752
Charge for the year	791,781	-	5,420	59,022	96,487	952,710
Disposals	-	-	-	-	(60,913)	(60,913)
At 31 August 2022	8,125,072	-	30,579	1,609,521	439,377	10,204,549
<b>Net book value</b>						
At 31 August 2022	27,821,039	298,478	13,540	191,782	170,357	28,495,196
At 31 August 2021	28,420,239	5,200	18,960	179,868	191,278	28,815,545

The School leases buildings from Pate's Grammar School Foundation. On conversion, the Governors considered that the cost of a formal valuation was out of proportion to the benefit to be derived and instead based their valuation on the valuation that had been assessed for insurance purposes. Due to the School buildings being specialised in nature and not traded on the open market, this valuation was also considered to be a reasonable estimate of the depreciated replacement cost for the purposes of these accounts.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

**13 INVESTMENTS**

	2022	2021
	£	£
<b>Academy</b>		
Fixed asset investments	1,097,048	1,149,179
Investment in subsidiary	1	1
	<u>1,097,049</u>	<u>1,149,180</u>
 <b>Valuation of fixed asset investments</b>	 <b>£</b>	
At 1 September 2021	1,149,179	
Change in value during the year	(52,131)	
	<u>1,097,048</u>	
At 31 August 2022		

**Details of subsidiary**

On 18 September 2017, Pate's Grammar School Trading Company Limited was incorporated and Pate's Grammar School holds 100% of the £1 share capital. The principal activity of the company is to develop international links, seeking to secure a surplus which can then be transferred to Pate's Grammar School. The relevant details regarding the operation of the Trading Company are contained within the formal 'Standing Orders' document.

The profit of Pate's Grammar School Trading Company Limited for the year ending 31 August 2022 was £355,105 (2021: £269,837) which was donated to Pate's Grammar School. At the year end £355,105 (2021: £269,837) was owed to the School and the aggregate amount of capital and reserves at the end of the period was £1.

The results for the year ending 31 August 2022 have been presented as consolidated accounts.

**14 STOCKS**

	2022	2021
	£	£
Uniforms	212	2,270
	<u>212</u>	<u>2,270</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

**15 DEBTORS**

	<b>Group 2022 £</b>	<b>Academy 2022 £</b>	<b>Group 2021 £</b>	<b>Academy 2021 £</b>
Trade debtors	22,678	22,678	-	-
Amounts owed by subsidiary	-	355,105	-	269,837
Other debtors	112,147	111,743	68,002	68,002
Prepayments and accrued income	433,509	417,219	258,810	243,387
	<u>568,334</u>	<u>906,745</u>	<u>326,812</u>	<u>581,226</u>

**16 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group 2022 £</b>	<b>Academy 2022 £</b>	<b>Group 2021 £</b>	<b>Academy 2021 £</b>
Trade creditors	210,008	210,008	140,886	140,886
Other taxation and social security	112,420	112,420	103,010	103,010
Other creditors	130,750	130,750	133,461	130,219
Accruals and deferred income	552,026	550,206	193,938	178,755
	<u>1,005,204</u>	<u>1,003,384</u>	<u>571,295</u>	<u>552,870</u>

	<b>Group £</b>	<b>Academy £</b>
<b>Deferred Income</b>		
Deferred income at 1 September 2021	122,831	111,498
Resources deferred during the year	166,562	166,562
Amounts released from previous years	(122,831)	(111,498)
	<u>166,562</u>	<u>166,562</u>
Deferred income at 31 August 2022	166,562	166,562

**Deferred Income**

Grant income of £26,014 received during the period ended 31 August 2022 relating to expenditure for the future year has been deferred, as have receipts from parents in respect of events which have not yet taken place totalling £134,883 and other Academy income of £5,665.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**17 STATEMENT OF FUNDS**

The income funds of the School comprise the following balances of grants to be applied for specific purposes:

	<b>Brought Forward</b>	<b>Incoming Resources</b>	<b>Resources Expended</b>	<b>Transfers In/(Out)</b>	<b>Gains/ (Losses)</b>	<b>Carried Forward</b>
	£	£	£	£	£	£
<b>Endowment funds</b>	1,149,179	24,448	-	(24,448)	(52,131)	1,097,048
<b>Restricted funds</b>						
General Annual Grant	-	6,585,428	(6,590,481)	5,053	-	-
Other DfE/ESFA Grants	-	116,806	(121,645)	4,839	-	-
Other DfE/ESFA Covid 19	-	11,096	(11,096)	-	-	-
Teaching Schools	214,277	53,680	(37,662)	-	-	230,295
Teaching School Hub	3,727	266,460	(249,758)	-	-	20,429
Tatam legacy	52,501	-	-	-	-	52,501
The Thomas Award	-	2,000	(2,000)	-	-	-
Trips assistance	2,000	65	(630)	-	-	1,435
Computing Hub	2,281	210,098	(209,207)	-	-	3,172
Science Learning Partnership	-	44,514	(44,514)	-	-	-
Pate's Foundation	-	252,000	(252,000)	-	-	-
Other income	887	11,256	(11,231)	-	-	912
School Fund Account	13,956	402,984	(423,147)	6,207	-	-
Educational services	-	101,432	(101,432)	-	-	-
Pension reserve	(3,248,000)	-	(421,000)	-	3,155,000	(514,000)
	(2,958,371)	8,057,819	(8,475,803)	16,099	3,155,000	(205,256)
<b>Restricted fixed asset funds</b>						
DfE/ESFA Capital						
Grants	4,673,127	325,728	(223,040)	-	-	4,775,815
Predecessor						
School Surplus	6,441	-	(1,250)	-	-	5,191
Capital donations on conversion	22,589,603	-	(571,564)	-	-	22,018,039
Pate's Grammar School Foundation	1,172,905	50,000	(33,428)	-	-	1,189,477
Capital expenditure						
-unrestricted funds	290,253	-	(81,202)	196,833	-	405,884
Other donations	83,216	59,800	(42,226)	-	-	100,790
	28,815,545	435,528	(952,710)	196,833	-	28,495,196
<b>Total restricted funds</b>	<b>25,857,174</b>	<b>8,493,347</b>	<b>(9,428,513)</b>	<b>212,932</b>	<b>3,155,000</b>	<b>28,289,940</b>
<b>Unrestricted funds</b>	<b>856,492</b>	<b>1,037,055</b>	<b>(626,849)</b>	<b>(188,484)</b>	<b>-</b>	<b>1,078,214</b>
<b>Total of funds</b>	<b>27,862,845</b>	<b>9,554,850</b>	<b>(10,055,362)</b>	<b>-</b>	<b>3,102,869</b>	<b>30,465,202</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**17 STATEMENT OF FUNDS (continued)**

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

	Brought Forward £	Incoming Resources £	Resources Expended £	Transfers In/(Out) £	Gains/ (Losses) £	Carried Forward £
<b>Endowment funds</b>	1,116,821	24,332	-	(204,332)	212,358	1,149,179
<b>Restricted funds</b>						
General Annual Grant	-	6,160,533	(6,205,433)	44,900	-	-
Other DfE/ESFA Grants	-	103,160	(106,662)	3,502	-	-
Catch up premium	-	60,240	(60,240)	-	-	-
Other DfE/ESFA Covid 19	-	29,330	(29,330)	-	-	-
Teaching Schools	196,875	110,849	(93,447)	-	-	214,277
Teaching School Hub	-	80,000	(76,273)	-	-	3,727
Tatam legacy	54,501	-	(2,000)	-	-	52,501
The Thomas Award	2,000	-	(2,000)	-	-	-
Trips assistance	-	2,000	-	-	-	2,000
Computing Hub	4,308	130,125	(132,152)	-	-	2,281
Pate's Foundation	-	100,000	(100,000)	-	-	-
Other income	6,503	-	(5,616)	-	-	887
School Fund Account	3,613	120,947	(106,721)	(3,883)	-	13,956
Educational services	-	57,378	(57,378)	-	-	-
Pension reserve	(2,469,000)	-	(252,000)	-	(527,000)	(3,248,000)
	(2,201,200)	6,954,562	(7,229,252)	44,519	(527,000)	(2,958,371)
<b>Restricted fixed asset funds</b>						
DfE/ESFA Capital						
Grants	4,747,863	162,672	(237,408)	-	-	4,673,127
Predecessor						
School Surplus	11,512	-	(5,071)	-	-	6,441
Capital donations						
on conversion	23,204,695	-	(615,092)	-	-	22,589,603
Pate's Grammar						
School Foundation	1,203,834	-	(30,929)	-	-	1,172,905
Capital expenditure						
from unrestricted						
funds	250,717	-	(72,250)	111,786	-	290,253
Other donations	122,476	-	(39,260)	-	-	83,216
	29,541,097	162,672	(1,000,010)	111,786	-	28,815,545
<b>Total restricted funds</b>	<b>27,339,897</b>	<b>7,117,234</b>	<b>(8,229,262)</b>	<b>156,305</b>	<b>(527,000)</b>	<b>25,857,174</b>
<b>Unrestricted funds</b>	<b>506,157</b>	<b>742,737</b>	<b>(440,429)</b>	<b>48,027</b>	<b>-</b>	<b>856,492</b>
<b>Total of funds</b>	<b>28,962,875</b>	<b>7,884,303</b>	<b>(8,669,691)</b>	<b>-</b>	<b>(314,642)</b>	<b>27,862,845</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**17 STATEMENT OF FUNDS (continued)**

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

The Endowment Fund relates to The Sir Rowland Harry Biffen Trust. This permanent endowment fund was originally administered by trustees of Corpus Christi College, Oxford but was moved into the control of Pate's Grammar School (The Biffen Trustee) during the year ended 31 August 2015.

The Restricted General Funds includes GAG and other grants receivable from the DfE/ESFA towards the School's educational activities. School funds held in respect of education visits and events are also included in the Restricted General Fund as is a legacy received from Mr & Mrs Tatam which is used to fund a maximum of two scholarship awards of £2,000 per annum.

The Restricted Fixed Asset Fund includes amounts receivable from the DfE/ESFA in respect of tangible fixed assets held for School use.

The Pension Reserve relates to the School's share of the deficit of the Local Government Pension Scheme overseen by the Local Authority.

Under the funding agreement with the Secretary of State, the School was subject to a limit on the amount of GAG that it could carry forward at 31 August 2022. Note 2 confirms the limit was not exceeded.

**18 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

Fund balances at 31 August 2022 are represented by:

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Endowment funds 2022 £	Total funds 2022 £	Total funds 2021 £
Investments	-	-	-	1,097,048	1,097,048	1,149,179
Tangible fixed assets	-	-	28,495,196	-	28,495,196	28,815,545
Current assets	1,078,214	1,313,948			2,392,162	1,717,416
Creditors due within one year	-	(1,005,204)	-	-	(1,005,204)	(571,295)
Provisions for liabilities and charges	-	(514,000)	-	-	(514,000)	(3,248,000)
	<u>1,078,214</u>	<u>(205,256)</u>	<u>28,495,196</u>	<u>1,097,048</u>	<u>30,465,202</u>	<u>27,862,845</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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

	Unrestricted funds	Restricted funds	Restricted fixed asset funds	Endowment funds	Total funds	Total funds
	2021	2021	2021	2021	2021	2020
	£	£	£	£	£	£
Investments	-	-	-	1,149,179	1,149,179	1,116,821
Tangible fixed assets	-	-	28,815,545	-	28,815,545	29,541,097
Current assets	856,492	860,924	-	-	1,717,416	1,488,917
Creditors due within one year	-	(571,295)	-	-	(571,295)	(714,960)
Provisions for liabilities and charges	-	(3,248,000)	-	-	(3,248,000)	(2,469,000)
	856,492	(2,201,200)	28,815,545	1,149,179	27,862,845	28,962,875

**19 CAPITAL COMMITMENTS**

At 31 August 2022 there was a capital commitment of £147,251 for the second phase of the Fire Safety project, funded by the ESFA Condition Improvement Fund, which was completed in October 2022. At 31 August 2021 there were no capital commitments contracted for but not provided in the financial statements.

**20 FINANCIAL COMMITMENTS**

**Operating leases**

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

	2022	2021
	£	£
<b>Other</b>		
Expiring within one year	28,521	31,649
Expiring within two and five years inclusive	52,166	74,486
	80,687	106,135

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

**21 RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW  
FROM OPERATING ACTIVITIES**

	2022 £	2021 £
Net income for the reporting period before revaluation of investments (as per the statement of financial activities)	(500,512)	(785,388)
Adjusted for:		
Depreciation (note 12)	952,710	1,000,010
(Profit)/loss on disposal of fixed assets	(6,200)	(4,452)
Capital grants from DfE and other capital income	(435,528)	(162,672)
Interest receivable (note 6)	(24,652)	(24,348)
Defined benefit pension scheme cost less contributions payable (note 26)	364,000	208,000
Defined benefit pension scheme finance cost (note 26)	57,000	44,000
Decrease/(increase) in stocks	2,058	(1,019)
(Increase) in debtors	(241,522)	(43,855)
Increase/(decrease) in creditors	433,909	(143,665)
	<hr/>	<hr/>
<b>Net cash provided by operating activities</b>	<b>601,263</b>	<b>86,611</b>
	<hr/>	<hr/>

**22 CASH FLOWS FROM INVESTING ACTIVITIES**

	2022 £	2021 £
Interest and rents from investments	24,652	24,348
Sale of investments	-	180,000
Purchase of tangible fixed assets	(632,361)	(274,556)
Proceeds from sale of tangible fixed assets	6,200	4,550
Capital grants from DfE/ESFA and other capital income	435,528	162,672
	<hr/>	<hr/>
<b>Net cash provided by investing activities</b>	<b>(165,981)</b>	<b>97,014</b>
	<hr/>	<hr/>

**23 ANALYSIS OF CASH AND CASH EQUIVALENTS**

	At 31 August 2022 £	At 31 August 2021 £
Cash in hand and at bank	1,823,616	1,388,334
Notice deposits (less than 3 months)	-	-
	<hr/>	<hr/>
<b>Total cash and cash equivalents</b>	<b>1,823,616</b>	<b>1,388,334</b>
	<hr/>	<hr/>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

**24 ANALYSIS OF CHANGES IN NET DEBT**

	At 1 September	Cash flows	New Finance Leases	Other Non-cash changes	At 31 August
	2021	2022	2022	2022	2022
	£	£	£	£	£
Cash	1,388,334	435,282	-	-	1,823,616
	<u>1,388,334</u>	<u>435,282</u>	<u>-</u>	<u>-</u>	<u>1,823,616</u>

**25 CONTINGENT LIABILITIES**

In the event, during the period of the funding agreement, of the sale or disposal by other means of any asset for which a capital grant or whatever amount was received, the School shall, if it does not reinvest the proceeds, repay to the Secretary of State the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the funding agreement, whether as a result of the Secretary of State or the School serving notice, the School shall repay to the Secretary of State sums determined by reference to

- the value at that time of the School's site and premises and other assets held for the purposes of the company; and
- the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the funding agreement.

If the School ceased to be a state school with selective admissions, the lease of the School buildings could be terminated without compensation to the School. If the School ceased to be a state school it would have to transfer the school playing fields in accordance with the direction of the Secretary of State without compensation. In these circumstances the land and buildings would thus be valueless. There is no current indication that either of these circumstances will arise and accordingly the land and buildings are included as an asset without any liability for these contingencies.

Guaranteed Minimum Pension (GMP) Equalisation is a requirement to equalise the Guaranteed Minimum Pension benefits accrued between 1990 and 1997 from contracting out of the State Earnings Related Pension Scheme based on the principles outlined in the judgement of the "Lloyds Bank" High Court case in October 2018. The actuarial valuation prepared for the Local Government Pension Scheme (as disclosed in Note 26) does not currently include an adjustment for GMP Equalisation, as the fund actuary considers that a 'trigger event' is yet to occur in the LGPS. The trigger event referred to in this instance is that Government is yet to confirm the long term solution and hence the potential impact of GMP equalisation remains an unknown. In view of this continuing uncertainty, no provision has been made in these financial statements in relation to this matter.



**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**25 MEMBERS' LIABILITY**

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

**26 PENSION COMMITMENTS**

The School's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Gloucestershire County Council. Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

Contributions amounting to £85,919 (TPS) and £30,576 (LGPS) were payable to the schemes at 31 August 2022 (2021: £86,521 (TPS) and £28,661 (LGPS)) and are included within creditors.

**Teachers' Pension Scheme**

**Introduction**

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

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

**Valuation of the Teachers' Pension Scheme**

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

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**26 PENSION COMMITMENTS (continued)**

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

The employer's pension costs paid to TPS in the period amounted to £760,717 (2021: £748,418).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £377,780 (2021: £355,784), of which employer's contributions totalled £303,282 (2021: £287,119) and employees' contributions totalled £74,498 (2021: £68,665). The contribution rates for future years are 26.0% for the year to 31 March 2023 and 27.3% from 1 April 2023 to 31 March 2026 for the employer and depending on salary banding will vary between 5.5% and 12.5% for employees.

Parliament has agreed at the request of the Secretary of State for Education, to a guarantee that, in the event of an academy trust 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**

	<b>At 31 August 2022</b>	<b>At 31 August 2021</b>
Discount rate for scheme liabilities	4.25%	1.65%
Rate of increase in salaries	3.35%	3.2%
Rate of increase for pensions in payment / inflation	3.05%	2.9%
Commutation of pensions to lump sums pre-April 2008 service	35.0%	35.0%
Commutation of pensions to lump sums post-April 2008 service	68.0%	68.0%

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**26 PENSION COMMITMENTS (continued)**

**Sensitivity analysis**

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

	<b>Approximate increase to employer liability</b>	<b>Approximate monetary amount £</b>
<b>Change in assumptions at year ended 31 August 2022</b>		
0.5% decrease in Real Discount Rate	10%	520,000
0.5% increase in the Salary Increase Rate	1%	40,000
0.5% increase in the Pension Increase Rate	10%	485,000

It is estimated that a one year increase in life expectancy would increase the employer's liability by around 3%-5%.

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

	<b>2022</b>	<b>2021</b>
Retiring today		
Males	21.7	21.9
Females	24.1	24.3
Retiring in 20 years		
Males	22.6	22.9
Females	25.8	26.0

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**26 PENSION COMMITMENTS (continued)**

The School's share of assets and liabilities in the scheme and the expected rates of return were:

	Fair value at 31 August 2022 £	Fair value at 31 August 2021 £
Equities	2,880,000	2,902,000
Government Bonds	804,000	871,000
Property	466,000	290,000
Cash/liquidity	85,000	83,000
	<hr/>	<hr/>
Total market value of assets	4,235,000	4,146,000
Present value of scheme liabilities: Funded	(4,749,000)	(7,394,000)
	<hr/>	<hr/>
(Deficit) in the scheme	(514,000)	(3,248,000)
	<hr/> <hr/>	<hr/> <hr/>

**Amounts recognised in the Statement of Financial Activities**

	2022 £	2021 £
Current service cost (net of employee contributions)	668,000	497,000
Past service cost	-	-
Interest cost	128,000	101,000
Return on scheme assets	(71,000)	(57,000)
Employer contributions	(304,000)	(289,000)
	<hr/>	<hr/>
Total amount charged to SOFA	421,000	252,000
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**26 PENSION COMMITMENTS (continued)**

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

	2022 £	2021 £
<b>At 1 September</b>	7,394,000	5,664,000
Total service cost	668,000	497,000
Interest cost	128,000	101,000
Employee contributions	75,000	69,000
Actuarial Gains /Losses	(3,459,000)	1,105,000
Estimated Benefits paid	(57,000)	(42,000)
	<hr/>	<hr/>
<b>At 31 August</b>	4,749,000	7,394,000
	<hr/>	<hr/>

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

	2022 £	2021 £
<b>At 1 September</b>	4,146,000	3,195,000
Interest income	71,000	57,000
Return on plan assets	(304,000)	578,000
Employer contributions	304,000	289,000
Employee contributions	75,000	69,000
Estimated Benefits paid	(57,000)	(42,000)
	<hr/>	<hr/>
<b>At 31 August</b>	4,235,000	4,146,000
	<hr/>	<hr/>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**27 RELATED PARTY TRANSACTIONS**

Owing to the nature of the School's operations 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 a governor has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the School's financial regulations and normal procurement procedures.

Pate's Grammar School Foundation is a related party due to common members of the governing boards. During the year it provided revenue funding of £252,000 (2021: £100,000) and capital funding of £50,000 (2021: £nil)

Pate's Grammar School Trading Company Limited is a related party as Pate's Grammar School holds 100% of the £1 share capital. As detailed in Note 13, the profit for the year ending 31 August 2022 of £355,105 (2021: £269,837) was donated to Pate's Grammar School.

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

All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial 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 trust's financial regulations and normal procurement procedures.

**28 EVENTS AFTER THE END OF THE REPORTING PERIOD**

On 28 September 2022 the School was the victim of a cyber-security incident during which the systems were accessed by an unauthorised third party. Further details are set out in the Post Balance Sheet Events Disclosure section of the Governors' Report.