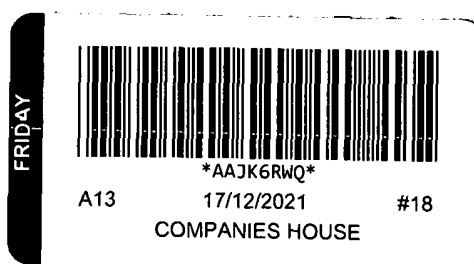


Registered company number: 07768726 (England and Wales)

BOURNÉ EDUCATION TRUST
ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021



BOURNE EDUCATION TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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BOURNE EDUCATION TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

REFERENCE AND ADMINISTRATIVE DETAILS

The date of incorporation of Bourne Education Trust was 9 September 2011. With effect from 1 September 2013, the Academy Trust became a Multi-Academy Trust (MAT). The Trust is now comprised of the following schools:

1 October 2011	Epsom & Ewell High School
1 September 2013	Jubilee High School
1 December 2013	Pycroft Grange Primary School
1 January 2014	Sythwood Primary School
1 June 2014	Sayes Court Primary School
1 December 2014	The Matthew Arnold School
1 December 2015	Brookwood Primary School
1 May 2017	Auriol Junior School
1 September 2017	Everest Community Academy
1 September 2017	Chertsey High School (free school)
1 June 2018	West Ewell Primary School
1 July 2018	Meadow Primary School
1 June 2019	Broadmere Primary Academy
1 June 2019	New Monument Primary Academy
1 July 2019	Woodmansterne Primary School
1 December 2019	Teddington School
1 April 2021	Marnel Junior School

The Academy Trust is led by the Board of Trustees who are also the directors of the charitable company and who have held office since 1 September 2020 as follows:

Name	Role	Appointment/resignation dates (if relevant)
Sara Lipscombe	Chair	
Alex Russell OBE	CEO & Accounting Officer	
Charmain Browning	Trustee	
Peter Deane	Trustee	Re-appointed 7 th July 2021
Stephen Dennison	Trustee	Re-appointed 7 th July 2021
Gurpreet Dehal	Trustee	Appointed 1 st July 2021, resigned 17 th October 2021
Susan Gibbin	Trustee	Re-appointed 7 th July 2021
Chris Munro	Trustee	Resigned 9 th July 2021
Sarah Pittam	Trustee	
Catherine Twomey	Trustee	
Jane Vaughan	Trustee	Appointed 1 st July 2021
Audrey Wade	Trustee	

The members of the company are:

Name	Role	Appointment/resignation dates (if relevant)
Sara Lipscombe	Member	
David Burr	Member	
Roger Evans	Member	Appointed 26 th June 2021
John Stockley	Member	
Tony Oakden	Member	
Chris Marston	Member	Resigned 4 th February 2021

BOURNE EDUCATION TRUST

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

The principal address of the charity and the registered office of the company are the premises of the sponsoring Academy, Epsom & Ewell High School, Ruxley Lane, Epsom, Surrey KT19 9JW.

The trustees have made the following professional appointments:

Accountant:	UHY Hacker Young LLP Quadrant House, 4 Thomas More Square London E1W 1YW
Auditors	UHY Hacker Young LLP Quadrant House, 4 Thomas More Square London E1W 1YW
Banker	Lloyds Bank plc, 402-404 Ewell Road, Tolworth, Surbiton KT6 7HF

During 2020/2021, in addition to the Chief Executive Officer, the following other key senior members of staff were responsible for the day-to-day management of the Academy Trust:

Kate Sanders	Chief Operating Officer and Company Secretary
Rob Isaac	Operations Director
Penny Alford	Executive Leader
Gayle Jenkins	Executive Leader
Steve Price	Executive Leader

Constitution

The Academy Trust is an exempt charity that is not therefore required to register with the Charity Commission, however the Academy Trust has registered with HM Revenue and Customs as a charitable entity under the reference number XT35927. The company is incorporated in England and Wales with the company registration number 07768726. The charitable company's memorandum and articles are the primary governing documents. The Trust also operates trading names in the names of its schools listed on page 2 and through two trading subsidiaries, Bourne Education Trust Enterprises Limited and Matthew Arnold Enterprises Limited. Details of the trustees who served during the year and to the date these accounts are approved are included in the Reference & Administrative Details on page 2.

Status & History

Bourne Education Trust is an exempt charity and a company limited by guarantee, not having share capital.

The principal activity of the Academy Trust is to run a multi-academy structure comprising primary and secondary schools for boys and girls in Hampshire, Richmond Upon Thames and Surrey.

The original Academy Trust was incorporated on 9 September 2011 and was governed by the rules and regulations set down in its company Memorandum and Articles of Association dated 9 September 2011. With the move to Multi-Academy Trust status, the Academy Trust's governing document was updated by the adoption of new Articles of Association dated 2 August 2013 and again dated 14 February 2017.

Members' Liability

Every member undertakes to contribute an amount not exceeding £10 to the assets of the company in the event of the company being wound up during the period of membership, or within one year thereafter.

Trustees' Indemnity

In accordance with widespread academy trust practice, the Academy Trust has purchased cover to protect trustees, governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. This has been arranged with effect from 1st September 2018 through a long term

BOURNE EDUCATION TRUST

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

agreement with Zurich PLC which ended on 31st August 2021. This provides unlimited cover in respect of professional indemnity insurance. The cost for the year ended 31 August 2021 was £129,800 with the cost of cover for trustees indemnity not separately identifiable. The Trust joined the government's Risk Protection Arrangement with effect from 1st September 2021.

During the year 2020-2021, the board of the Academy Trust comprised the Chief Executive Officer, the Chair and independent trustees. A skills audit carried out in September 2020 had identified skills gaps in the area of education, particularly SEND, and business/finance and the Trust has appointed two trustees with these specialisms during 2020-2021 by advertising on its website and using LinkedIn. One trustee and one member have resigned during the year; the trustee has been replaced as above and the member has also been replaced. New trustees are given a trustee's induction pack. The chair and vice chair of the board are nominated and reappointed annually.

During 2019-2020, the Academy Trust moved forward with the implementation of its new model of local governance which was developed after consideration of the DfE's advice on the constitution of governing bodies. This was to establish Local Governing Committees (LGCs) in order to recognise the importance of LGCs as committees of the board, the recommendation for smaller but more effective governing bodies outlined in the Governance Handbook and to reflect the increasing centralisation of responsibilities outlined in the Academies Financial Handbook. 2020-2021 was the final year of transition to this new model which is now adopted by all schools joining the Trust. During 2020-2021, the Trust consulted with two schools on a joint LGC and this is being piloted during 2021-2022.

LGCs of each school comprise the headteacher and governors including parent governors and other appointed governors. Parent governors are normally elected by parents of students registered at the school and the Local Governing Committee makes arrangements to notify parents of a vacancy and oversees a secret ballot where the number of nominees exceeds the number of vacancies. Other governors are appointed after discussions with local community groups and businesses dependent on the person specification required. Volunteers first visit the school and, where appropriate, a recommendation would be made for a candidate to be presented to the full Governing Committee with a view to appointment. LGCs do not have staff governors; engagement with staff will be through staff fora as the Trust has found that LGCs have not resulted in meaningful engagement with staff. All new governors are given an induction pack and, if not familiar with the school, are invited to a tour and to meet key governors and staff. Training is provided by an outside consultancy specialising in governor training. There is a named governor to provide details of relevant courses, encourage attendance and monitor governor-wide training undertaken.

The Trust has approved policies for the Recruitment & Selection of Governors and Recruitment & Selection of Trustees; these were consulted on with the Trust Board and LGCs and have now been implemented. This will ensure greater adherence to best practice and improved succession planning. This has been updated with effect from 1st September 2021 to better reflect the requirements of the Academies Trust Handbook.

It is the Academy Trust's policy to advertise nationally all vacancies for Headteachers unless there is a clear business case for following an internal process. Other posts will be advertised externally or internally after a review of the situation facing each school.

Organisational Structure

The management structure of the Bourne Education Trust consists of five levels: the Academy Trust board and its committees including LGCs, the Executive Group (of Headteachers in the Trust, CEO, Chief Operating Officer, Operations Director and Executive Leaders), the senior leadership teams and the middle leadership teams. The aim of the management structure is to devolve responsibility, improve accountability and encourage involvement in decision-making at all levels.

The trustees of the Academy Trust board fulfil a strategic role. They monitor the performance of individual schools in the Academy Trust against key performance indicators and appropriate schemes of delegation.

BOURNE EDUCATION TRUST

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

Intervention in individual schools within the Academy Trust is driven by performance against the key performance indicators and on the advice of the Chief Executive Officer. In accordance with the requirements of the AFH 2020, there are five members of whom only one is also a trustee and no members are Trust employees.

The governors on the Local Governing Committees (LGCs) fulfil a largely strategic role in relation to their local schools. They adopt the individual school's strategic and annual development plans and monitor the annual budget once approved by the Trust Board. They monitor the school's performance and, on advice, make decisions about the direction of the school, its capital expenditure and senior staff appointments.

The trustees of the Academy Trust have been supported by the Chief Executive Officer (also a trustee), the Chief Operating Officer and the Clerk to the Board. The Executive group represents the operational leadership of the schools; contributing to and informing the strategic decisions of the trust and working together to implement those decisions. They ensure that best value is achieved in the resources of the Trust identifying opportunities for collaborative working and supporting the developmental needs of the schools within the trust.

The schools are supported by senior leadership teams which run the schools at both an executive and operational level. These teams implement the policies and annual development plan laid down by the governors and report back to the governors termly on the progress made towards fulfilling them. At an operational level the senior leadership team provides strong leadership and management for the school community, in particular organising and developing the teaching staff, learning environment and students' learning. As a group, the senior leadership teams are responsible for the authorisation of spending within agreed budgets and the appointment of staff, other than specific senior staff appointments for which the Trust or local Governing Committees and the headteachers are responsible. Some spending control is devolved to members of senior leadership team and appointed budget holders.

The middle leadership teams consist of all curriculum and pastoral leaders. They are responsible for the day-to-day implementation of the school development plan, the delivery of the curriculum, exam preparation and performance and ensuring the well-being of students. They, along with teachers and tutors, are also the first point of contact for parents and carers.

Arrangements for setting pay and remuneration of key management personnel

The Trust has produced policies and procedures to ensure clear implementation of pay and performance management procedures across the Trust. A scheme of delegation identifies where the decisions lie. Appraisal or performance management of staff is a management responsibility with the exception of the Headteacher.

All senior staff in the Bourne Education Trust are set targets on which their reviews are based. These targets are generated by the line manager in consultation with the member of staff concerned. Appropriate objectives are the keystone of managing the Trust's and/or school's progress and managing the headteacher/senior executive. The Trust and/or school aims to ensure there is both breadth and precision in the objectives, with the quality of performance information and engagement of stakeholders stated in the setting of the objectives. The Trust and school aims to set ambitious objectives to serve external accountability and to visibly demonstrate progress.

An appraisal panel, appointed by the Governing Body, annually reviews the performance of each headteacher in the Trust supported by an Executive Leader. This usually consists of three governors such as the Chair of Governors, the Chair of the committee that oversees staffing and/or finance and one other governor who has particular expertise in performance management and/or education. The work of the appraisal panel results from a wider set of interactions including but not limited to termly headteacher performance management meetings leading up to and beyond the formal annual review. There is a standard process:

- An Executive Leader (EL) is appointed to support the appraisal panel
- The EL meets with the headteacher
- The appraisal panel meets with the EL to discuss points to raise
- The EL, headteacher and appraisal panel meet together

BOURNE EDUCATION TRUST

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

- The chair of the appraisal panel leads the process
- The EL summarises the results of the meetings in a review document
- A representative of the appraisal panel makes recommendations about headteacher pay to a pay review panel of other governors

The performance of the CEO and COO follows much the same process with an agreed policy in place and performance appraised against the targets by the Chair of the Board. This is reviewed by an appraisal panel consisting of a minimum of two trustees (although three are preferred).

In decisions about the pay to be awarded to senior managers the aim is to maintain objectivity and fairness, while remembering that the needs of the trust/school come first. The relevant Trust committee approves the scales for each financial year following the outcome of the STRB process. Where possible, the Trust establishes relevant salary benchmarks such as:

- Pay awards in similar organisations as stated in their financial accounts
- Recommendations of the School Teachers' Pay and Conditions Document (STPCD)
- Recommendations of relevant support staff pay bodies
- The pay relativities between schools in the Trust, other local similar institutions and between the senior staff member and other staff members.

The Trust is keenly aware of the ESFA scrutiny on senior executive pay and carried out an audit on MAT senior staff pay during 2019-2020 to ensure its processes meet external scrutiny.

Trade Union Facility Time

Relevant Union Officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
1	1

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

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

BOURNE EDUCATION TRUST

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

Paid trade union activities

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 the relevant period ÷ total paid facility time hours) × 100	0%
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Related Parties and other Connected Charities and Organisations

Jubilee High School hosts the Runnymede South Confederation and provides a small administrative office and access to the schools meeting rooms. Runnymede South Confederation was formed in 2004 and has grown into an Extended Services Confederation of 11 schools across Addlestone, New Haw and Ottershaw. The Trust is part of a group of schools supporting the Schools Direct programme with St John the Baptist, Woking as the lead school and St Mary's University College, Twickenham as the ITT provider. The Academy Trust has a school-to-school support arrangement with Salesian School, Chertsey who as a National Teaching School will also provide training support for groups of teaching staff across the Trust. Services have also been procured from Wey Valler Solar Schools Co-operative, a connected entity to the Trust.

Engagement with employees

Bourne Education Trust recognises the importance of engaging with its workforce. We strive to maintain a dialogue between Trustees, Executive Leaders, School Leaders and all our colleagues both directly and where appropriate, through representative bodies. Trustees provide a confidential channel for employees to report concerns through a culture of 'near miss' reporting and its Whistleblowing Policy.

The Trustees consider effective engagement a key element of its understanding of the Trust's ability to create value as it recognises that our people are our greatest asset. Workforce views can help inform the Trust on matters such as operational effectiveness, culture, risk identification and strategy development and delivery. Executive and School Leaders regularly engage with the workforce through a range of formal and informal channels:

- Informal engagement via emails, team meetings, face-to-face gatherings, staff briefings and other communication channels
- Site visits
- Employee networks
- Staff welfare questionnaires
- One to one, appraisal and performance management meetings.

Trustees inform themselves through:

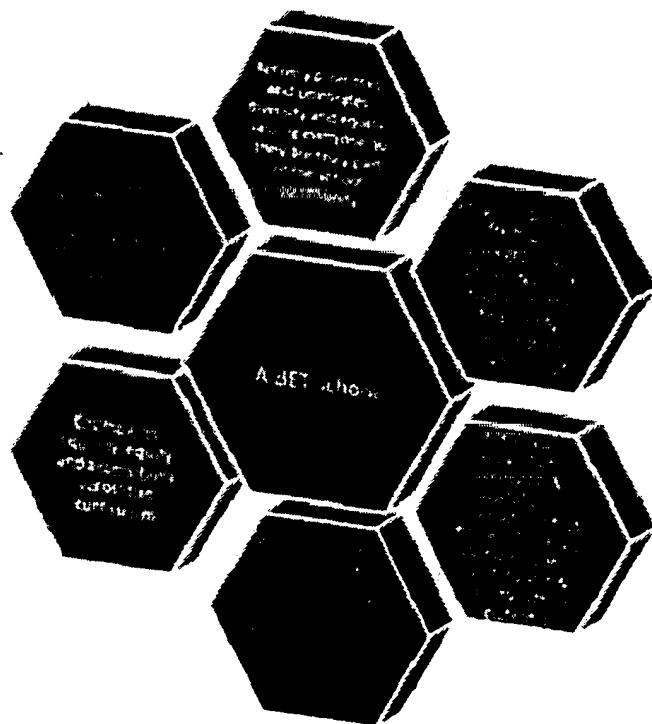
- Informal engagement
- Site visits
- Assurance activities
- Formal reports to the board and its committees
- Information updates from the executive team
- Annual meetings with school leaders and with governors.

The Trust embarked on establishing an Equality, Diversity & Inclusion strategy during 2020-2021 in which its staff played a major part. The Trust has developed a strategic delivery plan for EDI to sit alongside the Trust's strategic plan 2020-23 which puts opportunities for all pupils and staff at its heart and supports removing any barriers that prevent its successful completion. We want to ensure that we now build on this strong commitment to EDI through collaborative delivery of inclusive practice in all that we do. The EDI delivery plan aims to cover issues that impact the Trust's community, including issues that are specific to pupils and staff separately and those which apply to both. Through this delivery plan, we have identified 3 themes that aim to ensure that all

BOURNE EDUCATION TRUST

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

BET schools are inclusive. These themes are: 1) Demonstrable equality for all; 2) Strengthen our diversity and improve inclusion and 3) Excellence and ambition in delivery of embedded EDI. All BET schools share the following characteristics:



The Trust will also set up a trust wide Health, Safety & Welfare Committee of employees during 2021-2022. The Health, Safety & Welfare Committee will act as a liaison group between employees and management to identify workplace risks and make recommendations to reduce risks. This underlines our commitment to better integrate health, safety and health priorities into our culture.

All matters which under the Trust's governance arrangements are reserved for decision by the Trustees are presented at Board meetings. Trustees are briefed on any potential impacts and risks for our staff (as other stakeholders). The Trustees take these factors into account before making a final decision which together they believe is in the best interests of the Trust and its staff.

Engagement with suppliers, customers and others in a business relationship with the trust

We work closely with our suppliers. The Trust aims to conduct all its business relationships with integrity and courtesy and honour our business agreements. We consider value for money in our arrangements and where possible prefer to establish long term sustainable relationships.

We aim to work with our suppliers to ensure long term sustainability balanced against the need of our pupils, parents, staff and other stakeholders. This has been at the forefront of our decision-making, particularly in response to the challenging conditions since the Coronavirus pandemic.

BOURNE EDUCATION TRUST

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

The Trust's Audit and Risk Committee monitors the Trust's compliance with the relevant codes of practice. For example, we comply with the statutory reporting duty for payment practices and performance and considers measures to prevent modern slavery and human trafficking in our business and supply chains.

All matters which under the Company's governance arrangements are reserved for decision by the Trustees are presented at Board meetings; Trustees are briefed on any potential impacts and risks for our customers, Partners and other stakeholders including our suppliers, the community and environment and how they are to be managed. The Trustees take these factors into account before making a final decision which together they believe is in the best interests of the Company and its members.

OBJECTIVES AND ACTIVITIES

Charitable objectives

The charitable objectives for which the Trust is established are set down in the governing document as follows:

- To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools ("the mainstream Academies") offering a broad and balanced curriculum or educational institutions which are principally concerned with providing full-time or part-time education for children of compulsory school age who, by reason of illness, exclusion from school or otherwise, may not for any period receive suitable education unless alternative provision is made for them ("the alternative provision Academies") or 16 to 19 Academies offering a curriculum appropriate to the needs of its students ("the 16 to 19 Academies") or schools specially organised to make special educational provision for pupils with Special Educational Needs ("the Special Academies"); and
- To promote for the benefit of the inhabitants of the areas served by the Academies the provision of facilities, for recreation or other leisure-time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances, or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

Principal Activities

The principal activity of Bourne Education Trust is in accordance with its objectives advancing education in the United Kingdom by establishing, maintaining, carrying on, managing and developing schools offering broad and balanced curricula. In addition, the Trust promotes recreational facilities to improve the condition of life for local residents. The details of the objectives, strategies and activities of each school within the multi-academy trust are outlined in their individual school development plans.

Public Benefit

The trustees confirm that they have referred to the guidance provided by the Charity Commission in respect of public benefit when reviewing the Trust's aims and objectives (as set out above) and in planning future activities and setting appropriate policies for future years.

STRATEGIC REPORT

Growth of the Academy Trust

The Bourne Education Trust grew during 2020-2021 to include Marnel Junior School which joined on 1 April 2021. During 2020-21, the Trust was responsible for the education of 8,067 children (Oct 20 Census) and employment of approximately 1000 staff. This has now grown to 10,070 pupils (Oct 21 Census) with the growth of Chertsey High School, the merger of Richmond West School's Trust with BET and the joining of Marnel Junior School and approximately 1,200 staff.

The Trust ensures that high quality teaching and support staff are employed, and we work continually to

BOURNE EDUCATION TRUST

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

improve our quality of education. The Academy Trust's integrated curriculum financial planning means that we review the staffing requirements needed to meet our educational delivery a minimum of a year ahead allowing for early recruitment and efficient budgeting. We are working to embed the outcomes of the School Resource Management Self-Assessment (SRMSA) outcomes in our budget planning. Whole staff training, either as a collective or in teams, is organised weekly in our schools. Activities reflect both Academy Trust and individual school priorities as outlined in their respective development plans and build on individuals' needs as identified in their performance management targets. Training is delivered by the leadership team and/or identified lead practitioners within each school and across the Academy Trust.

Schools within the Academy Trust work closely together both within and across phases to share best practice, specialist expertise and resources, pool ideas and challenge one another to further raise standards. Collaboration also extends beyond the Academy Trust. We regularly meet with secondary and primary networks/confederations which allows us to share best practice and training and ensure that the Academy Trust is supporting local collaboration and initiatives.

The Trust and its schools' responses to closure as part of the UK Government's measures to tackle the spread of Coronavirus have introduced us to new ways of working that have been heavily dependent on technology and virtual working. This has provided us with an opportunity to reflect on our current modus operandi and offer some solutions to the challenges that we have in running a geographically diverse organisation consisting of schools that value both the Trust and their autonomy. This has been enabled by the Trust's migration to a common IT platform and implementation of Microsoft Teams.

To ensure that standards are continually raised, the schools' development plans are directly linked to the Academy Trust's strategic objectives, which are reviewed annually by the board. The intervention work of the Academy Trust and the progress being made by each school towards its key performance indicators and agreed targets is quality assured by an external Academy Trust improvement partner supported by school leaders from across the Academy Trust. Schools report to the Academy Trust's performance and standards committee termly and the CEO and Executive Leaders half-termly.

Achievements and key performance indicators

Auriol Junior School

The school joined the Trust on 1 May 2017 as a converter academy. Graded as a good school in May 2015, it maintained this status at its most recent Ofsted inspection in March 2020 and continues to perform strongly with pupils proud to attend the school and excited by their learning. Whilst standard assessments tests were cancelled this year, internal data shows that, had pupils sat them, they would have performed very strongly in all disciplines in terms of both attainment and progress. During lockdown, the school provided excellent remote learning to its pupils. The school has a hearing-impaired unit and works closely with Epsom and Ewell High School that has the quadrant's secondary unit and for which it is a main feeder school. Pupil numbers are at 98% of PAN and will be stable over the next 5 years. Auriol Junior School is in a strong financial position with its reserves exceeding the Trust minimum requirement and expected to remain so.

Broadmere Primary Academy

The academy joined the Trust on 1 June 2019 as part of merger between the Trust and Broadmere and New Monument Primary Academy Trust. Graded good by Ofsted in May 2017, the academy is well led by an experienced headteacher. Internal assessments show that the academy is currently below national average attainment in internal key stage assessments, but positive progress is being made. During the lockdown, the academy provided effective remote learning to its pupils and increased vulnerable pupil attendance from the first lockdown. Pupil numbers are at 101% of PAN as a result of bulge classes. Pupil numbers will decline as these classes leave the school and there is potential instability as a result of local regeneration. However, Broadmere Primary School is in a very strong financial position with its reserves exceeding the Trust minimum requirement.

BOURNE EDUCATION TRUST

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

Brookwood Primary School

The school joined the Trust on 1 December 2015 as a sponsored primary academy. Graded as a good school by Ofsted just prior to joining, it improved on this grading during its full inspection in September 2018 with good overall but outstanding for its early years' provision. The appointment of the new head of school in September has coincided with growing popularity of the school in the locality and it is now full in Reception resulting in a move back towards seven classes from September 2021. During lockdown, the school served its pupils extremely effectively and internal assessments show that the school was broadly in line with predictions for end of year outcomes. Brookwood's pupil numbers are increasing year on year as it is now full at the lower end of the school. Brookwood Primary School is in a good financial position with its reserves exceeding the Trust minimum requirement.

Chertsey High School

Chertsey High School was opened as a free school by the trust in September 2017. It is now in its fourth year of operation and is full. Previously, the school received support from Salesian School, Chertsey. This ended in 2019. The school is now firmly established in its new building and has an experienced leadership team with all staff working exclusively for the school. It is looking forward to its inaugural Ofsted inspection which is due imminently and its first set of GCSE results which will be in Summer 2022. Chertsey High School full in all years and has year 11 for the first year this year. It is in a strong financial position with its reserves exceeding the Trust minimum requirement.

Epsom and Ewell High School

The school is now well-established and consistently delivers positive progress and good outcomes at both GCSE and A level. During this year, the programme of capital investment to improve its sports and classroom facilities has started and the impact will be dramatic. During lockdown, the school provided extensive online learning including live streamed lessons. At both GCSE and A level the centre assessed grades were arrived at after a rigorous process. They showed the expected improvement, attainment and progress based on the Trust's findings from its quality of education reviews and further closing of the performance gap between different key groups of pupils. All pupils in the sixth form hoping to attend university, did so. The school has a specialist unit for those with hearing impairments and once again, those students performed extremely well in all aspects of school life. Epsom & Ewell High School has vacant places in all years, but its PAN currently exceeds that needed for the area. The PAN has been maintained to accommodate projected growth by the LA. Epsom & Ewell High School is in a strong financial position with its reserves exceeding the Trust minimum requirement.

Everest Community Academy

Everest Community Academy joined the Trust on 1 September 2017 having been re-brokered from another multi academy trust because of its prolonged poor performance. The school has been transformed in all aspects of its operations and this was confirmed during its Ofsted inspection in February 2020 when all aspects were deemed to be good. This is the first time in the school's history that it has been graded as such. Consequently, the school's reputation in the community is stronger than ever and pupil numbers are growing rapidly. Centre assessed GCSE results show a continuation of the improving trends in both attainment and progress both overall and for both pupils with SEND and those who are disadvantaged. Everest is now full in the lower school and is projected to grow year on year. Everest Community Academy was in a deficit position on joining the Trust. It is now in a positive financial position and is improving but is not yet in a satisfactory position in terms of its reserves.

Jubilee High School

Jubilee High School joined the Trust on 1 September 2013. In July 2015 was graded the school as 'good' in all aspects and again at its short inspection in October 2018. The school is undergoing significant work on its buildings to ensure it is fit for 21st century learning. This summer's teacher centre assessed grades maintained the high standards seen last year, in particular for disadvantaged pupils. Jubilee High School has vacant places in all years due to overcapacity in the area. The extensive refurbishment combined with a significant marketing campaign and its continued good judgement will raise its profile in the area. Jubilee High School is in a strong financial position with its reserves exceeding the Trust's minimum requirement.

BOURNE EDUCATION TRUST

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

Marnel Junior School

Marnel Junior School joined the Trust on 1 April 2021. As a maintained school, Marnel Junior School was graded as Inadequate in February 2020. It has received positive monitoring reports in November 2020 and February 2021 and the school is confident of a positive judgement at its next Ofsted; this is expected to be in 2023. Marnel has vacant places in all year groups and no growth is currently predicted. It is however in a strong financial position with its reserves exceeding the Trust's minimum requirement which will give capacity for the Trust to make any required structural adjustments.

Meadow Primary School

Meadow Primary School joined the Trust on 1 July 2018 as a converter academy. The school was graded as good during its inspection in January 2018. A head of school is in post with the support of an executive leader. This has enabled good continuity and there has been no diminution of standards on the change of operational leadership. The school continues to deliver strong academic standards and this summer's internal assessments maintain the positive trend. School leaders excelled during lockdown by balancing high numbers of pupils on site with those continuing to receive high quality remote learning. Meadow Primary is at 94% of PAN, there has been a slight dip in the new year of entry but the school is confident that a higher level of promotion of the school will rectify this. Meadow Primary School is in a strong financial position with its reserves exceeding the Trust's minimum requirement.

New Monument Primary Academy

The school joined the Trust on 1 June 2019 as part of merger between the Trust and Broadmere and New Monument Primary Academy Trust. Graded good by Ofsted in June 2018, the school is well led by an experienced headteacher. The school made substantial strides in addressing underperformance in reading and writing during the year and internal assessments showed strong improvements in these areas. The school worked extremely hard to support its community, which has a very high proportion of EAL pupils, during lockdown, and was rewarded with good attendance on their return for vulnerable pupils. New Monument is at 95% of PAN is not currently predicted any significant change although the Trust is mindful of the potential impact the Sheerwater Regeneration may have on the local demographic. New Monument is in a positive financial position but needs close management to ensure satisfactory reserves.

Pyncroft Grange Primary School

Pyncroft Grange Primary School joined the Trust on 1 December 2013 and is the highest performing primary school in the Trust in terms of both attainment and progress. The school was inspected by Ofsted in January 2017 and graded outstanding in all areas. Once again, the Trust's quality of education reviews supported the very strong internal assessment data reported this summer. It has placed itself in the heart of its community, is hugely oversubscribed and one of the highest performing schools in the county. Pyncroft Grange School remains full and is in a strong financial position with its reserves exceeding the Trust's minimum requirement.

Sythwood Primary School

Sythwood Primary School joined the Trust on 1 January 2014. The school underwent an Ofsted monitoring inspection in November 2020 and was found still to be good. This summer's internal assessments show the school's outcomes continuing their positive trend and serving their SEND and disadvantaged pupils particularly well. During lockdown the school was at the epicentre of its community and worked with local foodbanks to support families. The school has a visual impairment unit and works closely with the local secondary unit to ensure effective progression and transition. Sythwood School's pupil numbers will decrease over time as it moves from s 3 from entry school to a 2-form entry school in response to local numbers. Sythwood Primary School is in a strong financial position with its reserves exceeding the Trust's minimum requirement which provides the capacity to respond to the structural change in the school.

BOURNE EDUCATION TRUST

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

Sayes Court Primary School

Sayes Court Primary School joined the Trust on 1 June 2014 when it was in special measures. With support from the Trust it has been completely transformed. The school had its Ofsted inspection in June 2017 and was graded good in all areas. The nursery and reception are both full and it is very popular in the local area. It consistently produces outcomes above the national average and pupils show positive progress. This year's internal assessment shows that the recent positive trend continued. Sayes Court Primary School is full and is in a strong financial position with its reserves exceeding the Trust's minimum requirement.

Teddington School

Teddington School joined the Trust on 1st December 2019. Previously, it was a standalone Trust planning to grow a multi-academy trust locally. However, it was found to require improvement in its Ofsted inspection in January 2018 and then issued with a Financial Notice to Improve ('FNI') in September 2018. Since joining, the school has gone from strength to strength. It has performed extremely well in public exams and this year's teacher assessed grades continued the upward trend. It is now one of the highest non-selective performing schools within its local authority and has growing numbers in both the main school and its sixth form. Teddington School is now in a strong financial position with its reserves exceeding the Trust's minimum requirement.

The Matthew Arnold School

The Matthew Arnold School joined the Trust on 1 December 2014 as a sponsored secondary academy. The Trust has overseen the complete transformation of the school since it was placed in special measures in July 2014 and in June 2018 Ofsted found it to be a good school in all aspects. Its outcomes in both progress and attainment are strong and this year's centre assessed grades continued this pattern. The school is now popular in the local area and pupil numbers continue to rise. The building of the new school is now complete and will only add to the positive momentum surrounding the school. The Matthew Arnold School is now full in the lower years and this is expected to continue. It is in a very strong financial position with its reserves exceeding the Trust's minimum requirement however significant capital investment will be required to cover items not covered in the new build.

West Ewell Primary School

The school joined the Trust on 1 June 2018 as a converter academy. Previously an infant school, the local authority requested that it become a primary school with effect from 1 September 2017, resulting in the first year 6 cohort this year. The school has a very strong local reputation and was graded outstanding when it was last inspected in 2010. It will be re-inspected as a primary school. The school works in partnership with our local Trust schools to ensure that its teaching in key stage 2 is of the highest standard and this year, a year 6 teacher from Auriol was seconded to support this move to primary. The Trust's quality of education reviews suggest that it has had a positive impact. As a primary school it will feed into Epsom and Ewell High School. The two schools currently share sports facilities and this collaboration will only continue to grow with the new sports provision at EEHS. The apparent downturn in pupil numbers is as a result of the move from a 3 form entry infant school to a 2 form entry primary school. West Ewell Primary is in a strong financial position with its reserves exceeding the Trust's minimum requirement.

Woodmansterne Primary School

The school joined the Trust on 1 July 2019 as a converter academy. It was graded good by Ofsted during its inspection in November 2016 and consistently produces strong outcomes in keeping with this status. This summer's internal assessment supports our findings from our quality of education reviews that it is performing well and maintaining these standards. The school's nursery is full and pupil numbers are continuing to grow, reflecting its popularity in the local area. It is well led by an experienced headteacher. Woodmansterne Primary School's popularity is growing so whilst it is currently at 83% of PAN it has increasing numbers entering reception and is in a strong financial position with its reserves exceeding the Trust's minimum requirement.

BOURNE EDUCATION TRUST

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

Impact of Covid on the Trust's Achievements

In order to ensure a successful outcome for the Trust and its schools whilst facing the Covid 19 pandemic, the decision was initially made to suspend the committee meetings and have all business done as a full Trust Board to focus on the Trust's priorities and keep all Trustees up to date. The board met more frequently than normal and in line with government guidance these meetings were held remotely. The board returned to its normal practice for the 2020-2021 year.

During 2019-2020 in response to the first lockdown, the Trust's central executive met daily (and then weekly) for most of the period; and weekly with Headteachers. A significant amount of leadership time was devoted to adhering to government guidance and producing Trust specific guidance with our schools for staff, pupils, parents and other stakeholders. This was an effective approach and ensured positive outcomes at all our schools. The central executive moved to normal practice for the 2020-2021 years as remote working and Covid practices became embedded. The Trust's positive achievements for the year evidence that this was the correct approach.

The March Covid lockdown provided a positive impetus for the implementation of Microsoft Teams across the Trust. The majority of meetings became virtual via Teams earlier in the year, and it is clear that many of these changes will persist well into the future. Most schools have become adept at delivering virtual lessons, though wide differences in availability of suitable devices for both students and staff have become apparent between schools. The lockdowns have had a negative impact on the schools' migration to the single BET domain, rather fewer than anticipated migrated, slowed down by the need for the IT team to support schools in the transition to remote teaching but the positive outcomes for pupils are evidence that this diversion of resource was the correct approach.

The Trust's surplus increased by £0.3million in year in 2020-21 as a result of reduced staffing costs, postponed capital projects and reduced costs in areas such as exam fees, utilities and curriculum surplus. This combined with the prior year increase in surplus means that the Trust ended the year with a £3.6million surplus. A capital investment plan is in place to expedite the investment in IT and capital investment to ensure these additional reserves improve the Trust's estate for the benefit of current pupils.

Going Concern

Covid presented some financial uncertainties during 2019-2020 relating to lettings, trips, areas of the business not funded through public funding (nurseries, out of hours, and sport centres) and major contracts such as cleaning and catering. Lettings were cancelled resulting in a £100k loss of income. 90 trips of a value of £400k had to be cancelled or rearranged resulting in a significant amount of time spent liaising with providers and insurers but immaterial losses. However, budgets for 2020-2021 took account of this and therefore this impact was not replicated in 2020-2021 in terms of unexpected loss of income. Furlough was utilised where appropriate affecting approximately 50 staff at 8 schools/sports centres. The use of furlough has restarted at our sports centres during the autumn 2020 second phase of lockdown. Negotiations took place with major contractors and supply agencies. In this the Trust followed the guidance from the government in the form of Public Procurement Notices (PPN02/20; PPN02/40). This was successful in guiding our arrangements with our catering and cleaning providers although the impact of Covid on our expenditure costs is being felt in the new financial year. Some of our catering contractors are suffering post lockdown from reduced sales; partly because of pupil confidence and partly due to the impact of the bubble structure on throughput. Following PPN guidance we are working on transition plans with our catering providers. Since the start of the 2020-2021 financial year, additional cleaning contractor costs are accruing as a result of the need for additional cleaning capacity during the day on cleaning and PPE supplies. The Trust has however made no claims for these additional costs due to savings elsewhere.

Nevertheless, after making appropriate enquiries, the trustees have a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

BOURNE EDUCATION TRUST

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

Promoting the success of the company

The Trust sees its charitable purpose as extending beyond the schools currently within the Trust and it has worked in partnership with several organisations and schools outside the company on an associate or school-to-school basis.

It is a strategic partner of both the Xavier Teaching School Hub and South Farnham Teaching School Hub. The teaching school hub programme is part of the Government's comprehensive strategy dedicated to supporting teachers throughout their teaching career. It forms part of the implementation of its recruitment and retention strategy to raise teacher quality and effectiveness. The Trust also works closely with Surrey County Council's school improvement service – Schools Alliance for Excellence (SAFE) – and undertakes significant school-to-school support on its behalf.

The Trust has a growing reputation outside of its core business of running its schools. Over the last year, the Trust's reputation for strong financial management and leadership resulted in several requests to support both single and multi-academy trusts in reviewing their financial systems and providing advice and guidance on how to improve them.

The Trust has worked closely with the Regional Schools Commissioner and is a lead trust in its trust development programme. The Trust is a leading figure in Surrey's multi-academy group – the Anchor Group – that represents Surrey's academies both across the county and with the Department for Education.

The Trust also utilises the expertise of its staff to develop curriculum resources for use across the educational spectrum and deploys experts in their field to coach, train and mentor fellow professionals. Such developmental work supports the continuing professional development of employees and ensures that we constantly learn from others and do not become inward looking.

Decisions to work in partnership with others are considered within the strategy approved by the Trustees to ensure that the Trust does not overstretch itself and is able to maintain the current high standards. Such work has enabled the Trust to make informed decisions in the event that a school wishes to join the Trust on a permanent basis. It allows us to play an active role in the wider education community and have opportunities to engage with and implement best practice from other institutions.

The success of the company has been recognised with the award of Officer of the Most Excellent Order of the British Empire (OBE) to the CEO, Alex Russell.

FINANCIAL REVIEW

Financial Review and Key Financial Performance Indicators

Most of the Academy Trust's income is obtained from the Department for Education (DfE) in the form of recurring grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2021 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the year ended 31 August 2021, the total expenditure of £55,838,524 (2020: £49,635,715) was less than the total of incoming resources of £60,348,749 (2020: £156,505,646) (including the significant fixed assets acquired, as referred to below, allowing the Academy Trust to carry forward significant fund balances for utilisation in future years).

At 31 August 2021, due to the growth of the Multi-Academy structure the net book value of tangible fixed assets had grown to £246,290,566 (2020: £237,253,039) and movements in tangible fixed assets are shown in more detail in the notes to the financial statements. These assets were exclusively those used for providing education and the associated support services to the students of the schools within the Academy Trust.

BOURNE EDUCATION TRUST

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

From the actuarial valuations for the year ended 31 August 2021, the FRS 17 pension deficit on the Academy Trust's proportion of the Surrey Local Government Pension Scheme had increased from the prior year and at 31 August 2021 stood at £33,279,000 (2020: £25,661,000).

The Trust received £173,628 in capital funding from the ESFA on a devolved formula capital basis (2020: £176,206) and £2,483,339 in School Condition Allocation.

Reserves Policy

The trustees have agreed a Reserves Policy for the Academy Trust which will be reviewed annually. The review encompasses the nature of income and expenditure streams and the need to match income with commitments. As part of this the Trust reviewed its approach to "GAG pooling" in 2019-2020 as a freedom under the AFH2020 and determined that the Trust will not 'GAG pool' but that the Trust's financial policies should:

- Create the understanding that BET is a single financial entity; a collaborative structure that helps to drive school improvement
- Generate a central surplus to be able to target funding, to have greater flexibility to respond to specific needs in individual academies and/or to direct funds to facilitate MAT policies that are being implemented to support the trust's vision
- Support recovery plans for academies in financial difficulty, simplifying the provision of support to weaker schools in a MAT until they can grow their pupil numbers
- Create a contingency for cash flow issues or unforeseen emergency costs
- Increase central resource and achieve efficiency savings MAT-wide.

To achieve this aim, each school will continue to hold their own bank accounts, the Trust will set its central contribution for the 2021-2022 year at 5% and include in the policy a requirement to contribute towards a central reserve of 1% of GAG. The Trust does not foresee that schools will be required to contribute towards this in 2021-2022. It is confident that all schools have sufficient working capital reserves to cover delays between spending and receipt of grants and to provide a cushion to cover the financial risks facing the Trust.

As at 31 August 2021, unrestricted reserves amounted to £5,572,184 (2020: £5,326,838) but it is anticipated that much of this free reserve balance will be utilised over the course of the next 3 academic years as the Academy Trust expands the scope of its operations. As at 31 August 2021, restricted income reserves amounted to £10,967,866 (2020 £8,194,611), an increase of £2,773,255. The majority of this increase in restricted income reserves is due to reductions in revenue expenditure as a result of the Covid pandemic as the Trust made savings where possible. The Trust is therefore in a position to deploy both restricted and unrestricted reserves on delayed capital expenditure; ICT investment programmes and to support learning and accelerated progress for those pupils identified as needing additional support.

Investment Policy

The Academy Trust's bank accounts are held with Lloyds, and it operates Educational Current and Deposit accounts and School Fund accounts. Schools joining the Trust have also held accounts with Barclays and HSBC during this transition period. Bourne Education Trust does not currently have any material investments. Investments are held in low-risk accounts and hitherto have resulted in some but minimal interest. This has reduced to zero. Interest earned on bank accounts and investments during the year amounted to £3,022 (2020: £21,056).

BOURNE EDUCATION TRUST

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

PRINCIPAL RISKS & UNCERTAINTIES

The Trust is exposed to the major risks of the industry such as loss of key staff, shortfalls in funding that have not been anticipated, changes in funding formulas, significant downturns in performance, reduction in the school roll and/or adverse Ofsted judgements. The Trust works to minimise the risks through day-to-day practices and future proofing.

There are uncertainties both in staff pay and pensions. All schools were hit by an increase from teachers pay increases with effect from September 2020 although a public sector pay freeze may be necessary in the future as a national response to the Covid pandemic. The triennial local government pension revaluation has resulted in a 1% increase in the pension rate for support staff which added £100k to the Trust's costs for 2020-2021. This was largely prior to the impact of Covid 19 and therefore the Trust will need to assume additional increases in both the Teachers' Pension and Local Government Pension rates in the next valuation rounds.

The Trust has established with effect from 2020-2021, an Audit & Risk Committee as required by the AFH for Trusts whose income exceeds £50 million. The Trust has adopted the ICAEW four lines of defence concept. The Trust has also introduced a standard Key Controls Assessment template to assess risk across its schools which feeds into the Trust's Risk Register, the Board Assurance Framework (BAF). The principal Risk Management objective of the Board Assurance Framework is to outline the risks the Trust faces in achieving its strategic aims and provide mitigations for these. The trustees have assessed the major risks to which the Academy Trust is exposed, specifically those relating to leadership & people, quality of experience and development & growth. The Board approves the Board Assurance Framework annually; the audit and risk committee assess whether decisions are being made within their risk appetite, there are structures and processes in place to review the adequacy and effectiveness of internal controls, to reprioritise resources and improve controls and to identify emerging risks. Committees review risks relevant to their own terms of references. By frequent review the Trust ensures that any remedial actions are taken in a timely manner where required.

Fundraising

Fundraising for the trust takes the following forms:

- Fundraising on behalf of the school through Parent Teacher Associations holding summer fairs and similar events; although this has come to halt during the Covid lockdown and pandemic period
- Donations from parents
- Students and staff engaging in fundraising for external charities.

The Trust aims to meet the fundraising code of practice, which is that any fundraising will be legal, open, honest and respectful. The trust will ensure protection of the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate and ensure that all funds raised for a particular cause must be used for that particular cause. The trust has not received any fundraising complaints.

BOURNE EDUCATION TRUST

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

Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period 1 September 2020 to 31 August 2021	
Energy consumption used to calculate emissions (kWh)	14,032,034
Energy consumption break down (kWh) (optional) <ul style="list-style-type: none">• gas,• electricity,• transport fuel	Scope 1 Gas 10,223,16 Scope 2 Electric 3,781,215 Scope 1 Minibus 14,978 Scope 3 Employee Mileage 12,325
<u>Scope 1 emissions in metric tonnes CO2e</u> Gas consumption Owned transport – mini-buses <u>Total scope 1</u>	Gas 1,872,539 Minibuses 3,752
<u>Scope 2 emissions in metric tonnes CO2e</u> Purchased electricity	Electricity 802,865
<u>Scope 3 emissions in metric tonnes CO2e</u> Business travel in employee owned vehicles	Business Travel 2,979
Total gross emissions in metric tonnes CO2e	Total 2,682,135
<u>Intensity ratio</u> Tonnes CO2e per pupil	Per pupil 305.03

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 2020 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.

Measures taken to improve energy efficiency

We have increased video conferencing technology for staff meetings, to reduce the need for travel between sites. We have increased the amount of hybrid working where possible.

BOURNE EDUCATION TRUST

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

PLANS FOR FUTURE PERIODS

Bourne Education Trust will continue striving to improve the levels of performance of the students attending any of its member schools as reflected in its mission statement and individual school development plans. It aims to establish ways to benefit the wider community and provide direct access to school facilities, curricular materials and the expertise of staff. This is evidenced by our professional partnerships with other schools outlined in the section on promoting the success of the company.

The education landscape is changing rapidly and academisation will continue apace over the next 5-10 years. It is likely that BET will remain an attractive proposition for many potential applicants and that planned expansion by 3-4 schools per year up to 2026 is not unreasonable which would create a trust of 30+ schools. To facilitate this, the Trust is planning a new structure now so that we can absorb this rate of expansion in both terms of size and areas of interest. As a result of this review, in 2021-22, the Trust will create two additional business/finance posts and carry out further work on the development of the IT team. In 2022, a new senior leadership role of Chief Education Officer will be created, accepting that the CEO role cannot directly oversee all education matters in a 30+ trust. It is expected that from 2023, there will be further growth in the central team or development of specialist teams.

In terms of Trust growth, Hampton High and Twickenham School joined the Trust on 1st September 2021 as Richmond West Schools Trust requested to voluntarily transfer into BET. The Trust will continue to work with Kings International School, Camberley and Philip Southcote School under Associate Agreements and expects two further associates to join during the year following due diligence.

Following the sale of the smaller of Epsom & Ewell High School's two outlying fields, the lower field off Scotts Farm Road, to Bellway Homes, facilities at Epsom & Ewell are being significantly developed. Phase 1 is the development of sports facilities which will be completed by September 2021 and will be open to the school, local primary schools and the community. The sports facilities comprise a floodlit artificial grass pitch, running track, pavilion, grass pitches and footbridge over the footpath between the sports field and the main school site. Phase 2 of the project is expected to start in September 2021 and includes the construction of a new sports centre and classroom block on the main school site; the final phase will comprise demolition of two end-of-life teaching blocks and old sports hall, formation of a second floodlit artificial grass pitch, a new grass pitch and the creation of a community car park on the main school site.

The Matthew Arnold School was successful in a Priority Schools Building Programme 2 bid and the feasibility stage of the project commenced in September 2016. The school moved into the new building in January 2021 staff and students are enjoying the facilities and opportunities the more compact design gives us. The building contractors are expected to finish on site by September 2021. The school is then planning a series of projects to make good the tarmacking around the site, ensure signage of a new one-way system and development of the new 'quad' area into an outside dining area. Finally, the school hopes to complete refurbishment of the existing PE and drama blocks.

Bourne Education Trust will continue to look at the accommodation available to its member schools and plan for the redevelopment of areas of those school sites where buildings have reached the end of their useful life. Significant capital investment is underway at Jubilee High School to upgrade its interiors and facilities for its staff and students and also to create an office area for the Trust in response to the growth of the central team. This will continue into 2021-22.

The size of the Trust means that it now receives School Condition Allocation on a formula basis and funding is targeted towards significant condition, health & safety and safeguarding concerns as advised by the SCA fund guidance.

BET offers its own high speed broadband, internet filtering, firewall and safeguarding solution to schools, served by its own data centre. BET schools currently not using this service will be transferring as soon as their existing broadband contracts expire. Moving all BET schools to a single domain will allow the central IT team

BOURNE EDUCATION TRUST

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

to provide a managed service to all schools by applying consistent policies and templates across all devices in all schools. It is anticipated that all current schools will be on the BET single domain by the end of summer 2022.

The Trust is focussing a significant amount of its effort on the return to school of our pupils and staff considering the outcome of Ofsted's interim visits to ascertain how schools are faring since the full re-opening of schools in September. Monitoring visits to schools focused on four broad questions: the current state of children's school education; how children have been affected by schools' closures; how schools are planning to maintain standards in education through the pandemic and what schools are doing with their Covid Catch Up Funding.

In the Trust, almost all students and staff have returned to fulltime provision and all have returned to the full curriculum with a significant focus on literacy and numeracy in primary schools. Remote learning, with the adoption of a common IT platform, has developed significantly since the start of the initial lockdown period and this commonality of virtual communication has supported successful staff training and where needed, recruitment. Staff surveys have been broadly positive in terms of well-being and this has been a regular part of school leaders' work during lockdown and the return to school. There is no consensus on patterns of lost learning except for core skills in primary. There is agreement that pupils are happy to return to school, although issues are beginning to emerge from the long absence from school. There is an increase in safeguarding concerns and school leaders are focusing their efforts to work with other professionals and families to support children. Schools are using a range of assessment strategies to find gaps in knowledge and skills; both secondary and primary schools are using some common assessment tools to support their evidence collecting and strategic planning to support progress. There is a focus on the challenges facing schools including having to alter teaching approaches, maintaining safety protocols, supporting non-attending pupils and providing cover for staff who may be self-isolating.

The Trust schools have worked together on a paper to consider how to deploy additional funding either by school, local cluster or phase as well as considering how to use the National Tutoring service since its recent publication of preferred partners.

Funds held as Custodian Trustee on Behalf of Others

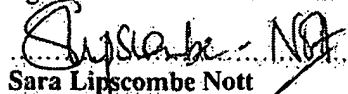
In addition to maintaining restricted funds to deal with incoming resources that are earmarked for a particular purpose by donors, sponsors, and other funders, Bourne Education Trust holds 16-19 Bursary Fund monies as custodian for the Department for Education and the Education and Skills Funding Agency awarding bursaries for those in need meeting the criteria specified in the terms of this government scheme. At the present time, the Academy Trust does not hold and the trustees do not anticipate that it will in the future hold, any other funds as custodian for any other third party.

Auditor

The trust retendered for audit services during 2015 and appointed UHY Hacker Young LLP, Quadrant House, 4 Thomas More Square, London E1W 1YW as its auditors. In line with the requirements of the new Academies Trust Handbook 2021, the Trust will retender for audit services during 2021-2022 to appoint auditors in time for the audit of the financial year 2021-2022.

The trustees at the date of approval of this trustees' annual report confirm that so far as each of them is aware, there is no relevant audit information of which the Academy Trust's auditor is unaware, and the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report was approved by the Bourne Education Trust board of trustees, and in their capacity as trustees of the charitable company the strategic report included therein, at their meeting on 10th December 2021, and was signed for and on behalf of the board by:

 Chair
Sara Lipscombe Nott

10th December 2021

BOURNE EDUCATION TRUST

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2021

Scope of Responsibility

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

The board of trustees has delegated the day-to-day responsibility to the Chief Executive Officer as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Bourne Education Trust and the Secretary of State for Education. He is also responsible for reporting 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 Board reviews its vision, ethos and strategy through strategy days in collaboration with executive leaders. The Academy Trust is mindful of the rapidly changing landscape and direction of travel outlined by the DfE in creating sustainable and effective trusts. This has resulted in an overarching long-term strategy for the trust based on filling the Trust's gaps with any decision to grow or merge underpinned by robust due diligence. This longer-term strategy is supported by the Trust Development plan which defines the short to medium term strategic goals and development and improvement priorities which is shared throughout the organisation.

The Trust Board ensures that its risks are aligned with strategic priorities and improvement plans and that appropriate intervention strategies are in place through its Board Assurance Framework. The next significant steps are to launch a trust-wide Health, Safety & Wellbeing Committee to consult with staff and investigate a trust wide compliance tracker to improve the Trust's oversight of Health & Safety. This will help us embed our approach to risk management through all levels of the organisation

During 2018-2019, the Trust board reviewed the effectiveness of governance structures and consulted on a new model of local governance after consideration of the DfE's advice on the constitution of governing bodies. During 2019-2020, following this review the Trust moved towards Local Governing Committees (LGCs) in order to recognise the importance of LGCs as committees of the board, the recommendation for smaller but more effective governing bodies outlined in the Governance Handbook and to reflect the increasing centralisation of responsibilities outlined in the Academies Financial Handbook 2020. This transition continued in 2020-2021. The Trust also commissioned a review of Local Governance in 2019-2020 as part of its internal audit function to measure progress against this transition and recommend next steps. During 2020-2021, the Trust consulted with two schools proposing a joint Local Governing Body and that came into effect from September 2021.

The Academy Trust drives up educational standards and financial health through rigorous analysis of pupil progress, attainment and financial information with comparison against local and national benchmarks and over time. There are clear processes in place for overseeing and monitoring school improvement and financial health, providing constructive challenge to executive leaders managed by the Audit & Risk Committee, Performance & Standards Committee and the Resources Committee.

The Trust Board ensures that it has people with the right skills, experience, qualities and capacity by carrying out regular skills audits. It employs a variety of channels to source suitable candidates for trustees that understand the purpose of governance and the role of non-executive leadership. The Trust Board has continued to work hard during 2020-2021 to ensure a clear separation between strategic non-executive oversight and operational executive leadership supported by positive relationships that encourage a professional culture and ethos across the organisation. It has also focussed on reducing the reliance on the Chair and has produced a policy on the Recruitment & Selection of Trustees to support its succession planning.

BOURNE EDUCATION TRUST

GOVERNANCE STATEMENT (continued) FOR THE YEAR ENDED 31 AUGUST 2021

The Trust held three virtual meetings for chairs of governors to keep LGCs up to date with developments and the strategic direction of the Trust as covid restrictions meant the normal in person meeting with all governors and trustees was not possible. Trustees postponed its spring away day which was held in person in July 2021. Significant separation between members and trustees is enabled by clear terms of reference. The Academy Trust has evaluated the quality and impact of its governance during 2019-2020 by commissioning an internal audit on Local Governance.

The board of trustees has met formally seven times during the financial year. Attendance at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Sara Lipscombe-Nott	6	6
Alex Russell	6	6
Charmain Browning	5	6
Peter Deane	6	6
Gurpreet Dehal	1	1
Stephen Dennison	6	6
Susan Gibbin	6	6
Chris Munro	5	6
Sarah Pittam	5	6
Catherine Twomey	5	6
Jane Vaughan	1	1
Audrey Wade	5	6
Kate Sanders (as COO/ Company Secretary)	6	6
Roger Evans (as Clerk to the Board)	6	6

The key changes in the composition of the board has been the appointment of two additional Trustees with educational and business/finance skills and experience through LinkedIn and the Trust's website.

The Audit & Risk Committee is a sub-committee of the board of trustees, and its purposes and terms of reference covered those of a typical finance & audit committee. The Audit & Risk Committee met three times during the financial year. As part of the Trust's response to Covid these meetings were held remotely.

Committee Member	Meetings attended	Out of a possible
Susan Gibbin	3	3
Sarah Pittam (chair)	3	3
Alex Russell	3	3
Catherine Twomey	3	3
Kate Sanders (in attendance)	3	3
Roger Evans (Clerk to the Committee)	3	3

The Resources Committee is a sub-committee of the board of trustees, and its purposes and terms of reference covered those of a typical finance & resources. The Resources Committee met three times during the financial year. As part of the Trust's response to Covid these meetings were held remotely.

Committee Member	Meetings attended	Out of a possible
Charmain Browning	2	3
John Stockley	3	3
Audrey Wade (chair)	3	3
Gurpreet Dehal (trustee designate)	1	1
Kate Sanders (in attendance)	3	3
Roger Evans (Clerk to the Committee)	3	3

BOURNE EDUCATION TRUST

GOVERNANCE STATEMENT (continued) FOR THE YEAR ENDED 31 AUGUST 2021

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. As accounting officer, he 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:

- Leadership & Governance standards have continued to improve by:
 - Assessing the capacity of the current central team and planning for its expansion commensurate with the expansion of the Trust
 - Ensuring a succession plan in place
 - Providing effective training for our Local Governing Committees
 - Executive and School Leaders gaining national qualifications
 - Continued use and deployment of BET's National and Specialist Leaders
 - Effective use of associate status to make move to full trust member seamless
 - 'Deep dive' Internal audit reviews on Safeguarding, Finance and Health & Safety
 - Launching our trust-wide Equality, Diversity and Inclusion strategy
- Educational standards have continued to improve across our schools through a range of initiatives:
 - OFSTEDs completed under the new framework informing our revised internal quality of education reviews and related training
 - Cross phase collaboration ensuring rapid progress in both key stages 2 and 3
 - Firmly establishing both phase specific teams and cross-phase cluster teams with clear remits for each
 - Embracing the potential of MS Teams to facilitate greater collaboration, more immediate training and greater efficiency through sharing of resources
 - Encompassing new ways of working to support high quality remote learning during lockdown
- Financial & operational oversight has improved by:
 - Revision of Trust financial policies to respond to the needs of the Trust
 - Improved policy management procedures
 - Implementation of a common reporting pack
 - Implementation of a financial significant variances report to support review by trustees and LGCs and aid investment decision making
 - Continued use of a template curriculum plan to support benchmarking across the Trust
 - Scrutiny by independent external and internal auditors
 - Joint procurement activities in cleaning including supporting associate schools outside the Trust
 - Continued migration to a single IT domain

The needs and progress of all schools in the Trust are kept under regular review by the Board through agreed key performance indicators. Each school's performance is measured against these terms and they assess all main aspects of each school. Between them they cover: overall standards, quality of teaching, quality of learning, staffing, pupil profiles, ethos, finance, safeguarding and health and safety.

In 2020-2021, the CEO and Board were supported by the COO, Operations Director and three Executive Leaders as well as other central Trust staff to work at trust level to ensure the performance of schools according to a service level agreement. The trust also has an Executive Group made up of all its headteachers, CEO, COO, Operations Director and Executive Leaders so that schools share best practice and collaborate on supporting the Trust schools. Any issues requiring additional input or information are fed back to the school's governing committee through the central team.

All schools in the Trust are held to account educationally by its Performance and Standards Committee and

BOURNE EDUCATION TRUST

GOVERNANCE STATEMENT (continued) FOR THE YEAR ENDED 31 AUGUST 2021

financially by the Resources Committee. The Trust established an Audit & Risk Committee with effect from 1st September 2020 to review the effectiveness of the risk management, control and governance arrangements. These committees report to the main Board.

Financial governance and oversight

The Board of the Bourne Education Trust has overall responsibility and ultimate decision-making responsibility however there are written schemes of delegation to ensure that decisions can be made efficiently.

The governance arrangements for each school within the Trust include regular monitoring by LGCs and committees who receive detailed reports from the school's leadership. Governors are welcomed within the schools and play a very active role allowing them to make accurate judgements on information received. Budget holders and/or the senior leadership team review expenditure regularly and work with each school's Business Manager to recommend future budgets based on a detailed review of past costs, changes in curriculum requirements and strategies in the school improvement plan. Reserves in the Trust depend upon a review of both current and future needs mindful of the need to ensure the Trust remains a 'going concern'. The Trust is working to ensure that all the LGCs have appropriately skilled governors so that there is the appropriate level of challenge, governed by the Recruitment & Selection of Trustees policy. This work will have greater emphasis in 2021-2022.

The Resources Committee has responsibility for making recommendations on financial reporting with the newly established Audit & Risk Committee monitoring internal control, risk management and external audit to assist the Trust in fulfilling its oversight responsibilities and refers major issues for ratification. During 2018-2019 the Trust appointed Buzzacott LLP to carry out a programme of internal audit investigations. These take the form of three short notice 'deep dive' reviews into three schools in the trust and three reviews bespoke non-financial areas.

The school-based reviews confirmed that resources have been managed with regularity and propriety recommending a few minor areas for improvement. The bespoke non-financial reviews have provided the Trust with a view of its strengths and possible areas for development. Regularity and propriety has also been confirmed by unqualified audit reports for each year of academy status.

The Board monitors performance across the schools in the Trust against key performance indicators enabling benchmarking across the Trust and ensuring that it maintains a strategic role.

Procurement and cross Trust collaboration

Contracts and services: are regularly appraised and renegotiated when appropriate to ensure value for money. The Trust gains the required number of quotes for any purchase. In exceptional circumstances when this is not possible the reason is recorded. Each academy within the Trust assesses the cost and benefits of various options before making a decision to ensure the right option for the longer term with no supplier being chosen entirely on price. Where appropriate schools in the Trust have collaborated on cross Trust procurement or service improvements.

Governance: The Trust has no board vacancies at the current time. Through LinkedIn and advertising on the Trust website we have recruited two additional Trustees with the experience to offer robust challenge to the Trust in the area of education, specifically SEND, and as identified in the prior year skills audit.

Income generation: In prior years, the Trust has been successful in generating income from providing services to schools and through the hire of Trust facilities and services which although deemed unrestricted income is generated to invest in better provision for our pupils. This has included IT services and provision of school-to-school support (see section on Promoting the success of the company page 15). Such work allows us to support other schools in their development and recruit additional staff which benefits our students whilst covering the differential in salary costs. This has been more limited as a result of covid but during 2020-2021 the Trust has been a considerable contributor to SAFE (Schools Alliance for Excellence) Surrey County Council's school improvement service.

BOURNE EDUCATION TRUST

GOVERNANCE STATEMENT (continued) FOR THE YEAR ENDED 31 AUGUST 2021

Integrated Curriculum & Financial Planning: Schools are sharing the outcomes of curriculum planning benchmarking to work towards common standards and greater efficiency.

Policy management: The Trust schools have continued to collaborate on streamlining and simplifying policy management through a trust wide policy schedule and the centralisation where possible of policies to reduce workload on schools. This was further developed into a trust wide common reporting pack developed as a response to the governance reviews.

Procurement: The trust has embarked upon three significant IT projects, which when concluded, will ensure all BET schools have access to the Trust's secure, fast fibre broadband and network infrastructure that will allow a much higher degree of collaboration and resource sharing between BET schools than is currently possible. Apart from cost benefits these facilities allow staff to work in a more seamless fashion across the trust and sets the basis for a minimum IT standard across all Trust schools. A group of schools combined to retender for cleaning contracts.

Project Management: We have used a combination of direct quotations and quotations through a building project management company to ensure that we get best value for money in refurbishment and capital projects. The Trust is now large enough to receive its School Condition Allocation on a formula basis with the allocation for 2020-21 being £1.635m and has worked on a trust wide agreement for prioritising the allocation of funding (based on critical need and the SCA guidance) to ensure value for money. An additional one off SCA grant of £759k was made earlier in the year. The intention is to use this to address some lower priority, but nevertheless important projects such as improving classrooms and visitor reception areas. A long list of projects is in the process of being drawn up and costed, with schools being consulted on possible works. The process of reviewing the priorities for the BET estate for 2021-2022 has already begun in preparation for the next release of SCA in April 2022.

Staffing: We continue to use benchmarking to ensure structures that are fit for purpose, value for money and enhanced support for pupils. A standardised approach to curriculum planning is employed across the secondary schools. When vacancies arise, we look at aligning what we do with the cluster structure of the trust. There have been positive changes in finance staff that have added capacity and expertise to the Trust's constituent schools.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the Trust's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Bourne Education Trust for the year ended 31 August 2021 and up to the date of approval of the trustees' annual report and financial statements.

Capacity to Handle Risk

The board has implemented a Board Assurance Framework approach to risk. This ensures focus on the key challenges to achievement of the Trust's strategic objectives and provides a live and continuously updated risk register and action plan. This was reviewed by the Board and by the Audit & Risk Committee during 2020-2021 on behalf of the board who review the Trust's exposure and the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating, and managing Bourne Education Trust's significant risks that has been in place for the year ended 31 August 2021 and up to the date of approval of the trustees' annual report and financial statements. This process is regularly reviewed by the board of trustees as outlined on page 17. The Trust commissioned internal audits on Safeguarding and Health & Safety as part of its internal audit programme for 2020-2021.

BOURNE EDUCATION TRUST

GOVERNANCE STATEMENT (continued) FOR THE YEAR ENDED 31 AUGUST 2021

Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the board of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance through agreed KPIs;
- clearly defined purchasing (asset purchase or capital investment) guidelines, delegation of authority and segregation of duties; and
- identification and management of risks by the audit committee through the risk register.

The board of trustees considered the need for a specific internal audit function and appointed Buzzacott LLP, 130 Wood Street, London, EC2V 6DL as internal auditor with effect from 1st September 2018.

The internal auditor's role includes giving advice on financial and other matters and performing a range of checks on the academy trust's financial and other systems. In particular, the checks carried out in the current period included carrying out short or no-notice reviews of core financial systems and controls; and bespoke reviews on non-financial areas.

The internal auditor reports to the board of trustees through written reports identifying strengths of the Trust and recommendations for future practice. On an annual basis, the auditor reports to the board of trustees, through the audit committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations, and conclusions to help the committee consider actions and assess year on year progress.

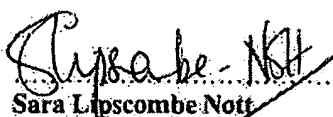
Review of Effectiveness

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

- The work of the Trust Board
- The work of the Audit & Risk Committee
- The work of the Resources Committee
- The work of the Performance & Standards Committee
- The work of the external auditor
- The work of the internal auditor
- ESFA directed financial and governance self-assessment processes
- Due diligence reviews carried out by the CEO, COO and other senior leaders in the Trust
- The work of the local Governing Bodies and the key senior Trust staff who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of their review of the system of internal control by the Finance & Audit Committee and plans to address weaknesses and ensure continuous improvement of the system are in place.

Approved by order of the members of the board of trustees on 10th December 2021 and signed on its behalf by:

 Chair of Trustees
Sara Lipscombe Nott

 Accounting Officer
Alex Russell

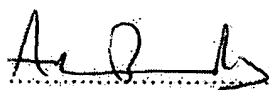
BOURNE EDUCATION TRUST

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

As Accounting Officer of Bourne Education Trust I have considered my responsibility to notify the Academy Trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration, I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the Academy Trust board of trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2020.

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 Academy Trust governing body and the ESFA.


..... Accounting Officer
Alex Russell
10th December 2021

BOURNE EDUCATION TRUST

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

The trustees (who act as governors of Bourne Education Trust and 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 Direction 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 the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that year. In preparing these financial statements, the trustees are required to:

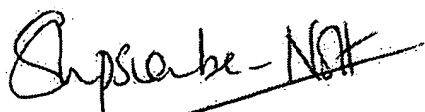
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 10th December 2021 and signed on its behalf by:



Sara Lipstcombe Nott
Chair of Trustees

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF BOURNE EDUCATION TRUST
FOR THE YEAR ENDED 31 AUGUST 2021**

Opinion

We have audited the financial statements of Bourne Education Trust for the year ended 31 August 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Academy Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice)*, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 as issued by the Education and Skills Funding Agency.

In our opinion, Bourne Education Trust's financial statements (the "financial statements"):

- give a true and fair view of the state of the charitable group and company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF BOURNE EDUCATION TRUST**

FOR THE YEAR ENDED 31 AUGUST 2021

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information.

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

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report, including the incorporated strategic report.

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

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

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF BOURNE EDUCATION TRUST
FOR THE YEAR ENDED 31 AUGUST 2021**

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

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

Based on our understanding of the academy trust and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the academy trust, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to inflated income and the academy trust's net income for the year.

Audit procedures performed included:

- reviewing the financial statement disclosures to underlying supporting documentation
- enquiry of trust staff in compliance functions to identify any instances of non-compliance with laws and regulations
- review of correspondence with and reports to the regulators, including correspondence with the ESFA
- enquiries of management, those charged with governance and the trust's legal advisors and the review of relevant correspondence around actual and potential litigation and claims
- reviewing minutes of meetings with those charged with governance
- review of internal audit reports during the year and discussion and consideration of any significant matters raised

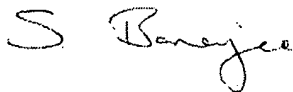
- assessing the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

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 for the audit of the financial statements is located on the Financial Reporting Council's website at: <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 part 3 of Chapter 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.



Subarna Banerjee (Senior Statutory Auditor)
For and on behalf of UHY Hacker Young

Chartered Accountants
Statutory Auditor

Quadrant House
4 Thomas More Square
London E1W 1YW

15 December 2021

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE BOARD OF TRUSTEES OF BOURNE EDUCATION TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY FOR THE YEAR ENDED 31 AUGUST 2021

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

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

Respective responsibilities of the Bourne Education Trust's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Bourne Education Trust's funding agreement with the Secretary of State for Education dated 1 October 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 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed, and income received during the period 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2020 to 2021, issued by the ESFA. We performed a limited assurance engagement, as defined in our engagement letter.

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

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

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

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
THE BOARD OF TRUSTEES OF BOURNE EDUCATION TRUST AND THE EDUCATION AND
SKILLS FUNDING AGENCY FOR THE YEAR ENDED 31 AUGUST 2021 (continued)**

The work undertaken to draw our conclusion includes:

- Evaluation of the general control environment
- Confirmation that the internal delegations have been approved by the trustees, and conform to the limits set by the Department for Education
- Review of the declaration of interests to ensure completeness
- Review of minutes for evidence of declaration of interest
- Consideration of whether prior approval has been sought from the Secretary of State for transactions where approval is required
- Consideration of whether special payments and certain transactions have been made in line with ESFA requirements
- Consideration of whether any related party transactions have been made in accordance with the ESFA's limits and requirements
- Consideration of whether the Academies Trust Handbook's governance requirements have been met
- A sample of payments has been reviewed to confirm that each item has been appropriately authorised in accordance with the academy trust's delegated authorities and its funding agreement
- A sample of cash payments were reviewed for unusual transactions
- A sample of expenditure items were reviewed against specific terms of grant funding within the funding agreement
- Enquiry and testing of procurement with regard to limits and required tendering policies and procedures
- Consideration of whether specialist grant income has been spent on the purposes intended
- Formal representations have been obtained from the trustees and the accounting officer acknowledging their responsibilities for matters relating to regularity and propriety

Conclusion

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

UHY Hacker Young

**UHY Hacker Young
Reporting Accountant**

Quadrant House
4 Thomas More Square
London
E1W 1YW

15 December 2021

BOURNE EDUCATION TRUST

STATEMENT OF CONSOLIDATED FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2021 (INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS & LOSSES)

	Notes	Unrestricted fund	General funds	Restricted funds Fixed asset fund	2021 Total	2020 Total restated
		£	£	£	£	£
Income and endowments from:						
Donations and capital grants	2	26,355	527,520	2,483,339	3,037,214	2,450,411
Amounts inherited on transfer / conversion from LA	2/31	275,129	(489,000)	5,384,781	5,170,910	86,597,467
<i>Charitable activities</i>						
Funding for the Academy Trust's educational operations	3	-	50,222,503	-	50,222,503	43,414,876
Other trading activities	4	464,781	1,450,319	-	1,915,100	24,021,836
Investments	5	3,004	18	-	3,022	21,056
Total income		769,270	51,711,359	7,868,121	60,348,749	156,505,646
Expenditure on:						
Raising funds	6	235,538	684,112	-	919,650	1,665,103
<i>Charitable activities:</i>						
Educational operations	6/7	282,000	50,036,665	4,600,209	54,918,874	47,970,612
Total resources expended		517,538	50,720,778	4,600,209	55,838,524	49,635,715
Net incoming resources before transfers		251,732	990,582	3,267,912	4,510,226	106,869,931
Gross transfers between funds		(6,386)	(1,660,330)	1,666,716	-	-
Net income/(expenditure) for the year		245,346	(669,748)	4,934,628	4,510,226	106,869,931
Other recognised gains and losses	29					
Actuarial losses on defined benefit pension schemes		-	(4,175,000)	-	(4,175,000)	(3,649,000)
Net movement in funds		245,346	(4,844,748)	4,934,628	335,226	103,220,931
Total funds brought forward at 31 August 2020		5,326,838	(17,466,386)	260,874,813	248,735,265	145,514,332
Total funds carried forward at 31 August 2021		5,572,184	(22,311,134)	265,809,441	249,070,491	247,013,263

BOURNE EDUCATION TRUST

STATEMENT OF CONSOLIDATED FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2021 (INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS & LOSSES)

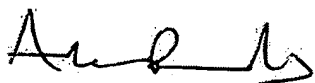
Comparative year information as restated		Restricted funds				
	Notes	Unrestricted fund	General funds	Fixed asset fund	2020 Total restated	2019 Total
		£	£	£	£	£
Income and endowments from:						
Donations and capital grants	2	-	435,249	2,015,161	2,450,411	2,553,209
Amounts inherited on transfer / conversion from LA	2/32	139,296	(1,117,524)	87,575,695	86,597,467	26,906,023
<i>Charitable activities</i>						
Funding for the Academy Trust's educational operations	3	-	43,414,876	-	43,414,876	32,678,374
Other trading activities	4	1,245,107	983,133	21,793,596	24,021,836	2,796,475
Investments	5	18,947	2,109	-	21,056	27,564
Total income		1,403,349	43,717,843	111,384,452	156,505,646	64,961,645
Expenditure on:						
Raising funds	6	227,645	1,437,458	-	1,665,103	1,422,906
<i>Charitable activities:</i>						
Educational operations	6/7	988,254	42,874,557	4,107,802	47,970,612	36,684,643
Total resources expended		1,215,899	44,312,015	4,107,802	49,635,715	38,107,549
Net incoming/(outgoing) resources before transfers		187,451	(594,171)	107,276,650	106,869,931	26,854,095
Gross transfers between funds		(1,134)	(818,787)	819,920	-	-
Net income/(expenditure) for the year		186,317	(1,412,957)	108,096,570	106,869,931	26,854,095
Other recognised gains and losses 29						
Actuarial (losses) on defined benefit pension schemes		-	(3,649,000)	-	(3,649,000)	(4,600,000)
Net movement in funds		186,317	(5,061,958)	108,096,570	103,220,931	22,254,095
Total funds brought forward at 31 August 2019		5,140,520	(12,404,431)	152,778,243	145,514,333	123,260,238
Total funds carried forward at 31 August 2020		5,326,838	(17,466,386)	260,874,813	248,735,265	145,514,332

BOURNE EDUCATION TRUST

**CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2021**

	Notes	2021 £	2020 restated £
Fixed assets			
Tangible assets	12	246,290,566	237,253,039
		<u>246,290,566</u>	<u>237,253,039</u>
Current assets			
Debtors	15	6,463,809	17,154,352
Cash in hand and at bank	26	34,795,782	24,477,180
		<u>41,259,591</u>	<u>41,631,532</u>
Liabilities			
Creditors: amounts falling due within one year	16	(5,200,666)	(4,488,308)
		<u>36,058,925</u>	<u>37,143,224</u>
Net current assets			
		<u>282,349,491</u>	<u>271,589,963</u>
Net assets excluding pension liability			
Pension scheme liability	29	(33,279,000)	(25,661,000)
		<u>249,070,491</u>	<u>248,735,263</u>
Net assets including pension liability			
The funds of the Academy Trust:			
Restricted funds			
Fixed asset funds	17	265,809,441	260,874,814
Restricted income funds	17	10,967,866	8,194,611
Pension reserve	17	(33,279,000)	(25,661,000)
		<u>243,498,307</u>	<u>243,408,426</u>
Total restricted funds			
Unrestricted income fund			
General fund	17	5,572,184	5,326,838
		<u>249,070,491</u>	<u>248,735,263</u>
Total funds			

The financial statements on pages 35 to 69 were approved by the Board of Trustees, and authorised for issue on 10th December 2021 and are signed on their behalf by:



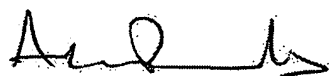
Alex Russell
Accounting Officer
Company registration no: 07768726

BOURNE EDUCATION TRUST

ACADEMY BALANCE SHEET AS AT 31 AUGUST 2021

	Notes	2021 £	2020 restated £
Fixed assets			
Tangible assets	12	246,290,566	237,253,039
Investment in subsidiary undertakings	13	2	2
		<u>246,290,568</u>	<u>237,253,041</u>
Current assets			
Debtors	15	6,496,323	17,205,187
Cash in hand and at bank		34,686,250	24,316,893
		<u>41,182,573</u>	<u>41,522,080</u>
Liabilities			
Creditors: amounts falling due within one year	16	(5,172,248)	(4,449,739)
		<u>36,010,325</u>	<u>37,072,341</u>
Net current assets			
		<u>282,300,893</u>	<u>272,603,382</u>
Net assets excluding pension liability			
Pension scheme liability	29	(33,279,000)	(25,661,000)
		<u>249,021,893</u>	<u>248,664,382</u>
Net assets including pension liability			
The funds of the academy:			
Restricted income funds			
Fixed asset funds	18	265,809,441	260,874,814
Restricted income funds	18	10,967,866	8,194,611
Pension reserve	18	(33,279,000)	(25,661,000)
		<u>243,498,307</u>	<u>243,408,426</u>
Total restricted funds			
Unrestricted income fund			
General fund	18	5,523,586	5,255,956
		<u>249,021,893</u>	<u>248,664,382</u>
Total funds			

The financial statements on pages 35 to 69 were approved by the Board of Trustees, and authorised for issue on 10th December 2021 and are signed on their behalf by:



Alex Russell
Accounting Officer
Company registration no: 07768726

BOURNE EDUCATION TRUST**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	23	12,697,418	(10,291,397)
		<hr/>	<hr/>
Cash flows from investing activities	25	(2,381,838)	21,718,045
		<hr/>	<hr/>
		10,315,579	11,426,648
Cash flows from financing activities	24	3,022	21,056
Change in cash and cash equivalents in the reporting period		10,318,602	11,447,704
Cash and cash equivalents at 1 September 2020		24,477,180	13,029,476
		<hr/>	<hr/>
Cash and Cash equivalents at 31 August 2021	26	<u>34,795,782</u>	<u>24,477,180</u>

BOURNE EDUCATION TRUST

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

1 Statement of accounting policies

Company Information

Bourne Education Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is Epsom & Ewell High School, Ruxley Lane, Epsom, Surrey, KT19 9JW.

Basis of preparation

The accounts 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 2019 (FRS 102), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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 consolidation

These financial statements consolidate on a line-by-line basis the results of the Academy Trust and its wholly owned subsidiaries, Bourne Education Trust Enterprises Limited and Matthew Arnold Enterprises Limited. A separate statement of financial activities (incorporating an income and expenditure account) for the Company itself is not presented because the Company has taken advantage of the exemptions afforded by section 230 of the Companies Act 2006 and paragraph 397 of the Charity SORP 2019. The Academy Trust's net income for the year was £335,226.

Going concern

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

Income

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

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 creditor as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

BOURNE EDUCATION TRUST

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

1 Statement of accounting policies (continued)

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

Capital grants are recognised where there is entitlement 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 the receipt is probable 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 goods have been provided or on completion of the service.

Donated goods, services and gifts in kind

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 Academy Trust's accounting policies.

On becoming an academy, the land and property of the predecessor school was transferred to the academy for nil consideration. The valuation of the land and buildings as at the date of conversion was prepared on a depreciated replacement cost basis.

Expenditure

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

Expenditure on raising funds

This includes all expenditure incurred by the Academy Trust to raise funds for its charitable purposes and includes costs of all reserve 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 inclusive of irrecoverable VAT.

BOURNE EDUCATION TRUST

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

1 Statement of accounting policies (continued)

Tangible fixed assets

Assets costing £5,000 per single item or £25,000 in respect of capital projects or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Long leasehold land	over 125 years
Freehold and long leasehold buildings	over 25 to 50 years
Plant and machinery	over 3 to 10 years

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

Impairment of fixed assets

At each reporting period end date, the Academy Trust reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Academy Trust estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Financial Activities.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

Financial instruments

The Academy Trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

BOURNE EDUCATION TRUST

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

1 Statement of accounting policies (continued)

Financial instruments (continued)

Financial instruments are recognised in the Academy Trust's statement of financial position when the Academy Trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of Financial Activities.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the Statement of Financial Activities.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Academy Trust after deducting all of its liabilities.

Basic financial liabilities, including creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

BOURNE EDUCATION TRUST

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

1 Statement of accounting policies (continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the Academy Trust's contractual obligations expire or are discharged or cancelled.

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 on a straight line basis over the lease term.

Investments

The Academy's shareholding in the wholly owned subsidiaries, *Bourne Education Trust Enterprises Limited* and *Matthew Arnold Enterprises Limited*, is included in the Balance Sheet at the cost of the share capital owned less any impairment. There is no readily available market value and the cost of valuation exceeds the benefit derived.

The Trust also includes as investments on the Balance Sheet cash deposits with a maturity of more than three months.

Taxation

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

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Academy Trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Pension benefits

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

BOURNE EDUCATION TRUST

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

1 Statement of accounting policies (continued)

Pension benefits (continued)

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the School in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 29, the TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the School in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income/(expenditure) 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 at the discretion of the trustees.

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

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

Critical accounting estimates and areas of judgement

Accounting 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.

BOURNE EDUCATION TRUST

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

1 Statement of accounting policies (continued)

Pension Liability

Critical assumptions for LGPS

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 29, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Depreciation

The trustees estimate the useful economic lives and residual values of Buildings, Building Improvements, Computer Equipment, Furniture and Fittings and Motor Vehicles in order to calculate the depreciation charges. Changes in these estimates could result in changes being required to the annual depreciation charges in the Statement of Financial Activities and the Balance Sheet.

The trustees have reviewed the carrying values of the Trust's Buildings, Building Improvements and Furniture and Equipment.

Critical areas of judgement

The trustees do not consider that they have made any critical judgements in the preparation of the financial statements.

2	Donations and capital grants	Unrestricted fund	Restricted funds	Total 2021	Total 2020 restated
		£	£	£	£
	Funds inherited on conversion (see note 31)				
	Fixed assets	-	5,384,781	5,384,781	87,575,695
	Local government pension scheme deficit	-	(489,000)	(489,000)	(1,179,000)
	Net current assets	275,129	-	275,129	200,771
		<u>275,129</u>	<u>4,895,781</u>	<u>5,170,910</u>	<u>86,597,466</u>
	Capital grants	-	2,842,449	2,842,449	2,367,027
	Other donations	26,355	168,410	194,765	83,384
		<u>26,355</u>	<u>3,010,859</u>	<u>3,037,214</u>	<u>2,450,411</u>
		<u>301,484</u>	<u>7,906,640</u>	<u>8,208,124</u>	<u>89,047,877</u>

BOURNE EDUCATION TRUST

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

3 Funding for the Academy Trust's educational operations

	Unrestricted fund £	Restricted funds £	Total 2021 £	Total 2020 £
DfE / ESFA grants				
- General Annual Grant (GAG)	-	44,593,126	44,593,126	39,104,101
- Other DfE / ESFA grants	-	2,123,590	2,123,590	1,916,621
	-	46,716,716	47,716,716	41,020,722
Other Government grants				
- Local authority grants	-	2,339,173	2,339,173	2,302,594
- Other government grants	-	166,452	166,452	91,560
	-	2,505,625	2,505,625	2,394,154
COVID-19 funding (DfE/ESFA)				
- Catch-up premium	-	656,347	656,347	2,302,594
- Other DfE/ESFA COVID-19 funding	-	47,322	47,322	91,560
COVID-19 funding (non-DfE/ESFA)				
- Coronavirus job retention scheme grant	-	77,957	77,957	2,302,594
- Other COVID-19 funding	-	218,536	218,356	91,560
	-	1,000,162	1,000,162	2,394,154
Total funding	-	50,222,503	50,222,503	43,414,876

The academy received £656,347 of funding for catch-up premium and costs incurred in respect of this funding totalled £489,694, with the remaining £166k to be spent in 2021/22.

The academy trust furloughed some of its leisure centre, lettings, out of hours and minibus driver staff under the government's Coronavirus Job Retention Scheme. The funding received of £77,957 relates to staff costs in respect of 39 staff which are included within note 8 to the financial statements.

BOURNE EDUCATION TRUST

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

4	Other trading activities	Unrestricted fund £	Restricted funds £	Total 2021 £	Total 2020 £		
	Hire of facilities	181,981	193,094	375,075	497,756		
	Catering income	192	22,495	22,687	27,669		
	Trip income	228,184	-	228,184	601,202		
	Sale of land	-	-	-	21,793,596		
	Other income	54,424	1,234,731	1,289,155	1,101,613		
		<u>464,781</u>	<u>1,450,319</u>	<u>1,915,100</u>	<u>24,021,836</u>		
5	Investment income	Unrestricted fund £	Restricted funds £	Total 2021 £	Total 2020 £		
	Bank interest receivable	3,004	18	3,022	21,056		
		<u>3,004</u>	<u>18</u>	<u>3,022</u>	<u>21,056</u>		
6	Expenditure	Staff costs £ (note 8)	Non pay expenditure Premises £		Other costs £	Total 2021 £	Total 2020 £
	Academy's educational operations (note 7)						
	- direct costs	33,248,008	-	1,751,740	34,999,748	31,004,383	
	- allocated support costs	7,891,710	3,827,199	8,200,217	19,919,127	16,966,229	
		<u>41,139,718</u>	<u>3,827,199</u>	<u>9,951,957</u>	<u>54,918,874</u>	<u>47,970,612</u>	
	Expenditure on raising funds	89,155	37,197	793,298	919,650	1,665,103	
		<u>41,228,873</u>	<u>3,864,396</u>	<u>10,745,255</u>	<u>55,838,524</u>	<u>49,635,715</u>	
Net income / expenditure for the year includes:						2021 £	2020 £
Fees paid to auditor for:							
- audit services						50,000	48,000
- other services						11,500	10,350
Depreciation of tangible fixed assets						4,600,209	4,107,802
Gain on disposal of fixed assets						-	(21,793,596)
Legal fees						47,241	56,532

BOURNE EDUCATION TRUST

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

7 Charitable activities

	2021 £	2020 £
Direct costs – educational operations	34,999,747	31,004,383
Support costs – educational operations	19,919,127	16,966,229
	<u>54,918,874</u>	<u>47,970,612</u>
	=====	=====
	2021 £	2020 £
Analysis of support costs		
Support staff costs	7,891,710	6,831,963
Depreciation (fixed asset restricted fund)	4,600,209	4,107,802
Technology costs	748,151	553,353
Premises costs	3,827,199	2,979,935
Other support costs	2,790,357	2,434,825
Governance costs	61,500	58,350
	<u>19,919,127</u>	<u>16,966,229</u>
	=====	=====
Total support costs	19,919,127	16,966,229

8 Staff costs

Staff costs during the year were:

	2021 Total £	2020 Total £
Wages and salaries	29,013,668	25,560,707
Social security costs	2,742,039	2,385,056
Pension costs	8,761,960	7,527,913
	<u>40,517,667</u>	<u>35,473,676</u>
	=====	=====
Supply teacher costs	690,369	727,338
Staff restructuring costs	20,066	6,476
Other staff costs	771	1,803
	<u>41,228,873</u>	<u>36,209,293</u>
	=====	=====
Staff restructuring costs comprise:		
Severance payments	20,066	6,476
	<u>20,066</u>	<u>6,476</u>
	=====	=====

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £20,066 (2020: £6,476). There were no voluntary redundancies during the year ended 31 August 2021 (2020: 0).

BOURNE EDUCATION TRUST

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

8 Staff costs (continued)

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

	2021 Number	2020 Number
Teachers	472	374
Administration and support	595	498
Management	59	50
	<u>1,126</u>	<u>922</u>

The number of employees whose emoluments fell within the following bands was:

	2021 Number	2020 Number
£ 60,001 - £ 70,000	17	11
£ 70,001 - £ 80,000	4	8
£ 80,001 - £ 90,000	2	2
£ 90,001 - £100,000	4	2
£100,001 - £110,000	1	1
£110,001 - £120,000	1	1
£180,001 - £190,000	-	1
£190,001 - £200,000	1	-
	<u>1</u>	<u>-</u>

29 of the above employees participated in the Teachers' Pension Scheme (2020:25). During the year ended 31 August 2021, pension contributions for these staff amounted to £529,500 (2020: £460,850).

1 of the above employees participates in the Local Government Pension Scheme (2020: 1). During the year ended 31 August 2021, pension contributions for this employee amounted to £24,774 (2020: £22,001).

BOURNE EDUCATION TRUST

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

9. Central services

The Academy Trust has provided £1,960,710 (2020: £1,368,013) of educational support central services to its academy schools during the year. The Academy Trust charges for these services on the basis of the following methodologies:

- Insurance, personnel, training and staffing costs recharged on an actual cost basis;
- Headteacher support charged on the basis of an agreed daily rate; and
- Contributions from schools to central costs charged at 5% of the school budget share.

The actual amounts charged during the year were as follows:	2021	2020
	£	£
Auriol Junior School	66,921	50,037
Broadmere Primary Academy	60,798	49,194
Brookwood Primary School	33,372	25,926
Chertsey High School	174,462	99,705
Epsom and Ewell High School	232,161	175,764
Everest Community Academy	141,336	101,046
Jubilee High School	179,877	139,173
Matthew Arnold School	192,309	145,230
Marnel Junior School	38,028	-
Meadow Primary School	113,472	83,706
New Monument Primary Academy	49,941	39,489
Pycroft Grange Primary School	50,745	40,455
Sayes Court Primary School	48,849	37,350
Sythwood Primary School	120,744	94,005
Teddington School	295,770	165,082
West Ewell Primary School	95,160	51,972
Woodmansterne Primary School	66,765	69,879
	<u>1,960,710</u>	<u>1,368,013</u>

10. Key management personnel

The key management personnel of the Trust comprise the trustees and key members of the senior management team. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Trust was £814,528 (2020: £2,231,523). There is a significant reduction from the prior year due to a redefinition of key management personnel.

11. Trustees' remuneration and expenses

The Executive Headteacher and Staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Executive Headteacher and staff and not in respect of their services as trustees. Other trustees did not receive any payments from the Trust in respect of their role as Trustees. The value of trustees' remuneration was as follows:

Alex Russell (Headteacher, Accounting Officer and Trustee)
Remuneration £190,001 - £200,000 (2020: £180,001-£190,000)
Employer pension contributions £40,001- £50,000 (2020: £40,001-£50,000)

During the year ended 31 August 2021, travel and subsistence expenses totalling £nil were reimbursed to trustees (2020: £107).

BOURNE EDUCATION TRUST

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

11. Trustees' remuneration and expenses (continued)

In accordance with normal commercial practice the Trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £2,000,000 (2020: £2,000,000) on any one claim and the cost for the year ended 31 August 2021 was included within the premium for commercial combined policy and is not separately identifiable.

12. Tangible assets – Group and academy	Freehold land and buildings £	Long leasehold and buildings £	Leasehold building improvements £	Plant and machinery £	Total £
Cost					
At 1 September 2020 (restated, see note 32)	119,889,435	116,972,767	10,337,410	4,142,981	251,342,593
Inherited upon transfer	3,036,000	2,235,000	-	113,716	5,384,716
Additions	-	-	7,146,573	1,106,448	8,253,021
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 August 2021	122,925,435	119,207,767	17,483,983	5,363,145	264,980,333
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Depreciation					
At 1 September 2020	8,910,251	1,988,080	986,023	2,205,201	14,089,555
Charge for the year	2,775,817	723,340	275,512	825,540	4,600,209
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 August 2021	11,686,068	2,711,420	1,261,535	3,030,741	18,689,764
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net book value					
At 31 August 2021	111,239,367	116,496,347	16,222,448	2,332,404	246,290,566
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 August 2020 (restated)	110,979,184	114,984,687	9,351,387	1,937,780	237,253,039
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

BOURNE EDUCATION TRUST

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

13 Investments

	Group 2021	Group 2020	Academy 2021	Academy 2020
	£	£	£	£
Shares in subsidiary undertaking	-	-	2	2

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or shares held incorporation	Class	%
Bourne Education Trust Enterprises Limited	England and Wales	Ordinary	100
Matthew Arnold Enterprises Limited	England and Wales	Ordinary	100

The results of the subsidiary for the year ended 31 August 2021 were as follows:

	BEE £	MAE £	Total £
Turnover	54,944	181,653	236,597
Operating expenses	(103,490)	(155,392)	(258,882)
Net (loss)/profit before taxation	(48,546)	26,261	(22,285)
Taxation charge	-	-	-
Retained (loss)/profit for the year	(48,546)	26,261	(22,285)

The subsidiary undertakings carry out the trading activities of the Trust. Bourne Education Trust Enterprises Limited carries out training of teachers, Matthew Arnold Enterprises Limited carries out the letting and operations of sports facilities. At 31 August 2021 the aggregate amount of net assets and reserves of the subsidiaries were as follows:

	BEE £	MAE £	Total £
Current assets	56,333	65,520	120,805
Current liabilities	(41,919)	(31,334)	(120,803)
	14,414	34,186	48,600
Represented by:			
Share capital	1	1	2
Reserves	14,413	34,185	48,598
	14,414	34,185	48,600

BOURNE EDUCATION TRUST

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

14 Financial instruments	Group 2021 £	Group 2020 £	Academy 2021 £	Academy 2020 £
Carrying amount of financial assets				
Debt instruments measure at amortised cost	34,883,842	24,625,764	34,806,009	24,512,719
	=====	=====	=====	=====
Carrying amount of financial liabilities				
Measured at amortised cost	1,286,696	1,515,861	1,271,714	1,512,528
	=====	=====	=====	=====

The trustees have considered the Trust's exposure to credit, cash flow and liquidity risks as part of its annual risk assessment procedures. Risks are assessed within the Trust's risk register and monitored throughout the year. The trustees do not consider the Trust to be materially exposed to credit, cash flow or liquidity risk, owing to sufficient bank balances and limited debtor exposures.

15 Debtors	Group 2021 £	Group 2020 £	Academy 2021 £	Academy 2020 £
Trade debtors	88,060	148,584	78,240	143,534
VAT recoverable	700,512	605,589	702,780	612,494
Amounts due from subsidiary	-	-	41,520	52,291
Prepayments and accrued income	5,675,238	16,400,179	5,673,784	16,396,868
	=====	=====	=====	=====
	6,463,809	17,154,352	6,496,323	17,205,187
	=====	=====	=====	=====

16 Creditors: amounts falling due within one year	Group 2021 £	Group 2020 £	Academy 2021 £	Academy 2020 £
Trade creditors	1,286,696	1,515,861	1,271,714	1,512,528
Other taxation and social security	240,907	215,209	240,600	214,895
Accruals and deferred income (see below)	1,282,517	1,074,069	1,281,657	1,073,164
Other creditors	2,390,546	1,363,169	2,378,277	1,329,152
Government loan	-	320,000	-	320,000
	=====	=====	=====	=====
	5,200,666	4,488,308	5,172,248	4,449,739
	=====	=====	=====	=====

Deferred income	Group 2021 £	Group 2020 £	Academy 2021 £	Academy 2020 £
Deferred income at 1 September	450,990	372,445	442,372	364,455
Income deferred in the year	513,830	450,990	511,286	442,372
Amounts released from previous years	(450,990)	(372,445)	(442,372)	(364,455)
	=====	=====	=====	=====
Deferred income at 31 August 2021 included in accruals and deferred income above	513,830	450,990	511,286	442,372
	=====	=====	=====	=====

At the balance sheet date the Trust was holding funds of £513,830 (2020: £450,990) received in advance.

BOURNE EDUCATION TRUST

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

17 Funds – Group	Balance at 31 August 2020 restated £	Incoming resources £	Resources expended £	Gains, losses & transfers £	Balance at 31 August 2021 £
Restricted					
General Annual Grant (GAG)	7,457,289	46,367,278	(41,236,940)	(2,388,905)	10,198,722
Capital grant funding	376,115	231,217	(49,159)	(324,254)	233,919
Other DFE/ESFA grants	5,898	70,000	(49,931)	-	25,967
Local authority grants	22,863	2,342,099	(3,236,844)	946,766	74,885
Pupil premium and learning support unit fund	111,597	2,053,590	(2,139,046)	122,918	149,059
Catch-up premium	-	656,347	(471,939)	(17,756)	166,653
Coronavirus Job Retention Scheme grant	-	77,957	(77,957)	-	-
Other COVID-19 funding	-	265,858	(265,858)	-	-
Children's centre fund	30,198	(31,099)	-	901	-
Everest Community Centre	190,651	167,113	(239,104)	-	118,661
LGPS deficit fund	(25,661,000)	(489,000)	(2,954,000)	(4,175,000)	(33,279,000)
	<u>(17,466,388)</u>	<u>51,711,361</u>	<u>(50,720,777)</u>	<u>(5,835,330)</u>	<u>(22,311,134)</u>
Restricted fixed asset funds					
Inherited fixed asset fund	225,350,147	5,384,781	(3,724,921)	-	227,010,007
General annual grant fixed assets fund	3,962,081	-	(365,114)	1,295,404	4,892,371
Land development	21,929,828	-	-	(3,695,877)	18,233,951
Capital grant fixed assets fund	9,632,758	2,483,339	(510,174)	4,067,191	15,673,113
	<u>260,874,814</u>	<u>7,868,119</u>	<u>(4,600,209)</u>	<u>1,666,717</u>	<u>265,809,441</u>
Total restricted	<u>243,408,427</u>	<u>59,579,481</u>	<u>(55,320,986)</u>	<u>(4,168,614)</u>	<u>243,498,307</u>
Unrestricted funds	<u>5,326,838</u>	<u>769,268</u>	<u>(517,538)</u>	<u>(6,386)</u>	<u>5,572,184</u>
	<u>248,735,265</u>	<u>60,348,749</u>	<u>(55,838,524)</u>	<u>(4,175,000)</u>	<u>249,070,491</u>

BOURNE EDUCATION TRUST

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

17 Funds – Group (continued)

Comparative information for the prior year is as follows:

	Balance at 31 August 2019	Incoming resources (restated)	Resources expended	Gains, losses & transfers	Balance at 31 August 2020 restated
	£	£	£	£	£
Restricted					
General Annual Grant (GAG)	4,980,033	40,122,756	(35,946,114)	(1,699,386)	7,457,289
Capital grant funding	417,754	223,320	(69,404)	(195,555)	376,115
Other DFE/ESFA grants	21,704	181,271	(11,707)	(185,371)	5,898
Local authority grants	679	2,305,909	(3,029,555)	745,830	22,863
Pupil premium and learning support unit fund	74,499	1,916,621	(2,009,225)	129,702	111,597
Children's centre fund	193,662	(88,056)	(77,244)	1,836	30,198
Everest Community Centre	217,237	235,023	(261,608)	-	190,651
LGPS deficit fund	(18,310,000)	(1,179,000)	(2,523,000)	(3,649,000)	(25,661,000)
	<u>(12,404,432)</u>	<u>43,717,843</u>	<u>(43,927,858)</u>	<u>(4,851,943)</u>	<u>(17,466,388)</u>
Restricted fixed asset funds					
Inherited fixed asset fund	142,420,922	87,575,695	(4,512,440)	(134,030)	225,350,147
General annual grant fixed assets fund	3,418,205	-	(251,939)	795,815	3,962,081
Land development	-	22,853,003	(349,198)	(573,977)	21,929,828
Capital grant fixed assets fund	6,939,117	2,015,161	(437,789)	1,116,268	9,632,758
	<u>152,788,244</u>	<u>112,443,860</u>	<u>(5,551,366)</u>	<u>1,204,076</u>	<u>260,874,814</u>
Total restricted	<u>140,373,812</u>	<u>156,161,703</u>	<u>(49,479,223)</u>	<u>(3,647,866)</u>	<u>243,408,427</u>
Unrestricted funds	<u>5,140,521</u>	<u>1,403,349</u>	<u>(1,215,899)</u>	<u>(1,134)</u>	<u>5,326,838</u>
	<u>145,514,333</u>	<u>157,565,052</u>	<u>(50,695,122)</u>	<u>(3,649,000)</u>	<u>248,735,265</u>

BOURNE EDUCATION TRUST

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

17 Funds – Group (continued)

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

General Annual Grant

The General Annual Grant must be used for the normal running costs of the Trust including salary costs, overheads, premises costs and curriculum costs. Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2021.

Other DfE/ESFA and government grants

Other grants include funding received from the DfE and Local Education Authorities for specific purposes.

Fixed asset fund

The fixed asset fund includes grants received from the DfE and other sources to finance the purchase of tangible fixed assets.

Pension reserve

The pension reserve is the element of the local government pension fund liability attributable to the Trust (see note 29).

Transfer between funds

Transfers from unrestricted and restricted funds to the restricted fixed asset fund were necessary to fund capital expenditure carried out during the year.

BOURNE EDUCATION TRUST

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

18 Funds – Academy Trust	Balance at 31 August 2020 restated £	Incoming resources £	Resources expended £	Gains, losses & transfers £	Balance at 31 August 2021 £
Restricted					
General Annual Grant (GAG)	7,457,289	46,367,278	(41,236,940)	(2,388,905)	10,198,722
Capital grant funding	376,115	231,217	(49,159)	(324,254)	233,919
Other DFE/ESFA grants	5,898	70,000	(49,931)	-	25,967
Local authority grants	22,863	2,342,099	(3,236,844)	946,766	74,885
Pupil premium and learning support unit fund	111,597	2,053,590	(2,139,046)	122,918	149,059
Catch-up premium	-	656,347	(471,939)	(17,756)	166,653
Coronavirus Job Retention Scheme grant	-	77,957	(77,957)	-	-
Other COVID-19 funding	-	265,858	(265,858)	-	-
Children's centre fund	30,198	(31,099)	-	901	-
Everest Community Centre	190,651	167,113	(239,104)	-	118,661
LGPS deficit fund	(25,661,000)	(489,000)	(2,954,000)	(4,175,000)	(33,279,000)
	<u>(17,466,389)</u>	<u>51,711,361</u>	<u>(50,720,777)</u>	<u>(5,835,330)</u>	<u>(22,311,134)</u>
Restricted fixed asset funds					
Inherited fixed asset fund	225,350,147	5,384,781	(3,724,971)	-	227,010,007
General annual grant fixed assets fund	3,962,081	-	(365,114)	1,295,404	4,892,370
Land development	21,929,828	-	-	(3,695,877)	18,233,951
Capital grant fixed assets fund	9,632,758	2,483,339	(510,174)	4,067,191	15,673,113
	<u>260,874,814</u>	<u>7,868,119</u>	<u>4,600,209</u>	<u>1,666,716</u>	<u>265,809,441</u>
Total restricted	243,408,426	59,579,481	55,320,986	(4,168,614)	243,498,307
Unrestricted funds	5,255,956	532,671	(258,656)	(6,386)	5,523,586
	<u>248,664,382</u>	<u>60,112,152</u>	<u>(55,579,642)</u>	<u>(4,175,000)</u>	<u>249,021,893</u>

BOURNE EDUCATION TRUST

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

18 Funds – Academy Trust

Comparative information for the prior year is as follows:

	Balance at 31 August 2019 £	Incoming resources £	Resources expended £	Gains, losses & transfers £	Balance at 31 August 2020 £
Restricted					
General Annual Grant (GAG)	4,980,033	40,122,756	(35,946,114)	(1,699,386)	7,457,289
Capital grant funding	417,754	223,320	(69,404)	(195,555)	376,115
Other DFE/ESFA grants	21,704	181,271	(11,707)	(185,371)	5,898
Local authority grants	679	2,305,909	(3,029,555)	745,830	22,863
Pupil premium and learning support unit fund	74,499	1,916,621	(2,009,225)	129,702	111,597
Children's centre fund	193,662	(88,056)	(77,224)	1,836	30,198
Everest Community Centre	217,237	235,023	(261,608)	-	190,651
LGPS deficit fund	(18,310,000)	(1,179,000)	(2,523,000)	(3,649,000)	(25,661,000)
	<u>(12,404,432)</u>	<u>43,717,843</u>	<u>(43,927,858)</u>	<u>(4,851,943)</u>	<u>(17,466,389)</u>
Restricted fixed asset funds					
Inherited fixed asset fund	142,420,922	87,575,695	(4,512,440)	(134,030)	225,350,147
General annual grant fixed assets fund	3,418,205	-	(251,939)	795,815	3,962,081
Land development	-	22,853,003	(349,198)	(573,977)	21,929,828
Capital grant fixed assets fund	6,939,117	2,015,161	(437,789)	1,116,268	9,632,758
	<u>152,788,244</u>	<u>112,443,860</u>	<u>(5,551,366)</u>	<u>1,204,076</u>	<u>260,874,814</u>
Total restricted	<u>140,373,812</u>	<u>156,161,703</u>	<u>(49,479,223)</u>	<u>(3,647,866)</u>	<u>243,408,426</u>
Unrestricted funds	<u>5,140,521</u>	<u>1,076,391</u>	<u>(959,823)</u>	<u>(1,134)</u>	<u>5,255,956</u>
	<u>145,514,333</u>	<u>157,238,094</u>	<u>(50,439,046)</u>	<u>(3,649,000)</u>	<u>248,664,382</u>

BOURNE EDUCATION TRUST

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

18 Funds – Academy Trust (continued)

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

General Annual Grant

The General Annual Grant must be used for the normal running costs of the Academy including salary costs, overheads, premises costs and curriculum costs. Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2021.

Other DfE/ESFA and government grants

Other grants include funding received from the DfE and Local Education Authorities for specific purposes.

Fixed asset fund

The fixed asset fund includes grants received from the DfE and other sources to finance the purchase of tangible fixed assets.

Pension reserve

The pension reserve is the element of the local government pension fund liability attributable to the Academy (see note 29).

Transfer between funds

A transfer from unrestricted funds to the restricted fixed asset fund was necessary to fund capital expenditure carried out during the year. A transfer between restricted and unrestricted was necessary to reflect the funding of activities in the year.

BOURNE EDUCATION TRUST

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

18 Funds – Academy Trust (continued)

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

	2021 £	2020 £
Auriol Junior School	454,213	423,474
Broadmere Primary Academy	841,681	795,285
Brookwood Primary School	288,286	310,422
Chertsey High School	1,480,142	817,264
Epsom & Ewell High School	1,917,187	1,777,770
Everest Community Academy*	230,853	314,295
Jubilee High School	915,055	831,179
Matthew Arnold School	1,702,462	1,768,944
Marnel Junior School	418,617	-
Meadow Primary School	1,112,666	984,743
New Monument Primary Academy	234,289	183,461
Pyncroft Grange Primary School	655,264	560,658
Sayes Court Primary School	655,920	605,685
Sythwood Primary School	1,295,527	1,202,461
Teddington School	1,566,922	917,703
West Ewell Primary School	1,165,388	956,445
Woodmansterne Primary School	568,959	545,715
Central services	988,021	455,061
Total before fixed assets and pension reserve	16,491,452	13,450,567
Restricted fixed asset reserve	265,809,441	260,874,814
Pension reserve	(33,279,000)	(25,661,000)
Total	249,021,893	248,664,381

*Included within the Everest Community Academy balance is £118,662 (2020: £190,652) relating to Everest Community Centre, funds which cannot be used for the School.

Analysis of academies by cost:

	Teaching and Educational Support Staff costs £	Other support staff costs £	Educational supplies £	Other costs (excluding depreciation) £	Total £
Auriol Junior School	1,214,745	178,705	59,286	238,279	1,691,015
Broadmere Primary School	549,387	139,811	20,273	203,598	913,068
Brookwood Primary School	1,159,174	176,371	61,707	331,589	1,728,842
Chertsey High School	2,128,460	264,569	171,337	712,921	3,277,287
Epsom and Ewell High School	4,020,373	539,236	163,373	992,993	5,715,976
Everest Community Academy	2,116,129	429,522	266,312	840,589	3,652,552
Jubilee High School	2,789,671	421,827	165,994	722,050	4,099,542
Matthew Arnold School	2,873,271	399,339	193,839	940,611	4,407,059
Marnel Junior School	578,673	80,246	17,988	135,296	812,204
Meadow Primary School	1,706,137	302,393	139,250	410,929	2,558,708
New Monument Primary School	821,678	189,808	54,357	260,688	1,326,530
Pyncroft Grange Primary School	1,186,286	160,788	125,635	323,285	1,795,995
Sayes Court Primary School	799,454	159,446	48,606	275,339	1,282,845

BOURNE EDUCATION TRUST

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

18 Funds – Academy Trust (continued)

Sythwood Primary School	2,626,983	282,047	164,809	568,237	3,642,076
Teddington School	4,697,609	577,978	296,471	1,198,647	6,770,704
West Ewell Primary School	1,885,099	271,775	88,924	467,868	2,713,666
Woodmansterne Primary School	1,255,553	170,807	46,829	313,352	1,786,540
Central Services	842,653	605,135	5,046	366,837	1,819,671
	<u>33,251,335</u>	<u>5,349,800</u>	<u>2,090,037</u>	<u>9,303,109</u>	<u>49,994,281</u>

19 Analysis of net assets between funds – Group

Fund balances at 31 August 2021 are represented by:

	Unrestricted funds	Restricted general funds	Restricted fixed asset funds	Total funds 2021	Total funds 2020 restated
	£	£	£	£	£
Tangible fixed assets	-	-	246,290,566	246,290,566	237,253,039
Current assets	5,634,665	16,136,051	19,488,875	41,259,591	41,631,532
Current liabilities	(62,481)	(5,138,185)	-	(5,200,666)	(4,488,308)
Pension scheme liability	-	(33,279,000)	-	(33,279,000)	(25,661,000)
Total net assets	<u>5,572,184</u>	<u>(22,281,134)</u>	<u>265,779,441</u>	<u>249,070,491</u>	<u>248,735,263</u>

20 Analysis of net assets between funds – Academy Trust

Fund balances at 31 August 2021 are represented by:

	Unrestricted funds	Restricted general funds	Restricted fixed asset funds	Total funds 2021	Total funds 2020
	£	£	£	£	£
Tangible fixed assets	-	-	246,290,566	246,290,566	237,253,039
Investment in subsidiary	2	-	-	2	2
Current assets	5,523,584	16,170,114	19,488,875	41,182,574	41,522,080
Current liabilities	-	(5,172,248)	-	(5,172,248)	(4,449,739)
Pension scheme liability	-	(33,279,000)	-	(33,279,000)	(25,661,000)
Total net assets	<u>5,523,586</u>	<u>(22,281,134)</u>	<u>265,779,441</u>	<u>249,021,894</u>	<u>248,664,382</u>

BOURNE EDUCATION TRUST

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

21 Capital commitments

The Trust had capital commitments of £1,002,847 (2020: £103,237).

22 Financial commitments

At 31 August 2021 the total of the Trust's future minimum lease payments under non-cancellable operating leases was:

	2021 £	2020 £
Due within one year	259,894	157,917
Due in two to five years	413,158	180,369
	=====	=====

23 Reconciliation of net income to net cash flows from operating activities

	2021 £	2020 £
Net income for the year	335,226	101,498,930
Cash transferred upon conversion to Academy Trust status	(275,129)	(186,410)
Depreciation	4,600,209	4,107,802
Profit on sale of land	-	(21,792,096)
Capital income	(5,596,054)	(1,186,645)
Interest receivable	(3,022)	(21,056)
Non-cash movement: inherited fixed and net current assets	(5,384,713)	(85,853,694)
Non-cash movement: inherited pension deficit	489,000	1,179,000
FRS 102 pension finance cost less contributions payable (note 29)	4,175,000	3,649,000
FRS 102 pension finance and staff costs	2,954,000	2,523,000
Decrease / (increase) in debtors	10,690,543	(15,184,751)
Increase in creditors	712,358	975,523
	=====	=====
Net cash provided by/(used in) operating activities	12,697,418	(10,291,397)

24 Cash flows from financing activities

	2021 £	2020 £
Interest received	3,022	21,056
	=====	=====
Net cash provided by financing activities	3,022	21,056

BOURNE EDUCATION TRUST

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

25 Cash flows from investing activities

	2021	2020
	£	£
Proceeds from sale of land	-	22,853,003
Purchase of tangible fixed assets	(8,253,021)	(3,378,013)
Cash transferred upon conversion/transfer	275,129	186,410
Capital funding received from sponsors and others	5,596,054	1,186,645
Movement in cash from term deposits	-	870,000
	<u> </u>	<u> </u>
Net cash (used in)/generated by investing activities	(2,381,838)	21,718,045
	<u> </u>	<u> </u>

26 Analysis of cash and cash equivalents

	At 31 August 2021	At 31 August 2020
	£	£
Cash in hand and at bank	34,795,782	24,477,180
	<u> </u>	<u> </u>
	34,795,782	24,477,180
	<u> </u>	<u> </u>

27 Contingent liabilities

There are no contingent liabilities at 31 August 2021 (2020: £Nil).

28 Members' liability

Each member of the charitable company undertakes to contribute to the assets of the Trust in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 (2020: £10) for the debts and liabilities contracted before he/she ceases to be a member.

29 Pension and similar obligations

The Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff. Both are defined-benefit schemes.

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

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year (2020: £Nil).

BOURNE EDUCATION TRUST

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

29 Pension and similar obligations (continued)

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for teachers in academies. All teachers have the option to opt out of the TPS following enrolment.

The teacher's pension budgeting and valuation account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members and the employer make contributions, as a percentage of salary – these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

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

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

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

The employers' pension costs paid to TPS in the period amounted to £4,412,396 (2020: £3,831,441).

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 trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

BOURNE EDUCATION TRUST

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

29 Pension and similar obligations (continued)

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £2,256,000 (2020: £2,024,000), of which employer's contributions totalled £1,748,000 (2020: £1,556,000) and employees' contributions totalled £508,000 (2020: £468,000). The agreed contribution rates for future years are 23.8% (2020: 23.8%) for employers and between 7.4% and 11.7% (2020: 7.4% and 11.7%) for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to guarantee that, in the event of an academy trust closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Principal Actuarial Assumptions:	At 31 August 2021 %	At 31 August 2020 %
Rate of increase in salaries	3.8%	3.2%
Rate of increase for pensions	1.65%	2.3%
Discount rate for scheme liabilities	2.9%	1.7%

The below table, as produced by Hymans Robertson LLP (actuary) sets out the impact of a small change in the discount rates on the defined benefit obligations and projected service cost along with a plus/minus 1 year age rating adjustment to the mortality assumption.

Changes in assumption at 31 August 2021	Approximate increase to employer liability %	£'000
0.1% decrease in discount rate	2%	53
1 year increase in member life expectancy	4%	100
0.1% increase in salary increase rate	0%	3
0.1% increase in the pension increase rate	2%	49

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

	At 31 August 2021 (years)	At 31 August 2020 (years)
Retiring today		
Males	22.3	22.1
Females	24.7	24.4
Retiring in 20 years		
Males	23.4	23.0
Females	26.4	23.8

BOURNE EDUCATION TRUST**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021****29 Pension and similar obligations (continued)****Local Government Pension Scheme (continued)**

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

	Fair value at 31 August 2021	Fair value at 31 August 2020
Equity instruments	24,552,000	18,717,120
Debt instruments	5,797,000	4,419,320
Property	2,387,000	1,819,720
Cash	1,364,000	1,039,840
	<u> </u>	<u> </u>
Total market value of assets	34,100,000	25,996,000
	<u><u> </u></u>	<u><u> </u></u>

Amounts recognised in the Statement of Financial Activities

	2021 £	2020 £
Current service cost (net of employee contributions)	(3,741,000)	(3,244,000)
Net interest cost	(453,000)	(367,000)
	<u> </u>	<u> </u>
Total operating charge	(4,194,000)	(3,611,000)
	<u><u> </u></u>	<u><u> </u></u>

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

	2021 £	2020 £
At 1 September	51,657,000	38,785,000
Inherited on conversion	951,000	6,196,000
Current service cost	4,249,000	3,712,000
Interest cost	909,000	833,000
Employee contributions	508,000	468,000
Actuarial gain	9,567,000	2,071,000
Benefits paid	(462,000)	(408,000)
	<u> </u>	<u> </u>
At 31 August	67,379,000	51,657,000
	<u><u> </u></u>	<u><u> </u></u>

BOURNE EDUCATION TRUST

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

29 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	2021 £	2020 £
At 1 September	25,996,000	20,475,000
Inherited on conversion	462,000	5,017,000
Interest income	456,000	466,000
Actuarial gain / (loss)	5,392,000	(1,578,000)
Employer contributions	1,748,000	1,556,000
Employee contributions	508,000	468,000
Benefits paid	(462,000)	(408,000)
	<u>34,100,000</u>	<u>25,996,000</u>
At 31 August	34,100,000	25,996,000

30 Related party transactions

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Academy 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.

During the accounting year the Academy Trust was connected to the following entities:

Bourne Education Enterprises Limited - This company was established for the provision of educational support services. Any surplus income generated by this company is donated fully to the Bourne Education Trust for the benefit of the pupils of the school and the local community. There are three directors who control the company, including Audrey Wade, John Stockley and Louise Browning, who are trustees or members of the main Academy Trust.

Matthew Arnold Enterprises Limited - The principal activity of the company is the commercial use of the sports facilities of The Matthew Arnold School. Any surplus income generated by this company is donated fully to the Bourne Education Trust for the benefit of the pupils of the school and the local community. The directors of the company are not trustees of the main Academy Trust, nor are they members of the local governing body.

Income

For the year ending 31 August 2021, there was a loss before tax of £48,546 generated by Bourne Education Enterprises (2020: £62,959 profit) and profit before tax of £26,261 by Matthew Arnold Enterprises (2020: £7,924), which was gift aided to the Trust.

BOURNE EDUCATION TRUST

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

30 Related party transactions (continued)

As at 31 August 2021, there was a balance owing from Bourne Education Trust Enterprises of £39,794 (2020: £52,291) to Bourne Education Trust. Matthew Arnold Enterprises owed £1,725 at the year-end (2020: £Nil).

31 Transfer of Academy into Trust/on conversion from local authority

On 1 December 2019, Marnel Junior School, under the Academies Act 2010 all the operations, assets and liabilities, were transferred into the Academy Trust for £nil consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate headings, with a corresponding net amount recognised as net incoming resources in the Statement of Financial Activities as voluntary income.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Incoming resources from generated funds				
Long leasehold land and buildings	-	-	5,384,781	5,384,781
Cash at bank and in hand	275,129	-	-	275,129
LGPS pension liability	-	(489,000)	-	(489,000)
Net assets	275,129	(489,000)	5,384,781	5,170,910

32 Prior period adjustment

The comparative information disclosed on the consolidated statement of financial activity; the consolidated balance sheet and the academy balance sheet have been restated due to a material land valuation adjustment within Chertsey High School.

The land valuation which took place in the prior year omitted a proportion of the land belonging to the school which has since been valued at £1,722,000. The restatement is recognised as income (assets inherited on conversion) in the year-ended 31 August 2020 and is therefore recognised within the brought forward asset balance at the beginning of the year-ended 31 August 2020.

All affected notes to the financial statements have been restated, it is only these balances that have been restated, all other balances remain unchanged.