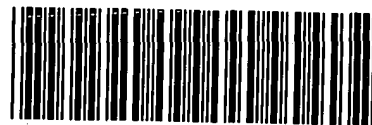


Company Registration No. 08550180 (England and Wales)

**BURNTWOOD TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

THURSDAY



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COMPANIES HOUSE

# **BURNTWOOD TRUST**

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# BURNTWOOD TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Members

H Wallace  
E Spencer  
P Wong  
C Peacock

### Governors

A McIntosh-Best  
L Brenton  
K Duckworth  
A Graham  
N Mehrotra  
C Peacock (Chair of Resources Committee)  
H Shorrock (Accounting officer)  
E Spencer (Vice Chair of Governors, Chair of Curriculum Committee)  
H Wallace (Chair)  
P Wong  
N Boland  
S Parsons  
S Syed (Resigned 28 March 2022)  
M Bernard  
L Collins  
P Moss  
N Luqman  
M Cooke (Appointed 1 March 2022)  
V Wallace (Appointed 1 March 2022)

### Senior management team

- Principal	H Shorrock
- Deputy Principal	S Arthur
- Deputy Principal	N Bull
- Deputy Principal	B Gerry
- Deputy Principal	H Morton
- Assistant Principal	N Bailey
- Assistant Principal	K Farrenson
- Assistant Principal	S Viggiani
- Assistant Principal	M Zafirovska
- Assistant Principal & CFO	K Arogundade
- Assistant Principal	A Balu

### Company registration number

08550180 (England and Wales)

### Registered office

Burntwood School  
Burntwood Lane  
Wandsworth  
London  
SW17 0AQ  
United Kingdom

# **BURNTWOOD TRUST**

## **REFERENCE AND ADMINISTRATIVE DETAILS**

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### **Independent auditor**

Azets Audit Services  
Greytown House  
221-227 High Street  
Orpington  
Kent  
BR6 0NZ  
United Kingdom

### **Bankers**

National Westminster Bank  
West London Commercial Banking Centre  
1st Floor  
180 Brompton Road  
London  
SW3 1HL  
United Kingdom

### **Solicitors**

Winckworth Sherwood LLP  
Minerva House  
5 Montague Close  
London  
SE1 9BB  
United Kingdom

# BURNTWOOD TRUST

## GOVERNORS' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2022

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The Governors present their report together with the accounts and independent auditor's reports of the charitable company for the year to 31 August 2022. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Academy Trust operates an Academy for pupils aged 11-18. Its roll at 31 August 2022 was 1720.

#### **Structure, governance and management**

##### Constitution

The Academy Trust is a company limited by guarantee with no share capital (registration no. 08550180) and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust.

The Governors are the trustees of Burntwood Trust and are also the Directors of the charitable company for the purposes of company law. Details of the Governors who served during the year are included in the Reference and Administrative Details on page 1.

Burntwood School was incorporated on 30 May 2013 and obtained Academy status from 01 July 2013.

The Regional Schools Commissioner approved the conversion of Burntwood to a Multi Academy Trust and this was confirmed by The Secretary of State, effective from 1st September 2017.

##### 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.

##### Method of recruitment and appointment or election of Governors

The members of the Academy Trust shall comprise the signatories to the Memorandum, the chairman of the governors, the vice chairman of the governors, the chair of the Resources Committee of the Academy and any person appointed under Article 16.

The number of governors shall not be less than 3, but shall not be subject to a maximum. The Academy Trust shall have the following governors; up to 9 appointed under Article 50, 7 Parent Governors, the Principal and 3 Staff Governors, appointed under Articles 50A. The Academy Trust may also have any Co-opted governor appointed under Article 59. The governors may not co-opt an employee of the Academy Trust as a Co-opted Governor if the number of Governors who are employed by the Academy Trust would thereby exceed one third of the total number of Governors (including the Principal).

The first Governors shall be those persons named in the statement delivered pursuant to sections 9 and 12 of the Companies Act 2006.

Each of the persons entitled to appoint members above shall have the right, from time to time by written notice delivered to the Office, to remove any Member appointed by them and to appoint a replacement member to fill a vacancy whether resulting from such removal or otherwise.

The term of office for any Governor shall be 4 years, save that this time limit shall not apply to the Principal. Subject to remaining eligible to be a particular type of Governor, any Governor may be re-appointed or re-elected.

##### Policies and procedures adopted for the induction and training of Governors

During the period under review, the Governors held 7 full governing body meetings. In addition there were regular meetings covering finance and personnel, curriculum and premises. The training and induction provided for new Governors will depend on their experience. Where necessary an induction will provide training on charity and education, legal and financial matters. All new Governors are given a tour of the Academy and the chance to meet with staff and students. All Governors are provided with copies of or given access to policies, procedures, minutes, budgets, plans and other documents they will need to understand their role as Trustees and Directors of the Academy.

# BURNTWOOD TRUST

## GOVERNORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### Organisational structure

The structure consists of three levels: the Governors, Senior Leadership Team and Heads of Curriculum Areas/ Heads of Year. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

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

The Senior Leadership Team are the Principal, Deputy Principals and Assistant Principals. These leaders control the Academy at an executive level implementing the policies laid down by the Governors and reporting back to them. As a group, the Senior Leadership Team is responsible for the authorisation of spending within agreed budgets and the appointment of staff, though interview panels for senior posts will contain a Governor. Some spending control is devolved to Heads of Subjects and other post holders.

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

Arrangements for setting the pay of the Academy's senior management team (SMT) are included in the process for assessing the Principal's performance. Senior managers' individual targets are reviewed in the Autumn Term and then reported to the panel of the Governing Body convened to consider the Principal's achievements against her annual targets. The panel advise the Governing Body of the outcome of this review and, if successful with their targets, pay progression is confirmed up to the maximum of each person's Individual Pay Range. All pay is based on National Pay Scales.

#### Trade union facility time

##### *Relevant union officials*

Number of employees who were relevant union officials during the relevant period

1

Full-time equivalent employee number

0.80

##### *Percentage of time spent on facility time*

Percentage of time

Number of employees

0%

-

1%-50%

1

51%-99%

-

100%

-

##### *Percentage of pay bill spent on facility time*

Total cost of facility time

14,925

Total pay bill

9,021,000

Percentage of the total pay bill spent on facility time

-

##### *Paid trade union activities*

Time spent on paid trade union activities as a percentage of total paid facility time hours

-

# **BURNTWOOD TRUST**

## **GOVERNORS' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2022**

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#### Related parties and other connected charities and organisations

Burntwood School works closely with the Wandle Teaching School Hub (WTSH). It consists of several other secondary, primary and special schools, plus the Institute of Education, Roehampton University and representatives of the following local authorities: Wandsworth, Merton, Richmond upon Thames and Kingston upon Thames. As part of the WTSH, Burntwood School contributes to the running of a number of professional development courses such as the NPQML, NPQSL and Stepping up to Leadership. Burntwood is involved in School to School support and has two SLEs (Specialist Leads in Education). Burntwood are involved in supporting other schools within the WTSH. For example, their Science SLE was seconded to another local secondary school for one day a week and has also carried out some advisory work for a local sixth form college. As a member of the WTSH, Burntwood recruits and trains School Direct PGCE trainees and have been successful in offering permanent teaching contracts to some of the staff that were trained.

The Wandsworth Professional Development Centre (WPDC) occupies the 3rd floor of Building 1. WPDC are in effect Burntwood's tenants.

The school is extensively used by the Wandsworth Saturday Music Academy as well as Community Groups, local schools and voluntary organisations.

#### **Objectives and activities**

##### Objects and aims

In accordance with the Articles of Association, the Academy's objects are restricted to the following:

- To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a partially selective school offering a broad and balanced curriculum
- To promote for the benefit of the inhabitants of the area served by the Academy the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances of for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

##### Objectives, strategies and activities

The Academy's mission statement is underpinned by the following aims:

Burntwood School develops enquiring, informed and resilient women who are able to meet the demands of a rapidly changing world.

#### **Curriculum**

- To provide a relevant and challenging education which enables all members of our community to reach their full potential.

#### **Creativity**

- To nurture creativity in students both in the classroom and beyond to help build cultural capital and instil an enjoyment of life-long learning.

#### **Character**

- To encourage students to be ambitious, bold and independent, with a strong sense of purpose and a commitment to their own academic and personal development.

#### **Community**

- To build a community in which everyone is respected and valued and where students have pride in their school and play a positive role in society.

#### **Convention**

- To empower all students to exercise their inalienable rights as set out in the United Nations Convention on the Rights of the Child.

# **BURNTWOOD TRUST**

## **GOVERNORS' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2022**

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#### Public benefit

The Governors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing the charity's aim and objectives and in planning future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

#### **ADMISSION OF PUPILS TO YEAR 7**

Burntwood admits 313 students to Year 7 each year.

The criteria for the admission of students to Year 7 in September 2021 were as follows:

##### **Category 1 Places**

78 places allocated by reference to general ability to those applicants with the highest scores in the Wandsworth Year 6 Test.

##### **Category 2 Places**

The remaining 235 places to be allocated as follows, in this order:

- I. Girls looked after and those who ceased to be children looked after because they were adopted, or because they became subject to a residence order or a special guardianship order;
- II. Applicants with a professionally supported exceptional medical need or exceptional social need for a place at the school, as decided by the Governing Body;
- III. Girls not admitted under Category 1, who have a sibling attending the school at the date of application;
- IV. Children of staff employed directly at the school
- V. Girls who live nearest to the school, using a straight line measurement from home to school as calculated by the Wandsworth Council Geographical Information System.

All applicants will apply on an equal footing, and will not need to specify under which category they are applying.



# **BURNTWOOD TRUST**

## **GOVERNORS' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2022**

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#### **Strategic report**

##### **Achievements and performance**

Summer 2022 examination results.

At A level, the school's overall A\* - B grades were 44.6% versus 38% in 2019, with 96.6% being A\* - E. There was also an increase of a sub-level in the average A Level grade from a C in 2019 to a C+ in 2022. This demonstrates the steady progress the school has made since its last set of public exam data. The school continues to close the gap between its A\*-B figures and national outcomes, recognising a 7% gap reduction between since its 2019 A\*-B measure. Subjects that have performed well this year compared to national A\*-B figures are: Art, Drama, Graphics, Latin, Photography and Urdu.

Overall, the school's applied subjects performed very well this year. 69.7% of students achieved an average grade of a merit, a distinction or a distinction\* – this is a significant increase from 2019 when 57.8% of students achieved merit or above.

75% of students won a place at their first choice University including to Oxford, various Russell Group universities and to Medical Schools.

The school's GCSE results were outstanding and they are really pleased with how the students performed. The improvements in progress and attainment are a testament to the hard work by both our staff and students. GCSE results included a number of outstanding individual performances and the overall 'Progress 8' outcome will be at least +0.39 and "well above" average, which is an improvement since 2019. The school's overall 9 – 7 grades were 31.3% and 9 – 5 grades were 72.2%. 99.2% of students achieved grades between 9 – 1. Owing to significant changes to their curriculum intent and implementation, the school recognised significant improvements in the following subjects compared to their 2019 measure: Drama, Computing, Graphics, Product Design, French, Spanish and Double Award Science. Extra interventions put in place for its disadvantage students have resulted in a positive impact on their progress and attainment, and the smallest gap in the last 3 years in the following measures: Progress 8, Attainment 8, % of 9 – 5 English & Maths, % of 9 – 4 English & Maths, Ebacc APS and % Entering EBACC.

The school was last inspected by OFSTED in January 2020. This was a Section 8 Inspection under the new framework. This resulted in confirmation of the School's 'Good' rating and was a positive and supportive experience.

The Stirling Prize winning campus continues to generate enquiries from Educationalist and Architects from the UK and abroad. The School is part of a variety of research projects into new buildings and the impact of good design on the quality of education.

Burntwood School is very proud to be one of only four Secondary Schools in London to have been awarded the highest level of the Rights Respecting School award: Gold. The school were first accredited Gold in 2016 continues to celebrate its status as a 'Gold' Rights Respecting School after being reaccruited in 2019 again in 2022. The Trust were evaluated by a UNICEF reaccruited assessor, who met with a range of staff and students and reviewed supporting evidence, which demonstrated excellent knowledge of children's rights across the whole school community. The report to Governors detailed highly effective leadership of rights related work at all levels and a strong commitment to children's rights, tied into the vision and values of the school. The school also has a Platinum mark for its staff CPD provision.

#### Key performance indicators

- Improved examination success
- High rates of attendance
- Good recruitment of specialist teaching staff and good retention
- Good Audit report with no significant issues raised

#### Going concern

After making appropriate enquiries, the Board of Governors has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason the Board of Governors continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

# BURNTWOOD TRUST

## GOVERNORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### Financial review

Most of the Academy's income is obtained from the Education Skills Funding Agency (ESFA) in the form of recurrent grants, some of which are restricted to particular purposes. The grants received from the ESFA during the period ended 31 August 2022 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2015), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

The school received additional grants to support students with curriculum catch up and recovery following the COVID-19 pandemic. The school's principle risks and uncertainties will be managed by keeping them under continuous review. It maintains its focus on recovering from the pandemic. The mid and long term implications are becoming clearer over time and the monthly reporting system will allow Trustees to keep abreast of the potential financial and other consequences.

During the period ended 31 August 2022, total expenditure of £14,037k (2021: £13,339k) was met by recurrent grant funding from the ESFA together with other incoming resources. The excess of income over expenditure for the period (excluding restricted fixed asset funds and transfers to restricted fixed asset funds) was £25k (2021: £100k expenditure over income).

At 31 August 2022 the net book value of fixed assets was £43,049k (2021: £43,223k). Movements in tangible fixed assets are shown in note 12 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The Wandsworth Council Pension Fund, in which the Academy participates, showed a deficit last year of £3,991k. At 31 August 2022 the FRS102 report showed an asset of £671k however this has not been recognised in the accounts as the academy is not expected to receive a benefit.

#### Financial position

The Academy held fund balances at 31 August 2022 of £45,730k (2021: £41,482k) comprising £43,551k (2021: £39,568k) of restricted funds and £2,179k (2021: £1,915k) of unrestricted general funds. Of the restricted funds £43,049k (2021: £43,233k) is represented by tangible fixed assets.

The pension reserve which is considered part of restricted funds was £nil (2021: £3,991k) in deficit.

#### Reserves policy

The Governors review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. In a typical month there is expenditure of £820k on staffing; £104k on premises; £61k on resources; £54k on Supplies and Services. As a consequence Governors would expect there to be reserves of at least £1,039k (2021: £1,016k).

The total unrestricted funds at 31st August 2022 is £2,179k (2021: £1,915k). As it is likely that there will be an overall balance of income and expenditure in 2022/23, the carry forward will not be expended and therefore there will be sufficient funds for the reserve level to be maintained throughout the year.

#### Investment policy

Under the Memorandum and Articles of Association, the Academy has the power to invest funds not immediately required for its own purposes, in any way the Governors see fit. The organisation has a positive cash balance to cover eventualities and unforeseen expenses. The banking facilities are reviewed on a regular basis.

# BURNTWOOD TRUST

## GOVERNORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### Principal risks and uncertainties

The Companies Act 2006 s417(3b) requires disclosure of the principal risks and uncertainties facing a company. The Academy is exposed to a number of financial risks including credit, cash flow and liquidity risks. Given the Academy's exposure to financial instruments being limited, the exposure principally relates to bank balances, cash and trade creditors, with limited trade (and other) debtors. The Academy's system of internal controls ensures risk is minimal in these areas.

#### **Financial and Risk Management Objectives and Policies**

The financial risks to which The Academy is exposed relate primarily to:

- Change in government and legislation
- Potential of reduced funding and cash flow
- Reduction in student numbers
- Long term impact of COVID on extraordinary costs and reduced income

A risk arises in relation to the defined benefit pension scheme, due to the fact that last year there was a deficit of £3,991k. At 31 August 2022 the FRS102 report showed an asset of £671k however this has not been recognised in the accounts as the academy is not expected to receive a benefit.

#### Risk management

Recruitment and retention of students including into Year 12 is always a priority. The funding of the Teachers pay award and increased employer's pension contributions and the uncertain timing of the introduction of the Common Funding Formula all create a challenge in mid and long term financial planning. Uncertainty about the continued impact of COVID and the consequent financial pressures will dominate Trustees consideration in 2022/2023.

Risk management is regularly considered by Governors using the Risk Register that identifies potential threats and identifies ways in which these can be mitigated. Robust systems of control are enhanced by the work of the Academy Finance Manager; effective Governors working in Committees; experienced senior and middle managers.

The School will continue to offer a supportive and encouraging environment for staff. There will be continuing recruitment and retention advantages from the new buildings and the facilities generally.

The Risk Register identifies financial, strategic, reputational, operational and compliance risks. Risks are mitigated by robust systems of control, effective governance; experienced senior and middle management teams; benefits of new buildings and facilities.

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances. The Governors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, and school trips) and in relation to the control of finance. The Governors have introduced systems, including operational procedures and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail in the Governance Statement on page 11.

# **BURNTWOOD TRUST**

## **GOVERNORS' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2022**

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#### **Plans for future periods**

Burntwood's whole school priorities for 2022/23 are:

1. Quality of Education

To implement a new whole-school Feedback Policy to ensure a more holistic and consistent approach to feedback.

2. Behaviour and Attitudes

To support specific groups of students who, following COVID-19, have found it more challenging to regulate their emotions and behaviour.

3. Personal Development

To ensure that those students identified as having a cultural capital deficit are supported in developing their engagement with all areas of Personal Development.

4. Leadership and Management

To put in place plans to develop the Burntwood Trust in response to the March 2022 White Paper.

To open the SEMH girls' resource base.

To expand the Burntwood curriculum offer by teaching T Levels.

#### **Auditor**

In so far as the Governors are aware:

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

The auditor, Azets Audit Services, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

The Governors' report, incorporating a strategic report, was approved by order of the Board of Governors, as the company directors, on 05 December 2022 and signed on its behalf by:



H Wallace  
Chair

# BURNTWOOD TRUST

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2022**

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### Scope of responsibility

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

The Board of Governors has delegated the day-to-day responsibility to the Principal, 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 Burntwood Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Governors any material weaknesses or breakdowns in internal control.

### Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The Board of Governors has formally met 7 times during the year.

### Governance

Attendance during the year at meetings of the Board of Governors was as follows:

Governors	Meetings attended	Out of possible
A McIntosh-Best	5	7
L Brenton	5	7
K Duckworth	5	7
A Graham	3	7
N Mehrotra	7	7
C Peacock (Chair of Resources Committee)	5	7
H Shorrocks (Accounting officer)	7	7
E Spencer (Vice Chair of Governors, Chair of Curriculum Committee)	6	7
H Wallace (Chair)	7	7
P Wong	0	7
N Boland	5	7
S Parsons	7	7
S Syed (Resigned 28 March 2022)	0	4
M Bernard	1	7
L Collins	4	7
P Moss	3	7
N Luqman	4	7
M Cooke (Appointed 1 March 2022)	2	3
V Wallace (Appointed 1 March 2022)	0	4

There were no key changes to the composition of the board of governors or coverage of its work. Governors undertake an annual skills audit to assess its own effectiveness and any particular challenges that have arisen for the board. This informs a review of findings and actions required to ensure the efficiency of the board is maximised. The board continues to have a wide range of experience between them. The board intends to conduct the next self-evaluation of governance in autumn 2022.

The board and its committees meet regularly to discharge their responsibilities and ensure robust governance and effective management arrangements. Full board meetings took place 7 times this year. The school maintains effective oversight of funds through its committees, with the Chair of Governors and the Chair of the Resources Committee receiving monthly management accounts. There is also a Curriculum Committee, who meet four times a year.

# BURNTWOOD TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### Conflicts of interest

Each year, the board are asked to declare any interests that may affect, or be seen to affect, their ability to take decisions that are impartial and in the best interests of the school. This may include personal relationships, business or financial activities, or involvement in the governance of another school/trust or charity. This information is recorded on a register of interests. In addition to declaring interests, the board is asked to declare any potential conflicts of interest before every meeting, which might relate to items on the meeting agenda. Governors with interests to declare would withdraw from the meeting for the relevant item of business and not vote on the matter.

The Resources Committee is a sub-committee of the main Governing Body. Its purpose is to advise and support the Governing Body on finance.

The Resources Committee met 6 times this year, maintaining effective oversight of funds, with the Chair of Governors and the Chair of the Resources Committee receiving monthly management accounts.

Attendance at meetings in the year was as follows:

Governors	Meetings attended	Out of possible
L Brenton	6	6
A Graham	4	6
C Peacock (Chair of Resources Committee)	6	6
H Shorrocks (Accounting officer)	6	6
E Spencer (Vice Chair of Governors, Chair of Curriculum Committee)	5	6
H Wallace (Chair)	6	6
P Wong	1	6
N Boland	5	6
S Parsons	5	6
S Syed (Resigned 28 March 2022)	0	4
M Bernard	0	6
L Collins	5	6
P Moss	0	6

#### Review of value for money

As accounting officer the Principal has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the Academy Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Governors 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:

- Continued close scrutiny of timetable requirements to control staffing levels
- Reviewing non-teaching staff structures whenever a vacancy occurs
- Monitoring of contracts and SLAs and seeking improved value when they are renewed or by finding different ways of working

#### The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Burntwood Trust for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and accounts.

# **BURNTWOOD TRUST**

## **GOVERNANCE STATEMENT (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2022***

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### **Capacity to handle risk**

The Board of Governors 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 Board of Governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Board of Governors.

### **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 Governors;
- regular reviews by the Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint a responsible officer. However, the Governors have appointed Landau Baker, to complete the internal audit function. Landau Baker role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems.

In particular the checks carried out in the current period include:

- Review of risk register
- Testing of pupil numbers
- Review of insurance arrangements
- Payroll
- Purchases
- Capital Expenditure
- VAT
- Income
- Debtors & Creditors
- Bank reconciliations
- Purchase Card Usage
- Control Accounts
- Financial Reports to Governors
- Opening Balances
- Financial Regulation

Landau Baker reports to the Governing body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities. The role is carried out by a separate team at Landau Baker with no connection to the Azets audit team. This is to ensure the reviews are carried out independently.

The Trust confirms the internal auditor has delivered their schedule of work as planned. Findings were minimal and remedial action was taken to implement auditor recommendations.

# **BURNTWOOD TRUST**

## **GOVERNANCE STATEMENT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2022**

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### **Safeguarding**

The Academy Trust appointed Robbins Training and Consultancy to complete an external review of its safeguarding arrangements. The schedule of work included scrutiny of the following:

- Single Central Record and monitoring checklist
- Ofsted report dated January 2020
- Records of link Inspector visits
- Records of governor visits
- Business continuity plan and health and safety records
- Documents related to staff recruitment, selection and induction for posts filled in the past 12 months
- Assorted videos on the website communicating the culture, life and work of the school
- Board meeting minutes
- School policies and policy checklist
- Flowchart for raising concerns and record keeping system
- Induction checklist for new staff and volunteers
- Records of safeguarding team meetings
- Pupil and parent surveys including Parent View
- Covid-19 outbreak management Plan
- Risk assessments
- Safeguarding protocol and procedural documents
- Minutes from Anti-bullying Steering group meetings
- 3 year trend data on behaviour
- Parent evening information

Robbins Training and Consultancy reported to Governors, a strong a culture of commitment to safeguarding which is equally balanced by the Trust's commitment to achievement. Findings included minor recommendations to which the Trust have implemented.

### **Review of effectiveness**

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

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Resources Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the Board of Governors on 05 December 2022 and signed on its behalf by:



H Shorrock  
Accounting officer



H Wallace  
Chair



## **BURNTWOOD TRUST**

### **STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE**

***FOR THE YEAR ENDED 31 AUGUST 2022***

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As accounting officer of Burntwood Trust, I have considered my responsibility to notify the Academy Trust Board of Governors and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

I confirm that I and the Academy Trust's Board of Governors 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 2021.

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 Governors and ESFA.



H Shorrock  
**Accounting Officer**

05 December 2022

# **BURNTWOOD TRUST**

## **STATEMENT OF GOVERNORS' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 AUGUST 2022***

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The Governors (who act as trustees for Burntwood Trust and are also the directors of Burntwood Trust for the purposes of company law) are responsible for preparing the Governors' report and the accounts in accordance with the Academies Accounts Direction 2021 to 2022 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts 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 Governors 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 that grants received from ESFA/DfE have been applied for the purposes intended.

The Governors 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Governors on 05 December 2022 and signed on its behalf by:



H Wallace  
Chair

# **BURNTWOOD TRUST**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BURNTWOOD TRUST FOR THE YEAR ENDED 31 AUGUST 2022**

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### **Opinion**

We have audited the accounts of Burntwood Trust for the year ended 31 August 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the accounts' 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 accounts 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 Governors' 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 Governors with respect to going concern are described in the relevant sections of this report.

### **Other information**

The Governors are responsible for the other information, which comprises the information included in the annual report other than the accounts and our auditor's report thereon. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# **BURNTWOOD TRUST**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BURNTWOOD TRUST (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2022**

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### **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 Governors' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Governors' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

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

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

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

### **Responsibilities of Governors**

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

In preparing the accounts, the Governors 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 Governors either intend to liquidate the charitable company, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the accounts**

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

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

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

## BURNTWOOD TRUST

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BURNTWOOD TRUST (CONTINUED)

#### FOR THE YEAR ENDED 31 AUGUST 2022

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In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

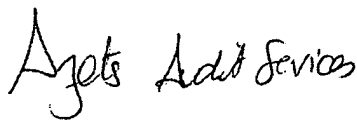
- Enquiry of senior leadership, Governors/Trustees and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations including compliance with the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency;
- Performing audit work over the recognition of grant income and the allocation of expenditure to funds;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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 of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### Use of our report

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



Catherine Cooper FCCA (Senior Statutory Auditor)  
for and on behalf of Azets Audit Services

20 December 2022

Chartered Accountants  
Statutory Auditor

Greytown House  
221-227 High Street  
Orpington  
Kent  
United Kingdom  
BR6 0NZ

# **BURNTWOOD TRUST**

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

***FOR THE YEAR ENDED 31 AUGUST 2022***

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In accordance with the terms of our engagement letter dated 29 June 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Burntwood Trust during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Respective responsibilities of Burntwood Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Burntwood Trust's funding agreement with the Secretary of State for Education dated 28 June 2013 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Approach**

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

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

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

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

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion as well as additional testing based on our assessment of risk of material irregularity.

## **BURNTWOOD TRUST**

### **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BURNTWOOD TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2022**

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#### **Conclusion**

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

*Azets Audit Services*

#### **Reporting Accountant**

Azets Audit Services  
Greytown House  
221-227 High Street  
Orpington  
Kent  
BR6 0NZ  
United Kingdom

Dated: 20 December 2022

# BURNTWOOD TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2022 £'000	Total 2021 £'000
<b>Income and endowments from:</b>						
Donations and capital grants	3	24	-	37	61	105
Charitable activities:						
- Funding for educational operations	4	-	12,988	-	12,988	12,535
Other trading activities	5	547	6	-	553	264
Investments	6	3	-	-	3	2
<b>Total</b>		<b>574</b>	<b>12,994</b>	<b>37</b>	<b>13,605</b>	<b>12,906</b>
<b>Expenditure on:</b>						
Charitable activities:						
- Educational operations	8	310	13,233	494	14,037	13,339
<b>Total</b>	<b>7</b>	<b>310</b>	<b>13,233</b>	<b>494</b>	<b>14,037</b>	<b>13,339</b>
<b>Net income/(expenditure)</b>		<b>264</b>	<b>(239)</b>	<b>(457)</b>	<b>(432)</b>	<b>(433)</b>
Transfers between funds	18	-	(273)	273	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial gains/(losses) on defined benefit pension schemes	20	-	4,679	-	4,679	(168)
<b>Net movement in funds</b>		<b>264</b>	<b>4,167</b>	<b>(184)</b>	<b>4,247</b>	<b>(601)</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		1,915	(3,665)	43,233	41,483	42,084
Total funds carried forward		2,179	502	43,049	45,730	41,483



# BURNTWOOD TRUST

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

Comparative year information Year ended 31 August 2021	Notes	Unrestricted	Restricted funds:		Total
		funds £'000	General £'000	Fixed asset £'000	2021 £'000
<b>Income and endowments from:</b>					
Donations and capital grants	3	6	-	99	105
Charitable activities:					
- Funding for educational operations	4	-	12,535	-	12,535
Other trading activities	5	264	-	-	264
Investments	6	2	-	-	2
<b>Total</b>		<u>272</u>	<u>12,535</u>	<u>99</u>	<u>12,906</u>
<b>Expenditure on:</b>					
Charitable activities:					
- Educational operations	8	228	12,679	432	13,339
<b>Total</b>	7	<u>228</u>	<u>12,679</u>	<u>432</u>	<u>13,339</u>
<b>Net income/(expenditure)</b>		44	(144)	(333)	(433)
Transfers between funds	18	-	(35)	35	-
<b>Other recognised gains/(losses)</b>					
Actuarial losses on defined benefit pension schemes	20	-	(168)	-	(168)
<b>Net movement in funds</b>		44	(347)	(298)	(601)
<b>Reconciliation of funds</b>					
Total funds brought forward		1,871	(3,318)	43,531	42,084
Total funds carried forward		<u>1,915</u>	<u>(3,665)</u>	<u>43,233</u>	<u>41,483</u>

# BURNTWOOD TRUST

## BALANCE SHEET

AS AT 31 AUGUST 2022

		2022		2021	
	Notes	£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible assets	12		43,049		43,233
<b>Current assets</b>					
Stocks	13	40		22	
Debtors	14	554		652	
Investments	15	1,022		1,020	
Cash at bank and in hand		1,761		1,049	
		<u>3,377</u>		<u>2,743</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	16	(696)		(502)	
<b>Net current assets</b>			<u>2,681</u>		<u>2,241</u>
<b>Net assets excluding pension liability</b>			<u>45,730</u>		<u>45,474</u>
Defined benefit pension scheme liability	20		-		(3,991)
<b>Total net assets</b>			<u>45,730</u>		<u>41,483</u>
<b>Funds of the Academy Trust:</b>					
<b>Restricted funds</b>	18				
- Fixed asset funds			43,049		43,233
- Restricted income funds			502		326
- Pension reserve			-		(3,991)
<b>Total restricted funds</b>			<u>43,551</u>		<u>39,568</u>
<b>Unrestricted Income funds</b>	18		<u>2,179</u>		<u>1,915</u>
<b>Total funds</b>			<u>45,730</u>		<u>41,483</u>

The accounts on pages 22 to 45 were approved by the Governors and authorised for issue on 05 December 2022 and are signed on their behalf by:



H Wallace  
Chair

Company Number 08550180

# BURNTWOOD TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

		2022		2021	
	Notes	£'000	£'000	£'000	£'000
<b>Cash flows from operating activities</b>					
Net cash provided by operating activities	21		984		90
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		3		2	
Capital grants from DfE Group		37		36	
Purchase of tangible fixed assets		(310)		(71)	
Purchase of investments		(2)		(2)	
<b>Net cash used in investing activities</b>			(272)		(35)
<b>Net increase in cash and cash equivalents in the reporting period</b>			712		55
Cash and cash equivalents at beginning of the year			1,049		994
<b>Cash and cash equivalents at end of the year</b>			1,761		1,049

# **BURNTWOOD TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 AUGUST 2022**

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#### **1 Accounting policies**

Burntwood Trust is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the Governors' report.

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.

##### **1.1 Basis of preparation**

The accounts of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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

##### **1.2 Going concern**

The Governors assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The Governors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

##### **1.3 Income**

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

###### Grants

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 period 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.

###### Donations

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

###### Other income

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

# BURNTWOOD TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 1 Accounting policies

(Continued)

##### 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 accounts until they are sold. This income is recognised within 'Income from other trading activities'.

##### Donated fixed assets

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

##### Interest receivable

Interest receivable is included within the statement of financial activities on a receivable basis.

#### 1.4 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 are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

##### Expenditure on raising funds

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

##### Charitable activities

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

#### 1.5 Tangible fixed assets and depreciation

Tangible fixed assets acquired since the Academy was established are included in the accounts at cost. Assets costing less than £1,000 and a group of similar items costing £3,000 are written off in the year of acquisition. All other assets are capitalised.

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. The related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the statement of financial activities.

The property has been included at the valuation provided by the ESFA when completing their desktop valuation.

The Academy's land and buildings are freehold.

# BURNTWOOD TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 1 Accounting policies

(Continued)

#### Depreciation

Depreciation is provided on a straight line basis on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. No depreciation is provided on freehold land. The principal annual rates used for other assets are:

Freehold land and buildings	Buildings 2%; Land is not depreciated
Computer equipment	33.3%
Fixtures and fittings	20%

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

#### 1.6 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.

#### 1.7 Leased assets

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

#### 1.8 Investments

Current asset investments are stated at market value.

#### 1.9 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. 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. 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.

#### 1.10 Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provision is made for obsolete and slow moving stock.

# BURNTWOOD TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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### 1 Accounting policies

(Continued)

#### 1.11 Taxation

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

#### 1.12 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated 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 based on quadrennial valuations using a prospective unit credit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions are 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 net income or expenditure are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

#### 1.13 Fund accounting

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

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

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

#### 1.14 Agency Arrangements

The Academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 27.

# BURNTWOOD TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 2 Critical accounting estimates and areas of judgement

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

##### Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

##### Critical areas of judgement

###### Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 12 for the carrying amount of the property plant and equipment, and note 1.5 for the useful economic lives for each class of assets.

###### Bad debts

Debtors are regularly reviewed for recoverability, any debts which in the opinion of management are not recoverable are provided for as a specific bad debt.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

#### 3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
Donated fixed assets	-	-	-	63
Capital grants	-	37	37	36
Other donations	24	-	24	6
	<u>24</u>	<u>37</u>	<u>61</u>	<u>105</u>



# BURNTWOOD TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 4 Funding for the Academy Trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
<b>DfE / ESFA grants</b>				
General annual grant (GAG)	-	11,419	11,419	10,811
Other DfE / ESFA grants:				
Pupil premium	-	477	477	496
Supplementary grant	-	131	131	-
Teachers pension grants	-	113	113	415
Teachers pay grants	-	40	40	147
Rates	-	196	196	81
Others	-	187	187	118
	-	12,563	12,563	12,068
<b>Other government grants</b>				
Local authority grants	-	398	398	309
<b>Exceptional government funding</b>				
Other Coronavirus funding	-	27	27	158
<b>Total funding</b>	-	12,988	12,988	12,535

Last year the academy received 106k of funding for catch-up premium and costs incurred in respect of this funding totalled:

- £60,000 for additional staffing to support the initiatives
- £30,000 on additional payment to staff for out of hours sessions
- £10,000 on additional Resources
- £6,000 on 'other' initiatives which may arise throughout the year

The academy received £28k (2021: £52k) for mass testing.

### 5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
Hire of facilities	221	-	221	108
Catering income	261	-	261	119
Other income	65	6	71	37
	547	6	553	264

# BURNTWOOD TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

6	Investment income					
		Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000	
	Short term deposits	3	-	3	2	
7	Expenditure					
		Staff costs £'000	Non-pay expenditure Premises £'000	Other £'000	Total 2022 £'000	Total 2021 £'000
	Academy's educational operations					
	- Direct costs	7,924	303	785	9,012	8,899
	- Allocated support costs	2,520	1,563	942	5,025	4,440
		10,444	1,866	1,727	14,037	13,339
	Net income/(expenditure) for the year includes:				2022 £'000	2021 £'000
	Fees payable to auditor for:					
	- Audit				12	12
	- Other services				2	2
	Operating lease rentals				23	23
	Depreciation of tangible fixed assets				494	432
	Net interest on defined benefit pension liability				69	53

# BURNTWOOD TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

<b>8</b>	<b>Charitable activities</b>				
		<b>Unrestricted funds £'000</b>	<b>Restricted funds £'000</b>	<b>Total 2022 £'000</b>	<b>Total 2021 £'000</b>
	<b>Direct costs</b>				
	Educational operations	15	8,997	9,012	8,899
	<b>Support costs</b>				
	Educational operations	295	4,730	5,025	4,440
		<u>310</u>	<u>13,727</u>	<u>14,037</u>	<u>13,339</u>
				<b>2022 £'000</b>	<b>2021 £'000</b>
	<b>Analysis of support costs</b>				
	Support staff costs			2,520	2,375
	Depreciation			191	129
	Premises costs			1,372	1,278
	Legal costs			16	17
	Other support costs			905	623
	Governance costs			21	18
				<u>5,025</u>	<u>4,440</u>
<b>9</b>	<b>Staff</b>				
	<b>Staff costs</b>				
	Staff costs during the year were:			<b>2022 £'000</b>	<b>2021 £'000</b>
	Wages and salaries			6,824	6,818
	Social security costs			752	733
	Pension costs			2,064	1,918
	Staff costs - employees			<u>9,640</u>	<u>9,469</u>
	Agency staff costs			798	762
	Staff restructuring costs			6	-
				<u>10,444</u>	<u>10,231</u>
	Staff development and other staff costs			13	7
	Total staff expenditure			<u>10,457</u>	<u>10,238</u>
	Staff restructuring costs comprise:				
	Severance payments			<u>6</u>	<u>-</u>

# BURNTWOOD TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 9 Staff

(Continued)

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

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £6k (2021: £nil). Individually, the payments were: £6k.

#### Staff numbers

The average number of persons employed by the Academy Trust during the year was as follows:

	2022 Number	2021 Number
Teachers	93	92
Administration and support	70	60
Management	11	10
	<u>174</u>	<u>162</u>

#### Higher paid staff

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

	2022 Number	2021 Number
£60,001 - £70,000	17	13
£70,001 - £80,000	4	3
£80,001 - £90,000	2	2
£90,001 - £100,000	1	-
£120,001 - £130,000	-	2
£130,001 - £140,000	1	-
	<u></u>	<u></u>

#### Key management personnel

The key management personnel of the Academy Trust comprise the Governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer national insurance and pension contributions) received by key management personnel for their services to the Academy Trust was £1,189k (2021: £1,116k)

# BURNTWOOD TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 10 Governors' remuneration and expenses

One or more of the Governors has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Principal and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff members under their contracts of employment, and not in respect of their services as Governors.

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

H Shorrocks (Principal):

- Remuneration £130,000 - £135,000 (2021: £125,000 - £130,000)
- Employer's pension contributions £30,000 - £35,000 (2021: £30,000 - £35,000)

L Brenton (staff):

- Remuneration £55,000 - £60,000 (2021: £60,000 - £65,000)
- Employer's pension contributions £10,000 - £15,000 (2021: £15,000 - £20,000)

N Boland (staff):

- Remuneration £30,000 - £35,000 (2021: £25,000 - £30,000)
- Employer's pension contributions £5,000 - £10,000 (2021: £5,000 - £10,000)

During the year, £983 (2021: £1,238) was paid to two Governors (2021: three Governors) for school supplies.

Other related party transactions involving the Governors are set out within the related parties note.

#### 11 Governors' and officers' insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year is £4,197 (2021: £4,237).

#### 12 Tangible fixed assets

	Freehold land and buildings £'000	Computer equipment £'000	Fixtures and fittings £'000	Total £'000
<b>Cost</b>				
At 1 September 2021	45,468	1,253	555	47,276
Additions	-	206	104	310
At 31 August 2022	45,468	1,459	659	47,586
<b>Depreciation</b>				
At 1 September 2021	2,423	1,157	463	4,043
Charge for the year	303	131	60	494
At 31 August 2022	2,726	1,288	523	4,537
<b>Net book value</b>				
At 31 August 2022	42,742	171	136	43,049
At 31 August 2021	43,045	96	92	43,233

Included in freehold land and buildings is land of value £30,301k (2021: £30,301k) which is not depreciated.

# BURNTWOOD TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 13 Stocks

	2022 £'000	2021 £'000
School uniform	40	22

### 14 Debtors

	2022 £'000	2021 £'000
Trade debtors	23	22
VAT recoverable	120	152
Other debtors	2	23
Prepayments and accrued income	409	455
	<u>554</u>	<u>652</u>

### 15 Current asset investments

The current asset investments of £1,022k (2021: £1,020k) are comprised of cash held in a 35 day notice liquidity account.

### 16 Creditors: amounts falling due within one year

	2022 £'000	2021 £'000
Trade creditors	72	90
Other taxation and social security	190	198
Accruals and deferred income	434	214
	<u>696</u>	<u>502</u>

### 17 Deferred income

	2022 £'000	2021 £'000
Deferred income is included within:		
Creditors due within one year	110	89
	<u>110</u>	<u>89</u>
Deferred income at 1 September 2021	89	89
Released from previous years	(89)	(89)
Resources deferred in the year	110	89
	<u>110</u>	<u>89</u>
<b>Deferred income at 31 August 2022</b>	<b>110</b>	<b>89</b>

At the balance sheet date, the Academy Trust was holding funds received in advance for rates funding, trips, and catering income for activities provided in 2022/23.

# BURNTWOOD TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 18 Funds

	Balance at 1 September 2021 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2022 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	326	11,419	(10,970)	(273)	502
Pupil premium	-	477	(477)	-	-
Teachers pension grants	-	113	(113)	-	-
Teachers pay grants	-	40	(40)	-	-
Supplementary grant	-	131	(131)	-	-
Rates	-	196	(196)	-	-
Other DfE / ESFA grants	-	187	(187)	-	-
Other government grants	-	398	(398)	-	-
Other coronavirus funding	-	27	(27)	-	-
Other restricted funds	-	6	(6)	-	-
Pension reserve	(3,991)	-	(688)	4,679	-
	<u>(3,665)</u>	<u>12,994</u>	<u>(13,233)</u>	<u>4,406</u>	<u>502</u>
<b>Restricted fixed asset funds</b>					
DfE group capital grants	-	37	-	(37)	-
General fixed assets	43,233	-	(494)	310	43,049
	<u>43,233</u>	<u>37</u>	<u>(494)</u>	<u>273</u>	<u>43,049</u>
<b>Total restricted funds</b>	<u>39,568</u>	<u>13,031</u>	<u>(13,727)</u>	<u>4,679</u>	<u>43,551</u>
<b>Unrestricted funds</b>					
General funds	1,915	574	(310)	-	2,179
	<u>1,915</u>	<u>574</u>	<u>(310)</u>	<u>-</u>	<u>2,179</u>
<b>Total funds</b>	<u>41,483</u>	<u>13,605</u>	<u>(14,037)</u>	<u>4,679</u>	<u>45,730</u>

# **BURNTWOOD TRUST**

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

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### **18 Funds**

**(Continued)**

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

General Annual Grant: Income received from the ESFA to cover the normal running costs of the Academy.

Under the funding agreement with the Secretary of State, the Academy Trust was subject to a limit on the amount of GAG that it could carry forward at 31st August 2022.

Pupil Premium, Teachers Pension Grants, Teachers Pay Grants, Supplementary grant and Rates: Income received from the ESFA as described.

Other DFE/ESFA grants: This includes national tutoring income, summer school funding, catch up premium and FSM funding.

Other government grants: This includes SEN funding, growth funding and additional pupil premium.

Covid funding: Amounts received from the ESFA for mass testing

The transfer of funds relate to the additions to fixed assets during the year funded by DfC and GAG funding.



# BURNTWOOD TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 18 Funds

(Continued)

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

	Balance at 1 September 2020 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2021 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	10,811	(10,450)	(35)	326
Pupil premium	-	496	(496)	-	-
Teachers pension grants	-	415	(415)	-	-
Teachers pay grants	-	147	(147)	-	-
Rates	-	81	(81)	-	-
Other DfE / ESFA grants	-	118	(118)	-	-
Other government grants	-	309	(309)	-	-
Covid catch-up funding	-	106	(106)	-	-
Other coronavirus funding	-	52	(52)	-	-
Pension reserve	(3,318)	-	(505)	(168)	(3,991)
	<u>(3,318)</u>	<u>12,535</u>	<u>(12,679)</u>	<u>(203)</u>	<u>(3,665)</u>
<b>Restricted fixed asset funds</b>					
DfE group capital grants	-	36	-	(36)	-
General fixed assets	43,531	63	(432)	71	43,233
	<u>43,531</u>	<u>99</u>	<u>(432)</u>	<u>35</u>	<u>43,233</u>
<b>Total restricted funds</b>	<u>40,213</u>	<u>12,634</u>	<u>(13,111)</u>	<u>(168)</u>	<u>39,568</u>
<b>Unrestricted funds</b>					
General funds	1,871	272	(228)	-	1,915
	<u>1,871</u>	<u>272</u>	<u>(228)</u>	<u>-</u>	<u>1,915</u>
<b>Total funds</b>	<u>42,084</u>	<u>12,906</u>	<u>(13,339)</u>	<u>(168)</u>	<u>41,483</u>

### 19 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
<b>Fund balances at 31 August 2022 are represented by:</b>				
Tangible fixed assets	-	-	43,049	43,049
Current assets	2,179	1,198	-	3,377
Creditors falling due within one year	-	(696)	-	(696)
<b>Total net assets</b>	<u>2,179</u>	<u>502</u>	<u>43,049</u>	<u>45,730</u>

# BURNTWOOD TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 19 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
<b>Fund balances at 31 August 2021 are represented by:</b>				
Tangible fixed assets	-	-	43,233	43,233
Current assets	1,915	828	-	2,743
Creditors falling due within one year	-	(502)	-	(502)
Defined benefit pension asset	-	(3,991)	-	(3,991)
<b>Total net assets</b>	<b>1,915</b>	<b>(3,665)</b>	<b>43,233</b>	<b>41,483</b>

### 20 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 Wandsworth Council. Both are multi-employer defined benefit schemes.

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

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

#### Teachers' Pension Scheme

##### Introduction

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

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

##### Valuation of the Teachers' Pension Scheme

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

# BURNTWOOD TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 20 Pension and similar obligations

(Continued)

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £1,155k (2021: £1,191k).

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

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

#### Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 16.2% for employers and 5.5% - 12.5% for employees. The estimated value of employer contributions for the forthcoming year is £290k (2021: £274k).

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

Total contributions made	2022 £'000	2021 £'000
Employer's contributions	290	275
Employees' contributions	101	93
Total contributions	391	368
Principal actuarial assumptions	2022 %	2021 %
Rate of increase in salaries	3.95	3.90
Rate of increase for pensions in payment/inflation	2.95	2.90
Discount rate for scheme liabilities	4.25	1.65

# BURNTWOOD TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

### 20 Pension and similar obligations

(Continued)

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

	2022 Years	2021 Years
Retiring today		
- Males	21.0	21.6
- Females	23.5	24.3
Retiring in 20 years		
- Males	22.3	22.9
- Females	24.9	25.7

Scheme liabilities would have been affected by changes in assumptions as follows:

	2022 £'000	2021 £'000
Discount rate + 0.1%	-329	-293
Discount rate - 0.1%	355	300
Life expectancy + 1 year	356	510
Life expectancy - 1 year	-329	-488
Salary + 0.1%	342	34
Salary - 0.1%	-342	-34

#### Defined benefit pension scheme net asset/(liability)

	2022 £'000	2021 £'000
Scheme assets	6,650	7,644
Scheme obligations	(6,650)	(11,635)
Net asset/(liability)	-	(3,991)

#### The Academy Trust's share of the assets in the scheme

	2022 Fair value £'000	2021 Fair value £'000
Equities	5,191	4,701
Other bonds	621	1,032
Gilts	86	160
Cash	(29)	294
Property	988	740
Other assets	464	717
Unrecognised asset	(671)	-
Total market value of assets	6,650	7,644

The actual return on scheme assets was £(1,252,000) (2021: £1,246,000).

# BURNTWOOD TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

### 20 Pension and similar obligations

(Continued)

Amount recognised in the statement of financial activities	2022 £'000	2021 £'000
Current service cost	909	727
Interest income	(123)	(99)
Interest cost	192	152
Total operating charge	978	780
Changes in the present value of defined benefit obligations	2022 £'000	2021 £'000
At 1 September 2021	11,635	9,532
Current service cost	909	727
Interest cost	192	152
Employee contributions	101	93
Actuarial (gain)/loss	(6,054)	1,315
Benefits paid	(133)	(184)
At 31 August 2022	6,650	11,635
Changes in the fair value of the Academy Trust's share of scheme assets	2022 £'000	2021 £'000
At 1 September 2021	7,644	6,214
Interest income	123	99
Actuarial loss/(gain)	(704)	1,147
Employer contributions	290	275
Employee contributions	101	93
Benefits paid	(133)	(184)
Unrecognised asset	(671)	-
At 31 August 2022	6,650	7,644

# BURNTWOOD TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 21 Reconciliation of net expenditure to net cash flow from operating activities

	2022 £'000	2021 £'000
Net expenditure for the reporting period (as per the statement of financial activities)	(432)	(433)
Adjusted for:		
Capital grants from DfE and other capital income	(37)	(99)
Investment income receivable	(3)	(2)
Defined benefit pension costs less contributions payable	619	452
Defined benefit pension scheme finance cost	69	53
Depreciation of tangible fixed assets	494	432
(Increase)/decrease in stocks	(18)	14
Decrease/(increase) in debtors	98	(170)
Increase/(decrease) in creditors	194	(157)
<b>Net cash provided by operating activities</b>	<b>984</b>	<b>90</b>

#### 22 Analysis of changes in net funds

	1 September 2021 £'000	Cash flows £'000	31 August 2022 £'000
Cash	1,049	712	1,761

#### 23 Long-term commitments, including operating leases

At 31 August 2022 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2022 £'000	2021 £'000
Amounts due within one year	23	23
Amounts due in two and five years	18	41
	<b>41</b>	<b>64</b>

#### 24 Related party transactions

Owing to the nature of the Academy Trust's operations and the composition of the Board of Governors being drawn from local public and private sector organisations, transactions may take place with organisations in which the Academy Trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account.

There were no related party transactions during the year.

# **BURNTWOOD TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2022**

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### **25 Members' liability**

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

### **26 Agency arrangements**

The Academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2022 the trust received £32k (2021: £48k) and disbursed £32k (2021: £108k) from the fund. An amount of £nil (2021: £nil) is included in other creditors relating to undistributed funds that is repayable to ESFA.