

REGISTERED COMPANY NUMBER: 07817746 (England and Wales)

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2020
FOR
BROCKHAMPTON ACADEMY TRUST**

Worton Rock Limited
Chartered Accountants & Statutory Auditor
Churchfield House
36 Vicar Street
Dudley
West Midlands
DY2 8RG

BROCKHAMPTON ACADEMY TRUST

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FOR THE YEAR ENDED 31ST AUGUST 2020**

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BROCKHAMPTON ACADEMY TRUST

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31ST AUGUST 2020**

MEMBERS:

TRUSTEES

M D Mander
B A P J Fox (resigned 20/10/19)
S M Pinches
E J Fairlamb
S Wilson
H J Bradnock
K L Evans
N Mansell (appointed 25/9/19)

SENIOR MANAGEMENT

M D Mander - Headteacher

INTERIM ACADEMY BOARD

S M Pinches - Chair
M D Mander
S Wilson
H J Bradnock
E J Fairlamb
G Edwards
K L Evans
N Mansell
B A P J Fox

appointed 25/09/2019
resigned 20/10/2019

REGISTERED OFFICE

Bringsty
Worcester
WR6 5TD

**REGISTERED COMPANY
NUMBER**

07817746 (England and Wales)

AUDITORS

Worton Rock Limited
Chartered Accountants & Statutory Auditor
Churchfield House
36 Vicar Street
Dudley
West Midlands
DY2 8RG

BANKERS

Lloyds Bank plc
9 Corn Square
Leominster
Herefordshire
HR6 8LT

BROCKHAMPTON ACADEMY TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST AUGUST 2020

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st August 2020. The trustees have adopted the provisions of 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) (effective 1 January 2019) and the Academies Accounts Direction issued by the Education and Skills Funding Agency.

The trust operates an academy for pupils aged 2 to 11. It had a roll call of 177 in the school census in July 2020.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The principal activity of the Charitable Company is the operation of the Brockhampton Academy Trust to provide education for pupils of different abilities up to the age of 11.

The principal objectives of the Academy are:

- To ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care
- To raise the standard of educational achievement of all pupils
- To improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review
- To comply with the appropriate statutory and curriculum requirements
- To make the Academy a valued community resource
- To close the achievement gap for disadvantaged pupils
- To ensure all pupils are well prepared for the next phase of education academically, socially and emotionally.

Public benefit

In setting our objectives the trustees have given careful consideration to the Charity Commission's guidance on public benefit in exercising their powers or duties.

The primary purpose of the Academy is the advancement of education within the local area.

The Academy operates an onsite pre-school for children aged 2-5. The Academy also operates a Breakfast Club which offers a safe place for pupils while parents are working.

The Academy has given a high priority to providing public benefit to a cross section of the community regardless of family background, but perhaps the greatest benefit the Academy can offer is the provision of an education that maximises each student's potential.

FUNDRAISING

The Academy does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

BROCKHAMPTON ACADEMY TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST AUGUST 2020

ACHIEVEMENT AND PERFORMANCE

Key academic & financial performance indicators

Brockhampton Academy Trust was subject to OFSTED inspection in July 2017 and the school successfully achieved a Good rating. The school is expecting their next Ofsted inspection any time for Summer 2021 onwards. As with all other UK schools this year, Brockhampton continues to adapt to, and negate the impact of, the Coronavirus pandemic. Since March 2020 several staff at different times have been required to shield and/or self isolate. The school has experienced two positive test results of children but has not had to close or send class "bubbles" home. The school has remained open throughout the Easter holiday and May half-term to provide a service for key worker children and those families deemed as "vulnerable". The school has incurred additional costs as a result in terms of cleaning materials, cleaning staff hours and cover staff for those members of staff off work as a result of the virus. The finance team accessed additional funding from the Government to part meet these costs and the school has received the first instalment of the Catch Up Premium which will be used on additional staffing to work with our most disadvantaged children in order to support their closing of the attainment gap.

The Interim Academy Board (IAB) review regular assessments of the performance of the Academy and receive termly formal Headteacher reports. The IAB review exam results as a key performance of the Academy's continuing success, but they also review the improvements of each year group and individuals to ensure that the Academy's teaching activities are effective and there is continuing improvement at all levels. The IAB continue to develop their own understanding of their roles and responsibilities in holding the Headteacher to account with a programme of training led by the school's School Improvement Partner.

Achievement Data 2019/20

Due to the national lockdown in March 2020 and subsequent disruption to children's education, all statutory assessments at EYFS, KS1 and KS2 were cancelled so there is no performance data nationally for the academic year 2019/20. Internal data was "captured" at Easter 2020 at the point of school closures. This data indicated that children were broadly on track to make expected levels of progress for that point in the year. That data was transferred to act as their "baseline" for the academic year 2020/21 in September 2020 and all staff are currently engaged in a "closing the gap" teaching and learning recovery curriculum to catch up levels of attainment for all children.

Pupils on roll currently total 177.

Pupils attendance remains in line with the national average at 95.7%.

Pupil attendance

Senior Leaders of the Academy are responsible for promoting good levels of attendance and ensuring interventions are put in place for persistent absentees and lateness. The IAB are responsible for monitoring levels of attendance and holding senior leaders to account for their monitoring of attendance levels and subsequent actions. This is done via the termly formal Headteacher's report.

BROCKHAMPTON ACADEMY TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST AUGUST 2020

FINANCIAL REVIEW

Financial review

The Academy's main source of income is obtained from the Department for Education (DfE) via the Education and Skills Funding Agency (ESFA) in the form of recurrent General Annual Grant (GAG) funding. This funding is restricted to particular purpose. Total grants received from the DfE during the period ending August 2020 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities. The Academy also receives income from its Nursery and Breakfast Club and After School Care Club facilities.

Spending has been focussed on continuing to embed improvements to the teaching and learning provision for the children as well as developing the building and grounds to meet basic educational needs, improve safeguarding and develop the grounds for potential future income generation. This includes:

- A successful CIF bid to bring the school building in line with L2 Fire Safety requirements (internal fire doors, lighting, signage etc.)
- Continued training and implementation of the Thrive programme
- Resources for reading and maths including "early" reading books to support the ongoing implementation of the Read Write Inc phonic programme
- Training and resources to implement a new approach to home learning for key number skills using Numbots and TT Rockstars
- Training for continued development of middle leaders within the school and the "next generation" of middle leaders as part of staff transition planning
- New iPads for the children to support the basis number skills acquisition and delivery of the computing curriculum

The IAB are committed to reinvesting back into the School, its facilities and resources. The School operates a Pre School, Breakfast Club and After School Care Club, the surpluses of which are reinvested back into School. The school has embarked on initial letting agreements for the school grounds. A local holiday club provider is running holiday clubs on the site in return for site maintenance and marketing of the Nursery and school. It is likely that this will develop into a financial arrangement. Perryfields Primary Pru are using the grounds once a week for their children in return for staff training by their Outreach Team.

During the year ended 31 August 2020, the surplus of income over expenditure for the year (before recognised gains and losses and excluding capital restricted funds) equated to £59,933 (2019 - deficit of £5,017).

Investment policy and objectives

The Academy's policy is to invest surplus funds in low risk short term bank deposits.

Reserves policy

Excluding the pension scheme liability and capital funds, the Academy funds surplus (2019 deficit) at 31 August 2020 was £84,994 (2019 - £20,939 deficit).

The Academy also has a pension scheme deficit in respect of the Worcestershire County Council Local Government Pension Scheme of £476,000 (2019 - £367,000). The liability is included in restricted reserves and the Academy will have to meet any long term liability out of restricted reserves.

The long term aim is to build a level of reserves that will be adequate to provide a stable basis for the continuing operation of the Academy.

Going concern

After making appropriate enquiries the board of trustees has a reasonable expectation that the Academy 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 Accounting Policies note to the financial statements.

BROCKHAMPTON ACADEMY TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST AUGUST 2020

FUTURE PLANS

The IAB continue to promote the Academy within the local community with considerable success. Links have been established with several local service providers and the reputation of the school continues to grow, as evidenced by increasing in-year transfers from other schools.

The IAB continue to apply for Capital funding to further improve and extend the school buildings, which will improve the suitability and condition of the school.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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

The trustees of Brockhampton Academy are also the directors of the charitable company for the purposes of company law. The charitable company is known as Brockhampton Primary School.

Details of the trustees who served during the year are included in the Reference and Administration Details on page 1.

Members' liability

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

Trustees' Indemnities

In accordance with normal commercial practice the academy 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 £10,000,000 on any one claim and the cost for the year ended 31 August 2020 is incorporated within the total insurance premium.

Method of recruitment and appointment or election of trustees

Trustees are recruited from the employees of the Academy, parents (by election) and community governors.

Organisational structure

The management structure of the Academy consists of the members of the IAB. The IAB are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy by use of budgets and making major decisions about the strategic direction of the Academy, capital expenditure and the most senior staff appointments.

The Leadership Team is led by the Headteacher, Matthew Mander. These senior leaders manage the Academy at an executive level, implementing the policies agreed by the IAB and reporting back to them on progress. The Headteacher and other key senior leaders are responsible for the authorisation of spending within agreed budgets and the appointment of staff.

Policies and procedures adopted for the induction and training of new trustees

The Academy carries out appropriate training for new trustees. There was one new trustee appointed in this financial year.

Arrangements for setting pay and remuneration of key management personnel

The salaries of key management personnel are reviewed annually as required by the School Teachers' Pay and Conditions Document.

The Headteacher's Pay Range, which the Governing Body/IAB is required to set for Headteachers by the School Teachers' Pay and Conditions Document, reflects the responsibilities of the job in addition to the size of the school, any other factors specified and advice issued by the Local Authority on the salaries of Headteachers at comparable size schools.

The IAB will determine the pay ranges of key management personnel in relation to the duties and responsibilities of those teachers.

BROCKHAMPTON ACADEMY TRUST

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST AUGUST 2020**

PRINCIPAL RISKS AND UNCERTAINTIES

Financial - The academy relies on continued Government funding through the ESFA. There is no assurance that Government policy or practice will remain the same, or that funding will not be reduced. The academy receives income from the provision of Nursery and Breakfast Club and After School Care Club facilities. The academy helps;ps to support other like-minded organisations through the secondment of staff, consultation and training activities.

Cash Flow - The academy closely monitors cash flow to ensure that payment is made to creditors and the payroll can be met.

Falling pupil numbers - the academy closely monitors fluctuating pupil numbers and adjusts budgets accordingly on a rolling forecast basis.

Failure in governance and/or management - the IAB and management effectively manage the academy's financial internal controls, compliance with regulations and legislation and statutory returns. The IAB continue to review and ensure that appropriate measures are in place to minimise these risks.

The IAB have reviewed the risk register with regard to Covid 19, and recognised the increased risk to financial and organisational areas.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

AUDITORS

The auditors, Worton Rock Limited, will be proposed for re-appointment at the forthcoming IAB meeting.

Approved by order of the board of trustees on 17th December 2020 and signed on its behalf by:



S M Pinches - Trustee

BROCKHAMPTON ACADEMY TRUST
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31ST AUGUST 2020

Scope of Responsibility

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

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

The IAB has delegated the day-to-day responsibility to the Headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Brockhampton Academy Trust and the Secretary of State for Education. They are also responsible for reporting any material weaknesses or breakdown in internal control.

BROCKHAMPTON ACADEMY TRUST
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31ST AUGUST 2020

Governance

Following an OFSTED inspection in January 2016, the academy was placed in special measures. As a result, the responsibility of the governance of the academy was transferred to an Interim Academy Board (IAB). This board was set up by the Department for Education and is subject to a set of specific Terms of Reference with a clear focus on driving improvement at the academy. This improvement was demonstrated to OFSTED in July 2017 when the academy successfully achieved a Good OFSTED rating.

An Interim Academy Board was approved by the trust board on 24 April 2016. During the year the IAB has met 5 times.

The IAB normally meet at least 6 times a year to review the financial reports of the academy and deal with all issues of strategic management. However, as a result of the Covid 19 pandemic, this year only 5 meetings were held.

The non-confidential minutes are published on the Academy's website detailing the topics discussed and the attendees at such meetings.

Attendance at the Interim Academy Board meetings was as follows:

	Meetings attended	Out of a possible
M D Mander	5	5
S M Pinches	5	5
H J Bradnock	5	5
S Wilson	3*	5
E J Fairlamb	5	5
K L Evans	5	5
N Mansell	5	5

*Governor unable to attend due to Covid 19. Communication via email.

Governance reviews

The IAB has appointed new trustees this year bringing valuable skill sets to the trust. Trustees have received induction training and attended safeguarding training. Due to the Covid 19, we have met on line through the pandemic and continue to do so.

BROCKHAMPTON ACADEMY TRUST
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31ST AUGUST 2020

Review of Value for Money

As accounting officer the Headteacher has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the education and wider social outcomes achieved in return for the taxpayer resources received.

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

Educational Results

There has been no moderation or testing this academic year, due to the Covid 19 pandemic.

Whole School attendance at the end of Autumn 2020 is 95.8%. Attendance has been good since the return to school in September and the Academy has been able to keep all bubbles in school with no classes required to self-isolate. Persistent absence among disadvantaged children remains a key priority for the Academy but levels have dropped throughout the term and this group are tracked weekly and targeted by school and EWO action. The Governing Body are kept informed of attendance levels termly.

During the first national lockdown before July 2020, the Academy remained open throughout, providing a service for vulnerable and key worker children. All year groups were able to have a week's formal learning prior to the Summer holiday. The Academy is currently recruiting an additional TA, using the Covid Catch Up Premium, to further support catch up programmes for children in school, which currently are focussed on phonics and Early Reading.

Financial Governance and Oversight

The school holds regular meetings of its IAB. In these meetings, financial decisions are discussed and monthly management accounts reviewed. Minutes of the meetings demonstrate that the trustees hold the school to account over financial decisions and challenge spending decisions, where appropriate. Rigorous systems are in place to ensure strong financial controls and security. The budget has been challenging this year, however the IAB are satisfied that all reasonable cuts have been made and have consulted the ESFA for advice. The trustees are concerned that any additional cuts or restrictions on budget may put the schools teaching and children's pastoral care at risk. The IAB continues to implement all the actions resulting from work with the ESFA last academic year and continues to engage with the ESFA to ensure effective financial oversight and Governance is maintained.

Better purchasing

The trust continues to review Service Level Agreements with Herefordshire Local Authority and other independent providers, renegotiating or changing provider when beneficial. This ensures the services provided are fit for purpose and cost effective as well as providing value for money.

Better Income Generation

Additional income is gained through the management of the Pre-school, Breakfast Club and After School Care Club facilities. Demand for these services continues to grow, however the impact of Covid 19 has restricted the number of places we are able to offer, resulting in a loss of income in the period.

The School Business Manager continues to actively seek additional income from grants and reduced costs accessed through DfE National Deals for Schools.

Reviewing Controls and Managing Risks

The Academy has implemented segregation of duties within financial control. The IAB challenge decision makers within the trust on the cost and effectiveness of spending proposals in order to achieve value for money.

Lessons Learned

The Academy continues to work with a soft federation of local schools (Education for Bromyard) in order to work more collaboratively with those schools for procurement of supplies and services, in order to achieve greater economies of scale.

BROCKHAMPTON ACADEMY TRUST
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31ST AUGUST 2020

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of charitable company policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them effectively, efficiently and economically. The system of internal control has been in place in Brockhampton Academy Trust during the period 1 September 2019 and 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The IAB 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 IAB is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that have been in place for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. The process is regularly reviewed by the IAB.

The Risk and Control Framework

The Academy Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular it 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;
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided:

- not to appoint an internal auditor. However the trustees have appointed School Business Leadership Services (SBLs) to carry out a programme of internal checks.

The reviewer's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems.

The reports of School Business Leadership Services should be reported to the board of trustees committee meetings on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

No reports were prepared during the period.

BROCKHAMPTON ACADEMY TRUST
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31ST AUGUST 2020

Review of Effectiveness

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

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and General Purposes 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 17th December 2020 and signed on its behalf by:

S M Pinches - Trustee



Matthew Mander - Accounting Officer



BROCKHAMPTON ACADEMY TRUST

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31ST AUGUST 2020**

As accounting officer of Brockhampton Academy Trust I have considered my responsibility to notify the charitable company 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 charitable company, under the funding agreement in place between the charitable company 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 2019.

I confirm that I and the charitable company board of trustees are able to identify any material irregular or improper use of funds by the charitable company, or material non-compliance with the terms and conditions of funding under the charitable company's funding agreement and the Academies Financial Handbook 2019.

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

Matthew Mander - Accounting Officer

17th December 2020

BROCKHAMPTON ACADEMY TRUST

TRUSTEES' RESPONSIBILITY STATEMENT FOR THE YEAR ENDED 31ST AUGUST 2020

The trustees (who act as governors of Brockhampton Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with the Academies Accounts Direction issued by the Education and Skills Funding Agency, 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" 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgements and estimates that are reasonable and prudent;
- 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 to 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 the 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 board of trustees on 17th December 2020 and signed on its behalf by:



S M Pinches - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BROCKHAMPTON ACADEMY TRUST

Opinion

We have audited the financial statements of Brockhampton Academy Trust (the 'charitable company') for the year ended 31st August 2020 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, 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' and the Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st August 2020 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland';
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2019 to 2020.

Basis for opinion

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

Material Uncertainty Related to Going Concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BROCKHAMPTON ACADEMY TRUST

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where 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; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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.

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 Report of the Independent Auditors.

Use of our report

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

D J Burrows

David Burrows (Senior Statutory Auditor)
for and on behalf of Worton Rock Limited
Chartered Accountants & Statutory Auditor
Churchfield House
36 Vicar Street
Dudley
West Midlands
DY2 8RG

17th December 2020

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BROCKHAMPTON ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Brockhampton Academy Trust during the period 1st September 2019 to 31st August 2020 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 Brockhampton Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Brockhampton Academy Trust and the 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 Brockhampton Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Brockhampton Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Brockhampton Academy Trust's funding agreement with the Secretary of State for Education dated 27th October 2011 and the Academies Financial Handbook, extant from 1st September 2019, 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 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1st September 2019 to 31st August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by the 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 charitable company's income and expenditure.

The work undertaken to draw our conclusion includes:

- Performed an evaluation of General (regularity of activities) including review of the outcome of the 2018 regularity assurance work.
- Confirmed appropriate authority has been obtained with regard to delegated authorities.
- Ensured that transactions with connected parties are in accordance with the academy trust's internal processes and the Academies Financial Handbook.
- Reviewed minutes of the committees, and management accounts for indications of irregular transactions.
- Confirmed the board of trustees and accounting officer have given formal representations of their responsibilities.
- Considered whether the general control environment has regard to the regularity of transactions.
- Ensured through enquiry and sample testing expenditure does not contravene the funding agreement.
- Confirmed that internal control procedures exist relating to expenditure incurred of expense claims, cash and credit cards.
- Considered through enquiry and sample testing that the procurement lines of delegation and limits set both internally and by the ESFA have been adhered to.
- Considered the conditions associated with specialist grant income and whether it has been spent as the purposes intended.

Conclusion

In the course of our work, except for the matters listed below, nothing has come to our attention which suggests that in all material aspects the expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 has not been applied to the purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
BROCKHAMPTON ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

Matter 1:

During the year under review the Academy failed to undertake Responsible Officer Reports.

Matter 2:

The Academy has failed to keep a detailed fixed asset register or conduct independent checks to prevent loss or misuse of the Academy's assets.

Worton Rock Limited

Worton Rock Limited
Churchfield House
36 Vicar Street
Dudley
West Midlands
DY2 8RG

17th December 2020

BROCKHAMPTON ACADEMY TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST AUGUST 2020**

				2020	2019
		Unrestricted fund	Restricted funds	Restricted Fixed Asset Fund	Total funds
	Notes	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations and capital grants	2	-	7,006	13,335	20,341
Charitable activities					
Funding for the academy's educational operations	3	-	790,066	-	790,066
Other trading activities	4	125,136	-	-	125,136
Investment income	5	-	47	-	47
Total		<u>125,136</u>	<u>797,119</u>	<u>13,335</u>	<u>935,590</u>
EXPENDITURE ON					
Raising funds		80,061	-	-	80,061
Charitable activities					
Academy's educational operations	3	-	782,261	27,849	810,110
Total	6	<u>80,061</u>	<u>782,261</u>	<u>27,849</u>	<u>890,171</u>
NET INCOME/(EXPENDITURE)		45,075	14,858	(14,514)	45,419
Other recognised gains/(losses)					
Actuarial gains/(losses) on defined benefit schemes		-	(63,000)	-	(63,000)
Net movement in funds		45,075	(48,142)	(14,514)	(17,581)
RECONCILIATION OF FUNDS					
Total funds brought forward		9,616	(397,555)	844,710	456,771
TOTAL FUNDS CARRIED FORWARD		<u>54,691</u>	<u>(445,697)</u>	<u>830,196</u>	<u>439,190</u>

The notes form part of these financial statements

BROCKHAMPTON ACADEMY TRUST
STATEMENT OF FINANCIAL POSITION
31ST AUGUST 2020

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible assets	12	819,556	833,592
CURRENT ASSETS			
Debtors	13	38,930	91,495
Cash at bank and in hand		136,191	20,324
		<u>175,121</u>	<u>111,819</u>
CREDITORS			
Amounts falling due within one year	14	(79,487)	(121,640)
NET CURRENT ASSETS		<u>95,634</u>	<u>(9,821)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		915,190	823,771
PENSION LIABILITY	19	(476,000)	(367,000)
NET ASSETS		<u>439,190</u>	<u>456,771</u>
FUNDS	18		
Unrestricted funds:			
General fund		54,691	9,616
Restricted funds:			
Restricted General Fund		30,303	(30,555)
Restricted Fixed Asset Fund		830,196	844,710
Pension Reserve Restricted		(476,000)	(367,000)
		<u>384,499</u>	<u>447,155</u>
TOTAL FUNDS		<u>439,190</u>	<u>456,771</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 17th December 2020 and were signed on its behalf by:


S M Pinches - Trustee

BROCKHAMPTON ACADEMY TRUST

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST AUGUST 2020**

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	116,297	34,829
Net cash provided by operating activities		<u>116,297</u>	<u>34,829</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(13,811)	(65,809)
Capital grants from DfE/EFA		13,334	67,680
Interest received		47	31
Net cash (used in)/provided by investing activities		<u>(430)</u>	<u>1,902</u>
Cash flows from financing activities			
ESFA Loan		-	(40,000)
Net cash provided by/(used in) financing activities		<u>-</u>	<u>(40,000)</u>
Change in cash and cash equivalents in the reporting period			
Cash and cash equivalents at the beginning of the reporting period		<u>20,324</u>	<u>23,593</u>
Cash and cash equivalents at the end of the reporting period		<u><u>136,191</u></u>	<u><u>20,324</u></u>

The notes form part of these financial statements

BROCKHAMPTON ACADEMY TRUST

**NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST AUGUST 2020**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020	2019
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	45,419	47,649
Adjustments for:		
Depreciation charges	27,849	17,732
Capital grants from DfE/ESFA	(13,334)	(67,680)
Interest received	(47)	(31)
Pension scheme finance costs	9,000	5,000
Decrease/(increase) in debtors	52,565	(58,579)
(Decrease)/increase in creditors	(42,155)	55,738
Difference between pension charge and cash contributions	37,000	35,000
	<u>116,297</u>	<u>34,829</u>
Net cash provided by operations	<u>116,297</u>	<u>34,829</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/9/19	Cash flow	At 31/8/20
	£	£	£
Net cash			
Cash at bank and in hand	20,324	115,867	136,191
	<u>20,324</u>	<u>115,867</u>	<u>136,191</u>
Total	<u>20,324</u>	<u>115,867</u>	<u>136,191</u>

BROCKHAMPTON ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2020

1. ACCOUNTING POLICIES

Statement of accounting policies

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

Basis of Preparation

The financial statements of the Academy, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Brockhampton Academy Trust meets the definition of a public benefit entity under FRS 102.

Going concern

The trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

The trustees believe that it is appropriate to prepare the financial statements on a going concern basis because of the following factors:

- £476,000 (2019 £367,000) of the Academy's liabilities relate to the long term liability in respect of the Worcestershire Local Government Pension Scheme which should not need to be repaid fully in the short to medium term. The liability is included in restricted reserves and the Academy will have to meet any long term liability out of restricted reserves. In addition, in order to protect the fund, phased lump sum deficit contributions have been scheduled over the next three years at an average of £7,000 per annum. It is anticipated that the recovery period is nine years.

- the Academy has net current assets of £95,634 (2019 - £9,821 liability) equivalent to its working capital, which enables the payment of debts as they fall due; and

- the Department for Education has committed to funding the Academy in 2020/21.

Income

All income is recognised in the Statement of Financial Activities once the Academy has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Grants

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

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

Capital grants are recognised in full when there is 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.

BROCKHAMPTON ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31ST AUGUST 2020

1. ACCOUNTING POLICIES - continued

Sponsorship income

Sponsorship income provided to the Academy which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where it is probable that the income will be received and the amount can be measured reliably.

Donations

Donations are recognised on a receivable basis (where there are no performance related conditions), where it is probable that the income will be received and the amount can be measured reliably.

Other income

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

Donated goods, facilities and services

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy's accounting policies.

The conversion from a state maintained school to an Academy involved the transfer of identifiable assets and liabilities and the operation of the school for nil consideration and has been accounted for under the acquisition method of accounting.

The assets and liabilities transferred on conversion from a state maintained school to an Academy have been valued at fair value being a reasonable estimate of current market value that the trustees would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for Brockhampton Academy Trust. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in voluntary income (net income/net expenditure) in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

The Academy's land and buildings were included within the accounts on conversion on the basis of the valuation commissioned by the EFSA. The Academy has continued to hold land and buildings in the accounts at this value less any applicable depreciation.

Expenditure

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

Expenditure on raising funds

Raising funds includes all expenditure incurred by the Academy to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

Charitable activities

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

All resources are inclusive of irrecoverable VAT.

BROCKHAMPTON ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31ST AUGUST 2020

1. ACCOUNTING POLICIES - continued

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.

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following basis:

Long term Leasehold Property	2% Straight line
Fixtures and fittings	15% Reducing balance
Computer equipment	33% Straight line

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

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

Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments.

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.

Taxation

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

Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objectives of the Academy at the discretion of the trustees.

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

Restricted general funds comprise all other restricted funds received and include grants from Education and Skills Funding Agency/Department for Education.

BROCKHAMPTON ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31ST AUGUST 2020

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. 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 academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

Liabilities

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

Provisions

Provisions are recognised when the Academy Trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within the interest payable and similar charges.

Leased Assets

Rentals under operating leases are charged on a straight line basis over the lease term.

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

BROCKHAMPTON ACADEMY TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST AUGUST 2020**

1. ACCOUNTING POLICIES - continued

Liabilities

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, 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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2. DONATIONS AND CAPITAL GRANTS

	Unrestricted funds	Restricted funds	2020 Total funds	2019 Total funds
	£	£	£	£
Donations	-	7,007	7,007	12,236
Grants	-	13,334	13,334	67,680
	<u>-</u>	<u>20,341</u>	<u>20,341</u>	<u>79,916</u>

Grants received, included in the above, are as follows:

	2020	2019
	£	£
Other DfE/ESFA Grants	6,051	13,426
Condition Improvement Fund Grant	7,283	54,254
	<u>13,334</u>	<u>67,680</u>

3. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds	Restricted funds	2020 Total funds	2019 Total funds
	£	£	£	£
Other income	-	5,941	5,941	9,067
Grants	-	784,125	784,125	718,011
	<u>-</u>	<u>790,066</u>	<u>790,066</u>	<u>727,078</u>

BROCKHAMPTON ACADEMY TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST AUGUST 2020**

3. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS - continued

An analysis of grants received is given below:

	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
DfE/ESFA revenue grant				
General Annual Grant(GAG)	-	665,980	665,980	635,895
Other DfE/ESFA Grants	-	110,572	110,572	74,648
	-	776,552	776,552	710,543
Other government grant				
Local Authority Grants	-	7,573	7,573	7,468
	-	784,125	784,125	718,011

4. OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
Income from wrap around care	100,136	-	100,136	131,205
Miscellaneous income	25,000	-	25,000	25,200
	125,136	-	125,136	156,405

5. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
Deposit account interest	-	47	47	31

6. EXPENDITURE

	Non-pay expenditure			2020 Total £	2019 Total £
	Staff costs £	Premises £	Other costs £		
Raising funds					
Costs incurred by trading for a fundraising purpose					
Direct costs	72,895	-	3,117	76,012	76,309
Allocated support costs	-	-	4,049	4,049	27,547
Charitable activities					
Academy's educational operations					
Direct costs	549,678	11,374	37,177	598,229	604,965
Allocated support costs	99,210	28,625	84,046	211,881	206,960
	721,783	39,999	128,389	890,171	915,781

BROCKHAMPTON ACADEMY TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST AUGUST 2020**

6. EXPENDITURE - continued

Net income/(expenditure) is stated after charging/(crediting):

	2020 £	2019 £
Depreciation - owned assets	27,847	17,733
Auditors' remuneration	8,625	8,500
Auditors' remuneration for non audit work	980	3,540
Operating leases - other leases	3,155	1,824

7. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
Direct costs	-	598,229	598,229	604,965
Support costs	-	211,881	211,881	206,960
	-	810,110	810,110	811,925

	2020 Total £	2019 Total £
Analysis of support costs		
Support staff costs	99,210	81,643
Depreciation	1,271	956
Technology costs	14,610	11,346
Premises costs	28,625	27,336
Other support costs	49,729	68,047
Governance costs	18,436	17,632
Total support costs	211,881	206,960

8. TRUSTEES' REMUNERATION AND BENEFITS

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Head and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of Head and staff members under their contracts of employment, and not in respect of their role as trustees. Other trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as trustees.

The value of trustees' remuneration and other benefits whilst appointed trustees was as follows:

M Mander (Head and trustee):

Remuneration £60,000 - £65,000 (2019: £60,000 - £65,000)
Employer's pension contributions £10,000 - £15,000 (2019: £10,000 - £15,000)

N Mansell (Staff trustee):

Remuneration £35,000- £40,000
Employer's pension contributions £5,000- £10,000

BROCKHAMPTON ACADEMY TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST AUGUST 2020**

8. TRUSTEES' REMUNERATION AND BENEFITS - continued

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st August 2020 nor for the year ended 31st August 2019.

9. STAFF COSTS

	2020	2019
	£	£
Wages and salaries	516,749	528,559
Social security costs	34,761	40,286
Operating costs of defined benefit pension schemes	159,828	131,441
	<hr/>	<hr/>
Supply teacher costs	711,338	700,286
	10,445	18,415
	<hr/>	<hr/>
	721,783	718,701
	<hr/> <hr/>	<hr/> <hr/>

The average number of persons (including senior management team) employed by the charitable company during the year was as follows:

	2020	2019
Teachers	8	9
Administrative and support	29	26
Management	1	1
	<hr/>	<hr/>
	38	36
	<hr/> <hr/>	<hr/> <hr/>

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

	2020	2019
£60,001 - £70,000	1	1
	<hr/> <hr/>	<hr/> <hr/>

The above employee is a member of the Teachers' Pension Scheme. During the year ended 31 August 2020 pension contributions for this member of staff amounted to £14,782 (2019 £10,012.)

Key management personnel

The key management personnel of the Academy comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy was £84,623 (2019 £103,651).

BROCKHAMPTON ACADEMY TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST AUGUST 2020**

10. TRUSTEES' AND OFFICERS' INSURANCE

The charitable company has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund	Restricted funds	Restricted Fixed Asset Fund	Total funds
	£	£	£	£
INCOME AND ENDOWMENTS FROM				
Donations and capital grants	-	9,518	70,398	79,916
Charitable activities				
Funding for the academy's educational operations	-	727,078	-	727,078
Other trading activities	131,205	25,200	-	156,405
Investment income	-	31	-	31
Total	<u>131,205</u>	<u>761,827</u>	<u>70,398</u>	<u>963,430</u>
EXPENDITURE ON				
Raising funds	103,856	-	-	103,856
Charitable activities				
Academy's educational operations	-	794,193	17,732	811,925
Total	<u>103,856</u>	<u>794,193</u>	<u>17,732</u>	<u>915,781</u>
NET INCOME/(EXPENDITURE)	<u>27,349</u>	<u>(32,366)</u>	<u>52,666</u>	<u>47,649</u>
Transfers between funds	<u>(22,722)</u>	<u>18,080</u>	<u>4,642</u>	<u>-</u>
Other recognised gains/(losses)				
Actuarial gains/(losses) on defined benefit schemes	-	(131,000)	-	(131,000)
Net movement in funds	4,627	(145,286)	57,308	(83,351)
RECONCILIATION OF FUNDS				
Total funds brought forward	4,989	(252,269)	787,402	540,122
TOTAL FUNDS CARRIED FORWARD	<u><u>9,616</u></u>	<u><u>(397,555)</u></u>	<u><u>844,710</u></u>	<u><u>456,771</u></u>

BROCKHAMPTON ACADEMY TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST AUGUST 2020**

12. TANGIBLE FIXED ASSETS

	Long leasehold £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1st September 2019	811,741	54,254	70,283	31,839	968,117
Additions	-	8,995	3,866	950	13,811
At 31st August 2020	<u>811,741</u>	<u>63,249</u>	<u>74,149</u>	<u>32,789</u>	<u>981,928</u>
DEPRECIATION					
At 1st September 2019	73,239	157	32,658	28,471	134,525
Charge for year	11,373	9,463	5,740	1,271	27,847
At 31st August 2020	<u>84,612</u>	<u>9,620</u>	<u>38,398</u>	<u>29,742</u>	<u>162,372</u>
NET BOOK VALUE					
At 31st August 2020	<u>727,129</u>	<u>53,629</u>	<u>35,751</u>	<u>3,047</u>	<u>819,556</u>
At 31st August 2019	<u>738,502</u>	<u>54,097</u>	<u>37,625</u>	<u>3,368</u>	<u>833,592</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade debtors	9,009	9,616
Other debtors	7,679	54,254
VAT	3,181	8,984
Prepayments	19,061	18,641
	<u>38,930</u>	<u>91,495</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade creditors	11,725	64,820
Social security and other taxes	8,455	11,833
Other creditors	11,156	11,262
Accruals and deferred income	48,151	33,725
	<u>79,487</u>	<u>121,640</u>

Deferred income

	2020 £	2019 £
Deferred income at 1 September 2019	13,919	12,491
Released from previous years	(13,919)	(12,491)
Resources deferred in the year	21,168	13,919
Deferred Income at 31 August 2020	<u>21,168</u>	<u>13,919</u>

At the balance sheet date the Academy was holding funds received in advance for Universal Free School Meals income and Pupil Premium funding for the Autumn term.

BROCKHAMPTON ACADEMY TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST AUGUST 2020**

15. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2020 £	2019 £
Within one year	6,006	1,260
Between one and five years	7,563	1,470
	<u>13,569</u>	<u>2,730</u>

16. MEMBERS' LIABILITY

Each member of the Academy Trust 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.

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund	Restricted funds	Restricted Fixed Asset Fund	2020 Total funds
	£	£	£	£
Fixed assets	-	-	819,556	819,556
Current assets	57,212	101,730	16,179	175,121
Current liabilities	(2,521)	(71,427)	(5,539)	(79,487)
Pension liability	-	(476,000)	-	(476,000)
	<u>54,691</u>	<u>(445,697)</u>	<u>830,196</u>	<u>439,190</u>

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

	Unrestricted fund	Restricted funds	Restricted Fixed Asset Fund	2019 Total funds
	£	£	£	£
Fixed assets	-	-	833,592	833,592
Current assets	9,616	35,678	66,525	111,819
Current liabilities	-	(66,233)	(55,407)	(121,640)
Pension liability	-	(367,000)	-	(367,000)
	<u>9,616</u>	<u>(397,555)</u>	<u>844,710</u>	<u>456,771</u>

BROCKHAMPTON ACADEMY TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST AUGUST 2020**

18. MOVEMENT IN FUNDS

	At 1/9/19 £	Net movement in funds £	At 31/8/20 £
Unrestricted funds			
General fund	9,616	45,075	54,691
Restricted funds			
Restricted General Fund	(30,555)	60,858	30,303
Restricted Fixed Asset Fund	844,710	(14,514)	830,196
Pension Reserve Restricted	(367,000)	(109,000)	(476,000)
	<u>447,155</u>	<u>(62,656)</u>	<u>384,499</u>
TOTAL FUNDS	<u>456,771</u>	<u>(17,581)</u>	<u>439,190</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	125,136	(80,061)	-	45,075
Restricted funds				
Restricted General Fund	797,119	(736,261)	-	60,858
Restricted Fixed Asset Fund	13,335	(27,849)	-	(14,514)
Pension Reserve Restricted	-	(46,000)	(63,000)	(109,000)
	<u>810,454</u>	<u>(810,110)</u>	<u>(63,000)</u>	<u>(62,656)</u>
TOTAL FUNDS	<u>935,590</u>	<u>(890,171)</u>	<u>(63,000)</u>	<u>(17,581)</u>

Comparatives for movement in funds

	At 1/9/18 £	Net movement in funds £	Transfers between funds £	At 31/8/19 £
Unrestricted funds				
General fund	4,989	27,349	(22,722)	9,616
Restricted funds				
Restricted General Fund	(56,269)	7,634	18,080	(30,555)
Restricted Fixed Asset Fund	787,402	52,666	4,642	844,710
Pension Reserve Restricted	(196,000)	(171,000)	-	(367,000)
	<u>535,133</u>	<u>(110,700)</u>	<u>22,722</u>	<u>447,155</u>
TOTAL FUNDS	<u>540,122</u>	<u>(83,351)</u>	<u>-</u>	<u>456,771</u>

BROCKHAMPTON ACADEMY TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST AUGUST 2020**

18. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	131,205	(103,856)	-	27,349
Restricted funds				
Restricted General Fund	761,827	(754,193)	-	7,634
Restricted Fixed Asset Fund	70,398	(17,732)	-	52,666
Pension Reserve Restricted	-	(40,000)	(131,000)	(171,000)
	<u>832,225</u>	<u>(811,925)</u>	<u>(131,000)</u>	<u>(110,700)</u>
TOTAL FUNDS	<u>963,430</u>	<u>(915,781)</u>	<u>(131,000)</u>	<u>(83,351)</u>

19. PENSION AND SIMILAR OBLIGATIONS

Teachers' pension scheme

Introduction

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

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

Valuation of the teachers' pension scheme

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

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge).
- 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 period amounted to £72,839 (2019 - £51,846).

BROCKHAMPTON ACADEMY TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST AUGUST 2020**

19. PENSION AND SIMILAR OBLIGATIONS - continued

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust 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 2020 was £53,074 (2019 - £52,199), of which employer's contributions totalled £41,613 (2019 - £40,583) and employees' contributions totalled £11,461 (2019 - £11,616). The agreed contribution rates for future years are 12.8% per cent for employers and between 5.5% and 12.5% per cent 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.

In addition in order to protect the fund, phased lump sum deficit contributions have been scheduled over the next three years at an average of £7,000 per annum. It is anticipated that the recovery period is nine years.

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

	Defined benefit pension plans	
	2020	2019
	£	£
Present value of funded obligations	(1,012,000)	(719,000)
Fair value of plan assets	536,000	352,000
Present value of unfunded obligations	-	-
Deficit	<u>(476,000)</u>	<u>(367,000)</u>
Net liability	<u>(476,000)</u>	<u>(367,000)</u>

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

	Defined benefit pension plans	
	2020	2019
	£	£
Current service cost	79,000	64,000
Net interest from net defined benefit asset/liability	8,000	4,000
Past service cost	-	12,000
Administration expenses	1,000	1,000
	<u>88,000</u>	<u>81,000</u>
Actual return on plan assets	<u>6,000</u>	<u>14,000</u>

BROCKHAMPTON ACADEMY TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST AUGUST 2020**

19. PENSION AND SIMILAR OBLIGATIONS - continued

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2020	2019
	£	£
Opening defined benefit obligation	719,000	484,000
Current service cost	79,000	64,000
Contributions by scheme participants	11,000	12,000
Interest cost	15,000	13,000
Past service cost	-	12,000
Actuarial losses/(gains)	211,000	135,000
Benefits paid	(23,000)	(1,000)
	<u>1,012,000</u>	<u>719,000</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2020	2019
	£	£
Opening fair value of scheme assets	352,000	288,000
Contributions by employer	42,000	41,000
Contributions by scheme participants	11,000	12,000
Interest on plan assets	7,000	9,000
Actuarial gains/(losses)	148,000	4,000
Benefits paid	(23,000)	(1,000)
Assets administration costs	(1,000)	(1,000)
	<u>536,000</u>	<u>352,000</u>

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	2020	2019
	£	£
Actuarial gains/(losses) assets	148,000	4,000
Actuarial gains/(losses) obligations	(211,000)	(135,000)
	<u>(63,000)</u>	<u>(131,000)</u>

BROCKHAMPTON ACADEMY TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST AUGUST 2020**

19. PENSION AND SIMILAR OBLIGATIONS - continued

The major categories of scheme assets as amounts of total scheme assets are as follows:

	Defined benefit pension plans	
	2020	2019
	£	£
Equities	353,000	250,000
Government bonds	36,000	26,000
Other bonds	28,000	18,000
Property	29,000	21,000
Cash	23,000	10,000
Other	67,000	27,000
	<u>536,000</u>	<u>352,000</u>

Principal actuarial assumptions at the Statement of Financial Position date (expressed as weighted averages):

	2020	2019
Discount rate	1.80%	1.80%
Increase in salaries	3.80%	3.50%
Rate of increase for pensions	2.40%	2.10%
Inflation assumption (CPI)	2.30%	2.00%

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

At 31 August 2020:

	2020	2019
Retiring today		
Males	22.6	22.8
Females	25.0	25.8
Retiring in 20 years		
Males	24.2	25.1
Females	27.0	28.2

Sensitivity analysis

The sensitivity analysis for the principal assumptions used to measure scheme liabilities is as follows:

	2020	2019
	£'000	£'000
Discount rate +0.1%	988	702
Discount rate - 0.1%	1,037	736
CPI rate +0.1%	1,036	736
CPI rate -0.1%	989	702
Mortality rate 1 year increase	1,040	732
Mortality rate 1 year decrease	985	706

BROCKHAMPTON ACADEMY TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST AUGUST 2020**

20. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st August 2020.