

# ANNUAL REPORT AND FINANCIAL STATEMENTS

**For the Year Ended 31 August 2022**

For

Beckfoot Trust  
(a company limited by guarantee)

COMPANY REGISTRATION NUMBER: 08155088 (England and Wales)  
AND AN EXEMPT CHARITY

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## REFERENCE AND ADMINISTRATIVE DETAILS

Members	J M C Cole M Eaton H Wallace N Whiteside J Winkley
Trustees/Company Directors	J Cryer S Dalai-Wilson D Fairfax P Hill M Kelly H Najib (appointed 01/09/2021) E Pervez P Speight K Tollervey S Watson (Chief Executive Officer [CEO], Accounting Officer) J Winkley (Chair)
Company Secretary	Schofield Sweeney LLP
Senior Management Team	V Birch - Finance Director and Chief Finance Officer M Blanchard - Headteacher Beckfoot Allerton C Burland - Operations Director G Dyson - Director Human Resources N Flynn - School Improvement Director C Gunning - Headteacher Beckfoot Priestthorpe L Hanson - Headteacher Beckfoot Nessfield L Hart – Head of School – Beckfoot Oakbank Z Mawson- Executive Head Primary and Special - Headteacher Beckfoot Heaton Primary School E McPhail - Headteacher Hazelbeck School J Roberts - Executive Head J Saw – Chief Operating Officer R Stirland - Headteacher Beckfoot Phoenix S Trusselle – Acting Headteacher Beckfoot Thornton S Wade - Headteacher Beckfoot S Watson – Chief Executive Officer and Accounting Officer G Wrightson - Headteacher Beckfoot Upper Heaton
Company Name	Beckfoot Trust
Principal and Registered Office	Wagon Lane, Bingley, Bradford West Yorkshire BD16 1EE
Company Registered Number	08155088 (England and Wales)
Independent Auditor	Saffery Champness LLP Mitre House, North Park Road, Harrogate HG1 5RX

**Beckfoot Trust**  
**Reference and Administrative Details**

**Bankers**

Lloyds Bank PLC  
Hustlergate, PO Box 1000 BX1 1LT

**Solicitors**

Schofield Sweeney LLP  
Church Bank House, Church Bank, Bradford BD1 4DY

## TRUSTEES' REPORT

The Trustees present their annual report together with the financial statements and auditor's reports of the charitable company for the period 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a Trustees' report, and a directors' report and a strategic report under company law.

During the year Beckfoot Trust consisted of the following academies:

<b>Academy</b>	<b>Date Joined</b>	<b>Type</b>
Beckfoot School	August 2013	Secondary School
Hazelbeck School	August 2013	Secondary Special School
Beckfoot Upper Heaton School	September 2015	Secondary School
Beckfoot Allerton	September 2016	Primary School
Beckfoot Oakbank	September 2016	Secondary School
Beckfoot Thornton	October 2016	Secondary School
Beckfoot Heaton	December 2016	Primary School
Beckfoot Phoenix	September 2017	Primary Special School
Beckfoot Priestthorpe	September 2017	Primary School
Beckfoot Nessfield	September 2018	Primary School

## Structure, Governance and Management

### Constitution

Beckfoot Trust is a company limited by guarantee and an exempt charity. The Charitable Company's memorandum and articles of association dated 9 May 2013 are the primary governing documents of the Academy Trust. The Trustees of Beckfoot Trust are also the Directors of the charitable company for the purposes of company law. The Charitable Company is known as Beckfoot Trust. Details of the Trustees who served throughout the period are included in the Reference and Administrative details on page 1. The Trust's mission (core purpose) is to create remarkable schools where no child is left behind. All schools share the Trust specific values of Enjoy, Learn, Succeed and we expect adherence to the Nolan Principles. The Trust was formed on strong principles of community and inclusivity, and we are intent on demanding high standards for all children, closing attainment gaps for the least advantaged. In 2021 we launched a new school improvement and accountability framework that we know will further drive-up standards and support pandemic recovery. We have entirely codified our principles of remarkable for education and operations and we are determined to become a nationally recognised people-first organisation where all belong.

### 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' Indemnity Insurance

In accordance with usual commercial practice, Beckfoot Trust has purchased indemnity insurance to protect Governors and Officers from claims occurring whilst on Academy business. During the 2021/22 academic year the Trust was a member of the RPA. The RPA provides cover up to £10,000,000 on any one claim and the cost for the year ended 31 August 2022 was not separable but was included in the rate of £21/pupil.

### Method of Recruitment and Appointment or Election of Trustees

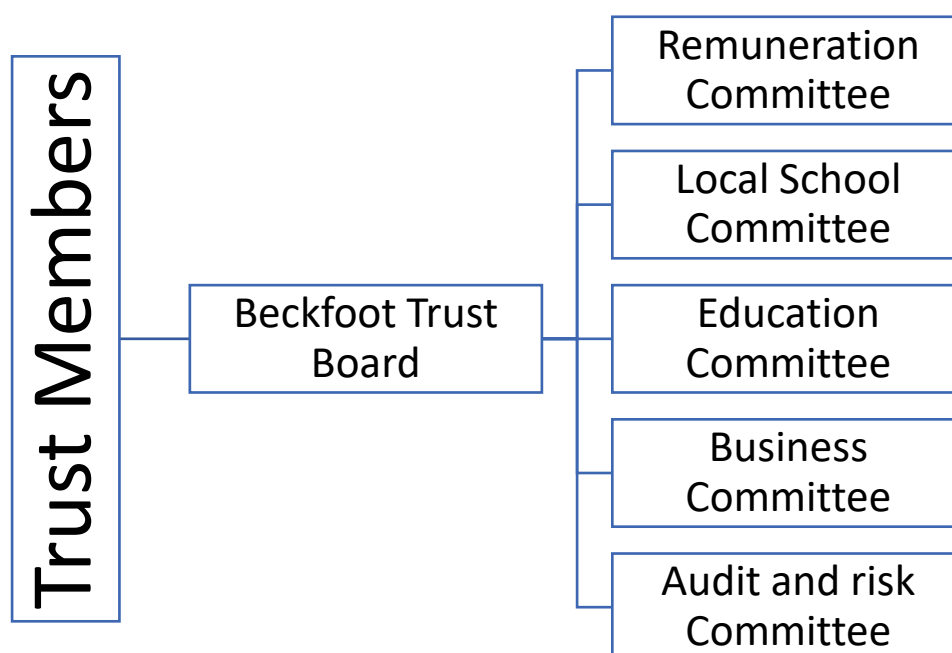
Up to a maximum of 8 directors may be appointed by the members of the charitable company, who are Trustees for the purposes of charity legislation. These Trustees may then co-opt further Trustees with no maximum number set. Two Trustees must be a parent of a registered pupil at one or more of the schools. The total number of Trustees who are employees of the charitable company shall not exceed one third of the total number of Trustees. The term of office for a Trustee is currently four years and any director may be re-appointed. The Members may appoint Trustees through such process as they may determine.

### Policies and Procedures Adopted for the Induction and Training of Trustees

New Trustees are inducted into the workings of the Trust, including policies and procedures, at arranged meetings with the Chief Executive Officer (CEO) and other key members of staff. The training and induction provided for new Trustees depends on their existing experience. Where appropriate, induction includes training on charity and educational, legal and financial matters (with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustee). Trustees are aware that a budget is available to support training needs on request. The CEO and other members of the senior team provide annual training outside of calendared meetings on all key aspects of Governance in a Multi-Academy Trust.

### Organisational Structure

The way in which the board of directors/Trustees receives advice and delegates responsibilities is described below.



The role of the Board is to ensure Beckfoot Trust is governed and managed to comply with requirements set out by the DfE, relevant companies and charities legislation as well as its own governing documents.

**The Board** is responsible for strategic and school improvement planning, financial and risk management, audit, senior staff appointments and remuneration. It's main functions are;

- Ensuring clarity of vision, ethos and strategic direction
- Holding executive leaders to account for the educational performance of the organisation and its pupils, and the performance management of staff
- Overseeing the financial performance of the organisation and making sure its money is well spent

**The Education Committee** has delegated responsibility for safeguarding, educational standards and improvement in all Trust Schools.

**The Business Committee** has delegated responsibility for financial planning and management, human resources, estates management and compliance in all Trust Schools.

**The Local School Committee** has delegated responsibility for reviewing local school policies and considering the implementation of whole Trust statutory policies through the lens of staff welfare and parental and stakeholder engagement.

**The Remuneration Committee** has delegated responsibility for overseeing the performance management of the CEO and the remuneration of higher paid Trust staff (in line with the pay policy).

**The Audit & Risk Committee** has delegated responsibility for scrutinising internal controls (including 1<sup>st</sup> line policy approval), approving the programme of works for internal scrutiny and signing off and approving the external audit function.

In addition to the above committees there are several ad hoc committees formed as necessary including Pupil Disciplinary Committees and Staff Discipline and Grievance Committees. The Board may constitute an interim oversight committee where it is felt that a school's performance demands greater scrutiny. The CEO is the Trust's Accounting Officer overseeing the strategic operational and financial management of the Trust. The Finance Director is the Trust's Chief Finance Officer.

### Arrangements for setting pay and remuneration of key management personnel

The Remuneration Committee of the board is responsible for the performance management and remuneration of the CEO. The CEO is responsible for the performance management of all senior Trust staff. The Remuneration Committee of the board is responsible for setting the pay of all senior Trust staff. Local School Headteachers are responsible for the performance management and the setting of pay for their Senior Leadership Team members in accordance with a framework agreed by the CEO and Remuneration Committee (see Appraisal and Pay Policy). This framework includes external benchmarking of key roles within the Trust.

### Trade union facility time

Number of employees who were relevant union officials

Number of employees who were recognised union officials during the relevant period	12
Full-time equivalent employee number	10.84

Percentage of time spent on facility time

Percentage of time	Number of Employees
0%	6
1-50%	6
51-99%	0
100%	0

Percentage of pay bill spent on facility time

Total cost of facility time	£7,124.53 (plus £32,597 additional facility time funding)
Total pay bill April 21 to March 22	£36,436,152
Percentage of the total pay bill spent on facility time	0.02% (0.109%)

Time spent on paid trade union activity

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as:  (total hours spent on paid trade union activities by relevant union officials during relevant period / total paid facility time hours) x 100	Hours spent on paid facility time: 181.83  Hours spent on paid trade union activities: 147.83  Percentage of total paid facility time hours spent on Trade Union activities: 81.3%
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### Related Parties and other Connected Charities and Organisations

Trustees are required to make a declaration of interest annually to enable the Trust to identify related parties. Where related party relationships exist between Trustees and third-party suppliers or customers the financial arrangements meet the requirements of relevant accounting standards and the Financial Handbook. Full details of these relationships can be found in note 23.

### Engagement with all Employees

Beckfoot Trust recognises that our staff are our greatest asset and engagement with all our employees is key to achieving our mission of 'Creating Remarkable Schools Where No Child is Left Behind'. Employee engagement surveys indicate that our staff are proud to work for us (95%) and that leaders take seriously the duty to manage workload (79% say acceptable – high for this sector).

We create healthy cultures built on clarity of purpose. We are continuously developing our People Strategy with equity, diversity and inclusion (EDI) at its heart. We have recently appointed an EDI Champion to drive forward this agenda across our Trust. Without truly embracing and understanding diversity we cannot meet our mission. Our values of Enjoy, Learn, Succeed are predicated on the belief that all belong. We are determined that everyone (staff and students) in our organisation feels equally valued and that there will be no barrier to anyone achieving and becoming the best version of their authentic selves. We have specific targets for inclusion of staff with protected characteristics and our Trust recruitment standards reflect these. A sense of

belonging is the key factor in psychological wellbeing and hence personal happiness and success. In November 2021 and November 2022 our Trust conference theme has been, 'One Trust Where All Belong'.

Alongside our emphasis on diversity, authenticity, and all belonging, we launched an Employee Assistance programme in 2021. This service was well received and helps our employees navigate stressful life circumstances. We continue to seek medical expertise through our Occupational Health provider and seek feedback from our staff through our annual survey as a driver for wellbeing.

Following extensive staff consultation and voice, a newly written People First Charter was launched in November 2022, underpinned by our explicit Employee Value Proposition.

### **Engagement with our Suppliers**

The Trust has robust procurement policies in place, when entering new supplier relationships it considers value for money, environmental sustainability and long-term working relationships as well as taking steps to comply with the Modern Slavery Act. Suppliers are treated fairly and paid promptly.

## **Objectives and Activities**

### **Objects and Aims**

The principal activities and objects of Beckfoot Trust are:

- The advancement, for public benefit, of education in the United Kingdom, in particular establishing, maintaining, managing and developing schools offering a broad and balanced knowledge-rich curriculum.
- To provide full or part time education for children of compulsory school age, who otherwise may not for any period receive suitable education unless alternative provision is made for them.
- To make inclusive educational provision for pupils with Special Educational Needs and Disability.
- To promote for the benefit of the inhabitants of Bradford and surrounding area the provision of facilities for recreation.

### **Objectives, Strategies and Activities**

The Trust's core purpose is to Create Remarkable Schools Where No Child is Left Behind. We have a belief in the holistic development of great learners, yet we know that the biggest factor that changes lives, is measurable attainment. We have a very clear school improvement model, accountability framework and system for self-evaluation. We have codified what it means to be remarkable, and these are our shared principles of alignment that we embed through cross-cutting collective efficacy teams. We set our bar high, and our overall ambition is to be in the top 10% of Trusts nationally. Our communities deserve nothing less. We are equally ambitious for our staff, and we are committed to being 'one trust where all can belong'. To aid us with our clarity we answer 4 critical questions, and these are shared constantly with all employees. We know that clarity brings capacity. Our Operating Model is One Trust, and it is underpinned by 3 design principles that link to our 3 strategic anchors (see below).

### **Trust Development**

The founding CEO retired as of 31 August 2021 and the new CEO Shirley Watson took up post from 1 September 2021. Shirley brings an utter commitment to serving our local area and is passionate about our mission. She is an experienced executive leader having previously worked as the second in command to the founding CEO of Dixons Academies Trust to grow the organisation from 1 Bradford school to the national Trust it now is. The Executive and Non-Executive share the same aim, to be in the top 10% of MATs within the next 5 years and for all schools to be judged as at least good. As a team we have a relentless focus on driving up attainment and we are all highly ambitious for our young people and staff. We will never use context as an excuse. We strive daily to make sure all can belong.

The Trust is currently working positively with the local authority to support the local need for SEND places. We continue to consider approaches from schools wishing to join our Trust as and when they are made. Alignment to our mission, values and principles of alignment is vital for a successful partnership.

### **Public Benefit**

In setting our objectives and planning our activities the trustees have carefully considered the Charity Commission's general guidance on public benefit.



## **Strategic Report Prepared by the Chief Executive Officer October 2022**

The Trust was formed in 2013 with the original outstanding mainstream Beckfoot School and the Secondary Special School, Hazelbeck (Outstanding), which are co-located. We are founded on deep seated principles of equity and inclusion, and this is reflected in our highly ambitious and inclusive mission, of **'creating remarkable schools where no child is left behind'**. Since formation, we now have a diverse family of 10 schools (September 2022 - 4 Primary mainstream, 4 Secondary mainstream, 1 Special Secondary, 1 Special Primary) educating over 7,000 young people and employing over 1,000 staff. We celebrate the diversity of all our schools yet are clear about what alignment to our mission looks like. The schools that have joined us have all faced complex and challenging circumstances, many of them are situated in areas of high deprivation, we very quickly stabilised them to better serve our communities. 2 of our schools are currently judged outstanding, 4 good, 3 requires improvement and one awaiting its first inspection having been previously a school in special measures. We will be celebrating our 10 years as a Trust this year.

As noted above, we are refining our operating model so that shared services are scalable should the opportunity for growth arise. We have exceptional clarity and transparency about what it means to be a Beckfoot Trust school and this is expressed in our One Trust Contract. Any school that joins us would need to be fully aligned to our mission and our principles of alignment.

In order to meet our mission and to drive up attainment, we have re-organised our central team and appointed 3 executive leaders in 2022, all of whom are fully aligned to our principles and have a history of demanding excellence. We have managed this without increasing our central re-charge.

As a Trust we understand that all healthy organisations have absolute clarity of purpose. Through creating this clarity, we are liberated to work together through our principles of alignment. We have codified our principles of alignment and our accountability and school improvement framework in a document known as our One Trust Contract. To aid our clarity, we have answered 4 critical questions.

### **Why do we exist (our core purpose)?**

- Our mission is: To create remarkable schools where no child is left behind.

### **How do we behave (our values)?**

- We **enjoy** belonging to Beckfoot Team
- We are all here to **learn**
- We are determined to **succeed**.

### **What do we do (USP)?**

- Establish purposeful, celebratory, and inclusive learning cultures with exceptional pedagogy at the heart.

### **How will we succeed (strategic anchors with our One Trust Design Principles in brackets?)**

- Invest in people (People First)
- Implement with clarity and rigour (Power to Lead)
- Demand remarkably high standards (Accountability and Ownership)

### **We have 4 strategic priorities identified in our One Trust 5-year plan.**

- Embed a sustainable operating model that accelerates everyone's journey to remarkable
- Ensure alignment to our Trust principles, holding to account with kindness and candour
- Become a nationally recognised 'people-first' organisation where all belong
- Put the research informed inclusive Beckfoot Trust classroom at the heart of all that we do

In addition, we have identified 1 thematic 1-year goal as being 'what is most important right now' and that is to drive up the attendance of all our students. This will be the single most important goal to reduce the attainment gap that has widened following 2 successive lockdowns. We have mobilised central capacity to drive this forward.

As well as aligning around what we believe creates remarkable schools, we are also committed to celebrating the diversity of our schools; this is what makes our Trust such a vibrant and dynamic organisation to work for. Diversity is very important to us both in the value of individual diversity and in the composition and iteration of culture in our schools. Through being clear about our principles of alignment whilst valuing diversity, we can secure collective efficacy, and all can belong. Collective efficacy is important to us. It is not just what we align on, it is how we align, and this relates to our values. We strongly believe that

through working together and having confidence in 'Team Beckfoot', we will have greater success. This belief is heartfelt, and evidence informed. As such, we enjoy collaborative planning and practice in and for itself, however, we also know that working together as an effective team and aligning around common goals, is the way that we will secure the best outcomes for our children and young people. During 2021-2 we have significantly aligned our practice in all aspects of delivering education.

## Achievements and Performance

Like all schools across the country, we are now most focussed on closing gaps that have emerged because of the disruption caused by Covid. Some of these gaps are more quantifiable and are related to knowledge, for the most vulnerable, there is also the need for continue to support in returning to the routine of self-regulation. We are confident that we have the capacity to continue to improve at pace and the Trust Board has agreed investment for enhancing our Wave 4 provision (see below on principal risks and uncertainty).

### Overall Attendance across The Trust

	Trust 2018-19	National 2018-19	Trust 2019-20 (to Mar 2020)	National 2019-20 (Autumn Term)
Trust Primary Attendance %	95.4%	96.0%	95.7%	95.7%
Trust Secondary Attendance %	93.8%	94.5%	93.8%	94.4%
Trust Special Attendance %	89.1%	89.9%	90.0%	89.5%

	Trust 2020-21*	National 2020-21*	Trust 2021-22	National 2021-22*
Trust Primary Attendance %	94.3%	96.4%	91.8%	93.8%
Trust Secondary Attendance %	92.0%	94.5%	89.7%	91.4%
Trust Special Attendance %	83.2%	84.8%	89.7%	86.8%

\*limited comparability to 2022 and 2019 due to use of X codes for covid related absences and January 2021 lockdown restrictions

\*National 2021-22 data is autumn and spring terms only (released October 2022)

### Secondary School Performance

Key Stage 4 2021	Pupils	%9-5 "Basics" English and Maths			
	2022	2019	2020	2021	2022
Beckfoot	268	46%	62%	68%	60%
Beckfoot Oakbank	268	24%	37%	35%	22%
Beckfoot Thornton	249	29%	40%	36%	42%
Beckfoot Upper Heaton	139	32%	50%	44%	33%
<b>Beckfoot Trust</b>	<b>924</b>	<b>33%</b>	<b>47%</b>	<b>46%</b>	<b>40%</b>
<b>National</b>	<b>-</b>	<b>43%</b>	<b>50%</b>	<b>52%</b>	<b>n/a</b>

Key Stage 5 2021	A Level calculated grades awarded									
	Cohort	Entries	APS per entry				Average grade			
	2022	2022	2019	2020	2021	2022	2019	2020	2021	2022
Beckfoot	152	408	30.9	39.7	43.7	35.9	C	B-	B+	B-
Beckfoot Oakbank	63	140	29.4	35.7	37.7	34.8	C	B-	B-	C+
Beckfoot Thornton	62	150	24.2	35.9	36.1	28.1	D+	B-	B-	C-
<b>Beckfoot Trust</b>	<b>277</b>	<b>698</b>	<b>29.1</b>	<b>38.1</b>	<b>41.3</b>	<b>34.0</b>	<b>C</b>	<b>B-</b>	<b>B</b>	<b>C+</b>
<b>National</b>	<b>-</b>	<b>-</b>	<b>34.0</b>	<b>39.5</b>	<b>41.6</b>	<b>n/a</b>	<b>C+</b>	<b>B</b>	<b>B</b>	<b>n/a</b>

**Beckfoot School** Graded by Ofsted as Outstanding in 2014 and it was re-awarded World Class School Quality Mark in 2022 in a year where the school secured its best results. The school self-evaluating as Outstanding.

**Beckfoot Oakbank** Following the appointment of a new headteacher in January 2022 and a new full-time Executive Head in June 2022, along with a revised leadership structure, the school is now improving at pace.

**Beckfoot Thornton** The school was inspected in 2019 and received a Requires Improvement (with 4 out of 5 judgments of good). The school continues to improve and secured its best results in 2022.

**Beckfoot Upper Heaton** In March 2018, the school was graded Good by Ofsted and it awaits a S8 to test out Good. The school is now full and its reputation in the community continues to grow.

#### Primary School Performance

Key Stage 2 Teacher Assessments (All pupils)	% Expected Standard RWM			
	2019	2020	2021	2022
Beckfoot Allerton (61 pupils)	65%	66%	49%	43%
Beckfoot Heaton (89 pupils)	46%	73%	66%	66%
Beckfoot Nessfield (54 pupils)	41%	31%	28%	48%
Beckfoot Priestthorpe (29 pupils)	48%	68%	59%	61%
<b>Beckfoot Trust (233 pupils)</b>	<b>50%</b>	<b>62%</b>	<b>47%</b>	<b>51%</b>
<b>National</b>	<b>65%</b>	<b>n/a</b>	<b>n/a</b>	<b>59%</b>

**Beckfoot Allerton** A new experienced headteacher who has a national reputation for excellence was appointed in September 2021 and the school is moving at great pace. The Headteacher has the ambition of self-evaluating as Outstanding in 30 months. Her previous record would indicate that this is entirely achievable.

**Beckfoot Heaton** The school was inspected by Ofsted in 2019 with a Good (with Outstanding features). Pupil outcomes since conversion reflect significant improvement over time. The headteacher is a Trust-wide executive leader and we benefit greatly from her capacity. 2022 results are the best in the school's history despite the disruption of Covid. The school is self-evaluating as outstanding.

**Beckfoot Nessfield** joined the Trust as a 'sponsored' academy in 2018 with an Inadequate Ofsted grading achieved in 2017. 2022 results indicate rapid improvement, despite the damage of 2 successive lockdowns and we expect to see recognition of significant improvement in the imminent S5 inspection.

**Beckfoot Priestthorpe** joined the Trust as a 'convertor' academy in 2017 with a Good Ofsted grading achieved in 2016. The school is on a rapid journey to re-securing a Good judgement in its forthcoming Section 5.

**Hazelbeck** Graded Outstanding in 2019 (for the second time), the school continues to self-evaluate as Outstanding and is extremely well led and managed. It is over-subscribed. The Headteacher is the chair of the local special school collaboration (DAP). There were 890 Unit Award certificates award in 21/22 in a range of subjects across 151 students.

**Beckfoot Phoenix (Primary Special School)** joined the Trust in 2017 as a 'convertor' academy with a Good Ofsted grading achieved in 2016. The school works closely with Hazelbeck Special School. Outcomes continue to improve, and its most recent Section 8 recommended the school for an early Section 5 to test Outstanding. No child undertook optional SATs in 2022. No child was assessed at a National Curriculum Level.

### **Key Financial Performance Indicators (KPIs)**

As well as school by school-by-school academic outcomes and targets, the executive reports defined KPIs to the Board on an annual cycle, ensuring 'deep dives' on certain data sets at key points in the calendar. First and foremost, The Board holds the executive to account for a range of safeguarding indicators (attendance, referral to Alternative Provision, referral to external agencies, rates of suspension etc). In addition, key performance indicators are reported for all operational functions including; finance, human resource, health and safety, estates and all aspects of compliance. Trust stakeholder surveys (pupil, families, staff) are reported to the Board on an annual basis and the executive are held to account for actions to improve.

### **Going Concern**

After making appropriate enquiries, the board of Trustees have a reasonable expectation that Beckfoot Trust has adequate resources to continue in operational existence for the foreseeable future. The Trust has a strong level of reserves overall, however like other multi academy trusts it faces cost increases that are currently outstripping income rises. The Board of Trustees is fully aware of the situation and the executive team continues to work to ensure budgets remain in hand whilst not hindering the school improvement journey of the academies. For these reasons, the board continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

### **Promoting the success of the company**

Beckfoot Trust is mindful in all its dealings with both external and internal stakeholders that its success depends upon fostering strong and sustainable relationships and implicitly considers the matters set out in S172 (a to f) of the Companies Act 2006. The main business of the Trust is the education of 7,248 children currently on roll. All the Trust structures, policies and procedures are set up with this purpose in mind.

## **Financial Review**

The financial statements show a surplus for the year of £29,240k (2021: deficit £3,019k). This deficit is a result of a positive trading position for the schools of £267k, £630k net expenditure through the fixed asset reserve including large amounts of planned capital spend, with a cost of £4,506k for the 21/22 SOFA local government pension scheme adjustment and an actuarial gain on the defined benefit pension scheme of £34,397k. The Trust has also used £288k of board allocated reserves in the year.

The balance sheet shows net assets of £40,905k (2021: £11,665k) including a pension deficit of £1,975k (2021: £31,866k). Restricted general funds and unrestricted funds are £7,414k and £2,788k respectively. The level of free reserves exceeds the reserves policy for the Trust.

The LGPS pension liability movement in year has reduced the restricted general reserve by £29,891k in total due to changes in the discount rate assumption applied in the year-end valuation.

Of the Trust's £54,326k of income, 96.1% is revenue funding for educational operations, capital grants and donations account for 3.5% and other trading activities and teaching school income make up the final 0.4%.

Of the Trust's expenditure, 99.8% is spent on the educational operations and 0.2% is teaching school costs and the costs of generating funds. This balance of expenditure is entirely consistent with the objects and aims of the Trust.

On 31st August 2022 the Trust had £16,611k cash at the bank. Following receipt of debt and payment of all creditors, the net current assets are reduced to £11,879k. This level of cash is required to protect against financial pressure in future years and ensure continued school improvement across the Trust.

### **Reserves Policy**

The Trustees review the reserve levels of the Trust annually and adjust the reserves policy accordingly. The review considers the strategic requirements for school improvement and consequent investment requirements. It also takes into consideration risks associated with the risk register and the cash flow funding consequences associated with expanding and contracting schools. The

Trustees have set the level of reserves held for contingency at 9% of projected income for the 2023/24 financial year which equates to around £4,895k. The Trust's reserves are more than this with restricted (excluding capital and pension) and unrestricted reserves at £10,202k. Given current fiscal uncertainty, it is the Board's view that this level of funds is required to ensure the going concern of the Trust and its schools. We are currently running several school improvements 'sprints' and this has taken central investment. Such is the nature of the pandemic recovery; we must be in a position where we are able to take quick decisions in the face of rapidly changing circumstances and in particular investing in leadership capacity.

### **Investment Policy**

A return on working capital should be optimised whilst allowing easy access of the funds. In balancing risk against return the Trust policy is geared towards avoiding risk and maximising income from a low-risk strategy. All monies are currently held on bank deposit attracting interest, with a proportion of the reserve funds held in fixed term deposits. Every month a deposit matures which allows the Trust to continue to review the balance of risk and reward in the future and revise its policy accordingly.

### **Principal Risks and Uncertainties**

The Trust Board have assessed the major risks to which we are exposed educationally, operationally and financially. The Trustees have a clear line of sight with regards to all areas of compliance and all major risks and have adopted control measures to mitigate. The control measures (lines of defence) are reported to the Audit and Risk Committee through the risk register, and this is recommended to the Board for approval. Our programme of works for audit is related to our key risks.

The principal risks the trust is managing are:

### **Governance**

We have a very well established and effective Trust Board. This year, the new accounting officer has been working with the Board to reinvigorate the relationship between executive and non-executive, to clarify the scheme of delegation to all stakeholders and to further streamline reporting systems to the Board and all committees. We are currently inducting two new Trustees. In addition, recruitment and training our Local School Committees is a priority this year to ensure appropriate accountability at school level. Our Programme of Works has identified governance as an area for audit in our 2022-3 programme of works for externally commissioned audit.

### **Safeguarding**

The safety of our students is of the highest importance to us when considering the management of risk. We have in place robust safeguarding and child protection policies which we ensure are put into practice by an annually commissioned external safeguarding review and regular ongoing checks. All academies have a Designated Safeguarding Lead who is a senior member of staff. Since September 2022 we have 2 senior members of the central team with a safeguarding and SEND background who support our school leaders with this vital area. We meet every half term with our DSLs to guide practice and ensure alignment to our principles and policies. We employ our own Responsible Person for Health and Safety. We have an annual safeguarding audit, and we monitor safeguarding metrics both at school and board level and we have a Trustee identified as having overall responsibility for holding the executive to account for safeguarding policies and procedures. This Trustee undertakes additional training for the role through external providers.

### **Educational**

Most of our schools have continued to make progress in the delivery of high-quality education. For some, there remains a lag in examination outcomes and for others, gaps have emerged between groups of learners as a result of less than outstanding attendance. Like many educational providers, our pupil attendance rates have not yet recovered to pre-Covid rates in all settings. We know that we have identified the right strategies to address gaps and we have a rigorous approach to school improvement that both supports and challenges everyone to strive to be a remarkable school, regardless of context. As stated above, children across the UK and in our Trust have learning gaps and have suffered from the withdrawal of routine. This is more profound in the most vulnerable. Trust Board investment in Wave 4 provision is about mitigating this risk and our Trust-wide approach to improving attendance is vital. As noted above, improving attendance is our 'what is most important right now' overarching Trust priority.

This year, we have particularly targeted increased leadership capacity at Beckfoot Oakbank, a school in challenging circumstances. This has had significant impact in a short period of time, and we know that the measures we have taken, and quickly, put the school in a strong position to recover from the dramatic impact that 2 lockdowns have had on the school's improvement journey. We are further increasing governance capacity to give the school even greater challenge and support. We expect to see measurable impact on outcomes in Summer 2023.

### **Financial sustainability**

Our Trust finance function is very well led and managed, and this audit indicates that we are controlling the risk of fiscal uncertainty well. Like all Trusts, we are having to consider cost reductions to manage the national relative fall in income. Financial sustainability therefore remains a priority on our risk register. The Board is satisfied that financial controls are robust and in particular;

- Cash flow is monitored effectively.
- Bad debt risk is minimal.
- Attempted frauds are being identified and none have been successful.

### **Operational**

As noted, we are embedding a sustainable and scalable operating model as part of our 5-year plan. This has a particular emphasis on investment in people and talent both in terms of remarkable HR and investment in people's personal growth. We have appointed a new senior leader to lead professional growth across our Trust and they will join our school improvement team. There is national shortage in talent and therefore investing in people is a priority.

Like all forward-thinking organisations, we are investing in our IT infrastructure as a platform for our digital and communication strategy and to mitigate external risk caused by cyber-attack.

### **Compliance with Law and Regulations**

As noted, we have reviewed our risk assurance framework this year to allow for greater transparency of controls and reporting to the Board.

We are currently working with our special schools in mitigating the risks associated with difficulties in securing effective multi-agency working. This is an issue in all schools, however, more so in special because of the complexity of need.

### **Fundraising**

Beckfoot Trust as a charity does not actively fundraise from the public and is not dependent on public donations to carry out its aims and objectives.

### **Streamlined Energy and Carbon Reporting**

Beckfoot Trust has developed an environmental strategy which pledges to reduce the Trust's carbon footprint, become responsible consumers from procurement to waste management, work towards becoming a single-use plastic-free organisation and change behaviours and attitudes of members of our community and empower them to demand change in other areas of their lives. The Trust has committed itself, and its resources to becoming a more sustainable and energy efficient organisation. We look to harness the enthusiasm of our learners, and staff, to be positive role models for change, and make our physical environment one that is environmentally sustainable and inspires others. Environmental responsibility and cost-savings are inextricably linked.

In the last year we have

- Successfully bid for a sector decarbonisation scheme which part funded a £850k project to replace aged gas boilers and calorifiers with a Ground Source Heat Pump solution at Beckfoot Thornton. The balance of investment was from the School Condition Allocation (SCA). This work was carried out during the summer of 2022 and is now operational. Its impact should be seen in reduced carbon emissions in next year's report
- Replaced a gas water heater with an electric alternative
- Successfully applied for a low carbon skill grant to produce Heat Decarbonisation Plans for 6 of our schools
- Sustained the use of video calling to reduce travel between schools for meetings
- Begun work to move away from on-premises file storage to cloud-based systems
- Joined the the DfE's working group on sustainability

### **Other Sustainability Initiatives**

During the previous 2 years we have undertaken several initiatives to move towards greater sustainability including:

- Buying REGO backed electricity in 7 out of 10 schools,
- Switching photocopier paper in all schools to 100% recycled, unbleached eco-paper, saving 1.6kg CO2/500 sheets over virgin-fibre paper,



- Invested £1.2m of School Condition Allocation in capital works including new UPVC windows, high efficiency boilers, over 2500 LED light fittings and controls, 249 kWp of Solar PV panels, variable speed drives on pumps, upgrade/Optimisation of BMS and building fabric improvements,
- Involving students in the shaping of the vision and strategy
- Partnering with Rethink Food ([www.rethinkfood.co.uk](http://www.rethinkfood.co.uk)) and others in our schools to remove hunger as a barrier to learning, deliver education on healthy and sustainable eating, and launching social enterprises to distribute food recovered from supermarkets to the local community,
- Enhancing our outdoor spaces with tree planting and wild flower areas,
- Considering sustainability in procurement policy and practice.

Over the next 12 months:

- We will use the results of the Heat Decarbonisation plans, and updated condition surveys, to plan a programme of works that will further reduce consumption and continue our shift from gas to electrical heating
- We will work with students and staff to change behaviours and audit where and when energy is being wasted
- We will work with our IT teams and external providers to further reduce the impact of our IT infrastructure and end user devices.
- We will work with the PFI providers at 4 of our schools to encourage them to operate more efficiently and investigate opportunities to replace systems to reduce consumption or increase efficiency, building on the discussions that have already taken place.
- We will analyse the waste streams within schools and the waste disposal contracts, with a view to reducing the overall amount of waste produced and increasing the proportion of our waste that is recycled.
- We will investigate the viability of installing EV chargepoints to encourage staff to shift to EVs for commuting and beginning to shift our minibus fleet from diesel to electricity. This would however result in a rise in energy consumption.

Our streamlined Energy and Carbon Reporting Data is shown here:

<b>UK Greenhouse gas emissions and energy use data for the period 1 September 2021 to 31 August 2022</b>	<b>2020/21</b>	<b>2021/22</b>
Annual UK Energy Use (KWh)	13,529k	13,823k
Associated Greenhouse Gas Emissions (tCO <sub>2</sub> e)	2,592	2,578
Gross emissions in metric tonnes CO <sub>2</sub> e per pupil (intensity measurement)	0.352	0.348
<b>Scope 1</b>		
Gas Consumption	1827	1832
Owned Transport	9	10
Total Scope 1	1836	1842
<b>Scope 2</b>		
Purchased Electricity	754	732
<b>Scope 3</b>		
Business travel in employee owned vehicles	1	4

#### **Comparison between 2021/22 and 2020/21**

The figures in this report indicate a slight reduction in CO<sub>2</sub> emissions compared with 2020/21, and this is despite an increase in energy use and miles travelled. The reasons for these increases are

- Increased use of school facilities, including out of hours lettings, following the easing of Covid restrictions
- An increase in travel for sports fixtures, extracurricular activities and visits between schools
- Continued use of additional ventilation as part of infection control measures
- A period of high gas consumption at one of the schools due to a fault on the boiler

The impact of some of the works carried out to our buildings are paying dividends with our lowest carbon intensity ratios being seen in the schools where those works have been completed.

Whilst we have been using REGO backed electricity for the full reporting year at some of our schools, we have chosen to report using the grid average emissions for comparability between schools and years. Had we reported the REGO backed electricity at a 0 rate, the total emissions figure would have been 2220 tCO<sub>2</sub>e (374 tCO<sub>2</sub>e for electricity) and the intensity measurement would have been 0.299. A considerable reduction.

### ***Quantification and reporting methodology***

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2022 UK Government's Conversion Factors for Company Reporting.

### ***Intensity measurement***

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

## **Trust Evaluation of Effectiveness and Plans for Future Periods**

As noted above, we are currently supporting the local authority's need for more SEND places and considering approaches from schools to join us when they occur. We are not currently undertaking any formal due diligence. We are highly ambitious for our current schools, and we expect with greater impact on outcomes even more approaches will be made. We are determined to be the best we possibly can be.; our young people, families, staff and the communities that we serve deserve nothing less. Our school improvement 4 step model (Carter inspired) is mapped out in the One Trust Contract. We set ambitious targets for each school based on the next steps on their journey. We are equally ambitious for our staff. We are One Trust, and we aim for all to feel true belonging. As well as ratifying each school's self-evaluation, we also self-evaluate the whole Trust's effectiveness against the Carter 9 Step Model (all available in our Corporate Strategy document).

Part of our evaluation involves scrupulous monitoring of school budget management, including the use of reserves. Funding follows the child and Headteachers are expected to manage their budgets in line with the scheme of delegation and Trust policy. Trustees ensure that schools are self-sustaining and are managing resources effectively to drive school improvement. All schools benefit from collective purchasing arrangements and shared services and this work will develop as develop as one organisation.

In order to aid clarity and to keep things simple, our 5-year One Trust master plan has only 4 key priorities to reach our highly ambitious goal of being in the 10% of all MATs nationally;

- To embed a sustainable operating model that accelerates everyone's journey to remarkable
- Ensure alignment to our Trust principles, holding everyone to account with kindness and candour
- Become a nationally recognised 'people first' organisation where all belong
- Put the research informed inclusive Beckfoot classroom at the heart of all we do

The specific annual leadership actions and KPIs are identified following a rigorous review of our annual performance and these sit underneath the 4 priorities.

Meeting our 4 priorities will improve our current schools and put us in a strong position for future growth.

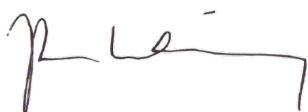
### **Auditor**

Saffery Champness LLP have expressed their willingness to remain in office as auditors to Beckfoot Trust.

Insofar as the Trustees are aware:

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

Trustees' report incorporating a strategic report, approved by order of the board of Trustees as The Company Directors on 9 December 2022 and signed on its behalf by:



Mr J Winkley  
Chair of Trustees  
9 December 2022



## GOVERNANCE STATEMENT

### Scope of Responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that Beckfoot Trust has an effective and appropriate system of control, financial and otherwise. Such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss. As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The board of Trustees has delegated the day-to-day responsibility to the CEO, 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 and supplementary funding agreements between Beckfoot Trust and the Secretary of State for Education. The CEO is also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

### Governance

The information on governance included here supplements that described in the Trustees Report and in the Statement of Trustees' Responsibilities.

The Trust actively manages conflicts of interest including maintaining a register of interest, annual declarations of interest and monitoring of registered interests through its finance system.

The board has determined to undertake an external review of its governance arrangements in 22/23 following its self-assessment during the year.

#### Attendance at Beckfoot Trust meetings 2021/22

The Full Board formally has met seven times in the period 1 September 2021 to 31 August 2022. Attendance during the year at meetings of the Board of Trustees was as follows:

<b>Director/Trustee</b>	<b>Meetings Attended</b>	<b>Out of a Possible</b>
Jenny Cryer	4	5
Surita Dalal-Wilson	4	5
Diane Fairfax	3	5
Paul Hill	1	5
Mike Kelly	4	5
Homera Najib	4	5
Erum Pervez	1	5
Paul Speight	1	5
Kim Tollervey	5	5
Shirley Watson	5	5
John Winkley	4	5

The Education Committee is a sub-committee of the main board of trustees. Its purpose is to take delegated responsibility for the educational performance of the schools. It has met three times in the period 1 September 2021 to 31 August 2022:

<b>Director/Trustee</b>	<b>Meetings Attended</b>	<b>Out of a Possible</b>
Jenny Cryer	2	3
Surita Dalal-Wilson	2	3
Diane Fairfax	2	3
Paul Hill	0	3
Erum Pervez	1	3
Kim Tollervey	3	3
Shirley Watson	2	3
John Winkley	3	3

The Business Committee is a sub-committee of the main board of trustees. It has delegated responsibility for the financial management of the schools in accordance with the Academy Trust Handbook. It has met three times in the period 1 September 2021 to 31 August 2022:

<b>Director/Trustee</b>	<b>Meetings Attended</b>	<b>Out of a Possible</b>
Mike Kelly	3	3
Homera Najib	3	3
Paul Speight	0	3
Shirley Watson	2	3
John Winkley	3	3

The Audit Committee is a sub-committee of the main board of trustees. It has delegated responsibility for corporate risk management and the programme of internal and external scrutiny. It has met three times in the period 1 September 2021 to 31 August 2022:

<b>Director/Trustee</b>	<b>Meetings Attended</b>	<b>Out of a Possible</b>
Jenny Cryer	0	3
Surita Dalal-Wilson	2	3
Diane Fairfax	1	3
Paul Hill	1	3
Erum Pervez	3	3
Kim Tollervey	3	3

The Remuneration Committee is a sub-committee of the main board of trustees. Its purpose is to take delegated responsibility for managing senior staff remuneration and reviewing the Trust's pay policy. It has met once in the period 1 September 2021 to 31 August 2022:

<b>Director/Trustee</b>	<b>Meetings Attended</b>	<b>Out of a Possible</b>
Mike Kelly	1	1
Kim Tollervey	1	1
Shirley Watson (exec capacity)	1	1
John Winkley	1	1

## **Review of Value for Money**

As accounting officer, the Chief Executive 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 educational and wider societal 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 carrying out the following actions:

1. Appointed a new COO (Sept 2022) full-time Executive Head Sept (2022) and Director of Professional Growth (January 2022)
2. Developed clarity around alignment (purpose, process, principles) and introduced a Carter-influenced 4-step model as our school improvement and accountability framework that links to next step targets
3. Introduced CEO challenge days (three times a year) to increase accountability
4. Streamlined KPIs for ease of accountability by Exec and Non-Exec
5. Developed close links with national MATs to support and challenge thinking
6. Developed a rigorous approach to quantifying improvement for deployment of resource and reporting to the Board
7. Introduced a different approach to school target-setting which links clearly to the school stage on the journey and increases accountability
8. Reviewed and started to craft a new operating model with 3 clear design principles

9. Embedded cross-cutting collective efficacy teams (CETs) in of the main areas of school improvement to expedite alignment
10. Introduced weekly agile coaching for all Headteachers to increase support and challenge
11. Developed a new appraisal system and annual leadership development programme for Headteachers and Deputy Headteachers
12. Further developed a broad and balanced rigorous knowledge-rich curriculum in every school (including EBACC as default in Secondary)
13. Embedded Curriculum Led Financial Planning (CLFP) as the heart of budget management and increased financial controls

### **The Purpose of the System of Internal Control**

The system of internal control is designed to manage risk to a reasonable level and to weigh up the appetite for opportunity. Risk is always managed, not eliminated. The Board holds the executive to account for managing risk through 4 lines of defence and in this way provides reasonable although not absolute assurance. The framework for internal control is based on an on-going process designed to;

- Identify and prioritise the risks to the achievement of academy Trust policies, aims and objectives through internal audit processes (some externally commissioned in line with the programme of works)
- Evaluate the likelihood of those risks being realised and the impact should they be realised
- To put in place efficient and effective management strategies to adequate control risk (both ongoing and identified as emerging).

The system of internal control has been in place in Beckfoot Trust for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

### **Capacity to Handle Risk**

The board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Trustees oversee this risk management framework with regular reviews of the Risk Register at the Audit and Risk Committee and the Trust Board. The board of Trustees is satisfied that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks and that the process has been in place for the period 1 September 2021 to 31 August 2022, including up to the date approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees and has been subject to review following the appointment of the new accounting officer.

### **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. During the year 2021/22 we have reviewed our risk assurance framework and have made our approach even more transparent (see new policy) with a new risk register framework for all. We are continuously training leaders on the management of all aspects of risk. We are working on centralising most policies with some local variation as a key 1<sup>st</sup> line of defence. Additionally, with tighter budgets, we have introduced more clarity on internal financial control measures, and we have produced our scheme of delegation in a format that allows all to understand how risk is controlled and managed and where powers are delegated. Our approach includes;

- Regular reviews of the Academy Trust's financial policies and procedures that include clearly defined purchasing (asset purchase or capital investment) guidelines.
- Comprehensive budgeting and budget monitoring procedures with monthly management accounts that are reviewed and agreed by the Business Committee of the board in respect of each school.
- Business Committee reviews of business cases for all major purchase decisions.
- A central process for job evaluations
- Identification and management of risks on a central risk register (reported to the Board) and a comparable approach in all schools

- An annual programme of works that identifies externally commissioned audits and an internal programme of scrutiny. For 2021/22 this included peer to peer financial review, “friendly phishing” attacks, ICT audit of systems and external safeguarding review
- An annual externally commissioned safeguarding audit
- Annual scrutiny from Brown Jacobson, our HR partners, to review key areas of HR risk
- An annual cycle of data that reports aspects of high-level risk to the Board (eg safeguarding, people data, educational data, suspensions, student attendance)

The internal scrutiny cycle planned for 22-23 includes an element of peer-to-peer review on financial systems and processes as well as external reviews of Health and Safety, Governance, Safeguarding and ICT.

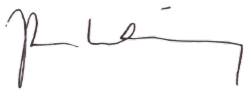
### **Review of Effectiveness**

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

- The internal audit system.
- The work of the external auditor.
- The financial management and governance self-assessment process.
- The work completed by inter-trust internal audit arrangements with BDAT.
- The work of the central team within the trust who have responsibility for the development and maintenance of the internal control framework and the financial policies and procedures.

The Accounting Officer has been advised of the implications of the results of their review of the system of internal control by the audit committee and a plan to ensure continuous improvement is in place.

Approved by the board of Trustees on 9 December 2022 and signed on its behalf by:



J Winkley  
Chair of Trustees



S Watson  
Accounting Officer

## STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Beckfoot Trust I have considered my responsibility to notify the Trust board of Trustees and the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, 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 Trust Handbook 2022.

I confirm that I and the Board of Trustees can 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 Trust Handbook 2022.

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.

A handwritten signature in black ink, appearing to read 'S. Watson', with a stylized flourish at the end.

S Watson  
Accounting Officer  
9 December 2022

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law they 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 at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial period. In preparing these financial statements the Trustees are required to:

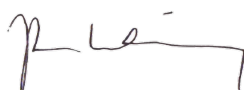
- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK accounting standards have 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 which 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 to the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA and Department of Education (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 9 December 2022 and signed on its behalf by:



J Winkley  
Chair of Trustees

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BECKFOOT TRUST

### Opinion

We have audited the financial statements of Beckfoot Trust for the year ended 31 August 2022 which comprise the statement of financial activities, the balance sheet, the cash flow statements and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

give a true and fair view of the charitable company's state of affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;

have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

have been prepared in accordance with the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2022 issued by the Education and Skills Funding Agency (ESFA).

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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.

### 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 charitable company'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 auditor's report 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.

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

performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

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

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

the information given in the Trustees' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

the Trustees' Annual Report which includes the Directors' Report and the Strategic Report has been prepared in accordance with applicable legal requirements.

### **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 Trustees' Annual Report and Strategic Report.

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.

### **Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement set out on [page 20], the trustees (who are also 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 to do so.

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

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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

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



Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, guidance issued by the Charity Commission for England and Wales and guidance issued by the Education and Skills Funding Agency.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities, including the Education and Skills Funding Agency and the Department for Education to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.



Jonathan Davis (Senior Statutory Auditor)

for and on behalf of Saffery Champness LLP

Chartered Accountants

Mitre House

North Park Road

Harrogate

HG1 5RX

Statutory Auditors

Date: 16 December 2022

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BECKFOOT TRUST LIMITED AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated August 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Beckfoot Trust during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Beckfoot Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Beckfoot Trust and the ESFA those matters we are required to state to them 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 Beckfoot Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of Beckfoot Trust's Accounting Officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of Beckfoot Trust's funding agreement with the Secretary of State for Education dated 1 September 2011 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

### **Approach**

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

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

The work undertaken to draw our conclusion includes:

- an assessment of the risk of material irregularity and impropriety across the Academy Trust's activities;
- evaluation of the processes and controls established and maintained in respect of regularity, propriety and compliance of the use of public funds through observation and testing of the arrangements in place and enquiry of the Accounting Officer;
- consideration and corroboration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance; and

- limited testing on a sample basis of income and expenditure for the areas identified as high risk.

**Conclusion**

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



.....  
Jonathan Davis  
Reporting accountant  
For and on behalf of

Saffery Champness LLP  
Chartered Accountants  
Statutory Auditors  
Mitre House  
North Park Road  
Harrogate  
North Yorkshire  
HG1 5RX  
Date: 16 December 2022

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

		Unrestricted	Restricted	Restricted	Total	Total
		Funds	General	Fixed	2021/22	2020/21
	Note	£000	£000	Asset Funds £000	£000	£000
<b>Income and endowments from:</b>						
Donations and Capital Grants	1	66	-	1,809	1,875	1,686
Other trading activities	4	209	-	-	209	57
Investments	5	2	-	-	2	45
<i>Charitable activities</i>						
Funding for the Academy Trust's educational operations	2	38	52,202	-	52,240	49,438
Teaching schools	3,27	-	-	-	-	77
<b>Total income</b>		<b>315</b>	<b>52,202</b>	<b>1,809</b>	<b>54,326</b>	<b>51,303</b>
<b>Expenditure on:</b>						
Raising funds	6	-	108	4	112	138
<i>Charitable activities:</i>						
Academy Trust's educational operations	6,7	307	55,489	3,575	59,083	55,472
Teaching schools	6,27	-	-	-	-	69
<b>Total resources expended</b>		<b>307</b>	<b>55,597</b>	<b>3,579</b>	<b>59,195</b>	<b>55,679</b>
<b>Net incoming/(outgoing) resources before transfers</b>		<b>8</b>	<b>(3,395)</b>	<b>(1,770)</b>	<b>(4,869)</b>	<b>(4,376)</b>
Gross transfers between funds	17	(21)	(1,119)	1,140	(288)	-
<b>Net (expenditure) for the year</b>		<b>(13)</b>	<b>(4,514)</b>	<b>(630)</b>	<b>(5,157)</b>	<b>(4,376)</b>
<b>Other recognised gains and losses</b>						
Actuarial gains on defined benefit pension schemes	24	-	34,397	-	34,397	1,357
<b>Net Movement in funds</b>		<b>(13)</b>	<b>29,883</b>	<b>(630)</b>	<b>29,240</b>	<b>(3,019)</b>
Total funds brought forward	17	2,801	(24,444)	33,308	11,665	14,684
<b>Total funds carried forward</b>	<b>17</b>	<b>2,788</b>	<b>5,439</b>	<b>32,678</b>	<b>40,905</b>	<b>11,665</b>

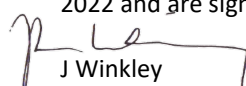
All of the Academy's activities derive from continuing operations during the above two financial periods.

**BALANCE SHEET AS AT 31 AUGUST 2022**

(Company Number: 08155088)

	Note	2022 £000	2022 £000	2021 £000	2021 £000
<b>Fixed assets</b>					
Intangible assets	12		1		16
Tangible assets	13		31,000		31,485
<b>Current assets</b>					
Stock	14	11		12	
Debtors	15	1,192		1,107	
Cash at bank and in hand		16,611		15,564	
<b>Total Current Assets</b>			<b>17,814</b>		<b>16,683</b>
<b>Liabilities</b>					
Creditors: Amounts falling due within one year	16	(5,935)		(4,653)	
<b>Net current assets</b>			<b>11,879</b>		<b>12,030</b>
<b>Total assets less current liabilities</b>			<b>42,880</b>		<b>43,531</b>
<b>Net assets excluding pension liability</b>			<b>42,880</b>		<b>43,531</b>
Defined benefit pension scheme liability	24		(1,975)		(31,866)
<b>Net assets including pension liability</b>			<b>40,905</b>		<b>11,665</b>
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>					
Fixed asset fund	17		32,678		33,308
Restricted income fund	17		7,414		7,422
Pension reserve	17		(1,975)		(31,866)
<b>Total restricted funds</b>			<b>38,117</b>		<b>8,864</b>
<b>Unrestricted funds</b>					
General fund	17		2,345		2,337
Designated funds	17		443		464
<b>Total unrestricted funds</b>			<b>2,788</b>		<b>2,801</b>
<b>Total funds</b>			<b>40,905</b>		<b>11,665</b>

The financial statements on pages 27 to 50 were approved by the Trustees and authorised for issue on 9 December 2022 and are signed on their behalf by:

  
J Winkley  
Chair of Trustees

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2022**

		<b>2022</b>	<b>2021</b>
	Note	<b>£000</b>	<b>£000</b>
<b>Cash flows from operating activities</b>			
Net cash provided by/(used in) operating activities	20	480	(768)
Cash flows from investing activities	21	567	527
<b>Increase in cash in the period</b>		<b>1,047</b>	<b>(241)</b>
 <b>Change in cash and cash equivalents in the reporting period</b>			
Cash and cash equivalents at 1 September 2021		15,564	15,805
 <b>Cash and cash equivalents at 31 August 2022</b>	<b>21</b>	<b>16,611</b>	<b>15,564</b>

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

### **Statement of Accounting Policies for the Year Ended 31 August 2022**

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 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

#### **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 Beckfoot Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **Incoming resources**

All incoming resources are recognised when the Academy Trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

#### **Grants receivable**

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 (GAG) is recognised in full 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 when there is unconditional entitlement to the grant and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

#### **Donations**

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

#### **Other Income**

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



## **Statement of Accounting Policies for the Year Ended 31 August 2022 continued**

### **Donated goods, facilities, and fixed assets**

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities. Upon sale, the value of the stock is charged against 'Income from other trading activities and the proceeds are recognised as 'Income from other trading activities. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities.

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 Trust 's accounting policies.

### **PFI Buildings Policy**

Beckfoot and Hazelbeck schools share a campus at Wagon Lane. The property was built under a PFI arrangement as part of the Government's Building Schools for the Future Programme. The property is maintained and managed under a 25-year facilities management contract that expires in 2036.

New buildings have been constructed at Beckfoot Upper Heaton and Beckfoot Oakbank as PFI projects that are part of the Government's Priority Schools Building Programme. These properties will be maintained under a 25-year facilities management contract that expires in 2041 and 2042 respectively.

None of these buildings are recognised on the balance sheet of the Trust as the risk and rewards of ownership do not lie with the Trust.

### **Investment income**

Investment income is included in the Statement of Financial Activities on a receivable basis and is stated inclusive of related tax credits.

### **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 based on the proportion of time spent, and depreciation charges allocated on the portion of the asset's use.

### **Expenditure on raising funds**

These are costs incurred by the academy trust to raise funds for its charitable purposes and include the costs of all fundraising activities events and non-charitable trading.

### **Charitable Activities**

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

All resources expended are shown inclusive of irrecoverable VAT.

## **Statement of Accounting Policies for the Year Ended 31 August 2022 continued**

### **Agency Arrangements**

The academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the Trust does not have control over the charitable application of the funds. The Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid, and any balances held are disclosed in note 26.

### **Intangible Fixed Assets**

Intangible assets are capitalised and recognised when future economic benefits are probable, and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment. Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Purchased computer software	20%
-----------------------------	-----

### **Tangible Fixed Assets**

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Assets costing less than £500 are written off in the year of acquisition.

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 the restricted fixed asset fund in the Statement of financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Freehold buildings	32-49 Years Straight Line
Leasehold buildings – over the life of the lease	33-44 Years Straight Line
Fixtures, Fittings and Equipment	3-20 Years Straight Line
Motor Vehicles	10 Years Straight Line
ICT Equipment	3-20 Years Straight Line

Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

A review for impairment will be made if circumstances indicate that the net book value of assets may not be recoverable. Any shortfall between the net book value and their recoverable value is recognised as impairment and included in the Statement of Financial Activities.

### **Investments**

The academy's shareholding in the wholly owned and dormant subsidiary, Beckfoot School (Trading) Limited (company number: 8130928 incorporation date: 5<sup>th</sup> July 2012), is not included in the balance sheet due to the cost of the share capital owned being a minimal value of £1. The investment will not be valued as there is no readily available market value and the cost of valuation exceeds the benefit derived.

## **Statement of Accounting Policies for the Year Ended 31 August 2022 continued**

### **Liabilities**

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

### **Financial instruments**

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

*Financial assets* – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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

*Financial liabilities* – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

### **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 interest payable and similar charges.

### **Leased Assets**

Rentals under operating leases are charged as they are due over the period of the lease agreement.

### **Taxation**

The Academy Trust 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 Trust 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.

The Academy Trust is registered for VAT.

## **Statement of Accounting Policies for the Year Ended 31 August 2022 continued**

### **Pensions 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. As stated in note 24, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded 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.

### **Fund Accounting**

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Academy Trust 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 with restrictions imposed by the funder/donor and include grants from the Education Skills Funding Agency or Department for Education.

### **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*

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 24, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

## 1. Donations and Capital Grants

	Unrestricted Funds £000	Restricted Funds £000	Total 2022 £000	Total 2021 £000
Capital Grants	-	1,656	1,656	1,458
Donations	66	153	219	228
	<b>66</b>	<b>1,809</b>	<b>1,875</b>	<b>1,686</b>
<i>2021 Total</i>	<b>29</b>	<b>1,657</b>	<b>1,686</b>	

## 2. Funding for the Academy Trust's Educational Operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2022 £000	Total 2021 £000
<b>DfE/ESFA grants</b>				
GAG	-	41,544	41,544	38,433
Pupil Premium	-	2,290	2,290	2,289
UNIFSM	-	198	198	222
Other DfE/ESFA Grants	-	1,750	1,750	2,483
		<b>45,584</b>	<b>45,584</b>	<b>43,427</b>
<b>Other Government grants from educational operations</b>				
Local Authority Grants	-	4,359	4,359	4,634
Other Government Grants	-	1,577	1,577	84
	-	<b>5,936</b>	<b>5,936</b>	<b>4,718</b>
<b>Other Grants and Income</b>				
Music and Trip Income	38	265	303	53
Other income	-	417	417	334
	<b>38</b>	<b>682</b>	<b>720</b>	<b>387</b>
<b>Exceptional Government Funding</b>				
Covid 19 Catch Up Funding	-	-	-	566
Covid 19 Other DfE Funding	-	-	-	266
Covid 19 Other Funding	-	-	-	74
	-	-	-	<b>906</b>
<b>Total Funding for Educational Operations</b>	<b>38</b>	<b>52,202</b>	<b>52,240</b>	<b>49,438</b>
<i>2021 Total</i>	<b>21</b>	<b>49,417</b>	<b>49,438</b>	

### 3. Teaching school income

	Unrestricted Funds £000	Restricted Funds £000	Total 2022 £000	Total 2021 £000
Teaching school services	-	-	-	77
	-	-	-	77
<i>2021 Total</i>	-	77	77	

Beckfoot Teaching School ceased to operate during the year in line with the nationwide role out of Teaching School Hubs.

### 4. Other Trading Activities

	Unrestricted Funds £000	Restricted Funds £000	Total 2022 £000	Total 2021 £000
Lettings income	187	-	187	40
Catering income	9	-	9	8
Other income	13	-	13	9
	209	-	209	57
<i>2021 Total</i>	57	-	57	

### 5. Investment Income

	Unrestricted Funds £000	Restricted Funds £000	Total 2022 £000	Total 2021 £000
Short term deposits	2	-	2	45
	2	-	2	45
<i>2021 Total</i>	45	-	45	

## 6. Resources Expended

	Staff Costs £000	Non Pay Expenditure		Total 2022 £000	Total 2021 £000
		Premises £000	Other £000		
Expenditure on raising funds	104	4	4	112	138
Academy's educational operations:					
<i>Direct costs</i>	36,631	1,476	5,152	43,259	40,765
<i>Allocated support costs</i>	8,933	3,251	3,928	16,112	14,707
Teaching school	-	-	-	-	69
	<b>45,668</b>	<b>4,731</b>	<b>9,084</b>	<b>59,483</b>	<b>55,679</b>
<i>2021 Total</i>	<b>43,713</b>	<b>4,192</b>	<b>7,774</b>	<b>55,679</b>	

### Net income/(expenditure) for the period include:

	2022 £000	2021 £000
Fees payable to auditor – audit	31	23
Fees payable to auditor – other	2	2
Fixed asset loss on disposal	6	7
Operating lease costs	2,301	2,356
Depreciation	1,723	1,527
Amortisation of intangible fixed assets	15	31

## 7. Charitable Activities

	Total 2022 £000	Total 2021 £000
Direct costs – educational operations	43,259	40,765
Support costs – educational operations	16,112	14,707
Total direct and support costs	<b>59,371</b>	<b>55,472</b>

	Total 2022 £000	Total 2021 £000
<b>Analysis of support costs</b>		
Support staff costs	8,933	8,188
Depreciation	187	154
Technology costs	478	420
Premises costs	3,251	2,827
Other support costs	3,214	3,078
Governance costs	49	40
	<b>16,112</b>	<b>14,707</b>

## 8. Staff Costs

	<b>2021</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Staff costs during the period were:		
Wages and salaries	30,312	30,013
Social security costs	2,988	2,923
Operating costs of defined benefit pension schemes	10,434	9,723
	<b>43,734</b>	<b>42,659</b>
Supply staff costs	1,877	987
Peripatetic teaching costs	30	11
Restructuring costs	27	56
	<b>45,668</b>	<b>43,713</b>

### Non-statutory/non-contractual staff severance payments

Included in staff restructuring costs is one non-statutory/non-contractual severance payments totalling in the band 0 - £25,000 (2021: one payment in band 0 - £25,000). No other severance payments were made in the year.

### Staff numbers

The average number of persons (including senior management team) employed by the Academy during the period was as follows:

	<b>2022</b>	<b>2021</b>
	<b>No.</b>	<b>No.</b>
<b>Charitable Activities</b>		
Teachers	434	400
Administration and Support	661	628
Management	60	70
	<b>1,155</b>	<b>1,098</b>

### Higher paid staff

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

	<b>2022</b>	<b>2021</b>
	<b>No.</b>	<b>No.</b>
£60,001 - £70,000	11	16
£70,001 - £80,000	10	10
£80,001 - £90,000	4	4
£90,001 - £100,000	3	1
£100,001-£110,000	2	2
£110,001 - £120,000	-	1
£120,001 - £130,000	-	1
£130,001 - £140,000	1	-
	<b>31</b>	<b>35</b>

Twenty seven (2021: Thirty two) of the above employees participated in the Teachers' Pension Scheme. Four (2021: Two) employees participated in the Local Government Pension Scheme. No higher paid staff (2021: One) did not participate in any pension scheme.

### Key Management Personnel

The key management personnel of the academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy Trust was £1,880,524 (2021: £1,834,864).



## 9. Trustees' Remuneration and Expenses

One or more Trustees has been paid remuneration or has received other benefits from employment with the Academy Trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff under their contracts.

The value of Trustees' remuneration and other benefits was as follows:

<b>Name</b>	<b>Trustees Role</b>	<b>2022</b>	<b>2021</b>
<i>D J Horn</i>	<i>Chief Executive Officer</i>		
Remuneration		£nil	£120,001-125,000
Employers Pension Contributions		£nil	nil
<i>S Watson</i>	<i>Chief Executive Officer Designate</i>		
Remuneration		£130,001 - £135,000	£30,001-35,000
Employers Pension Contributions		£30,001 - £35,000	£5,001-10,000

During the period ended 31 August 2022, travel and subsistence payments totalling £48 (2021: £nil) were reimbursed to Trustees.

Other related party transactions involving the Trustees are set out in note 23.

## 10. Trustees' and Officers' Indemnity 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 trust 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 membership.

## 11. Central Improvement Team

The academy Trust provides the following central service functions to its schools during the year:

- IT
- School improvement
- Human resources
- Finance
- Estates Management
- Compliance and risk management
- Communications and PR
- Data reporting

During the year each secondary school has been charged a flat 5.4% and primaries 4.9% (2021: 4.7%) of grant income. The board has approved the method of allocation of these central costs. The actual amounts charged during the period were as follows:

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Beckfoot Allerton	106	104
Beckfoot Heaton	186	185
Beckfoot Nessfield	82	83
Beckfoot Oakbank	538	485
Beckfoot Phoenix	102	80
Beckfoot Priestthorpe	50	51
Beckfoot School	514	486
Beckfoot Thornton	505	465
Beckfoot Upper Heaton	288	208
Hazelbeck School	157	124
<b>Total Central Charge</b>	<b>2,528</b>	<b>2,271</b>

## 12. Intangible Fixed Assets

	Computer Software £000	Total £000
<b>Cost</b>		
At 1 September 2021	198	198
At 31 August 2022	198	198
<b>Amortisation</b>		
At 1 September 2021	182	182
Charged in period	15	15
At 31 August 2022	197	197
<b>Net book values</b>		
<b>At 31 August 2022</b>	<b>1</b>	<b>1</b>
At 1 September 2021	16	16

## 13. Tangible Fixed Assets

	Freehold land and buildings £000	Leasehold land and buildings £000	Fixtures, Fittings and Equipment £000	ICT Equipment £000	Motor Vehicles £000	Total £000
<b>Cost</b>						
At 1 September 2021	24,743	8,180	2,902	3,275	159	39,259
Additions	-	-	330	804	110	1,244
Disposals	-	-	(21)	(138)	-	(159)
At 31 August 2022	24,743	8,180	3,211	3,941	269	40,344
<b>Depreciation</b>						
At 1 September 2021	2,444	965	2,228	2,074	63	7,774
Reallocation						
Charged in period	560	202	278	664	19	1,723
Disposals	-	-	(19)	(134)	-	(153)
At 31 August 2022	3,004	1,167	2,487	2,604	82	9,344
<b>Net book values</b>						
<b>At 31 August 2022</b>	<b>21,739</b>	<b>7,013</b>	<b>724</b>	<b>1,337</b>	<b>187</b>	<b>31,000</b>
At 1 September 2021	22,299	7,215	674	1,201	96	31,485

## 14. Stock

	2022 £000	2021 £000
Student Shop	6	6
Clothing	2	2
Catering	3	4
	<b>11</b>	<b>12</b>

## 15. Debtors

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Trade debtors	30	30
VAT recoverable	200	155
Prepayments and accrued income	962	922
	<b>1,192</b>	<b>1,107</b>

## 16. Creditors

### Amounts falling due within one year

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Trade creditors	450	241
ESFA Creditor	295	83
Other creditors	3	5
Accruals and deferred income	5,187	4,324
	<b>5,935</b>	<b>4,653</b>

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
<b>Deferred Income</b>		
Deferred income at 1 September 2021	298	241
Resources deferred in the year	271	298
Amounts released from previous years	(298)	(241)
Deferred income at 31 August 2022	<b>271</b>	<b>298</b>

At the balance sheet date, the Trust was holding funds received in advance for rates funding, universal infant free school meals, School Games Organiser (SGO) grant, other small grants and trip/club income.

## 17. Funds

	Balance at 1 September 2021 £000	Incoming Resources £000	Resources Expended £000	Gains, Losses and Transfers £000	Balance at 31 August 2022 £000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	7,327	41,544	(40,404)	(1,119)	7,348
Exceptional Covid Grant	27	-	(27)	-	-
Other Government grant	59	7,686	(7,714)	-	31
Pupil Premium	-	2,290	(2,290)	-	-
Trip Income	-	263	(263)	-	-
Teaching School	8	-	(8)	-	-
Other Income and Grants	1	419	(385)	-	35
Pension reserve	(31,866)	-	(4,506)	34,397	(1,975)
	<b>(24,444)</b>	<b>52,202</b>	<b>(55,597)</b>	<b>32,990</b>	<b>5,439</b>
<b>Restricted fixed asset funds</b>					
Fixed Asset Fund	31,501	-	(1,744)	1,244	31,001
Capital funds	1,807	1,809	(1,835)	(104)	1,677
	<b>33,308</b>	<b>1,809</b>	<b>(3,579)</b>	<b>1,140</b>	<b>32,678</b>
<b>Total restricted funds</b>	<b>8,864</b>	<b>54,011</b>	<b>(59,176)</b>	<b>34,418</b>	<b>38,117</b>
<b>Unrestricted funds</b>					
Designated - FFE fund	426	-	-	-	426
Designated Utilities Fund	38	-	-	(21)	17
Unrestricted funds	2,337	315	(307)	-	2,345
	<b>2,801</b>	<b>315</b>	<b>(307)</b>	<b>-</b>	<b>2,788</b>
<b>Total funds</b>	<b>11,665</b>	<b>54,326</b>	<b>(59,483)</b>	<b>34,397</b>	<b>40,905</b>

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

**Restricted general funds** have been spent in line with the terms of the Master Funding Agreement.

**The restricted fixed asset fund** relates to assets held by the trust and increases in line with transfers in, additions, depreciation and disposals in the year have reduced the fund by £500k.

**Capital funds** are used solely for capital purchases in line with the strategic objectives of Beckfoot Trust. Additions in the year, mostly of ICT equipment, have resulted in a transfer of £1,244k from capital funds to fixed assets. Non capitalised expenditure related to capital repairs and maintenance spend of £695k in the current year, the bulk of which has been spent on condition and suitability of Trust buildings. A balance of £1,677k remains on the capital fund at 31 August 2022 and relates in large part to the Trust condition allowance. There is a spend plan in place for the condition allowance which will improve the condition and sustainability of the Trust's estate.

**The restricted pension fund** is in deficit to the value of £1,975k as at 31 August 2022. The position has significantly altered with a large actuarial gain of £34,397k and SOFA charge of £4,506k. The Trustees continue to monitor this situation closely.

**The FFE fund** is designated by the Trustees to be spent on repairs and maintenance of certain fixed assets not included in the PFI provider's schedule of maintained assets. The **utilities designated fund** is a balance of the utilities provision that has been designated for spend on future utilities bills.

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

**Beckfoot Trust**  
**Notes to the Financial Statements**

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

	<b>Balance at 1 September 2020 £000</b>	<b>Incoming Resources £000</b>	<b>Resources Expended £000</b>	<b>Gains, Losses and Transfers £000</b>	<b>Balance at 31 August 2021 £000</b>
<b>Restricted general funds</b>					
General Annual Grant (GAG)	7,078	38,655	(37,810)	(596)	<b>7,327</b>
Exceptional Covid Grant	-	906	(879)	-	<b>27</b>
Other Government grant	138	7,201	(7,280)	-	<b>59</b>
Pupil Premium	-	2,289	(2,289)	-	-
Trip Income	-	32	(32)	-	-
Teaching School	-	77	(69)	-	<b>8</b>
Other Income and Grants	34	334	(367)	-	<b>1</b>
Pension reserve	(29,397)	-	(3,826)	1,357	<b>(31,866)</b>
	<b>(22,147)</b>	<b>49,494</b>	<b>(52,552)</b>	<b>761</b>	<b>(24,444)</b>
<b>Restricted fixed asset funds</b>					
Fixed Asset Fund	31,901	-	(1,575)	1,175	<b>31,501</b>
Capital funds	2,190	1,657	(1,502)	(538)	<b>1,807</b>
	<b>34,091</b>	<b>1,657</b>	<b>(3,077)</b>	<b>637</b>	<b>33,308</b>
<b>Total restricted funds</b>	<b>11,944</b>	<b>51,151</b>	<b>(55,629)</b>	<b>1,398</b>	<b>8,864</b>
<b>Unrestricted funds</b>					
Designated - FFE fund	426	-	-	-	<b>426</b>
Designated Utilities Fund	63	-	-	(25)	<b>38</b>
Unrestricted funds	2,251	152	(50)	(16)	<b>2,337</b>
	<b>2,740</b>	<b>152</b>	<b>(50)</b>	<b>(41)</b>	<b>2,801</b>
<b>Total funds</b>	<b>14,684</b>	<b>51,303</b>	<b>(55,679)</b>	<b>1,357</b>	<b>11,665</b>

**Total funds analysis by academy**

Fund balances at 31 August 2022 were allocated as follows:

	<b>2022 £000</b>	<b>2021 £000</b>
Beckfoot	1,316	1,645
Beckfoot Allerton	475	411
Beckfoot Heaton Primary	749	645
Beckfoot Nessfield	(349)	(260)
Beckfoot Oakbank	1,271	1,164
Beckfoot Phoenix	184	313
Beckfoot Priestthorpe	44	123
Beckfoot Teaching School	-	94
Beckfoot Thornton	1,919	1,552
Beckfoot Upper Heaton	1,380	1,141
Central Improvement Team	2,585	2,870
Hazelbeck	628	525
Total before central capital, fixed assets and pension reserve	<b>10,202</b>	<b>10,223</b>
Central Capital Reserve	1,677	1,807
Restricted fixed asset fund	31,001	31,501
Pension Reserve	(1,975)	(31,866)
	<b>40,905</b>	<b>11,665</b>

The negative reserves of Beckfoot Nessfield are understood by the board and a recovery plan is in place.

**Total cost analysis by academy**

Expenditure incurred by each academy during the period was as follows:

	<b>Teaching and Educational Support Staff Costs £000</b>	<b>Other Support Staff Costs £000</b>	<b>Educational Supplies £000</b>	<b>Other Costs (excluding Depreciation) £000</b>	<b>Total 2022 £000</b>	<b>Total 2021 £000</b>
Beckfoot Allerton	1,459	318	188	216	2,181	2,284
Beckfoot	6,961	537	886	2,508	10,892	10,675
Hazelbeck	2,657	231	131	359	3,378	3,240
Beckfoot Heaton Primary	2,716	307	280	562	3,865	4,026
Beckfoot Nessfield	1,238	172	82	246	1,738	2,170
Beckfoot Oakbank	6,754	1,094	590	1,082	9,520	10,023
Beckfoot Phoenix	1,663	519	48	236	2,466	2,161
Beckfoot Priestthorpe	852	144	39	116	1,151	1,218
Beckfoot Thornton	6,300	1,161	553	709	8,723	9,508
Beckfoot Upper Heaton	3,408	632	346	518	4,904	4,765
	<b>34,008</b>	<b>5,115</b>	<b>3,143</b>	<b>6,552</b>	<b>48,818</b>	<b>50,068</b>

**Analysis of net assets between funds**

Fund balances at 31 August 2022 are represented by:

	<b>Unrestricted Funds £000</b>	<b>Restricted Funds £000</b>	<b>Restricted Fixed Asset Funds £000</b>	<b>Total Funds 2022 £000</b>
Intangible fixed assets	-	-	1	1
Tangible fixed assets	-	-	31,000	31,000
Current assets	2,788	13,349	1,677	17,814
Current liabilities	-	(5,935)	-	(5,935)
Pension scheme liability	-	(1,975)	-	(1,975)
<b>Total net assets</b>	<b>2,788</b>	<b>5,439</b>	<b>32,678</b>	<b>40,905</b>

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

	<b>Unrestricted Funds £000</b>	<b>Restricted Funds £000</b>	<b>Restricted Fixed Asset Funds £000</b>	<b>Total Funds 2021 £000</b>
Intangible fixed assets	-	-	16	16
Tangible fixed assets	-	-	31,485	31,485
Current assets	2,801	12,075	1,807	16,683
Current liabilities	-	(4,653)	-	(4,653)
Pension scheme liability	-	(31,866)	-	(31,866)
<b>Total net assets</b>	<b>2,801</b>	<b>(24,444)</b>	<b>33,308</b>	<b>11,665</b>

## 18. Capital commitments

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Contracted for, but not provided in the financial statements	<b>792</b>	<b>314</b>

## 19. Financial Commitments

At 31 August 2021 the Academy Trust's minimum lease payments under non-cancellable operating leases and other agreements were as follows:

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Due in one year	2,337	2,312
Due between one and five years	9,214	9,139
Due after five years	20,252	22,201
	<b>31,803</b>	<b>33,652</b>

There is also a non-cancellable lease relating to the rental of the land and buildings from the City of Bradford Metropolitan District Council. This is for a peppercorn rate and is due to expire in 1st August 2138.

## 20. Reconciliation of net expenditure to net cash flow from operating activities

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Net income	(4,869)	(4,376)
Amortisation (note 12)	15	31
Depreciation (note 13)	1,723	1,527
Capital grants receivable	(1,809)	(1,657)
Other Fixed Asset Movements	6	17
Defined benefit pension scheme cost less contributions payable (note 24)	3,980	3,340
Defined benefit pension scheme finance income (note 24)	526	486
Interest receivable	(2)	(45)
Decrease in stock	1	9
Increase in debtors	(85)	(16)
Increase/(Decrease) in creditors	1,282	(84)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>480</b>	<b>(768)</b>

## 21. Cash flows from investing activities

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Interest received	2	45
Purchase of fixed assets	(1,244)	(1,175)
Capital grants	1,809	1,657
<b>Net cash inflow from returns on investment and servicing of finance</b>	<b>567</b>	<b>527</b>

### Analysis of cash and cash equivalents

	<b>At 1 September</b>	<b>Cash</b>	<b>At 31 August</b>
	<b>2021</b>	<b>Flows</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
Cash in hand and at bank	9,564	2,547	12,111
Notice deposits (less than 3 months)	-	-	-
Notice deposits (more than 3 months)	6,000	(1,500)	(4,500)
	<b>15,564</b>	<b>1,047</b>	<b>16,611</b>

## 22. Members' Liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, but not exceeding £10.00, for the debts and liabilities contracted before they cease to be a member.

## 23. Related Party Transactions

Owing to the nature of the academy Trust's operations and the composition of the board of Trustees being drawn from members of local public and private sector organisations, transactions may take place with organisations in which the Trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procurement procedures.

The academy Trust is connected to the Bradford Local Authority via its Trustee J Cryer who is an employee of the Local Authority. The transactions with the Local Authority are not deemed to be related party transactions under FRS102 as the Trustee is not deemed to have significant influence over the Local Authority, the transactions and relationship with the Local Authority pre-date the relationship with the Trustee and all transactions are carried out at arm's length.

<b>Organisation</b>	<b>Relationship to Trust</b>	<b>Transactions</b>
Nell Bank – Outdoor education charity used for trips by Trust Schools.	J Cole (Member of the Trust) is a Trustee	Purchases of £8,275 relating to trips from Allerton, Nessfield, Oakbank and Upper Heaton. No money was owed to or due from Nell Bank at 31 August 22.



## **24. Pension and Similar Obligations**

The Academy's employees belong to two principal 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 the West Yorkshire Pension Fund. Both are multi-employer defined-benefit schemes and are applicable to staff in all Trust schools.

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

There were no outstanding or prepaid contributions at either the beginning or 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 and members contribute on a 'pay as you go' basis - these contributions along with those made by employers 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 (amended) published by HM Treasury. 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 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 (amended). 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. 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 is 4.45%.

The next valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the year amounted to £4,173k (2020 - £4,233k).

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.

### **The Local Government Pension Scheme (LGPS)**

The LGPS is a funded defined benefit scheme, with the assets held in separate Trustee administered funds. The total contributions made for the period ended 31 August 2022 was £2,383k, of which employer's contributions totalled £1,758k and employees' contributions totalled £625k. The agreed contribution rates for 21/22 is 17% for employers plus a lump sum contribution of nil and between 5.5% and 7.5% for employees dependent upon their full time equivalent earnings.

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.

<b>Principal Actuarial Assumptions</b>	<b>At 31 August 2022</b>	<b>At 31 August 2021</b>
Rate of increase in salaries	3.95%	3.85%
CPI Inflation increase	2.7%	2.6%
Discount rate for scheme liabilities	4.1%	1.7%
Rate of increase in deferred pensions	2.7%	2.6%
Rate of increase to pensions in payment	2.7%	2.6%
Rate of revaluation of pension accounts	2.7%	2.6%

The current mortality assumptions are based on the recent actual mortality experience of members within the Fund and allow for expected future mortality improvements. The assumed life expectations on retirement age 65 are:

	<b>At 31 August 2022</b>	<b>At 31 August 2021</b>
<b>Retiring today</b>		
Males	21.8	21.9
Females	24.6	24.7
<b>Retiring in 20 years' time</b>		
Males	22.5	22.6
Females	25.7	25.8

Sensitivity analysis has been performed on the principle assumptions of the pension liability including the discount rate, increase in salary rate, rate of increase in pensions and mortality rate. The result of these are shown below:

	<b>At 31 August 2022</b>	<b>At 31 August 2021</b>
	<b>£000</b>	<b>£000</b>
Discount rate +0.1%	41,056	67,974
Discount rate -0.1%	43,248	71,604
Mortality assumption – 1 year increase	43,332	72,441
Mortality assumption – 1 year decrease	40,972	67,137

The Academy's share of the assets and liabilities in the scheme were:

	<b>Fair Value at 31 August 2022 £000</b>	<b>Fair Value at 31 August 2021 £000</b>
Equities	32,101	30,414
Property	1,567	1,441
Government Bonds	2,571	3,034
Corporate Bonds	1,728	1,667
Cash	1,607	834
Other	603	533
<b>Total market value of assets</b>	<b>40,177</b>	<b>37,923</b>
Present value of scheme liabilities	(42,152)	(69,789)
<b>Deficit in the scheme</b>	<b>(1,975)</b>	<b>(31,866)</b>

The actual interest on scheme assets for 2022 was £660k (2021: return £514k).

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

	<b>2022 £000</b>	<b>2021 £000</b>
Current service cost	5,738	5,010
Employers contribution	(1,758)	(1,678)
Past service cost	-	-
Curtailement Cost	-	8
Net interest cost	526	486
<b>Pension finance costs</b>	<b>(4,506)</b>	<b>3,826</b>

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 102 is a £24,984k gain (2021: £9,413k loss).

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

	<b>2022 £000</b>	<b>2021 £000</b>
<b>At 1 September</b>	<b>69,789</b>	<b>58,785</b>
Current service cost	5,738	5,010
Past service cost	-	-
Curtailement Cost	-	8
Interest cost	1,186	1,000
Employee contributions	625	606
Actuarial (gain)/loss	(34,511)	4,960
Benefits paid	(675)	(580)
<b>At 31 August</b>	<b>42,152</b>	<b>69,789</b>

**Movements in the present value of academy's share of scheme assets:**

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
<b>At 1 September</b>	<b>37,923</b>	<b>29,388</b>
Expected return on assets	660	514
Actuarial (loss)/gain	(114)	6,317
Employer contributions	1,758	1,678
Employee contributions	625	606
Benefits paid	(675)	(580)
<b>At 31 August</b>	<b>40,177</b>	<b>37,923</b>

## 25. Events After the Balance Sheet Date

There are no post balance sheet events arising that require disclosure under FRS 102.

## 26. Agency Arrangements

The academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2022 the Trust received £82k and disbursed £74k from the fund. No unspent funds were returned to the ESFA in line with the bursary fund rules during 2021/22. An amount of £91k is included in creditors relating to undistributed funds that is repayable to ESFA. Comparatives for the accounting period ending 31 August 2021 are £74k received, £56k disbursed, £95k returned to the ESFA and £83k included in creditors.

## 27. Teaching school trading account

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
<b>Income</b>		
Direct Income	-	40
Fundraising and other activities	-	37
<b>Total Income</b>	<b>-</b>	<b>77</b>
<b>Expenditure</b>		
<b>Direct Costs</b>		
Direct staff costs	-	51
Other direct costs	-	-
<b>Total direct costs</b>	<b>-</b>	<b>51</b>
<b>Other costs</b>		
Support staff costs	-	18
<b>Total other costs</b>	<b>-</b>	<b>18</b>
<b>Total expenditure</b>	<b>-</b>	<b>69</b>
<b>Surplus from all sources</b>	<b>-</b>	<b>8</b>
Teaching school balances at 1 September 21	-	100
<b>Teaching school balances at 31 August 22</b>	<b>-</b>	<b>108</b>