

REGISTERED COMPANY NUMBER: 07817746 (England and Wales)

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021
FOR
BROCKHAMPTON ACADEMY TRUST**

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

BROCKHAMPTON ACADEMY TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2021

The trustees who are also directors of the academy trust for the purposes of the Companies Act 2006, present their report with the financial statements of the academy trust for the year ended 31 August 2021. 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.

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 and also the provision of nursery and pre and post school care.

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 and those adversely affected by Covid 19 and subsequent lockdowns
- 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 31 AUGUST 2021

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 from 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 January 2021 several staff at different times have been required to shield and/or self isolate. The school has experienced positive Coronavirus test results of children but has not had to close or send class "bubbles" home. The school has remained open providing a service during the January to March 2021 lockdown for children of key workers and vulnerable children. 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 Catch Up Premium funding 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. Head Teacher reports are presented termly, scrutinised and challenged during full IAB meeting. Additional Governors have been recruited to the IAB. Skills audits have been conducted and sub committees established. A new clerk to Governors was appointed in July 2021 and a calendar has been set for necessary IAB actions/duties for the new academic year, including a Finance Policy update. 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 2020/21

Due to the second national lockdown from January to March 2021 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 2020/21. Internal data was "captured" in July 2021. This data indicated that children were, as expected, below Age Related Expectations following the disruption of two national school closures. That data has been transferred to act as their "baseline" for the academic year 2021/22. 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 185.

Pupils attendance remains in line with the national average at 96.3%.

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 Headteachers report and annual attendance audit.

BROCKHAMPTON ACADEMY TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

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.

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 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 academy trust'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 academy trust'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 14 December 2021 and signed on its behalf by:



H J Holly - Trustee

BROCKHAMPTON ACADEMY TRUST

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2021

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.

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 Holly	5	5
S Wilson	5	5
E J Fairlamb	4	5
K L Evans	5	5
N Mansell	5	5

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 Covid 19, we have met on line throughout the pandemic and continue to do so.

BROCKHAMPTON ACADEMY TRUST

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2021

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 2021 is 96.3%. 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.

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 31 AUGUST 2021

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 2020 and 31 August 2021 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 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. The process is regularly reviewed by the IAB.

BROCKHAMPTON ACADEMY TRUST

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2021

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.

One report was prepared during the year.

The following areas were reviewed:

- Budgets and financial monitoring
- Banking
- Compliance
- Purchasing
- Income
- Risk
- Governance

The reviewer has delivered to the board of trustee's their schedule of work as planned. The overall analysis of the audit was that there were some areas which require attention to ensure best practise and to improve the control in place at the school. Recommendations were made as follows;

- Finance manual is produced and approved by Trustees. Ensuring the Financial Handbook "musts" are incorporated.
- Management accounts must be sent to the Chair of Trustees every month and to all other Trustees at least six times a year.
- Full bank reconciliations must be completed monthly and signed off by the SBM or Head.
- An updated scheme of delegation needs to be ready for the approval of the Trustees.
- Ensure there are segregation of duties when processing orders and payments.
- An aged debtor report should be produced monthly and debts followed up in a timely manner.

BROCKHAMPTON ACADEMY TRUST

**GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021**

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 14 December 2021 and signed on its behalf by:



H J Holly - Trustee



Matthew Mander - Accounting Officer

BROCKHAMPTON ACADEMY TRUST

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2021**

As accounting officer of Brockhampton Academy Trust I have considered my responsibility to notify the academy trust 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 academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust'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

14 December 2021

BROCKHAMPTON ACADEMY TRUST

TRUSTEES' RESPONSIBILITY STATEMENT FOR THE YEAR ENDED 31 AUGUST 2021

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 2020 to 2021;
- make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- 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 members of the board of trustees on 14 December 2021 and signed on its behalf by:



H J Holly - 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 'academy trust') for the year ended 31 August 2021 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 2020 to 2021 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 academy trust'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, 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 2020 to 2021.

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 academy trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the 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 academy trust 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 academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the academy trust or to cease operations, or have no realistic alternative but to do so.

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.

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:

- : enquiry of management as to any knowledge of actual, suspected or alleged fraud
- : enquiry of management as to any actual or potential litigation
- : enquiry of management of any instances of non-compliance with laws and regulations
- : performing audit work over the risk of management override of controls
- : evaluating significant transactions outside the normal course of trade

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 Report of the Independent Auditors.

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

Use of our report

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

14 December 2021

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 2020 to 2021, 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 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 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 27 October 2011 and the Academies Financial Handbook, extant from 1 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 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 period 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 Academies Accounts Direction 2020 to 2021 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 academy trust's income and expenditure.

- 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;
- 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.

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

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 2020 to 31 August 2021 has not been applied to the purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Matter 1:

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
Reporting Accountant
Churchfield House
36 Vicar Street
Dudley
West Midlands
DY2 8RG

14 December 2021

BROCKHAMPTON ACADEMY TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2021**

				2021	2020	
		Unrestricted fund	Restricted funds	Restricted Fixed Asset Fund	Total funds	Total funds
	Notes	£	£	£	£	£
INCOME AND ENDOWMENTS FROM						
Donations and capital grants	2	-	3,703	58,635	62,338	20,341
Charitable activities						
Funding for the academy's educational operations	3	-	814,634	-	814,634	790,066
Other trading activities	4	95,076	-	-	95,076	125,136
Investment income	5	-	17	-	17	47
Total		<u>95,076</u>	<u>818,354</u>	<u>58,635</u>	<u>972,065</u>	<u>935,590</u>
EXPENDITURE ON						
Raising funds		90,280	-	-	90,280	80,061
Charitable activities						
Academy's educational operations		-	879,370	32,700	912,070	810,110
Total	6	<u>90,280</u>	<u>879,370</u>	<u>32,700</u>	<u>1,002,350</u>	<u>890,171</u>
NET INCOME/(EXPENDITURE)						
		4,796	(61,016)	25,935	(30,285)	45,419
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit schemes		-	(46,000)	-	(46,000)	(63,000)
Net movement in funds		4,796	(107,016)	25,935	(76,285)	(17,581)
RECONCILIATION OF FUNDS						
Total funds brought forward		<u>54,691</u>	<u>(445,697)</u>	<u>830,196</u>	<u>439,190</u>	<u>456,771</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>59,487</u></u>	<u><u>(552,713)</u></u>	<u><u>856,131</u></u>	<u><u>362,905</u></u>	<u><u>439,190</u></u>

The notes form part of these financial statements

BROCKHAMPTON ACADEMY TRUST

**STATEMENT OF FINANCIAL POSITION
31 AUGUST 2021**

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	12	845,602	819,556
CURRENT ASSETS			
Debtors	13	33,893	38,930
Cash at bank and in hand		<u>153,108</u>	<u>136,191</u>
		187,001	175,121
CREDITORS			
Amounts falling due within one year	14	(93,698)	(79,487)
		<u>93,303</u>	<u>95,634</u>
NET CURRENT ASSETS			
		938,905	915,190
TOTAL ASSETS LESS CURRENT LIABILITIES			
PENSION LIABILITY	17	(576,000)	(476,000)
		<u>362,905</u>	<u>439,190</u>
NET ASSETS			
FUNDS	16		
Restricted funds:			
Restricted General Fund		23,287	30,303
Restricted Fixed Asset Fund		856,131	830,196
Pension Reserve Restricted		<u>(576,000)</u>	<u>(476,000)</u>
		<u>303,418</u>	<u>384,499</u>
Unrestricted funds:			
General fund		<u>59,487</u>	<u>54,691</u>
TOTAL FUNDS		<u>362,905</u>	<u>439,190</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 14 December 2021 and were signed on its behalf by:

H J Holly - Trustee

The notes form part of these financial statements

BROCKHAMPTON ACADEMY TRUST

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	<u>17,012</u>	<u>116,297</u>
Net cash provided by operating activities		<u>17,012</u>	<u>116,297</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(58,747)	(13,811)
Capital grants from DfE/EFA		58,635	13,334
Interest received		<u>17</u>	<u>47</u>
Net cash used in investing activities		<u>(95)</u>	<u>(430)</u>
Change in cash and cash equivalents in the reporting period			
		16,917	115,867
Cash and cash equivalents at the beginning of the reporting period		<u>136,191</u>	<u>20,324</u>
Cash and cash equivalents at the end of the reporting period		<u>153,108</u>	<u>136,191</u>

The notes form part of these financial statements

BROCKHAMPTON ACADEMY TRUST

**NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021	2020
	£	£
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(30,285)	45,419
Adjustments for:		
Depreciation charges	32,701	27,849
Capital grants from DfE/ESFA	(58,635)	(13,334)
Interest received	(17)	(47)
Pension scheme finance costs	9,000	9,000
Decrease in debtors	5,037	52,565
Increase/(decrease) in creditors	14,211	(42,155)
Difference between pension charge and cash contributions	<u>45,000</u>	<u>37,000</u>
Net cash provided by operations	<u>17,012</u>	<u>116,297</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/9/20	Cash flow	At 31/8/21
	£	£	£
Net cash			
Cash at bank and in hand	<u>136,191</u>	<u>16,917</u>	<u>153,108</u>
	<u>136,191</u>	<u>16,917</u>	<u>153,108</u>
Total	<u>136,191</u>	<u>16,917</u>	<u>153,108</u>

BROCKHAMPTON ACADEMY TRUST

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

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 trust, 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 2020 to 2021 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:

- £576,000 (2020 £476,000) 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 order to repay the deficit employer contributions will be 18.4% (2020 18.4%). 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 £93,303 (2020 - £95,634) 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 2021/22.

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 31 AUGUST 2021

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.

Transfer on conversion

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 31 AUGUST 2021

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 13. 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 14. 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 31 AUGUST 2021

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 31 AUGUST 2021**

1. ACCOUNTING POLICIES - continued

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 17, 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.

2. DONATIONS AND CAPITAL GRANTS

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Donations	-	3,703	3,703	7,007
Grants	<u>-</u>	<u>58,635</u>	<u>58,635</u>	<u>13,334</u>
	<u>-</u>	<u>62,338</u>	<u>62,338</u>	<u>20,341</u>

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

	2021 £	2020 £
Other DfE/ESFA Grants	5,937	6,051
Condition Improvement Fund Grant	<u>52,698</u>	<u>7,283</u>
	<u>58,635</u>	<u>13,334</u>

BROCKHAMPTON ACADEMY TRUST

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

3. FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
DfE/ESFA grants				
General Annual Grant(GAG)	-	669,195	669,195	665,980
Other DfE/ESFA Grants	-	35,923	35,923	33,593
Teachers Pension	-	23,716	23,716	25,210
Pupil Premium	-	32,280	32,280	29,700
UIFSM	-	22,220	22,220	22,069
	<u>-</u>	<u>783,334</u>	<u>783,334</u>	<u>776,552</u>
Other Government grant				
Local Authority Grants	-	27,243	27,243	7,573
	<u>-</u>	<u>27,243</u>	<u>27,243</u>	<u>7,573</u>
Other income from the academy trust's educational operations	-	4,057	4,057	5,941
	<u>-</u>	<u>4,057</u>	<u>4,057</u>	<u>5,941</u>
	<u>-</u>	<u>814,634</u>	<u>814,634</u>	<u>790,066</u>

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department for Education and ESFA, the academy trust's funding for Universal Infant Free School Meals, Pupil Premium and Teachers pension grant is no longer reported under the Other DfE/ESFA Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

4. OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Income from wrap around care	95,076	-	95,076	100,136
Miscellaneous income	-	-	-	25,000
	<u>95,076</u>	<u>-</u>	<u>95,076</u>	<u>125,136</u>

5. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Deposit account interest	-	17	17	47
	<u>-</u>	<u>17</u>	<u>17</u>	<u>47</u>

BROCKHAMPTON ACADEMY TRUST

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

6. EXPENDITURE

	Non-pay expenditure			2021	2020
	Staff costs	Premises	Other costs	Total	Total
	£	£	£	£	£
Raising funds					
Costs incurred by trading for a fundraising purpose					
Direct costs	85,268	-	1,839	87,107	76,012
Allocated support costs	-	-	3,173	3,173	4,049
Charitable activities					
Academy's educational operations					
Direct costs	617,105	12,440	36,253	665,798	598,229
Allocated support costs	<u>110,558</u>	<u>37,894</u>	<u>97,820</u>	<u>246,272</u>	<u>211,881</u>
	<u>812,931</u>	<u>50,334</u>	<u>139,085</u>	<u>1,002,350</u>	<u>890,171</u>

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

	2021	2020
	£	£
Depreciation - owned assets	32,701	27,847
Auditors' remuneration	8,650	8,625
Auditors' remuneration for non-audit work	1,250	980
Operating leases - other leases	<u>4,178</u>	<u>3,155</u>

7. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds	Restricted funds	2021 Total funds	2020 Total funds
	£	£	£	£
Direct costs	-	665,798	665,798	598,229
Support costs	<u>-</u>	<u>246,272</u>	<u>246,272</u>	<u>211,881</u>
	<u>-</u>	<u>912,070</u>	<u>912,070</u>	<u>810,110</u>

	2021 Total	2020 Total
	£	£
Analysis of support costs		
Support staff costs	110,558	99,210
Depreciation	-	1,271
Technology costs	20,693	14,610
Premises costs	37,894	28,625
Other support costs	51,003	49,729
Governance costs	<u>26,124</u>	<u>18,436</u>
Total support costs	<u>246,272</u>	<u>211,881</u>

BROCKHAMPTON ACADEMY TRUST

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

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 (2020: £60,000 - £65,000)
Employer's pension contributions £10,000 - £15,000 (2020: £10,000 - £15,000)

N Mansell (Staff trustee):

Remuneration £25,000 - £30,000 (2020: £35,000- £40,000)
Employer's pension contributions £5,000 - £10,000 (2020: £5,000- £10,000)

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2021 nor for the year ended 31 August 2020.

9. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	524,815	516,749
Social security costs	38,060	34,761
Operating costs of defined benefit pension schemes	<u>177,188</u>	<u>159,828</u>
	740,063	711,338
Supply teacher costs	<u>72,868</u>	<u>10,445</u>
	<u>812,931</u>	<u>721,783</u>

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

	2021	2020
Teachers	9	8
Administrative and support	31	29
Management	<u>1</u>	<u>1</u>
	<u>41</u>	<u>38</u>

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

	2021	2020
£60,001 - £70,000	<u>1</u>	<u>1</u>

The above employee is a member of the Teachers' Pension Scheme. During the year ended 31 August 2021 pension contributions for this member of staff amounted to £14,528 (2020 - £14,782.)

BROCKHAMPTON ACADEMY TRUST

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

9. STAFF COSTS - continued

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 £107,968 (2020 - £84,623).

10. TRUSTEES' AND OFFICERS' INSURANCE

The academy trust 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	-	7,006	13,335	20,341
Charitable activities				
Funding for the academy's educational operations	-	790,066	-	790,066
Other trading activities	125,136	-	-	125,136
Investment income	-	47	-	47
Total	125,136	797,119	13,335	935,590
EXPENDITURE ON				
Raising funds	80,061	-	-	80,061
Charitable activities				
Academy's educational operations	-	782,261	27,849	810,110
Total	80,061	782,261	27,849	890,171
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

BROCKHAMPTON ACADEMY TRUST

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

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund	Restricted funds	Restricted Fixed Asset Fund	Total funds
	£	£	£	£
TOTAL FUNDS CARRIED FORWARD	<u>54,691</u>	<u>(445,697)</u>	<u>830,196</u>	<u>439,190</u>

12. TANGIBLE FIXED ASSETS

	Long leasehold £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 September 2020	811,741	63,249	74,149	32,789	981,928
Additions	<u>8,000</u>	<u>-</u>	<u>46,981</u>	<u>3,766</u>	<u>58,747</u>
At 31 August 2021	<u>819,741</u>	<u>63,249</u>	<u>121,130</u>	<u>36,555</u>	<u>1,040,675</u>
DEPRECIATION					
At 1 September 2020	84,612	9,620	38,398	29,742	162,372
Charge for year	<u>12,441</u>	<u>8,031</u>	<u>9,962</u>	<u>2,267</u>	<u>32,701</u>
At 31 August 2021	<u>97,053</u>	<u>17,651</u>	<u>48,360</u>	<u>32,009</u>	<u>195,073</u>
NET BOOK VALUE					
At 31 August 2021	<u>722,688</u>	<u>45,598</u>	<u>72,770</u>	<u>4,546</u>	<u>845,602</u>
At 31 August 2020	<u>727,129</u>	<u>53,629</u>	<u>35,751</u>	<u>3,047</u>	<u>819,556</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	5,885	9,009
Other debtors	-	7,679
VAT	4,740	3,181
Prepayments	<u>23,268</u>	<u>19,061</u>
	<u>33,893</u>	<u>38,930</u>

BROCKHAMPTON ACADEMY TRUST

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

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	21,102	11,725
Social security and other taxes	7,479	8,455
Other creditors	11,983	11,156
Accruals and deferred income	<u>53,134</u>	<u>48,151</u>
	<u>93,698</u>	<u>79,487</u>

Deferred income

	2021	2020
	£	£
Deferred income at 1 September 2020	21,168	13,919
Released from previous years	(21,168)	(13,919)
Resources deferred in the year	<u>31,913</u>	<u>21,168</u>
Deferred Income at 31 August 2021	<u>31,913</u>	<u>21,168</u>

At the balance sheet date, the Academy was holding funds received in advance for Universal Free School Meals income, Pupil Premium funding for the Autumn term and Covid 19 Catchup funding.

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund	Restricted funds	Restricted Fixed Asset Fund	2021 Total funds
	£	£	£	£
Fixed assets	-	-	845,602	845,602
Current assets	59,487	116,637	10,877	187,001
Current liabilities	-	(93,350)	(348)	(93,698)
Pension liability	-	<u>(576,000)</u>	-	<u>(576,000)</u>
	<u>59,487</u>	<u>(552,713)</u>	<u>856,131</u>	<u>362,905</u>

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

	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	-	<u>(476,000)</u>	-	<u>(476,000)</u>
	<u>54,691</u>	<u>(445,697)</u>	<u>830,196</u>	<u>439,190</u>

BROCKHAMPTON ACADEMY TRUST

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

16. MOVEMENT IN FUNDS

	At 1/9/20 £	Net movement in funds £	At 31/8/21 £
Restricted general funds			
Restricted General Fund	30,303	(7,016)	23,287
Restricted Fixed Asset Fund	830,196	25,935	856,131
Pension Reserve Restricted	<u>(476,000)</u>	<u>(100,000)</u>	<u>(576,000)</u>
	<u>384,499</u>	<u>(81,081)</u>	<u>303,418</u>
Unrestricted fund			
General fund	54,691	4,796	59,487
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>439,190</u>	<u>(76,285)</u>	<u>362,905</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Restricted general funds				
Restricted General Fund	818,354	(825,370)	-	(7,016)
Restricted Fixed Asset Fund	58,635	(32,700)	-	25,935
Pension Reserve Restricted	<u>-</u>	<u>(54,000)</u>	<u>(46,000)</u>	<u>(100,000)</u>
	<u>876,989</u>	<u>(912,070)</u>	<u>(46,000)</u>	<u>(81,081)</u>
Unrestricted fund				
General fund	95,076	(90,280)	-	4,796
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>972,065</u>	<u>(1,002,350)</u>	<u>(46,000)</u>	<u>(76,285)</u>

Comparatives for movement in funds

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

BROCKHAMPTON ACADEMY TRUST

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

16. 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 £
Restricted general funds				
Restricted General Fund	797,119	(736,261)	-	60,858
Restricted Fixed Asset Fund	13,335	(27,849)	-	(14,514)
Pension Reserve Restricted	<u>-</u>	<u>(46,000)</u>	<u>(63,000)</u>	<u>(109,000)</u>
	<u>810,454</u>	<u>(810,110)</u>	<u>(63,000)</u>	<u>(62,656)</u>
Unrestricted fund				
General fund	<u>125,136</u>	<u>(80,061)</u>	<u>-</u>	<u>45,075</u>
TOTAL FUNDS	<u>935,590</u>	<u>(890,171)</u>	<u>(63,000)</u>	<u>(17,581)</u>

17. PENSION AND SIMILAR OBLIGATIONS

The academy trust'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 Worcestershire County Council. 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 to the period ended 31 March 2019.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

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 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.

BROCKHAMPTON ACADEMY TRUST

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

17. PENSION AND SIMILAR OBLIGATIONS - 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. The 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 £74,547 (2020 - £72,839).

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 2021 was £61,061 (2020 - £53,074), of which employer's contributions totalled £48,307 (2020 - £41,613). and employees' contributions totalled £12,754 (2020 - £11,461). The agreed contribution rates for future years are 17.90 per cent for employers and 6.50 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 an academy trust closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

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

	Defined benefit pension plans	
	2021	2020
	£	£
Present value of funded obligations	(1,261,000)	(1,012,000)
Fair value of plan assets	<u>685,000</u>	<u>536,000</u>
	(576,000)	(476,000)
Present value of unfunded obligations	<u>-</u>	<u>-</u>
Deficit	<u>(576,000)</u>	<u>(476,000)</u>
Net liability	<u>(576,000)</u>	<u>(476,000)</u>

BROCKHAMPTON ACADEMY TRUST

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

17. PENSION AND SIMILAR OBLIGATIONS - continued

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

	Defined benefit pension plans	
	2021	2020
	£	£
Current service cost	93,000	79,000
Net interest from net defined benefit asset/liability	8,000	8,000
Past service cost	-	-
Administration expenses	<u>1,000</u>	<u>1,000</u>
	<u>102,000</u>	<u>88,000</u>
 Actual return on plan assets	 <u>103,000</u>	 <u>6,000</u>

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

	Defined benefit pension plans	
	2021	2020
	£	£
Opening defined benefit obligation	1,012,000	719,000
Current service cost	93,000	79,000
Contributions by scheme participants	13,000	11,000
Interest cost	18,000	15,000
Actuarial losses/(gains)	139,000	211,000
Benefits paid	<u>(14,000)</u>	<u>(23,000)</u>
	<u>1,261,000</u>	<u>1,012,000</u>

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

	Defined benefit pension plans	
	2021	2020
	£	£
Opening fair value of scheme assets	536,000	352,000
Contributions by employer	48,000	42,000
Contributions by scheme participants	13,000	11,000
Interest on plan assets	10,000	7,000
Actuarial gains/(losses)	93,000	148,000
Benefits paid	(14,000)	(23,000)
Assets administration costs	<u>(1,000)</u>	<u>(1,000)</u>
	<u>685,000</u>	<u>536,000</u>

BROCKHAMPTON ACADEMY TRUST

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

17. PENSION AND SIMILAR OBLIGATIONS - continued

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

	Defined benefit pension plans	
	2021	2020
	£	£
Actuarial gains/(losses) assets	93,000	148,000
Actuarial gains/(losses) obligations	<u>(139,000)</u>	<u>(211,000)</u>
	<u>(46,000)</u>	<u>(63,000)</u>

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

	Defined benefit pension plans	
	2021	2020
	£	£
Equities	570,000	353,000
Government bonds	-	36,000
Other bonds	1,000	28,000
Property	30,000	29,000
Cash	17,000	23,000
Other	<u>67,000</u>	<u>67,000</u>
	<u>685,000</u>	<u>536,000</u>

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

	2021	2020
Discount rate	1.70%	1.80%
Increase in salaries	4.30%	3.80%
Rate of increase for pensions	2.90%	2.40%
Inflation assumption (CPI)	2.80%	2.30%

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

Retiring today		
Males	22.7	22.6
Females	25.1	25
Retiring in 20 years		
Males	24.4	24.2
Females	27.1	27

Sensitivity analysis

	2021	2020
	£	£
Discount rate +0.1%	1,232	988
Discount rate -0.1%	1,291	1,037
Mortality assumption - 1 year increase	1,300	1,040
Mortality assumption - 1 year decrease	1,323	985
CPI rate +0.1%	1,291	1,036
CPI rate -0.1%	1,232	989

BROCKHAMPTON ACADEMY TRUST

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

18. LONG-TERM COMMITMENTS, INCLUDING OPERATING LEASES

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

	2021	2020
	£	£
Within one year	4,956	6,006
Between one and five years	<u>2,606</u>	<u>7,563</u>
	<u>7,562</u>	<u>13,569</u>

19. RELATED PARTY DISCLOSURES

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

