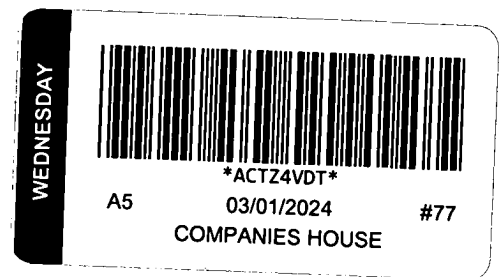


REGISTERED COMPANY NUMBER: 07817746 (England and Wales)

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023
FOR
BROCKHAMPTON ACADEMY TRUST**



BK Plus Audit Limited
Azzuri House
Walsall Road
Aldridge
Walsall
West Midlands
WS9 0RB

BROCKHAMPTON ACADEMY TRUST

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BROCKHAMPTON ACADEMY TRUST
REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2023

MEMBERS:	Carmel Simmons Helen Davies Andrew Davey
TRUSTEES	M D Mander S M Pinches S Wilson H J Holly K L Evans N Mansell S L Mulcahy J C Preston L Jones (appointed 16/10/23) M E Turner (appointed 21/6/23) R Cross (appointed 1/6/23) S Cockayne (appointed 8/11/23)
SENIOR MANAGEMENT	M D Mander - Headteacher
REGISTERED OFFICE	Bringsty Worcester WR6 5TD
REGISTERED COMPANY NUMBER	07817746 (England and Wales)
AUDITORS	BK Plus Audit Limited Azzuri House Walsall Road Aldridge Walsall West Midlands WS9 0RB
BANKERS	Lloyds Bank plc 9 Corn Square Leominster Herefordshire HR6 8LT

BROCKHAMPTON ACADEMY TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2023

The trustees who are also directors of the academy trust for the purposes of the Companies Act 2006, present their report with the financial statements of the academy trust for the year ended 31 August 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) and the Academies Accounts Direction issued by the Education and Skills Funding Agency.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The principal activity of the Charitable Company is the operation of the Brockhampton Academy Trust to provide education for pupils of different abilities up to the age of 11 and also the provision of nursery and pre and post school care.

The principal objectives of the Academy are:

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

To meet these aims, the Academy has developed its strategic plan outlining objectives to:

1. Set and achieve clear milestones of educational performance, safeguarding and personal development by:
 - a. ensuring that an appropriate level of curriculum is identified, planned, and delivered with such limitations of budget and resources that prevail;
 - b. defining and implementing the required educational standards at all levels, having due regard for both internal and external benchmarks;
 - c. continuing the development of robust safeguarding practices throughout the Academy, considering guidelines from government and its agencies; and
 - d. defining and promoting a proactive culture of collaboration and cooperation across the Academy
2. Define and achieve requisite standards in leadership, governance and stakeholder engagement by:
 - a. identifying and specifying core determinants of leadership within the Academy and provide positive encouragement to develop and embed these;
 - b. specifying and accommodating the key internal and external stakeholders of the Trust; and
 - c. actively promoting the health and well-being of all staff through embedding appropriate and robust support services and strategies.
3. Secure the future growth and sustainability of the Academy through the focused development of efficient and effective financial, operational, and shared business services and a focus on environmental sustainability across the Academy, by:
 - a. creating the roadmap for embedding a suitably experienced team to lead and further develop the strategic direction of the Academy;
 - b. embedding robust, effective, and transparent financial and risk management systems and procedures;
 - c. developing and implementing a marketing strategy for the Academy; and
 - d. developing and implementing strategies in relation to environmental sustainability.

BROCKHAMPTON ACADEMY TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2023

OBJECTIVES AND ACTIVITIES

Public benefit

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

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

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

The Academy provides facilities for recreational and other leisure time occupation for the community at large in the interest of school welfare and with the interest of improving life in the local community, for example Bromyard Scouts. The Academy has given a high priority to providing public benefit to a cross section of the community regardless of family background, but perhaps the greatest benefit the Academy can offer is the provision of an education that maximises each student's potential.

FUNDRAISING

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

BROCKHAMPTON ACADEMY TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2023

ACHIEVEMENT AND PERFORMANCE

Key academic & financial performance indicators

Brockhampton Academy Trust was subject to OFSTED inspection in October 2022 and the school was deemed securely Good. Academic achievement remains in line or better than national averages in reading, writing and maths at KS1, and in reading and maths at KS2. Writing at KS2 is currently below national as is the number of children achieving a Greater Depth Standard in writing and maths at KS2. The latter are therefore a key priority of the school development plan. Performance in the Year One Phonics Screening Test is significantly above national, as are reading results at KS2 in both expected and greater depth standard. Over the last two years there has been a significant influx of children requesting in-year transfers and the Pre School is already full for 2023/24. In line with schools nationally, there has been a steady increase in the numbers of children with Special Educational Needs in school, as well as higher level needs (behaviour/personal care etc) (There are more children at Brockhampton with Educational Health Care Plans than there are nationally). The school is well over its recommended capacity and there is a significant gap between the existing schedule of accommodation and that which is recommended which does adversely affect the school's ability to fulfil its core purpose.

The school continues to experience significant challenge in maintaining financial stability and sustainability. Underfunded staff pay increases, increased supply/SLA costs, unforeseen staffing costs (maternity) and constraining classroom sizes, have resulted in in-year deficit. The school is working closely with the Local Authority, DfE and local charities to secure investment to re-develop the site into a one-form entry setting which will enable the sustainability of the school. Governors have voted formally to conduct a due diligence procedure with the Black Pear Trust, the intention being to join the trust in Summer 2024.

The Full Governing Body review regular assessments of the performance of the Academy and receive termly formal Head Teacher reports. The FGB review exam results as a key performance of the Academy's continuing success, but they also review the improvements of each year group and individuals to ensure that the Academy's teaching activities are effective and there is continuing improvement at all levels. Head Teacher reports are presented termly, scrutinised and challenged during FGB meetings. Additional Governors have been recruited to the FGB. Skills audits have been conducted and sub committees established. The FGB continue to develop their own understanding of their roles and responsibilities in holding the Head Teacher to account with a programme of training led by the school's School Improvement Partner.

Achievement Data 2022/23

End of Reception	School	Local Authority	National
% GLD	62 16/26 children	70	2021/22 65
Average number ELG per child at ARE	12	15	2021/22 14 2022/23 national data release 30/11/2023
Year 1 Phonics Screen	School	Local Authority	National
% achieving threshold	95 18/19 children	79	79
% achieving threshold in Year 2 re-screen	80 4/5 children		89

BROCKHAMPTON ACADEMY TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2023

End of Year 2 TA	School EXS+	Local Authority EXS+	National EXS+	School GDS	Local Authority GDS	National GDS
Reading	72 18/25	73	68	12 3/25	20	19
Writing	64 16/25	66	60	4 1/25	10	8
Maths	76 19/25	74	70	8 2/25	17	16
R W M Combined	52 13/25	63	56	4 1/25	7	6

End of Year 6 SATS	School EXS+	Local Authority EXS+	National EXS+	School GDS	Local Authority GDS	National GDS	Av Scaled Score Sch Nat	Points Progress Sch Nat
Reading	94 18/19	77	73	40	31	29	108 105	3.6 0.31 (+/-2.8)
Writing	63 12/19	74	72	10	18	13		-0.9 (+/-2.7) 0.72
Maths	79 15/19	76	73	15	21	23	105 104	0.68 (+/-2.6) 0.17
EGPS	89 17/19	73	72	15	27	30	105 105	
R W M Combined	58 11/19	63	59 1/19	5	9	8		

Pupils on roll currently total 211 (Pre School : 36 Reception - Year 6: 175)

Pupil attendance

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

Pupils attendance 2022/23 was above the national average at 95% (National 90%). Persistent absence was below the national average at 6% (National 10%).

BROCKHAMPTON ACADEMY TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2023

FINANCIAL REVIEW

Financial review

The Academy's main source of income is obtained from the Department for Education (DfE) via the Education and Skills Funding Agency (ESFA) in the form of recurrent General Annual Grant (GAG) funding. This funding is restricted to particular purpose. Total grants received from the DfE during the period ending August 2023 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities. The Academy also receives income from its nursery and breakfast club and after school care club facilities and holiday club.

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

- Continued training and implementation of the Thrive programme
- Additional Teaching Assistant hours to support those children identified as most at risk of underachievement following lost learning time due to school closures
- Additional 1:1 support staff to meet the need of several children now in school with higher level needs

Expenditure this year has been very tight as the school operates as a full one-form entry school of 210 pupils but the capacity of the school is limited to the PAN of 182, resulting in a shortfall of funding of approximately £125,000. The Academy is working very closely with the ESFA, Local Authority and local charities to expand the capacity of the school.

The FGB are committed to reinvesting back into the School, its facilities and resources. The School operates a Nursery, wrap around care provision and holiday club, the surpluses of which are reinvested back into School. The school has embarked on initial letting agreements for the school grounds. Perryfields Primary Pru are using the grounds once a week for their children in return for staff training by their Outreach Team. The school also hosts the local Scout group, fitness and pilates classes weekly for small rental fees.

During the year ended 31 August 2023, the deficit of income over expenditure for the year (before recognised gains and losses and excluding capital restricted funds) equated to £96,340 (2022 - deficit of £68,192).

Investment policy and objectives

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

Reserves policy

The trustees review the reserve levels of the Academy annually. The review encompasses the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves. The trustees have determined that the appropriate level of reserves should be one month's net salary costs of £48,158.

Excluding the pension scheme asset/liability and capital funds, the Academy funds surplus at 31 August 2023 was £35,242 (2022 - £85,582).

Fixed asset capital fund at 31 August 2023 was £815,488 (2022 - £824,871).

As at 31 August 2023 there are insufficient reserves to meet such liability.

BROCKHAMPTON ACADEMY TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2023

FINANCIAL REVIEW

Going concern

The trustees assess whether the use of going concern is appropriate i.e whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that there are material uncertainties about the Academy Trust's ability to continue as a going concern because of the level of reserves as at 31 August 2023.

£925 restricted general fund (2022- £2,799), £34,317 unrestricted funds (2022- £82,783).

The Academy continues to communicate the current position with the Education and Skills Funding Agency (ESFA). The trustees continue to monitor the Academy budget and have placed reliance on the continuing support of the ESFA in the short term. For the longer term the Academy plans to join a multi Academy Trust.

For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies note to the financial statements.

FUTURE PLANS

The FGB continues to promote the Academy within the local community with considerable success. Links have been established with several local service providers and the reputation of the school continues to grow, as evidenced by increasing in-year transfers from other schools. A new website has been developed, designed to reflect the school's ethos and vision more clearly and market the school more effectively. Governors are supporting the Head Teacher in developing a more business orientated approach to marketing, fundraising and generation of additional income streams. This strategy is currently developing along the following lines:

- re-establishment of a fund raising PTA
- developing community business links to fund projects at school
- develop the start made in lettings/hiring the grounds
- develop methods for donations to be sourced
- outsource bids/grant applications
- family/community days on site to develop/maintain grounds

The school is working closely with the Local Authority, DfE and local charities to secure investment to re-develop the site into a one-form entry setting which will enable the sustainability of the school. Governors have voted formally to conduct a due diligence procedure with the Black Pear Trust, the intention being to join the trust in Summer 2024.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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

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

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

Members' liability

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

Trustees' Indemnities

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the year ended 31 August 2023 is incorporated within the total insurance premium.

BROCKHAMPTON ACADEMY TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Method of recruitment and appointment or election of trustees

Trustees are recruited from the employees of the Academy, parents (by election), community governors and Co-opted Governors appointed by the Members.

Organisational structure

The management structure of the Academy consists of three members and nine trustees (the trustees make up the FGB). The FGB is responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy by use of budgets and making major decisions about the strategic direction of the Academy, capital expenditure and the most senior staff appointments.

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

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

The Academy carries out appropriate training for new trustees. The Governor Induction Policy was approved by the FGB on 7/7/22 to be reviewed July 2024. The Governor Visits Policy was approved 19/10/23 to be reviewed again in October 2027. Governors complete online training, safeguarding training and are offered courses and free webinars throughout the year. We work closely with Herefordshire Governors' Association.

Arrangements for setting pay and remuneration of key management personnel

Teacher salaries are reviewed annually as required by the School Teachers' Pay and Conditions Document and are also determined by the annual performance management appraisals. The trust follows NJC pay scales for support staff.

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

PRINCIPAL RISKS AND UNCERTAINTIES

Financial - The academy relies on continued Government funding through the ESFA. There is no assurance that Government policy or practice will remain the same, or that funding will not be reduced. The academy receives income from the provision of nursery and breakfast club and after school care club facilities. The academy helps to support other like-minded organisations through the secondment of staff, consultation and training activities.

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

Falling pupil numbers - the academy closely monitors fluctuating pupil numbers and adjusts budgets accordingly on a rolling forecast basis. Pupil numbers have increased in 2021/22.

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

The FGB has reviewed the risk register and recognised the increased risk to financial and organisational areas.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

AUDITORS

The auditors, BK Plus Audit Limited, will be proposed for re-appointment at the forthcoming FGB meeting.

Approved by order of the board of trustees on 7 December 2023 and signed on its behalf by:

BROCKHAMPTON ACADEMY TRUST

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2023**

A handwritten signature in black ink, appearing to read 'S L Mulcahy', is written over a horizontal dotted line.

S L Mulcahy - Trustee

BROCKHAMPTON ACADEMY TRUST

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2023

Scope of Responsibility

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

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

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

Governance

The information on governance included here supplements that described in the Report of the Trustees and in the Trustees' Responsibilities Statement. The board of trustees has formally met 4 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
H J Holly	3	4
S L Mulcahy	3	4
M D Mander	4	4
S M Pinches	4	4
S Wilson	2	4
K L Evans	2	4
N Mansell	3	4
J C Preston	3	4
R Cross	1	1
M E Turner	1	1

Mrs L Jones, a staff governor, attended 3 out of a possible 4 FGB meetings.

The finance and audit committee oversees all financial aspects of the academy trust and meets at least termly to review the financial reports of the academy trust and deal with all issues of strategic management.

Attendance at the finance and audit committee meetings was as follows:

	Meetings attended	Out of a possible
S M Pinches (Chair)	3	3
S Mulcahy	3	3
M D Mander	3	3

Conflicts of interest and governance reviews

The Academy manages conflicts of interest by maintaining a register of interests and a record of transactions with related parties. In addition, declarations of interest are minuted as discussed at each meeting of the FGB.

The FGB has appointed new trustees this year bringing valuable skill sets to the trust. Trustees have received induction training, a skills audit was completed in April 2023 and a diversity audit in May 2023.

BROCKHAMPTON ACADEMY TRUST
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2023

Review of Value for Money

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

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

Ensuring the effective use of resources:

- resources are targeted at school improvement priorities;
- on-going review of procurement to achieve better quality and economies of scale in relation to the purchase of goods and services; and
- estate is maintained in a good state of repair and is compliant with relevant legislation to ensure suitability and safety for pupils to achieve best outcomes.

Ensuring financial effectiveness:

- sufficient expertise is available to challenge on ensuring value for money. If required consulting professional experts to advise on financial aspects;
- timely financial management information highlights significant variances to budget allowing SLT and the FGB to take remedial action; and
- focus on greater level of transparency and challenge on school budgets, using benchmarking, and other data, as a model for improvement.

Financial Governance and Oversight

The school holds regular meetings of its FGB and Finance and Audit Committee. In these meetings, financial decisions are discussed and monthly management accounts reviewed. Minutes of the meetings demonstrate that the trustees hold the school to account over financial decisions and challenge spending decisions, where appropriate. Rigorous systems are in place to ensure strong financial controls and security. The budget has been challenging this year, however, the FGB is satisfied that all reasonable cuts have been made and have consulted the ESFA for advice. The Governors are concerned that any additional cuts or restrictions on budget may put the school's teaching and children's pastoral care at risk.

Better purchasing

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

Better Income Generation

Additional income is gained through the management of the pre-school, breakfast club and after school care club facilities. Demand for these services continues to grow and we informed parents there would be a price increase from September 2023.

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

Reviewing Controls and Managing Risks

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

BROCKHAMPTON ACADEMY TRUST

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2023

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of charitable company policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them effectively, efficiently and economically. The system of internal control has been in place in Brockhampton Academy Trust during the period 1 September 2022 and 31 August 2023 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The FGB has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The FGB is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that have been in place for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. The process is regularly reviewed by the FGB.

The Risk and Control Framework

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

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

The FGB has considered the need for a specific internal audit function and has decided not to appoint an internal auditor; however, the FGB has appointed School Business and Leadership Services (SBLS) to carry out a programme of internal checks.

The reviewer'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. This was limited this year to one review, comprising a website audit, but there is an agenda item in the Finance and Audit Committee on 28/11/2023 to appoint the internal auditor and determine a schedule of three internal audits.

Recommendations were made as follows:

- A number of policies published on the academy website were overdue to be reviewed;
- Articles of Association and Funding Agreement not on website;
- No specific mention was made on the academy website of the Equality Act 2010 or the Special Educational Needs and Disability Regulations 2014; and
- Pupil premium strategy statement published on the academy website details funding for the 2021 to 2022 academic year.

BROCKHAMPTON ACADEMY TRUST

**GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2023**

Review of Effectiveness

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

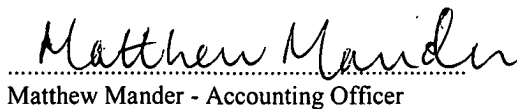
- the work of the reviewer;
- the work of the external auditor;
- the financial management and governance self assessment process.
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework; and
- correspondence from ESFA e.g. FNTl/Ntl and "minded to" letters.

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

Approved by order of the members of the board of trustees on 7 December 2023 and signed on its behalf by:



S L Mulcahy - Trustee



Matthew Mander - Accounting Officer

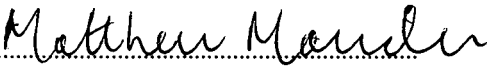
BROCKHAMPTON ACADEMY TRUST

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2023**

As accounting officer of Brockhampton Academy Trust I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement 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 Academy Trust Handbook 2022, including responsibilities for estates safety and management.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academy Trust Handbook 2022.

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



Matthew Mander - Accounting Officer

Date: 7 December 2023

BROCKHAMPTON ACADEMY TRUST
TRUSTEES' RESPONSIBILITY STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2023

The trustees (who act as governors of Brockhampton Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with the Academies Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and applicable law and regulations.

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


- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 7 December 2023 and signed on its behalf by:



S L Mulcahy - Trustee

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

Opinion

We have audited the financial statements of Brockhampton Academy Trust (the 'academy trust') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland';
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2022 to 2023.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Emphasis of matter

We draw attention to note 1 in the financial statements, which indicates that the Academy has insufficient reserves to meet one months net salary costs of £48,159. As stated in note 1, this condition, along with other matters as set forth in note 1, indicate that a material uncertainty exists that may cast significant doubt on the Academy's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

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

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

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

Opinions on other matters prescribed by the Companies Act 2006

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

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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

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

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

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

Use of our report

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



Richard Haydon FCA (Senior Statutory Auditor)
for and on behalf of BK Plus Audit Limited
Azzuri House
Walsall Road
Aldridge
Walsall
West Midlands
WS9 0RB

Date: 7 December 2023

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

In accordance with the terms of our engagement and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Brockhampton Academy Trust during the period 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Brockhampton Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Brockhampton Academy Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Brockhampton Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Brockhampton Academy Trust's funding agreement with the Secretary of State for Education dated 27 October 2011 and the Academy Trust Handbook, extant from 1 September 2022, 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 2022 to 2023. 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 2022 to 31 August 2023 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 2022 to 2023 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

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

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

Conclusion

In the course of our work nothing has come to our attention which suggests that in all material aspects the expenditure disbursed and income received during the period 1 September 2022 to 31 August 2023 has not been applied to the purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

BK Plus

BK Plus Audit Limited
Reporting Accountant
Azzuri House
Walsall Road
Aldridge
Walsall
West Midlands
WS9 0RB

Date: 7 December 2023

BROCKHAMPTON ACADEMY TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2023**

					2023	2022
		Unrestricted fund	Restricted funds	Restricted Fixed Asset Fund	Total funds	Total funds
	Notes	£	£	£	£	£
INCOME AND ENDOWMENTS FROM						
Donations and capital grants	2	1,252	9,930	20,638	31,820	11,604
Charitable activities						
Funding for the academy's educational operations	3	-	905,411	-	905,411	840,637
Other trading activities	4	136,895	-	-	136,895	128,846
Investment income	5	-	35	-	35	19
Total		<u>138,147</u>	<u>915,376</u>	<u>20,638</u>	<u>1,074,161</u>	<u>981,106</u>
EXPENDITURE ON						
Raising funds		80,613	-	-	80,613	60,972
Charitable activities						
Academy's educational operations	7	-	1,069,250	30,021	1,099,271	1,019,586
Total		<u>80,613</u>	<u>1,069,250</u>	<u>30,021</u>	<u>1,179,884</u>	<u>1,080,558</u>
NET INCOME/(EXPENDITURE)						
Transfers between funds	17	57,534	(153,874)	(9,383)	(105,723)	(99,452)
Other recognised gains/(losses)		(106,000)	106,000	-	-	-
Actuarial gains on defined benefit schemes		-	130,000	-	130,000	563,000
Net movement in funds		<u>(48,466)</u>	<u>82,126</u>	<u>(9,383)</u>	<u>24,277</u>	<u>463,548</u>
RECONCILIATION OF FUNDS						
Total funds brought forward		82,783	(81,201)	824,871	826,453	362,905
TOTAL FUNDS CARRIED FORWARD		<u>34,317</u>	<u>925</u>	<u>815,488</u>	<u>850,730</u>	<u>826,453</u>

The notes form part of these financial statements

BROCKHAMPTON ACADEMY TRUST

**STATEMENT OF FINANCIAL POSITION
31 AUGUST 2023**

	Notes	2023 £	2022 £
FIXED ASSETS			
Tangible assets	12	799,494	812,622
CURRENT ASSETS			
Debtors	13	52,009	34,357
Cash at bank and in hand		<u>120,718</u>	<u>167,605</u>
		172,727	201,962
CREDITORS			
Amounts falling due within one year	14	(121,491)	(104,131)
NET CURRENT ASSETS		<u>51,236</u>	<u>97,831</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		850,730	910,453
PENSION LIABILITY	18	-	(84,000)
NET ASSETS		<u>850,730</u>	<u>826,453</u>
FUNDS	17		
Restricted funds:			
Restricted General Fund		925	2,799
Restricted Fixed Asset Fund		815,488	824,871
Pension Reserve Restricted		-	(84,000)
		<u>816,413</u>	<u>743,670</u>
Unrestricted funds:			
General fund		<u>34,317</u>	<u>82,783</u>
TOTAL FUNDS		<u>850,730</u>	<u>826,453</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 7 December 2023 and were signed on its behalf by:



 S L Mulcahy - Trustee

The notes form part of these financial statements

BROCKHAMPTON ACADEMY TRUST

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023**

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(45,666)</u>	<u>12,756</u>
Net cash (used in)/provided by operating activities		<u>(45,666)</u>	<u>12,756</u>
 Cash flows from investing activities			
Purchase of tangible fixed assets		(16,894)	(2,120)
Capital grants from DfE/EFA		15,638	3,842
Interest received		<u>35</u>	<u>19</u>
Net cash (used in)/provided by investing activities		<u>(1,221)</u>	<u>1,741</u>
 Change in cash and cash equivalents in the reporting period		 (46,887)	 14,497
Cash and cash equivalents at the beginning of the reporting period		<u>167,605</u>	<u>153,108</u>
 Cash and cash equivalents at the end of the reporting period		 <u>120,718</u>	 <u>167,605</u>

The notes form part of these financial statements

BROCKHAMPTON ACADEMY TRUST

**NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023**

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

	2023 £	2022 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(105,723)	(99,452)
Adjustments for:		
Depreciation charges	30,022	33,915
Capital grants from DfE/ESFA	(15,638)	(3,842)
Loss on disposal of fixed assets	-	1,187
Interest received	(35)	(19)
Pension scheme finance costs	39,000	10,000
Increase in debtors	(17,652)	(464)
Increase in creditors	17,360	10,431
Difference between pension charge and cash contributions	<u>7,000</u>	<u>61,000</u>
Net cash (used in)/provided by operations	<u>(45,666)</u>	<u>12,756</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/9/22 £	Cash flow £	At 31/8/23 £
Net cash			
Cash at bank and in hand	<u>167,605</u>	<u>(46,887)</u>	<u>120,718</u>
	<u>167,605</u>	<u>(46,887)</u>	<u>120,718</u>
Total	<u>167,605</u>	<u>(46,887)</u>	<u>120,718</u>

The notes form part of these financial statements

BROCKHAMPTON ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

1. ACCOUNTING POLICIES

Statement of accounting policies

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

Basis of Preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention as modified for certain assets held at fair value, in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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

Going concern

The trustees assess whether the use of going concern is appropriate i.e whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that there are material uncertainties about the Academy Trust's ability to continue as a going concern because of the level of reserves as at 31 August 2023.

£925 restricted general fund (2022- £2,799), £34,317 unrestricted funds (2022- £82,783).

The Academy continues to communicate the current position with the Education and Skills Funding Agency (ESFA). The trustees continue to monitor the Academy budget and have placed reliance on the continuing support of the ESFA in the short term. For the longer term the Academy plans to join a multi Academy Trust.

For this reason it continues to adopt the going concern basis in preparing the financial statements.

Income

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

Grants

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

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

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

Sponsorship income

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

BROCKHAMPTON ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2023

1. ACCOUNTING POLICIES - continued

Donations

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

Other income

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

Donated goods, facilities and services

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. The income is recognised within 'Income from other trading activities'.

Transfer on conversion

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

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

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

Donated fixed assets

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

Expenditure

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

Expenditure on raising funds

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

Charitable activities

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

BROCKHAMPTON ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2023

1. ACCOUNTING POLICIES - continued

Charitable activities

All resources are inclusive of irrecoverable VAT.

Tangible fixed assets

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

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

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

Long term leasehold property - 2% straight line

Fixtures and fittings - 15% reducing balance

Computer equipment - 33% straight line

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

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

Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 14. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Taxation

The Academy is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the Academy is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fund accounting

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

BROCKHAMPTON ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2023

1. ACCOUNTING POLICIES - continued

Fund accounting

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

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

Pension costs and other post-retirement benefits

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

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

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

Liabilities

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

Provisions

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

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

Leased Assets

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

BROCKHAMPTON ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2023

1. ACCOUNTING POLICIES - continued

Critical accounting estimates and areas of judgement

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

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. 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.

The assumptions made reflect the circumstance existing at 31 August 2023 and, in accordance with Accounting Standards, do not include any allowance for events since that date. Any changes in assumptions after the year end date will be reflected in the provision valuation at 31 August 2024.

2. DONATIONS AND CAPITAL GRANTS

	Unrestricted funds	Restricted funds	2023 Total funds £	2022 Total funds £
Donations	1,252	14,930	16,182	7,762
Grants	<u>-</u>	<u>15,638</u>	<u>15,638</u>	<u>3,842</u>
	<u>1,252</u>	<u>30,568</u>	<u>31,820</u>	<u>11,604</u>

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

	2023 £	2022 £
Other DfE/ESFA Grants	15,638	5,913
Condition Improvement Fund Grant	<u>-</u>	<u>(2,071)</u>
	<u>15,638</u>	<u>3,842</u>

BROCKHAMPTON ACADEMY TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2023**

3. FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
DfE/ESFA grants				
General Annual Grant(GAG)	-	719,338	719,338	698,836
Other DfE/ESFA Grants	-	58,433	58,433	51,591
Teachers Pension	-	2,093	2,093	2,890
Pupil Premium	-	30,470	30,470	32,280
UIFSM	-	27,246	27,246	22,509
	<u>-</u>	<u>837,580</u>	<u>837,580</u>	<u>808,106</u>
 Other Government grant				
Local Authority Grants				
	<u>-</u>	<u>61,738</u>	<u>61,738</u>	<u>16,950</u>
 Other income from the academy trust's educational operations				
	<u>-</u>	<u>6,093</u>	<u>6,093</u>	<u>15,581</u>
	<u>-</u>	<u>905,411</u>	<u>905,411</u>	<u>840,637</u>

4. OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
Income from wrap around care	<u>136,895</u>	<u>-</u>	<u>136,895</u>	<u>128,846</u>

5. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
Deposit account interest	<u>-</u>	<u>35</u>	<u>35</u>	<u>19</u>

BROCKHAMPTON ACADEMY TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2023**

6. EXPENDITURE

	Non-pay expenditure			2023	2022
	Staff costs	Premises	Other costs	Total	Total
	£	£	£	£	£
Raising funds					
Costs incurred by trading for a fundraising purpose					
Direct costs	78,841	-	319	79,160	60,305
Allocated support costs	-	-	1,453	1,453	667
Charitable activities					
Academy's educational operations					
Direct costs	774,704	11,990	41,386	828,080	763,935
Allocated support costs	<u>104,237</u>	<u>39,631</u>	<u>127,323</u>	<u>271,191</u>	<u>255,651</u>
	<u>957,782</u>	<u>51,621</u>	<u>170,481</u>	<u>1,179,884</u>	<u>1,080,558</u>

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

	2023	2022
	£	£
Depreciation - owned assets	30,022	33,913
Deficit on disposal of fixed assets	-	1,187
Auditors' remuneration	9,480	8,680
Auditors' remuneration for non-audit work	1,425	1,350
Operating leases - other leases	<u>4,549</u>	<u>6,505</u>

7. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds	Restricted funds	2023 Total funds	2022 Total funds
	£	£	£	£
Direct costs	-	828,080	828,080	763,935
Support costs	<u>-</u>	<u>271,191</u>	<u>271,191</u>	<u>255,651</u>
	<u>-</u>	<u>1,099,271</u>	<u>1,099,271</u>	<u>1,019,586</u>

	2023 Total	2022 Total
	£	£
Analysis of support costs		
Support staff costs	104,237	98,797
Technology costs	9,844	9,277
Premises costs	39,631	26,814
Other support costs	88,327	85,663
Governance costs	<u>29,152</u>	<u>35,100</u>
Total support costs	<u>271,191</u>	<u>255,651</u>

BROCKHAMPTON ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2023

8. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	694,338	586,854
Social security costs	53,215	43,267
Operating costs of defined benefit pension schemes	<u>200,567</u>	<u>202,470</u>
	948,120	832,591
Supply teacher costs	<u>9,662</u>	<u>28,879</u>
	<u><u>957,782</u></u>	<u><u>861,470</u></u>

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

	2023	2022
Teachers	12	10
Administrative and support	19	19
Management	<u>1</u>	<u>1</u>
	<u><u>32</u></u>	<u><u>30</u></u>

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

	2023	2022
£60,001 - £70,000	-	1
£70,001 - £80,000	<u>1</u>	<u>-</u>
	<u><u>1</u></u>	<u><u>1</u></u>

The above employee is a member of the Teachers' Pension Scheme. During the year ended 31 August 2023 pension contributions for this member of staff amounted to £17,135 (2022 £15,566.)

Key management personnel

The key management personnel of the Academy comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy was £138,906 (2022 £127,965).

9. RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES

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

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

M Mander (Head and trustee):

Remuneration £70,000 - £75,000 (2022: £65,000 - £70,000)

Employer's pension contributions £15,000 - £20,000 (2022: £15,000 - £20,000)

BROCKHAMPTON ACADEMY TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2023**

9. RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES - continued

N Mansell (Staff trustee):

Remuneration £30,000 - £35,000 (2022: £35,000- £40,000)

Employer's pension contributions £5,000 - £10,000 (2022: £5,000- £10,000)

10. TRUSTEES' AND OFFICERS' INSURANCE

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

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund	Restricted funds	Restricted Fixed Asset Fund	Total funds
	£	£	£	£
INCOME AND ENDOWMENTS FROM				
Donations and capital grants	422	7,340	3,842	11,604
Charitable activities				
Funding for the academy's educational operations	-	840,637	-	840,637
Other trading activities	128,846	-	-	128,846
Investment income	-	19	-	19
Total	<u>129,268</u>	<u>847,996</u>	<u>3,842</u>	<u>981,106</u>
EXPENDITURE ON				
Raising funds	60,972	-	-	60,972
Charitable activities				
Academy's educational operations	-	984,484	35,102	1,019,586
Total	<u>60,972</u>	<u>984,484</u>	<u>35,102</u>	<u>1,080,558</u>
NET INCOME/(EXPENDITURE)	68,296	(136,488)	(31,260)	(99,452)
Transfers between funds	(45,000)	45,000	-	-
Other recognised gains/(losses)				
Actuarial gains on defined benefit schemes	-	563,000	-	563,000
Net movement in funds	23,296	471,512	(31,260)	463,548
RECONCILIATION OF FUNDS				
Total funds brought forward	59,487	(552,713)	856,131	362,905
TOTAL FUNDS CARRIED FORWARD	<u>82,783</u>	<u>(81,201)</u>	<u>824,871</u>	<u>826,453</u>

BROCKHAMPTON ACADEMY TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2023**

12. TANGIBLE FIXED ASSETS

	Long leasehold £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 September 2022	819,741	63,249	116,214	34,444	1,033,648
Additions	9,825	-	3,919	3,150	16,894
Disposals	-	-	-	(3,170)	(3,170)
At 31 August 2023	<u>829,566</u>	<u>63,249</u>	<u>120,133</u>	<u>34,424</u>	<u>1,047,372</u>
DEPRECIATION					
At 1 September 2022	110,026	24,478	55,546	30,976	221,026
Charge for year	11,990	5,803	9,149	3,080	30,022
Eliminated on disposal	-	-	-	(3,170)	(3,170)
At 31 August 2023	<u>122,016</u>	<u>30,281</u>	<u>64,695</u>	<u>30,886</u>	<u>247,878</u>
NET BOOK VALUE					
At 31 August 2023	<u>707,550</u>	<u>32,968</u>	<u>55,438</u>	<u>3,538</u>	<u>799,494</u>
At 31 August 2022	<u>709,715</u>	<u>38,771</u>	<u>60,668</u>	<u>3,468</u>	<u>812,622</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade debtors	3,627	5,036
Other debtors	150	-
VAT	5,931	5,683
Prepayments	<u>42,301</u>	<u>23,638</u>
	<u>52,009</u>	<u>34,357</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade creditors	23,891	28,050
Social security and other taxes	13,682	9,226
Other creditors	17,502	12,678
Accruals and deferred income	<u>66,416</u>	<u>54,177</u>
	<u>121,491</u>	<u>104,131</u>

BROCKHAMPTON ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2023

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued

Deferred income

	2023	2022
	£	£
Deferred income at 1 September 2022	20,973	31,913
Released from previous years	(20,973)	(31,913)
Resources deferred in the year	<u>30,418</u>	<u>20,973</u>
Deferred Income at 31 August 2023	<u><u>30,418</u></u>	<u><u>20,973</u></u>

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

15. MEMBERS' LIABILITY

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

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

			2023	
	Unrestricted fund	Restricted funds	Restricted Fixed Asset Fund	Total funds
	£	£	£	£
Fixed assets	-	-	799,494	799,494
Current assets	37,416	103,548	31,763	172,727
Current liabilities	(3,099)	(102,623)	(15,769)	(121,491)
Pension liability	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u><u>34,317</u></u>	<u><u>925</u></u>	<u><u>815,488</u></u>	<u><u>850,730</u></u>

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

			2022	
	Unrestricted fund	Restricted funds	Restricted Fixed Asset Fund	Total funds
	£	£	£	£
Fixed assets	-	-	812,622	812,622
Current assets	85,802	101,492	14,668	201,962
Current liabilities	(3,019)	(98,693)	(2,419)	(104,131)
Pension liability	<u>-</u>	<u>(84,000)</u>	<u>-</u>	<u>(84,000)</u>
	<u><u>82,783</u></u>	<u><u>(81,201)</u></u>	<u><u>824,871</u></u>	<u><u>826,453</u></u>

BROCKHAMPTON ACADEMY TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2023**

17. MOVEMENT IN FUNDS

	At 1/9/22 £	Net movement in funds £	Transfers between funds £	At 31/8/23 £
Restricted general funds				
Restricted General Fund	2,799	(107,874)	106,000	925
Restricted Fixed Asset Fund	824,871	(9,383)	-	815,488
Pension Reserve Restricted	<u>(84,000)</u>	<u>84,000</u>	<u>-</u>	<u>-</u>
	<u>743,670</u>	<u>(33,257)</u>	<u>106,000</u>	<u>816,413</u>
Unrestricted fund				
General fund	<u>82,783</u>	<u>57,534</u>	<u>(106,000)</u>	<u>34,317</u>
TOTAL FUNDS	<u><u>826,453</u></u>	<u><u>24,277</u></u>	<u><u>-</u></u>	<u><u>850,730</u></u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Restricted general funds				
Restricted General Fund	915,376	(1,023,250)	-	(107,874)
Restricted Fixed Asset Fund	20,638	(30,021)	-	(9,383)
Pension Reserve Restricted	<u>-</u>	<u>(46,000)</u>	<u>130,000</u>	<u>84,000</u>
	<u>936,014</u>	<u>(1,099,271)</u>	<u>130,000</u>	<u>(33,257)</u>
Unrestricted fund				
General fund	<u>138,147</u>	<u>(80,613)</u>	<u>-</u>	<u>57,534</u>
TOTAL FUNDS	<u><u>1,074,161</u></u>	<u><u>(1,179,884)</u></u>	<u><u>130,000</u></u>	<u><u>24,277</u></u>

Comparatives for movement in funds

	At 1/9/21 £	Net movement in funds £	Transfers between funds £	At 31/8/22 £
Restricted general funds				
Restricted General Fund	23,287	(65,488)	45,000	2,799
Restricted Fixed Asset Fund	856,131	(31,260)	-	824,871
Pension Reserve Restricted	<u>(576,000)</u>	<u>492,000</u>	<u>-</u>	<u>(84,000)</u>
	<u>303,418</u>	<u>395,252</u>	<u>45,000</u>	<u>743,670</u>
Unrestricted fund				
General fund	<u>59,487</u>	<u>68,296</u>	<u>(45,000)</u>	<u>82,783</u>
TOTAL FUNDS	<u><u>362,905</u></u>	<u><u>463,548</u></u>	<u><u>-</u></u>	<u><u>826,453</u></u>

BROCKHAMPTON ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2023

17. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Restricted general funds				
Restricted General Fund	847,996	(913,484)	-	(65,488)
Restricted Fixed Asset Fund	3,842	(35,102)	-	(31,260)
Pension Reserve Restricted	-	(71,000)	563,000	492,000
	<u>851,838</u>	<u>(1,019,586)</u>	<u>563,000</u>	<u>395,252</u>
Unrestricted fund				
General fund	129,268	(60,972)	-	68,296
	<u>129,268</u>	<u>(60,972)</u>	<u>-</u>	<u>68,296</u>
TOTAL FUNDS	<u>981,106</u>	<u>(1,080,558)</u>	<u>563,000</u>	<u>463,548</u>

Restricted funds

Restricted general fund

This fund is GAG related and is restricted to the running costs of the Academy. The Academy Trust is not subject to GAG carried forward limits.

Pension reserve

The pension reserve forms part of the restricted general fund and relates to the Academy Trust's share of the surplus/deficit of the Worcestershire County Council Local Government Pension Fund.

Fixed asset fund

These grants relate to funding received from the ESFA to carry out works of a capital nature.

Unrestricted fund

This fund relates to nursery and wrap around care and has no restrictions placed upon it.

Transfer between funds

A transfer has been made from unrestricted to restricted general funds to support the running costs of the Academy.

BROCKHAMPTON ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2023

18. PENSION AND SIMILAR OBLIGATIONS

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

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

Contributions amounting to £17,474 were payable to the schemes at 31 August 2023 (2022 - £17,018) and are included within creditors.

Teachers' pension scheme

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

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

Valuation of the teachers' pension scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £98,206 (2022 - £82,850).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

The 31 March 2016 TPS actuarial valuation results were implemented from 1 September 2019. The latest actuarial TPS valuation results, as at 31 March 2020, were released in October 2023. The revised employer contribution rate, arising from this valuation, is due to be implemented from 1 April 2024.

BROCKHAMPTON ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2023

18. PENSION AND SIMILAR OBLIGATIONS - continued

Local government pension scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £71,747 (2022 - £61,933), of which employer's contributions totalled £56,010 (2022 - £49,023), and employees' contributions totalled £15,737 (2022 - £12,910). The agreed contribution rates for future years are 18.50 per cent for employers and 6.50 per cent for employees.

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

On 21 July 2023, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

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

	Defined benefit pension plans	
	2023	2022
	£	£
Present value of funded obligations	(719,000)	(809,000)
Fair value of plan assets	<u>719,000</u>	<u>725,000</u>
	-	(84,000)
Present value of unfunded obligations	<u>-</u>	<u>-</u>
Deficit	<u>-</u>	<u>(84,000)</u>
Net liability	<u>-</u>	<u>(84,000)</u>

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

	Defined benefit pension plans	
	2023	2022
	£	£
Current service cost	63,000	110,000
Net interest from net defined benefit asset/liability	38,000	9,000
Past service cost	-	-
Administration expenses	<u>1,000</u>	<u>1,000</u>
	<u>102,000</u>	<u>120,000</u>
Actual return on plan assets	<u>16,000</u>	<u>(16,000)</u>

BROCKHAMPTON ACADEMY TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2023**

18. PENSION AND SIMILAR OBLIGATIONS - continued

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

	Defined benefit pension plans	
	2023	2022
	£	£
Opening defined benefit obligation	809,000	1,261,000
Current service cost	63,000	110,000
Contributions by scheme participants	16,000	13,000
Interest cost	35,000	21,000
Actuarial losses/(gains)	(185,000)	(591,000)
Benefits paid	<u>(19,000)</u>	<u>(5,000)</u>
	<u>719,000</u>	<u>809,000</u>

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

	Defined benefit pension plans	
	2023	2022
	£	£
Opening fair value of scheme assets	725,000	685,000
Contributions by employer	56,000	49,000
Contributions by scheme participants	16,000	13,000
Interest on plan assets	32,000	12,000
Actuarial gains/(losses)	(55,000)	(28,000)
Benefits paid	(19,000)	(5,000)
Restriction of surplus	(35,000)	-
Assets administration costs	<u>(1,000)</u>	<u>(1,000)</u>
	<u>719,000</u>	<u>725,000</u>

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

	Defined benefit pension plans	
	2023	2022
	£	£
Actuarial gains/(losses) assets	(55,000)	(28,000)
Actuarial gains/(losses) obligations	<u>185,000</u>	<u>591,000</u>
	<u>130,000</u>	<u>563,000</u>

BROCKHAMPTON ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2023

18. PENSION AND SIMILAR OBLIGATIONS - continued

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

	Defined benefit pension plans	
	2023	2022
	£	£
Equities	552,000	532,000
Other bonds	17,000	20,000
Property	62,000	60,000
Cash	7,000	13,000
Other	116,000	100,000
Restriction of surplus	<u>(35,000)</u>	<u>-</u>
	<u>719,000</u>	<u>725,000</u>

The surplus on the fair value of scheme assets has been restricted to the present value of the defined benefit obligations given the uncertainty as to whether the surplus will crystallise into a refund to the Academy in future periods.

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

	2023	2022
Discount rate	5.30%	4.30%
Increase in salaries	4.30%	4.30%
Rate of increase for pensions	2.90%	2.90%
Inflation assumption (CPI)	2.80%	2.80%

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

Retiring today		
Males	21.5	22.6
Females	23.8	25
Retiring in 20 years		
Males	22.8	24.1
Females	25.6	27

Sensitivity analysis

	2023	2022
	£	£
Discount rate +0.1%	651	790
Discount rate -0.1%	733	828
Mortality assumption - 1 year increase	733	825
Mortality assumption - 1 year decrease	705	793
CPI rate +0.1%	755	825
CPI rate -0.1%	705	790

BROCKHAMPTON ACADEMY TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2023**

19. LONG-TERM COMMITMENTS, INCLUDING OPERATING LEASES

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

	2023	2022
	£	£
Within one year	1,324	2,618
Between one and five years	<u>1,560</u>	<u>994</u>
	<u>2,884</u>	<u>3,612</u>

20. RELATED PARTY DISCLOSURES

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