

Company Registration Number: 07960887 (England & Wales)

The University of Birmingham School
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

THE UNIVERSITY OF BIRMINGHAM SCHOOL
(A company limited by guarantee)

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THE UNIVERSITY OF BIRMINGHAM SCHOOL
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	<p>The University of Birmingham (represented by the Vice-Chancellor)</p> <p>Professor Tim Jones</p> <p>Dr Christopher Banks CBE</p> <p>Mr Richard Haywood</p> <p>Professor Jeffrey Bale</p>
Trustees	<p>Professor Jeffrey Bale, Chairman</p> <p>Professor Julie Allan</p> <p>Mr Joey Islam, Vice Chair</p> <p>Ms Natalie Howard</p> <p>Ms Eleanor Ellis Bryant (resigned 31 August 2021)</p> <p>Mr Stephen Washbourne, reappointed as a co-opted Trustee from December 2020)</p> <p>Professor Richard Black</p> <p>Ms Cathy Gilbert</p> <p>Mr David Ashmore (resigned 3 September 2021)</p> <p>Professor Prem Kumar</p> <p>Ms Fionnuala O'Connor</p> <p>Mr Mark Senior</p> <p>Ms Jane Millard (resigned 31 May 2021)</p> <p>Professor Andrew Peterson</p> <p>Dr Claudia Favero</p> <p>Ms Anna Brinkworth</p> <p>Mrs Nicola Bradfield</p> <p>Ms Deborah Youdell (appointed 31 March 2021)</p> <p>Mr E Addo-Boateng (appointed 3 September 2021)</p> <p>Mrs K Watkin (appointed 3 September 2021)</p> <p>Mr Colin Townsend, Ex Officio</p>
Company registered number	07960887
Company name	The University of Birmingham School
Principal and registered office	<p>12 Weoley Park Road</p> <p>Selly Oak</p> <p>Birmingham</p> <p>B29 6QU</p>
Senior management team	<p>Mr Colin Townsend, Principal</p> <p>Mrs Rebecca Tighe, Head of School</p> <p>Mr Mark Stow, Vice-Principal</p> <p>Mr Arthur Reeves, Assistant Vice-Principal</p> <p>Mrs Gemma Walker, Assistant Vice-Principal</p> <p>Mr Liam Dwyer, Assistant Vice-Principal</p> <p>Mr Robin Haslam, School Business Leader</p>
Independent auditors	<p>Cooper Parry Group Limited</p> <p>Chartered Accountants</p> <p>One Central Boulevard</p> <p>Blythe Valley Business Park</p> <p>Solihull</p> <p>West Midlands</p> <p>B90 8BG</p>

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Bankers

Lloyds
142 Edgbaston Park Road
Birmingham
B15 2TY

Solicitors

Legal Services
The University of Birmingham
Edgbaston
Birmingham
B15 2TT

THE UNIVERSITY OF BIRMINGHAM SCHOOL
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees who are also Trustees and Directors of University of Birmingham School ('the School'), present their seventh annual report together with the financial statements and auditors' report of the charitable company for the period 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a Trustees' report and a Directors' report, including a strategic report, under company law.

The Trust operates as an Academy Trust for pupils aged 11 to 18. Years 7 to 11 are recruited from admission nodes in Selly Oak, Hall Green, Small Heath and the Jewellery Quarter. This is by design and seeks to fulfil one of the Trustees' aims for the School that we are representative of the City of Birmingham. The Sixth Form is academically selective and open to students from across Birmingham and its surrounding communities. The School opened in September 2015 and was the first secondary University Training School in the UK.

At this stage of the School's existence and operation, there are pupils and students in every year cohort – including from September 2021 for the first time pupils in our first 2019/20 year 11 cohort transitioning to our year 13 Sixth Form where this was the appropriate progression step for them. At the last School census the School had 772 pupils on roll in years 7 - 11 and 387 students in years 12 and 13 (total 1159). The vision of the University of Birmingham School is to create a learning community that will transform lives by raising the aspirations of a very diverse student population and therefore maximise students' personal and academic achievement so that they can fulfil their potential and access the widest possible range of opportunities and pathways.

The School's unapologetic focus on personal and academic achievement, and ultimately success in achieving entry to higher education, is derived from its link to the University of Birmingham.

Aspiration and progression to higher education is key and a proven route to social mobility and this School seeks to help all of its students to raise their aspirations and achievement. It does this by offering students a curriculum based on traditional academic subjects and by supporting their development as well-rounded people of strong character, all benefiting from excellent resources, a diverse and comprehensive student body, and access to world-class facilities through the University.

Structure, governance and management

a. Constitution

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

The Trustees are also the Directors of the charitable company for the purposes of company law. The charitable company operates as University of Birmingham School.

Details of the Trustees who served during the year, and to the date the approval of this report and the financial statements are included in the Reference and administrative details on page 1.

b. Members' liability

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

c. Trustees' indemnities

The Trustees benefit from indemnity insurance purchased by the Academy Trust to cover the liability of the Trustees arising from negligent acts, errors or commissions occurring whilst on Academy Trust business. The limit of this indemnity is £10,000,000.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Trustees

The Trust shall have the following Trustees, as set out in its Articles of Association and funding agreement:

- Up to 10 are "University nominated" Trustees, appointed by the Members;
- Up to 2 are Staff Trustees, elected through a process determined by the Members;
- A minimum of 2 Parent Trustees, elected by parents and carers;
- the Principal is an ex-officio Trustee; and
- 4 Co-opted Trustees, appointed by the other Trustees.

Trustees are appointed for a 4 year period, except that this time limit does not apply to the Principal where they have agreed to be appointed as a Trustee or where they are automatically appointed as a Trustee under the Articles of Association. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

When appointing new Trustees, the Board of Trustees will give consideration to the skills and experience mix of existing Trustees in order to ensure the Board of Trustees has the necessary skills to contribute fully to the Academy Trust's ongoing development.

There are currently eighteen Trustees, who also act as Trustees and Directors, all of whom have been appointed by the Members. The Members are obliged by the Trust's Articles of Association to ensure that the majority of School Trustees are nominees of the University of Birmingham.

e. Policies adopted for the induction and training of Trustees

All Trustees are provided with the policies, procedures, minutes, accounts, budgets, plans and other documents they will need to undertake their role as Trustees. Specific induction and training will be provided for Trustees, covering all of their roles and responsibilities. Trustees also have access to various online resources including The Key and Trustee Hub. Through a Trustees' skills analysis and matrix priorities for training are identified and put in place for the Board. During the reporting year, examples of training offered widely have been safeguarding, and awareness of unconscious bias and race action linked to the equalities duty; with more select training being offered to Chairs of Committees about Ofsted's education inspection framework (EIF) and related matters such as the central importance of the School's curriculum – from its intent, to its implementation, and its impact.

f. Organisational structure

The Trustees are responsible for setting general policy, adopting an annual development plan and budget, approving the annual statutory accounts, monitoring the Academy Trust by the use of budgets and other data, and making the major decisions about the direction of the Academy Trust, capital expenditure and staff appointments

The Board of Trustees normally meet each term (twice in the autumn term). The Board of Trustees establishes an overall framework for the governance of the Academy Trust and determines membership, terms of reference and procedures of Committees of the Board of Trustees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings and through direct reporting from the elected Chair of each Committee. The Board of Trustees may from time to time establish working groups to perform specific tasks over a limited timescale.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

There are 5 Committees of the Board of Trustees as follows:

- Resources
- Staffing and Personnel
- Teaching and Learning
- Pastoral
- Audit

Each Committee has its own terms of reference detailing the responsibilities discharged to it.

The following decisions are reserved to the full Board of Trustees:

- to consider any proposals for changes to the status or constitution of the Academy Trust and its committee structure;
- to appoint or remove the Chair and / or Vice Chair; and
- to appoint and / or consider the performance management of the Principal.

The Trustees have devolved the day-to-day management of the Academy Trust to the Senior Leadership Team ('SLT'), which is led by the Principal. The SLT comprises the Principal, Head of School, Vice Principal, Assistant Vice Principal's and the School Business Leader. The Principal is the Academy Trust's Accounting Officer and has overall responsibility for the day-to-day financial management of the Academy Trust. The SLT implements the policies laid down by the Trustees and reports back to them on these and the Academy Trust's overall performance.

During 2020/21 the Principal proposed and undertook a senior team restructure, including consultation as appropriate, in part to put in place the focused leadership capacity to deliver on the School's strategic intents moving beyond September 2021. This increases the leadership team at University of Birmingham School from seven to ten members and is structurally in place for 2021/22.

To support the School's growth into its sixth full year of operation, a new group of teaching, teaching-related and professional services staff were recruited. In order to replace staff who were moving on from the School, staff who gained internal promotions during the year and accommodate the increase in the pupil and student population, eleven new teachers joined the School during the year or in readiness for September 2021. Six of these teachers were newly qualified teachers supported by an experienced member of staff as NQT mentoring co-ordinator. The School also recruited a new SENDCo.

During 2020/21 the School recruited successfully to a new Family Support Worker post in order to bring further capacity to pastoral and safeguarding work; to a Pupil Pastoral Administration post; to a Learning Coach role to further increase capacity for SEND leadership; and an in-house IT technician post as a result of the School's review of service provision and the decision to move some arrangements in-house rather than outsourced.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

g. Arrangements for setting pay and remuneration of key management personnel

The Trustees consider the Board of Trustees and the senior management team to comprise the key management personnel of the Academy Trust in charge of directing and controlling, running and operating the Academy Trust on a day-to-day basis. All Trustees give of their time freely and no Trustee received any remuneration in the current or prior year, other than those Trustees who are also employees of the Academy Trust. Details of Trustees' remuneration and expenses are disclosed in note [X] of the financial statements respectively.

The pay of the senior management team is reviewed annual by the Staffing and Personnel Committee in line with the Academy Trust's pay and remuneration policy and by reference to published pay scales for both teaching and professional services staff.

The Governing Body determines the salary/pay range to be advertised and agree pay on appointment in accordance with the following:

- a) The Principal will have a pay range of 6 consecutive points (which have regard for national scales)
- b) The Vice-Principals will have a pay range of 9 consecutive points.
- c) The Assistant Vice-Principals will have a pay range of 5 consecutive points that sit below the Vice Principal's pay range.
- d) The School Business Leader will have a professional services pay range, broadly equivalent to that of Assistant Vice-Principal.
- e) The Principal may make a recommendation to the Governing Body to appoint a person to a post on a salary that is outside of the normal salary range for the post.
- f) The Governing Body will consider the request and confirm their decision to the Principal accordingly.

The Governing Body delegates three Trustees, none of whom are employees of the School, to carry out the Performance Development review for the Principal as set out in the School's Performance Development and Appraisal Policy. The agreed performance objectives and indicators/measures may be referred for moderation to the Chair of Trustees. The Trustees engage the services of an advisor/appraiser to assist in the Principal's review – ordinarily an experienced, independent ex-Head Teacher or Principal.

At the time of the annual assessment of teachers' salaries, the Principal may determine that any member of staff paid on the Leadership Range be paid up to two additional points subject to the maximum of the individual range.

The Governing Body expects that the objectives which were set for such staff under the Performance Development and Appraisal Policy will have become progressively more challenging as they have gained experience in their current role and where there has been sustained high quality of performance having regard to the results of the recent Performance Review. The Principal will notify the Staffing and Personnel Committee of his decision. Where it considers it has substantial difficulties in retaining the services of a current member of the Leadership Team the Principal, in consultation with the Governing Body, may decide to change the salary range in order to retain their services.

Objectives and activities

a. Objects and aims

The principal objects of the Academy Trust, as set out in its Articles of Association, are to:

- establish and manage a School with a broad and balanced curriculum
- provide for Initial Teacher Education and further advanced training for qualified teachers, including but not limited to Masters level programmes.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities (continued)

b. Objectives, strategies and activities

The key priorities for the year are contained in the Academy Trust's Development Plan which is available from the Principal.

The key activities for the Academy Trust for the year ended 31 August 2021 were focussed as follows:

- An overarching framework of character education which will build students' confidence, resilience, and personal qualities so that they are able to become self-organised and motivated citizens and scholars able to make the most of their personal development and curriculum opportunities, and;
- A traditional academic subject-based curriculum which will use a carefully formulated blend of content and process to help students attain the highest possible outcomes.

The Sixth Form is the crucial link between the 11-16 School and higher education; it plays a number of key roles:

- Its presence involves the University Departments at the outset, facilitating collaboration between the University and the School, attracting the best staff and supporting the development of School-led and work-based approaches to initial and on-going teacher education and training.
- It also provides the aspiration for achievement and progression for younger pupils from the outset, as advancement to post-16 academically challenging education will be seen as the norm.

This approach is shaped by our belief that maximising a pupil or student's potential is not just about giving them knowledge, but about shaping the whole person, including their personal capabilities and character through enrichment activities, a thoughtful and engaged system of pastoral care, and a community including older students, teachers, trainee teachers, and mentors and coaches drawn from the University's own students and staff.

This focus on character education and the development of personal qualities and virtues will ensure the School fulfils the requirements of its funding agreement to promote 'values for a modern Britain of democracy, the rule of law, individual liberty, and mutual respect and tolerance of those with different faiths and beliefs'.

c. Public benefit

The Academy Trust aims to advance for the public benefit education in Birmingham and the surrounding area, offering a broad curriculum and an excellent education environment for its pupils. The Academy Trust also allows use of its facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of that community.

The details of the particular activities of the Academy Trust during the year and how these have provided public benefit are detailed in the Achievements and Performance section below.

The Trustees confirm that they have complied with the duty in the Charities Act 2011 to have due regard to the Charity Commission general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy Trust's aims and objectives and in planning its future activities.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities (continued)

d. Strategic report

Achievements and performance

The Academy Trust continues to evolve and to adapt to the ever-changing educational environment. The Academy Trust is committed to continual improvement, which is achieved in a number of ways, including improvement planning, review meetings, continual professional development, lesson observations, performance management, self-evaluation, data analysis and action planning. The particular achievements and performance of the Academy Trust during the year ended 31 August 2021 included:

- Ahead of the 2020/21 academic year, the School recruited its sixth full cohort of pupils into year 7, further adding to the diverse and inclusive community which was created in the School's first and subsequent years of operation. Using the nodal admissions the School recruited its 150 year 7 pupils from four distinct areas of the city - its own Selly Oak locality, Hall Green, Small Heath and the Jewellery Quarter. There were 1,800 applications to the School for year 7 places - over 11 applications for each available place. Of these, 290 applications were from parents and carers who selected the School as their first choice. During 2020/21 admissions processes were completed in readiness for September 2021 entry to year 7, there being over 1,650 applications for places. There is strong confidence within communities and from families in the School, given the level of interest seen.
- The School also received 1,030 applications for the 200 places available in year 12 in September 2020 – broadly replicated across 2020/21 in readiness for sixth form entry in September 2021. This included for the first time 70 applications from our own first GCSE cohort – with 60 of these pupils subsequently enrolling during August 2020 – upon choice, and having themselves met the academic entry standards to follow our A level courses (from a mixed attainment lower School).

Year 12 recruitment (entry Sept 2020)	Number of students
Cohort	200
Internal Students (from year 11)	60
Male	98
Female	102
SEN - EHCP	4
SEN - SEN Support	3
PP	57
Non PP	143
EAL	42
Ethnicity - Black	39
Ethnicity - Asian Origin	96
Ethnicity - White	48
Ethnicity - Other	17

- It is appropriate and important to recognise that the reporting year 2020/21 saw the continued impact of the coronavirus (Covid-19) pandemic which first emerged in March 2020 – with very many associated consequences and restrictions on daily life and education. This included a further period of national lockdown in January and February 2021, with teaching, learning, and pastoral care moving to online provision (including live lesson delivery) throughout that period; significant impact for pupils, students, and staff as a result of various and multiple self-isolation periods; for a second academic year the removal of national public summers examinations 2021; and the establishment of onsite testing facilities for Covid-19 lateral flow testing (implemented in September 2020 and thereafter).

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities (continued)

- School leaders and teachers had to re-think at speed learning provision remotely, and online. In-house solutions were also sought to allow teachers and pastoral staff to 'stay connected' with families – especially important for those known to be in challenging or vulnerable circumstances and settings; and alternative systems and provision involving supermarket vouchers for free School meals ordinarily provided here onsite but necessary in changed contexts for families working and learning at home.
- Public examinations (GCSEs and A levels) were also suspended across the country – leading to the School putting in place a robust system of internal (and externally benchmarked) standardisation to produce Teacher Assessed Grades for all pupils in year 11 (GCSE) and students in year 13 (A level) for submission to Awarding Organisations. Examination outcomes reported for the School and herein therefore sit within this national context.
- Despite the uncertainty about university provision in 2021/22, a pleasing proportion of the year 13 2020/21 cohort made the decision to pursue a place in higher education, comparing favourably to previous years. The table below makes the comparison with the previous cohort. Understandably, a number of students paused university decisions whilst taking the chance to re-sit examinations in the autumn of 2021. Or held some concerns about taking up an undergraduate position at this time.

	2021		2020	
	Numbers	% of Year Group	Numbers	% of Year Group
Total Leavers	129	100%	110	100%
Placed at University	100	78%	86	78%
University of Birmingham	23	18%	7	6%
Russell Group	42	33%	28	25%
Medicine	3	2%	1	1%
Oxbridge	1	1%	1	1%
Gap Year - Resit	8	6%	10	9%
Gap Year	16	12%	10	9%
Employment	1	1%		
Unknown	4	3%		

Ofsted Inspection

Arising from the School's most recent (June 2018) Ofsted inspection, University of Birmingham School is recognised as a good School in terms of overall effectiveness.

In its report, Ofsted highlighted the School's bespoke 'character education' programme, supported by the Jubilee Centre of Character and Virtues at the University of Birmingham. The inspectors reported that 'the development of a 'character education' programme has rightly received national and international acclaim. Leaders promote spiritual, moral, social and cultural development and values for a modern Britain very well through the curriculum. This includes through 'personal learning and development' lessons.'

The inclusive approach of the School was also celebrated in the final report: 'Leaders have realised their vision for a highly inclusive intake. The School's pupil intake draws on all parts of the city and a wide range of diverse backgrounds. It is (and remains) very popular and oversubscribed. Leaders have established an ethos of respect and tolerance where diversity is celebrated. Disabled pupils can access all parts of the building and are fully integrated into School life.'

There is a strong culture of good relationships between pupils of different backgrounds. Pupils show respect for each other's differences, whether by disability, ethnicity, or social background.'

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities (continued)

Ofsted recognised the value and depth of the partnership between the School and the University, and the report said: 'The close partnership with the University of Birmingham has led to significant additional investment and access to high-quality resources.'

Character education and enrichment

The School's Personal learning and Development (PLAD) programme received praise by Ofsted inspectors, who mentioned the positive impact that the School's bespoke character education programme was having on pupils. The School's CEIAG (careers education) provision ensures that pupils are aspirational – whilst other work around personal development allows that they feel safe, and behave towards one another with respect and understanding.

In addition to the enrichment offered within the School week, the School continues to build an impressive portfolio of opportunities for pupils before and after School, and at lunchtime. Pupils now choose to take part in before and after School badminton, after School football, and there is significant take-up of music lessons from the Music Service. The coronavirus pandemic greatly curtailed enrichment learning, as a result of planned control measures in School or because external providers were neither able to receive pupils nor attend School – but planning for the September 2021 seeks to step-up provision and opportunities again.

The School also runs the Duke of Edinburgh scheme, with intentionally universal access for the year 9 cohort. Whilst again the outcomes and impact of this provision have been disrupted in 2020/21 as a result of Covid-19, the School remains focused and committed to wider experiences offered by the scheme, and is planning to provide across all levels (bronze, silver, and gold) from September 2021.

Enrichment and extra-curricular opportunities have also grown; the School continues to extend links with the University of Birmingham which has led to bespoke enrichments around engineering, sustainability, linguistics (in French), geology, and archaeology – with more still planned for 2021/22.

University Partnership

The partnership between School and University has been developed over the course of the year, with significant activity around initial teacher education (ITE) and volunteering projects for the benefit of the School.

Once more, all secondary PG Dip Ed students took part in serial placements which saw them visit the School at various points across the School year. This paid careful regard to both the risk assessments relating to Covid-19 for both the School and for the University.

As a result of Covid19 leaders at University of Birmingham School recognised that the University's School of Education would face potentially extreme challenges in providing placements for teacher trainees commencing September 2020 and worked collaboratively with University leaders to welcome different ways of training and learning – with an upscale to plans for the number of trainee attachments previously accommodated at the University School. There is ahead for the School sector considerable risk to teacher workforce supply if sharply increased numbers of new teachers are not able to qualify and start careers in the profession.

The School's aspiration is to become a place of continual teacher education, enabling and assisting the continuous professional development of teachers from across the city and will do so via the partnership with the University. The Rush Hour Research series of events aims to help staff from both the School and other institutions continue to be research-informed and to develop their curiosity and love of lifelong learning. During 2020/21 many colleagues from the School supported and became involved with the review of Early Career Framework materials for the University's School of Education, the University having been recognised by the Department for Education as one of the national delivery partners for early career teachers commencing September 2021. This partnership work is ongoing.

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TRUSTEES' REPORT (CONTINUED)
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Objectives and activities (continued)

Continual professional development with the University has also benefitted teachers at the School with the University's training department supporting the School in the development of coaching. Furthermore, three teachers at the School were able to undertake their Masters in either Teaching Studies or Education Leadership at the University. The School ordinarily hosts an end of year event in July focusing on research summaries - #engagedinresearch – which in the summer term of 2021 was necessarily cancelled. It is however the intention of the School to schedule these events moving forward.

Strategic report

a. Key performance indicators

The School Improvement Plan was ratified by Trustees in the autumn term 2020 for the School's senior leadership team to work to throughout the academic year. Progress towards meeting School aims, objectives, and priorities for development is reviewed termly and reported. The plan plays close regard to the School's intention to be designated as outstanding at its next external inspection – motivated in moving from good to great in all areas and deliver on overarching aims to nurture flourishing citizens and successful scholars.

Teacher assessed grades (TAGs) and pupil/student outcomes 2021

As a result of coronavirus circumstances and the national lockdown restrictions January- February 2021, Schools were asked to submit teacher assessed grades for year 11 pupils (GCSEs) and year 13 students (A levels) to Awarding Organisations. Grades were not to be nationally standardised across the country, but School leaders were guided in implementing evidence based assessment. Schools were also expected to put in place plans for pupils and students to challenge and formally appeal the grades awarded, in line with the evidence baselines and processes within the School.

Overall year 11 (2021) GCSE Progress 8 trends and patterns (estimated):

101 of 139 pupils achieved a positive GCSE Progress 8 measure

Summer 2021 GCSE outcomes were the second cohort's for University of Birmingham School, with the summer 2020 cohort being similarly centre assessed grades.

Key Performance Indicator	Y10 Forecast 2	Y11 Forecast 1	Y11 Forecast 2	Y11 PPE	Y11 TAG	National (2019)
Number of pupils	146	141	140	140	139	-
Progress 8	+0.54	+0.5	+0.66	+0.18	+0.9	0
Attainment 8	53.63	53.88	56.06	51.32	58.25	47.6
% Entered for EBACC	77%	79%	81%	79%	81%	40%
EBACC APS	5.09	5.12	5.22	4.59	5.50	4.06
% Grade 5+ in Eng & Maths	45%	52%	60%	46%	66%	43%
Overall performance is positive, and stronger than in 2020 – this was expected as the cohort were more engaged as a whole, and they prepared well for their final assessments. Subject leaders have evaluated holistic pupil performance against grade descriptors provided by Awarding Organisations, and were challenged by senior leaders when grades were disproportionately high.						

Overall year 13 (2021) A level L3VA (level 3 value added) headline estimate: +0.03

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TRUSTEES' REPORT (CONTINUED)
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Strategic report (continued)

(continued)

This is broadly equivalent to that determined in summer 2020 (CAGs) and in summer 2019 public examinations. It marks a significant improvement on headline measures prior to 2019 outcomes.

(Actual 2019 outcomes UoBS +0.08) – indicating that standards have been broadly maintained from 2019 to 2020 and 2021 Key Stage 5 academic outcomes for University of Birmingham School.

Key Performance Indicator	Year 13 Forecast 1	Year 13 Forecast 2	Year 13 TAG
Number of pupils	131	130	129
L3VA	-0.27	-0.16	+0.03
A*-B	43.22%	46.58%	57.25%
A*-E	99.5%	99.24%	98.98%
Average Points Score (APS) and grade	33.64 C+	34.63 C+	36.77 B-
AAB+ in facilitating subjects	14.5%	14.6%	18.6%

Learning Recovery (Covid-19)

School leaders recognise the detrimental impact of the Covid-19 pandemic on children and families – and moreover that this impact will not have occurred evenly. During 2020/21 the School devised and published a plan for learning recovery (catch-up) including accounting for costs and planned spend from the allocated Catch-Up Premium. This involves the School's engagement with the National Tutoring Programme and a range of partners more widely. Whilst it is not straightforward to determine the impact of this intervention and support at this stage, the School's implementation and work was recognised by NTP which asked for the University of Birmingham to publish a case study. Leaders recognise above and beyond this helpful intervention strand, the overriding importance of quality first teaching, support, and provision with reference to sustainable recovery – with high quality core business at the heart of the School's daily work. The School planned and ran a modest summer School for members of years 7 (joining the School in September 2021) and members of year 10 (in support of GCSE examinations in the summer of 2022). In total 90 pupils attended some aspect of the summer School offered. Specific recovery planning continues into 2021/22.

b. Going concern

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

The Governing Body is confident, with reference to continued strength of pupil and student recruitment, and in relation to prudent financial management, that it has adequate resources to continue in operational existence for the foreseeable future. This assessment is based upon known income and expenditure, levels of reserves held, its continued ability to recruit pupils / students and staff together with the strength of its Members and Trustees. The School maintains a comprehensive Risk Register with identified risks mitigated wherever possible. This has included for 2020/21 as in the previous year, especial risk management in relation to extraordinary Covid-19 contexts. 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.

THE UNIVERSITY OF BIRMINGHAM SCHOOL
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report (continued)

Financial review

For the year ended 31 August 2021, the Academy Trust's total income (excluding capital grants) was £7,148,000 (2020: £6,648,000) while the total expenditure (excluding depreciation and LGPS FRS102 pension cost charges) was £6,709,000 (2020: £6,124,000), resulting in a net operating surplus for the year of £439,000 (2020: £524,000).

The balance of reserves at 31 August 2021, excluding the restricted fixed asset funds and LGPS liability fund was £1,753,000 (2020: £1,314,000).

The majority of the School's restricted income is obtained from the Department for Education (DfE) via Education and Skills Funding Agency (ESFA) in the form of revenue and capital grants the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2021 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The School continues to benefit from increased student numbers in Sixth Form. The School was funded for 330 students during the year, up from 249 the previous year. Next year we anticipate student numbers being around 400. Historically this has been an area of risk to the School – failure to recruit into Year 12 resulted into a number of financial clawback. Over the last two financial years, the School has received additional funding within the Pupil Number Adjustment calculations made mid-year.

Overall, the Academy Trust received around £400,000 additional income, largely from increased Sixth Form numbers but also as a result of additional funding in relation to Covid (Mass Testing, Free School Meals reimbursement, Catch up grants / National Tutoring). In terms of expenditure, this was broadly in line with expectations although spending on Covid related (see below) increased but was offset by reduced staffing costs in terms of requiring less supply cover during lockdowns.

Continued and extraordinary circumstances arising from the coronavirus pandemic have necessitated some expenditure not ordinarily expected within the budget setting process – including meals for families where eligible, costs associated with upholding a Covid-19 secure workplace such as enhanced cleaning, and the establishment of onsite Covid-19 lateral flow testing as a part of infection identification and control. Where additional exceptional funding has been made available the School has claimed accordingly to assist with covering costs. Moving forward beyond 2020/21 demands on the School's finances arising from the ongoing response to Covid-19 will be necessarily prioritised, such as capacity to cover for colleagues where needed as a result of illness or self-isolation under instruction from NHS Test and Trace.

A further impact from Covid-19 has been the cancellation of all lettings. This is a significant source of income to the School accounting for approximately £40,000 of income. Lettings are anticipated to restart in September 2021.

The Academy Trust's balance sheet is impacted by significant depreciation and pension costs. These result in a significant deficit each year (2021: £1,239,000 and 2020: £1,172,000) although as can be seen above, the Academy Trust has achieved a net operating surplus in every year of its existence.

The School maintains a healthy surplus balance. The School uses the Academies Financial Handbook to inform its own financial policies and procedures.

THE UNIVERSITY OF BIRMINGHAM SCHOOL
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

a. Reserves policy

The Trustees review the reserve levels of the Academy Trust annually. This review encompasses the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees also take into consideration the future plans of the Academy Trust, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees have determined that the appropriate level of operating reserves should be approximately 12% of total incoming resources. The reason for this is to provide sufficient working capital to cover delays between spending and receipts of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance, long term staff absences etc.

The Academy Trust's current level of operating reserves at 31 August 2021 is £1,753,000 (2020: £1,314,000), which is made up of restricted income reserves of £1,404,000 (2020: £1,009,000) and unrestricted funds of £349,000 (2020: £305,000).

Although the current level of operating reserves is above the target level identified above, the Trustees expectation is that these reserves will be utilised over the next few years to fund the ongoing development of the Academy Trust, including the need to retain key staff in light of the increasing cost pressures in future years and the need to fund ongoing capital projects and developments.

The value of the restricted fixed asset fund at 31 August 2021 is £18,441,000 (2020: £19,409,000), which is represented by the fixed assets that are used exclusively for providing education and associated support services to the pupils of the Trust, and the balance of unspent capital grants to be used on future capital expenditure. These funds can only be realised by disposing of the associated tangible fixed assets.

The pension reserve fund has a deficit balance at 31 August 2021 of £2,002,000, which represents the deficit in the LGPS at the balance sheet date. The effect of the LGPS deficit is that Academy Trust is required to make additional pension contributions over a number of years in order to fund the deficit. These additional pension contributions will be funded from the Trust's annual recurring income, which may significantly impact its ability to continue to deliver its educational outcomes with the available public funding it receives. The Trustees have noted however that the Government has provided a guarantee that in the event of an Academy closure, any outstanding LGPS liabilities would be met by the Department for Education.

Maintaining an appropriate level of financial reserves is considered essential to protect the School from financial risk. Risks include cuts to funding, unexpected falls in pupil / student numbers, unexpected expenditures and suchlike. These funds will be carried forward without limit but having regard to the School's annual budget, payroll costs, known commitments and 5-Year Forward Financial Plan. A portion of unrestricted reserves will be used for ongoing replacement of IT hardware as and when the existing stock reaches the end of its useful life. Other expenditure will support the School's improvement planning and strategic intents.

b. Investment policy

The School aims to manage its cash balances for the day-to-day working of the School whilst protecting the real long-term cash value of any surpluses against inflation. The School does not, at present, consider the investment of funds as a primary activity, rather as a result of good stewardship if and when circumstances allowed.

THE UNIVERSITY OF BIRMINGHAM SCHOOL
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

c. Principal risks and uncertainties

The Trustees have assessed the major risks to which the Academy Trust is exposed, especially in the operational areas, such as teaching, health & safety, safeguarding and school trips, and in relation to the control of finances and strategic development of the Trust. They have introduced systems, including operational procedures and internal financial controls in order to minimise risk and have agreed a Risk Management Strategy and Risk Management Plan, which incorporates a Risk Register. The Risk Management Plan is constantly reviewed in light of any new information and formally reviewed annually.

The principal risks and uncertainties facing the Academy Trust are as follows:

Financial

- The Academy Trust has considerable reliance on continued Government funding through the ESFA (and Local Authority). In the year, approximately 96% of the Academy Trust's income was ultimately Government funded. Whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms, particularly in light of continuing changes in the National Funding Formula for schools.
- Continuing increases in employment costs, including pension costs association with both the Teachers' Pension Scheme and the Local Government Pension Scheme, and premises costs will also continue to place significant pressure on the Trust's financial position and its ability to deliver balance budgets in the future.
- The Trustees examine the financial health of the Academy Trust formally every term, reviewing performance against budgets and overall expenditure by means of regular update reports at all full Trustees and Finance and Resources Committee meetings.
- At the balance sheet date, the Academy Trust had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on the Academy Trust's liquidity.
- The Trustees recognise that the LGPS deficit represents a significant potential liability to the Academy Trust. However, as the Trustees consider the Academy Trust is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is minimised.

Staffing

- The success of the Academy Trust is reliant on the quality of its staff so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning. Loss of key and skilled staff could arise due to workload pressures, well-being, or lack of opportunity to progress professionally. Leaders review ongoing working practices to support work-life balance and staffing capacity. Where vacancies do arise and whilst staff structural changes are being further considered to both meet the priorities for the School and provide career development opportunities, leaders will ensure that core business needs are prioritised.
- Demands placed on the School's overall resources - including teachers - in meeting the needs of an increasing number of children with high needs. School leaders continue to work proactively with colleagues and representatives at the LA within SENAR.

Education

- There are insufficient varied pathways for pupils and students to choose from when considering post-16 and post-18 options. School leaders continue to develop CEIAG (careers guidance) to support informed and positive onward pathways for all pupils and students.

THE UNIVERSITY OF BIRMINGHAM SCHOOL
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

- The School is unable to sustain a cohesive and affordable enrichment programme which threatens one of the key distinctive features of the School. Leaders remain committed to the wider learning opportunities provided to pupils and students – and will work increasingly within creative partnerships and with stakeholders to develop funding streams.
- With public examinations in summer 2021 cancelled for a further time at national level, it was recognised that the School might struggle to demonstrate success in relation to academic impact, or face challenges arising from the award of teacher assessed grades. Senior and subject leaders designed in-house procedures and systems for the consistent, fair, evidence-based award of GCSE and A level grades to be submitted to Awarding Organisations in June 2021 and for release to pupils/students in August 2021. This included appeals processes. The School focused heavily as in summer 2020 on monitoring individual plans for progression through CEIAG (information and guidance).

Failures in governance and / or management

- The risk in this area arises from the potential failure to effectively manage the Academy Trust's finances, internal controls, compliance with regulations and legislation, statutory returns etc. The Trustees continue to review and ensure appropriate measures are in place to mitigate these risks, which includes those relating to fraud and mismanagement of funds.

Fraud and mismanagement of funds

- The Academy Trust has engaged University of Birmingham Audit and SIPS Education to perform a program of work aimed at checking and reviewing the financial systems and records as required by the Academies Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and to develop their skills in this area.

Covid-19

- Ongoing, Trustees and leaders of the School consider and monitor extraordinary risks presented by Covid19 – notably in the mid to long term the successful outcomes and transition plans for pupils and students whose learning has been disrupted because of periods of lockdown or self-isolation. Bi-modal teaching methods are in place to support learning and personal development as best possible, and learning recovery plans are designed and implemented within the constraints of available resourcing and time. An Extraordinary Committee of Audit Trustees continues to be in place to support and challenge the School in this regard – convening at least half termly and often more regularly.

Fundraising

The Academy Trust has not undertaken any material fundraising activities during the year ended 31 August 2021.

Plans for future periods

The Academy Trust's plans for future periods are driven by the School's strategic intents which aim to :-

- provide strategic vision beyond the School's growth to full capacity in September 2021.
- further its work and intentions in striving to be an outstanding School in all regards – in line with its aims to foster flourishing citizens and successful scholars.
- define more comprehensively its distinctive nature as a University Training School and the associated contribution of a UTS model to teacher training and continuing professional development, indeed with research and evidence informed practice at its heart.

THE UNIVERSITY OF BIRMINGHAM SCHOOL
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Funds held as custodian on behalf of others

The Academy Trust and its Trustees do not act as Custodian Trustees of any other charity.

The Academy does however hold Post 16 Bursary Funds on behalf of the ESFA, which are distributed to students as required and in line with the terms and conditions of the funds.

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

Auditors

Cooper Parry have been appointed as auditors of the Company under Section 485 of the Companies Act 2006.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 8 December 2021 and signed on its behalf by:

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Professor Jeffrey Bale
Chair of Trustees

THE UNIVERSITY OF BIRMINGHAM SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that University of Birmingham 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 Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and Competency Framework for Governance.

The Board of Trustees has delegated the day-to-day responsibility to the Principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The University of Birmingham School and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met 4 times during the year ended 31 August 2021, with delegated sub-Committees additionally meeting each term. Whilst the Board of Governors meets less than six times a year, it reviews the financial performance and position of the School at every meeting along with receiving reports from the Resources Committee. The Resources Committee met 3 times during the year. It maintains effective oversight of funds via the Resources, Audit, and Staffing and Personnel Committees.

Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Professor Jeffrey Bale, Chairman	4	4
Professor Julie Allan	4	4
Mr Joey Islam, Vice Chair	4	4
Ms Natalie Howard	4	4
Ms Eleanor Ellis Bryant	4	4
Mr Stephen Washbourne, reappointed as a co-opted Trustee from December 2020)	4	4
Professor Richard Black	4	4
Ms Cathy Gilbert	3	4
Mr David Ashmore	4	4
Professor Prem Kumar	4	4
Ms Fionnuala O'Connor	4	4
Mr Mark Senior	4	4
Ms Jane Millard	3	3
Professor Andrew Peterson	4	4
Dr Claudia Favero	4	4
Ms Anna Brinkworth	4	4
Mrs Nicola Bradfield	4	4
Ms Deborah Youdell	1	2
Mr Colin Townsend, Ex Officio	4	4

The Resources Committee is a sub-committee of the main Board of Trustees. Its purpose is to provide oversight, guidance and assistance to the Board of Trustees on all matters related to finance, resources, premises and Health & Safety of the Academy Trust.

The key issue dealt with by the Resources Committee during the year was the review of the Academy Trust's 3 year financial forecasts.

THE UNIVERSITY OF BIRMINGHAM SCHOOL
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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Attendance during the year at Resource Committee meetings was as follows:

Trustee	Meetings attended	Out of a possible
Professor Jeffrey Bale, Chair	3	3
Mr Stephen Washbourne	3	3
Professor Richard Black	3	3
Mr Mark Senior	2	3
Mr Colin Townsend, Accounting Officer (Ex-Officio)	3	3

The Audit Committee is also a sub-Committee of the Board of Trustees. Its purpose is to maintain an oversight of the Trust's governance, risk management, internal control and value for money framework. It will report its findings annually to the Board of Trustees and the Accounting Officer as a critical element of the Trust's annual reporting requirements.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr Joey Islam, Chair	3	3
Professor Jeffrey Bale (in attendance)	3	3
Ms Cathy Gilbert	2	3
Mr Pradeep Chaudhari, Co-opted	2	3
Mrs Nicola Bradfield	2	2
Mr Colin Townsend, Accounting Officer (in attendance)	3	3

Review of value for money

As Accounting Officer, the Principal has responsibility for ensuring that the School delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

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

- Securing good progress against School improvement objectives
- Delivering academic outcomes for pupils in year 11 and students in year 13 that are at least good, and in many cases better in relation to national trend benchmarks
- Ensuring that pupil and student recruitment processes lead to secure recruitment outcomes and thus the financial security of the School as a going concern
- Working with the University of Birmingham to access donations and grants available to the School, which allows the School to continue to offer additional provision, such as the enrichment programme (when and where Covid-19 restrictions permit), without compromising core School activity
- Maintaining best value financial regulations and protocols for the procurement of goods and services – and reviewing these periodically to assess and ensure ongoing best value for the School
- Ensuring that the staffing structure is as effective as possible in serving the needs of the School and it in advancing its aims and objectives.

THE UNIVERSITY OF BIRMINGHAM SCHOOL
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GOVERNANCE STATEMENT (CONTINUED)

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 an on-going process designed to identify and prioritise the risks to the achievement of the School's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively, and economically. The system of internal control has been in place at University of Birmingham School for the period 1 September 2020 to 31 August 2021 and is up to date at approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial, and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the School's significant risks that has been in place for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees, including extraordinarily throughout 2020/21 additional and substantial risk assessment and management arising from the coronavirus pandemic, and necessary control measures to create a Covid-19 secure place of work and learning in tandem with a curriculum and provision which is as ambitious as possible.

The risk and control framework

The 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 Board of Trustees
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- Following the School's defined purchasing guidelines and financial procedures
- Delegation of authority and segregation of duties
- identification and management of risks

The Board of Trustees has decided to buy-in an internal audit service from University of Birmingham

On a termly basis, the reviewer reports to the Board of Trustees through the audit and risk committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and annually prepares a short annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The internal auditor has delivered their program of work during the year ended 31 August 2021 as planned. A number of internal control weaknesses were identified from the work completed and the Trustees and management have developed an action plan to address these weaknesses and improve internal controls over the next 6 months. The key remedial actions being undertaken by the Academy Trust are related to GDPR, Payroll & HR.

THE UNIVERSITY OF BIRMINGHAM SCHOOL
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GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

As Accounting Officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. During the year ended 31 August 2021 the review has been informed by:

- the work of the internal auditor;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the school resource management self-assessment tool;
- 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 has been advised of the implications of the result of their review of the system of internal control by the audit and risk committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 8 December 2021 and signed on their behalf by:

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Professor Jeffrey Bale
Chair of Trustees

DocuSigned by:

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Mr Colin Townsend
Accounting Officer

THE UNIVERSITY OF BIRMINGHAM SCHOOL
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of The University of Birmingham School I have considered my responsibility to notify the School Board of Trustees 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 School, under the funding agreement in place between the School and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the School Board of Trustees are able to identify any material irregular or improper use of all 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 2020.

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the Board of Trustees and ESFA. If any instances are identified after the date of this statement, these will be notified to the Board of Trustees and ESFA:

Matter 1 - Reporting and approval of related party transactions

During the year, the Academy Trust procured a cleaning contract with a related party, The University of Birmingham. The Academy Trust did not comply with sections 5.40 and 5.41 of the Academy Financial Handbook 2020 which states that all contracts with related parties must be reported to ESFA in advance of the contract commencing and for contracts exceeding £20,000, academy trust's must obtain ESFA's prior approval. The total value of the cleaning contract in the year was £95,000.

DocuSigned by:

Colin Townsend

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Mr Colin Townsend

Accounting Officer

Date: 8 December 2021

THE UNIVERSITY OF BIRMINGHAM SCHOOL
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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


- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 8 December 2021 and signed on its behalf by:

DocuSigned by:

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Professor Jeffrey Bale
 Chair of Trustees

THE UNIVERSITY OF BIRMINGHAM SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
UNIVERSITY OF BIRMINGHAM SCHOOL**

Opinion

We have audited the financial statements of The University of Birmingham School (the 'School') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including 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 2020 to 2021 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 School's affairs as at 31 August 2021 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 2020 to 2021 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the School'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.

THE UNIVERSITY OF BIRMINGHAM SCHOOL
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
UNIVERSITY OF BIRMINGHAM SCHOOL (CONTINUED)**

Other information

The other information comprises the information included in the 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.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- 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 Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the School 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 School'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 School or to cease operations, or have no realistic alternative but to do so.

THE UNIVERSITY OF BIRMINGHAM SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
UNIVERSITY OF BIRMINGHAM SCHOOL (CONTINUED)**

Auditors' responsibilities for the audit of the financial statements

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

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

Our assessment focussed on key laws and regulations the School has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, the Academies Financial Handbook 2020, the Academies Accounts Direction 2020 to 2021, taxation legislation, data protection, anti-bribery and employment legislation.

We are not responsible for preventing irregularities, including fraud. Our approach to detecting irregularities, including fraud, included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the School and how the School is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the School's control environment and how the School has applied relevant control procedures, through discussions with Trustees and other management and by reviewing the reports on the internal scrutiny work commissioned by the trust in relation to the year and by performing walkthrough testing over key areas;
- obtaining an understanding of the School's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection of fraud based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

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

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

THE UNIVERSITY OF BIRMINGHAM SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
UNIVERSITY OF BIRMINGHAM SCHOOL (CONTINUED)**

Use of our report

This report is made solely to the School'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 School's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the School and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Glen Bott FCA (Senior statutory auditor)

for and on behalf of

Cooper Parry Group Limited

Chartered Accountants

Statutory Auditor

One Central Boulevard

Blythe Valley Business Park

Solihull

West Midlands

B90 8BG

Date: 14 December 2021

THE UNIVERSITY OF BIRMINGHAM SCHOOL
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE
UNIVERSITY OF BIRMINGHAM SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 2 July 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The University of Birmingham School during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to The University of Birmingham School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The University of Birmingham 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 The University of Birmingham School and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The University of Birmingham School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The University of Birmingham School's funding agreement with the Secretary of State for Education dated 2 February 2015 and the Academies Financial Handbook, extant from 1 September 2020, 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 2020 to 2021. 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 2020 to 31 August 2021 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.

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

THE UNIVERSITY OF BIRMINGHAM SCHOOL
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE
UNIVERSITY OF BIRMINGHAM SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY
(CONTINUED)**

The work undertaken to draw our conclusions included:

- Reviewing the internal control policies and procedures implemented by the Academy Trust and evaluating their design and effectiveness to understand how the Academy Trust has complied with the framework of authorities, including reviewing the reports on the internal scrutiny work commissioned by the trust in relation to the year.
- Reviewing the minutes of meetings of the Trustees, relevant sub-committees and other evidence made available to us, relevant to our consideration of regularity;
- Enquiries of the Accounting Officer, including reviewing the work undertaken by the Accounting Officer in relation to their Statement on Regularity, Propriety and Compliance; and
- Detailed testing of the income and expenditure of the Academy Trust based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit of the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

Conclusion

In the course of our work, except for the matters listed below nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Matter 1 - Reporting and approval of related party transactions

During the year, the Academy Trust procured a cleaning contract with a related party, The University of Birmingham. The Academy Trust did not comply with sections 5.40 and 5.41 of the Academy Financial Handbook 2020 which states that all contracts with related parties must be reported to ESFA in advance of the contract commencing and for contracts exceeding £20,000, academy trust's must obtain ESFA's prior approval. The total value of the cleaning contract in the year was £95,000.



Reporting Accountant
Cooper Parry Group Limited
Chartered Accountants
Statutory Auditor

Date: 14 December 2021

THE UNIVERSITY OF BIRMINGHAM SCHOOL
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021

		Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
	Note					
Income from:						
Donations and capital grants	3	-	-	22	22	19
Other trading activities		64	-	-	64	69
Charitable activities		-	7,084	-	7,084	6,579
Total income		<u>64</u>	<u>7,084</u>	<u>22</u>	<u>7,170</u>	<u>6,667</u>
Expenditure on:						
Charitable activities	7	20	7,018	990	8,028	7,532
Total expenditure		<u>20</u>	<u>7,018</u>	<u>990</u>	<u>8,028</u>	<u>7,532</u>
Net movement in funds before other recognised gains/(losses)						
		44	66	(968)	(858)	(865)
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	22	-	(381)	-	(381)	(307)
Net movement in funds		<u>44</u>	<u>(315)</u>	<u>(968)</u>	<u>(1,239)</u>	<u>(1,172)</u>
Reconciliation of funds:						
Total funds brought forward		305	(283)	19,409	19,431	20,603
Net movement in funds		44	(315)	(968)	(1,239)	(1,172)
Total funds carried forward		<u>349</u>	<u>(598)</u>	<u>18,441</u>	<u>18,192</u>	<u>19,431</u>

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

The notes on pages 33 to 53 form part of these financial statements.

THE UNIVERSITY OF BIRMINGHAM SCHOOL

(A company limited by guarantee)

REGISTERED NUMBER: 07960887

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £000	2020 £000
Fixed assets			
Tangible assets	13	18,342	19,296
		<u>18,342</u>	<u>19,296</u>
Current assets			
Debtors	14	307	314
Cash at bank and in hand		1,833	3,459
		<u>2,140</u>	<u>3,773</u>
Creditors: amounts falling due within one year	15	(288)	(2,346)
Net current assets		<u>1,852</u>	<u>1,427</u>
Total assets less current liabilities		<u>20,194</u>	<u>20,723</u>
Net assets excluding pension liability		20,194	20,723
Defined benefit pension scheme liability	22	(2,002)	(1,292)
Total net assets		<u><u>18,192</u></u>	<u><u>19,431</u></u>
Funds of the School			
Restricted funds:			
Fixed asset funds	16	18,441	19,409
Restricted income funds	16	1,404	1,009
		<u>19,845</u>	<u>20,418</u>
Restricted funds excluding pension asset	16	19,845	20,418
Pension reserve	16	(2,002)	(1,292)
Total restricted funds	16	<u>17,843</u>	<u>19,126</u>
Unrestricted income funds	16	349	305
Total funds		<u><u>18,192</u></u>	<u><u>19,431</u></u>

The financial statements on pages 30 to 53 were approved by the Trustees, and authorised for issue on 08 December 2021 and are signed on their behalf, by:

DocuSigned by:

 E12DF6B124884B9...
Professor Jeffrey Bale
 Chair of Trustees

The notes on pages 33 to 53 form part of these financial statements.

THE UNIVERSITY OF BIRMINGHAM SCHOOL
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £000	2020 £000
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	18	(1,590)	2,087
Cash flows from investing activities	19	(36)	(34)
Change in cash and cash equivalents in the year		(1,626)	2,053
Cash and cash equivalents at the beginning of the year		3,459	1,406
Cash and cash equivalents at the end of the year	20, 21	<u>1,833</u>	<u>3,459</u>

The notes on pages 33 to 53 form part of these financial statements

THE UNIVERSITY OF BIRMINGHAM SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the School, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

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

1.3 Income

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

- **Legacies**

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the School has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the School, can be reliably measured.

- **Grants**

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

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

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

THE UNIVERSITY OF BIRMINGHAM SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.3 Income (continued)

- **Sponsorship income**

Sponsorship income provided to the School which amounts to a donation is recognised in the Statement of financial activities in the year in which it is receivable (where there are no performance-related conditions) where receipt is probable and it can be measured reliably.

- **Donations**

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

- **Other income**

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

1.4 Expenditure

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

- **Charitable activities**

These are costs incurred on the 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.

1.5 Tangible fixed assets

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

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

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

THE UNIVERSITY OF BIRMINGHAM SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.5 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

Long-term leasehold property	- over 25 years for main building/over 43 years for OLRC building
Furniture and equipment	- over 5 years
Computer equipment	- over 5 years

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.

1.6 Debtors

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

1.7 Cash at bank and in hand

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

1.8 Liabilities

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

1.9 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

THE UNIVERSITY OF BIRMINGHAM SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.10 Pensions

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.

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. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the 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.

1.11 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 Trustees.

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

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

THE UNIVERSITY OF BIRMINGHAM SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and capital grants

	Restricted fixed asset funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Capital Grants	22	22	19
	<u>22</u>	<u>22</u>	<u>19</u>
Total 2020	<u>19</u>	<u>19</u>	

THE UNIVERSITY OF BIRMINGHAM SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

4. Funding for the Academy Trust's educational operations

	Restricted funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
DfE/ESFA grants			
General Annual Grant (GAG)	5,876	5,876	5,362
Other DfE/ESFA grants			
Pupil Premium	305	305	363
Teachers Pay / Pension Grant	308	308	294
Other DfE Group grants	117	117	128
	<hr/> 6,606	<hr/> 6,606	<hr/> 6,147
Other Government grants			
Local authority grants	229	229	257
	<hr/> 229	<hr/> 229	<hr/> 257
Other income from the School's educational operations	166	166	175
COVID-19 additional funding (DfE/ESFA)			
Catch-up Premium	53	53	-
Mass testing	30	30	-
	<hr/> 83	<hr/> 83	<hr/> -
	<hr/> 7,084	<hr/> 7,084	<hr/> 6,579
Total 2020	<hr/> <hr/> 6,579	<hr/> <hr/> 6,579	

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the school's funding for Pupil Premium and Teachers Pay and Pension grants are no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

COVID-19 additional funding (DfE/ESFA) has also been reported separately inline with the Academies Accounts Direction 2020/21. The academy received £53,000 of funding for Catch up premium and costs incurred in respect of this funding totalled £53,000. The academy also received £30,000 of funding for Mass testing and costs incurred in respect of this funding totalled £30,000.

THE UNIVERSITY OF BIRMINGHAM SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

5. Income from other trading activities

	Unrestricted funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Hire of facilities	-	-	32
Trips/Music	37	37	25
Third Party	7	7	5
Other	20	20	7
	<u>64</u>	<u>64</u>	<u>69</u>
Total 2020	<u>69</u>	<u>69</u>	

6. Expenditure

	Staff Costs 2021 £000	Premises 2021 £000	Other 2021 £000	Total 2021 £000	Total 2020 £000
School's Educational Operations:					
Direct costs	3,007	388	1,660	5,055	4,629
Allocated support costs	2,599	1,214	(839)	2,974	2,903
	<u>5,606</u>	<u>1,602</u>	<u>821</u>	<u>8,029</u>	<u>7,532</u>
Total 2020	<u>5,190</u>	<u>1,577</u>	<u>765</u>	<u>7,532</u>	

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Teaching and educational support staff costs	20	8,008	8,028	7,532
	<u>-</u>	<u>7,532</u>	<u>7,532</u>	
Total 2020	<u>-</u>	<u>7,532</u>	<u>7,532</u>	

THE UNIVERSITY OF BIRMINGHAM SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

8. Analysis of expenditure by activities

	Activities undertaken directly 2021 £000	Support costs 2021 £000	Total funds 2021 £000	Total funds 2020 £000
School's Educational Operations	5,055	2,974	8,029	7,532
Total 2020	4,629	2,903	7,532	

Analysis of direct costs

	Activities 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Teaching & educational support staff costs	3,765	3,765	3,604
Educational resources	665	665	559
Staff development	27	27	24
Premises	388	388	291
Other direct costs	27	27	17
Supply teacher costs	183	183	134
	5,055	5,055	4,629
Total 2020	4,629	4,629	

THE UNIVERSITY OF BIRMINGHAM SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Activities	Total	Total
	2021	funds	funds
	£000	2021	2020
		£000	£000
Pension finance costs	20	20	13
Staff costs	1,658	1,658	1,452
Depreciation	990	990	1,162
Recruitment and support	28	28	25
Maintenance and improvement	113	113	123
Administrative supplies	55	55	32
Start up costs	-	-	8
Other support costs	70	70	47
Governance costs	30	30	37
Legal costs	10	10	4
	<u>2,974</u>	<u>2,974</u>	<u>2,903</u>
	<u><u>2,903</u></u>	<u><u>2,903</u></u>	
Total 2020			
	<u><u>2,903</u></u>	<u><u>2,903</u></u>	

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2021	2020
	£000	£000
Depreciation of tangible fixed assets	990	1,162
Fees paid to auditors for:		
- audit	<u>13</u>	<u>13</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021 £000	2020 £000
Wages and salaries	3,931	3,739
Social security costs	393	364
Pension costs	1,099	953
	<hr/> 5,423	<hr/> 5,056
Agency staff costs	183	134
	<hr/> 5,606	<hr/> 5,190
	<hr/> <hr/>	<hr/> <hr/>

b. Staff numbers

The average number of persons employed by the School during the year was as follows:

	2021 No.	2020 No.
Teachers	67	65
Administration and support	55	37
Management	6	6
	<hr/> 128	<hr/> 108
	<hr/> <hr/>	<hr/> <hr/>

c. Higher paid staff

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

	2021 No.	2020 No.
In the band £70,001 - £80,000	1	1
In the band £80,001 - £90,000	-	1
In the band £90,001 - £100,000	1	-
In the band £100,001 - £110,000	1	1
	<hr/> <hr/>	<hr/> <hr/>

d. Key management personnel

The key management personnel of the School comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the School was £594k (2020 - £492k).

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NOTES TO THE FINANCIAL STATEMENTS
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11. Trustees' remuneration and expenses

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

		2021	2020
		£000	£000
E Bryant (Staff Governor)	Remuneration	45-50	45 - 50
	Pension contributions paid	5-10	5 - 10
D Ashmore (Staff Governor)	Remuneration	10-15	45 - 50
	Pension contributions paid	0-5	5 - 10

During the year ended 31 August 2021, no Trustee expenses have been incurred (2020 - £NIL).

12. Trustees' and Officers' insurance

In accordance with normal commercial practice, the School has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the total cost for the year ended 31 August 2021 for all insurance was £18,706 (2020 - £13,815).

13. Tangible fixed assets

	Long-term leasehold property £000	Furniture and equipment £000	Computer equipment £000	Total £000
Cost or valuation				
At 1 September 2020	23,512	222	1,081	24,815
Additions	-	10	26	36
At 31 August 2021	23,512	232	1,107	24,851
Depreciation				
At 1 September 2020	4,397	210	912	5,519
Charge for the year	902	6	82	990
At 31 August 2021	5,299	216	994	6,509
Net book value				
At 31 August 2021	18,213	16	113	18,342
At 31 August 2020	19,115	12	169	19,296

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

14. Debtors

	2021	2020
	£000	£000
Due within one year		
Amounts owed by group undertakings	148	143
VAT recoverable	25	37
Prepayments and accrued income	134	134
	<u>307</u>	<u>314</u>
	<u><u>307</u></u>	<u><u>314</u></u>

15. Creditors: Amounts falling due within one year

	2021	2020
	£000	£000
Trade creditors	-	8
Amounts owed to Parent undertaking	20	2,048
Other taxation and social security	93	52
Other creditors	96	200
Accruals and deferred income	79	38
	<u>288</u>	<u>2,346</u>
	<u><u>288</u></u>	<u><u>2,346</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Statement of funds

	Balance at 1 September 2020 £000	Income £000	Expenditure £000	Gains/ (Losses) £000	Balance at 31 August 2021 £000
Unrestricted funds					
Unrestricted general funds	305	64	(20)	-	349
Restricted general funds					
General Annual Grant (GAG)	1,009	5,876	(5,481)	-	1,404
Pupil Premium	-	304	(304)	-	-
Teachers Pay/Pension Grant	-	308	(308)	-	-
Other DfE Group Grants	-	117	(117)	-	-
Local Authority Grants	-	230	(230)	-	-
Covid mass testing	-	30	(30)	-	-
Other income	-	166	(166)	-	-
COVID catch up premium	-	53	(53)	-	-
Pension reserve	(1,292)	-	(329)	(381)	(2,002)
	(283)	7,084	(7,018)	(381)	(598)
Restricted fixed asset funds					
Fixed Asset Fund	19,409	22	(990)	-	18,441
Total Restricted funds	19,126	7,106	(8,008)	(381)	17,843
Total funds	19,431	7,170	(8,028)	(381)	18,192

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

Restricted General Funds

General Annual Grant - Income from the ESFA which are to be used for the normal running costs of the Academy, including education and support costs.

Pupil Premium - Income from the ESFA which is used to address the current inequalities by ensuring that funding to tackle disadvantage reaches the pupils who need it the most.

Other Grants - Income which has been received for specific purposes.

Pension Reserve - This represents the School's share of the assets and liabilities in the Local Government Pension Scheme.

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16. Statement of funds (continued)

Restricted fixed asset funds

Restricted fixed asset funds represent the investment in fixed assets, net of accumulated depreciation, and includes the value of fixed assets transferred to the School on conversion, together with any capital expenditure funded from restricted or unrestricted funds. Unspent capital grants and capital income are also held in this fund and their use is restricted to the capital projects for which the grant was awarded.

Under the funding agreement with the Secretary of State, the School was not subject to a limit on the amount of GAG it could carry forward at 31 August 2021.

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

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Gains/ (Losses) £000	Balance at 31 August 2020 £000
Unrestricted funds					
Unrestricted general funds	236	69	-	-	305
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted general funds					
General Annual Grant (GAG)	554	5,353	(4,898)	-	1,009
Pupil Premium	-	363	(363)	-	-
Other grants	-	863	(863)	-	-
Pension reserve	(739)	-	(246)	(307)	(1,292)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	(185)	6,579	(6,370)	(307)	(283)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted fixed asset funds					
Fixed asset fund	20,552	19	(1,162)	-	19,409
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Restricted funds	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	20,367	6,598	(7,532)	(307)	19,126
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total funds	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	20,603	6,667	(7,532)	(307)	19,431
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000
Tangible fixed assets	-	-	18,341	18,341
Current assets	349	1,691	100	2,140
Creditors due within one year	-	(287)	-	(287)
Provisions for liabilities and charges	-	(2,002)	-	(2,002)
Total	349	(598)	18,441	18,192

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000
Tangible fixed assets	-	-	19,296	19,296
Current assets	305	3,355	113	3,773
Creditors due within one year	-	(2,346)	-	(2,346)
Provisions for liabilities and charges	-	(1,292)	-	(1,292)
Total	305	(283)	19,409	19,431

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

	2021 £000	2020 £000
Net expenditure for the year (as per Statement of financial activities)	(858)	(865)
Adjustments for:		
Depreciation	990	1,162
Defined benefit pension scheme cost less contributions payable	309	233
Defined benefit pension scheme finance cost	20	13
Decrease in debtors	7	309
(Decrease)/increase in creditors	(2,058)	1,235
Net cash (used in)/provided by operating activities	(1,590)	2,087

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19. Cash flows from investing activities

	2021 £000	2020 £000
Purchase of tangible fixed assets	(36)	(34)
Net cash used in investing activities	(36)	(34)

20. Analysis of cash and cash equivalents

	2021 £000	2020 £000
Cash in hand and at bank	1,833	3,459
Total cash and cash equivalents	1,833	3,459

21. Analysis of changes in net debt

	At 1 September 2020 £000	Cash flows £000	At 31 August 2021 £000
Cash at bank and in hand	3,459	(1,626)	1,833
	3,459	(1,626)	1,833

22. Pension commitments

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

Contributions amounting to £94,000 were payable to the schemes at 31 August 2021 (2020 - £91,000) and are included within creditors.

Teachers' Pension Scheme

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

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

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22. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £629,000 (2020 - £593,000).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The 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 pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £220,000 (2020 - £165,000), of which employer's contributions totalled £161,000 (2020 - £123,000) and employees' contributions totalled £ 59,000 (2020 - £42,000). The agreed contribution rates for future years are 17% for employers and 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 academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Principal actuarial assumptions

	2021	2020
	%	%
Rate of increase in salaries	3.85	3.20
Rate of increase for pensions in payment/inflation	2.85	2.20
Discount rate for scheme liabilities	1.70	1.65

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**NOTES TO THE FINANCIAL STATEMENTS
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22. Pension commitments (continued)

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

	2021 Years	2020 Years
Retiring today		
Males	21.6	21.9
Females	24.0	24.1
Retiring in 20 years		
Males	23.4	23.8
Females	25.8	26.0

Sensitivity analysis

	2021 £000	2020 £000
Discount rate +0.1%	123	82
Discount rate -0.1%	128	85
Mortality assumption - 1 year increase	133	80
Mortality assumption - 1 year decrease	120	78
CPI rate +0.1%	125	83
CPI rate -0.1%	120	80

Share of scheme assets

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

	2021 £000	2020 £000
Equities	796	510
Gilts	108	99
Other bonds	80	35
Property	92	68
Cash and other liquid assets	48	60
Other	183	136
Total market value of assets	1,307	908

The actual return on scheme assets was £179,000 (2020 - £185,000).

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22. Pension commitments (continued)

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

	2021 £000	2020 £000
Current service cost	(470)	(356)
Interest income	17	12
Interest cost	(37)	(25)
Total amount recognised in the Statement of Financial Activities	(490)	(369)

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

	2021 £000	2020 £000
At 1 September	2,200	1,298
Current service cost	470	356
Interest cost	37	25
Employee contributions	59	42
Actuarial losses	543	480
Benefits paid	-	(1)
At 31 August	3,309	2,200

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

	2021 £000	2020 £000
At 1 September	908	559
Interest income	17	12
Actuarial gains	162	173
Employer contributions	161	123
Employee contributions	59	42
Benefits paid	-	(1)
At 31 August	1,307	908

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**NOTES TO THE FINANCIAL STATEMENTS
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23. Operating lease commitments

At 31 August 2021 the School had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £000	2020 £000
Not later than 1 year	8,931	13,770
Later than 1 year and not later than 5 years	29,764	43,909
	<u>38,695</u>	<u>57,679</u>

24. Members' liability

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

25. Related party transactions

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

During the year there have been transactions with the ultimate parent undertaking. Transactions during the year:

	2021 £000	2020 £000
University of Birmingham Sport	-	3
Marketing	-	3
Cleaning	96	85
Ground Maintenance / Security	15	8
Well-being	-	1
	<u>111</u>	<u>100</u>

Details of certain trustees' remuneration and expenses are disclosed in note 10. The University of Birmingham, a member of the company, provided a revenue grant of £166k (2020: £176k) and received maintenance and enrichment costs of £83k (2020: £100k) during the year. Included within creditors is an amount owed to the parent undertaking of £20k (2020: £2,048k).

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NOTES TO THE FINANCIAL STATEMENTS
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26. Agency arrangements

The School distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2021 the School received £33,391 (2020: £26,713) and disbursed £26,373 (2020: £20,014) from the fund.

27. Ultimate parent undertaking

The ultimate parent undertaking of the School is the University of Birmingham. The largest and smallest group of undertakings for which group financial statements have been drawn up is headed by the University of Birmingham. Copies of group financial statements can be obtained at Finance Office, Aston Webb Building, The University of Birmingham, West Midlands, B15 2TT.