

Company Registration Number: 08922754 (England & Wales)

THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021



**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

CONTENTS

	Page
Reference and Administrative Details	1 - 2
Trustees' Report	3
Statement of Trustees' Responsibilities	21
Independent Auditors' Report on the Financial Statements	22 - 25
Independent Reporting Accountant's Report on Regularity	26 - 27
Statement of Financial Activities Incorporating Income and Expenditure Account	28 - 29
Balance Sheet	30
Statement of Cash Flows	31
Notes to the Financial Statements	32 - 62

THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	P Shoesmith M Howard N Barber J Cook Corporate Member of Worcester Diocese Academy
Trustees	P Shoesmith, Chair of Trustees E Pritchard, Chief Executive Officer (appointed 1 September 2020) R Allsopp (appointed 15 October 2020) J Cook P Edwards T Griffiths H Osborne J Page (appointed 4 October 2021) P Sheehan (appointed 15 October 2020) K Reilly (appointed 4 October 2021) P A Clayton (resigned 31 July 2021)
Company registered number	08922754
Company name	The Black Pear Trust
Principal and registered office	Hollymount Road Worcester Worcestershire WR4 9SG
Accounting Officer	E Pritchard
Senior management team	E Pritchard, CEO S Wood, Headteacher/School Improvement Lead N Sheeran-Ball, Deputy Head P Prigg, Assistant Headteacher A Donnelly, Head of School L Montgomery, Inclusion Manager R Hussain, Assistant Headteacher C Snape, Head of School L Low, Deputy Head E Ravenscroft, Headteacher S Williams, Deputy Head M Rumney, Assistant Headteacher T Langfield, Headteacher
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors 1-3 College Yard Worcester WR1 2LB

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Bankers	Lloyds Bank Plc 4 The Cross Worcester WR1 3PY
Solicitors	Kippax Beaumont Lewis 28 Mawdsley Street Bolton BL1 1LF

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021**

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the 2020/21 ended 31 August 2021. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates five schools for pupils aged 2 to 11. It has a pupil capacity of 1331. Pupil numbers at the last school census was 1103 (October 2021)

Constitution

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

The Trustees of The Black Pear Trust are also the directors of the Charitable Company for the purposes of company law. The Charitable Company operates under the names of The Black Pear Trust, The Black Pear Trust Teaching Alliance, The Black Pear Trust Catering, Carnforth School, Hollymount School, St George's Primary and Nursery School, The Orchards School and Upper Arley C of E Primary School.

Details of the Trustees who served throughout the 2020-2021, to the date the accounts are approved and are included in the Reference and Administration Details.

Trustees' 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/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1, for the debts and liabilities contracted before they cease to be a member.

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy Trust. This indemnity is unlimited.

Method of recruitment and appointment or election of Trustees

Our Trust Board is made up of a group of people who are Directors of the Multi Academy Trust, and also Trustees. For the remainder of this document we will refer to them as Trustees, though the term Director and Trustee can be used interchangeably in our context. Our Trustees are the accountable body for the Trust. They are responsible for:

- determining the mission, ethos and key strategic priorities for the Trust
- setting targets for pupil and student achievement prepared and proposed by each school
- agreeing the budgets prepared and proposed by each school
- agreeing a curriculum statement for the trust, and supplementary statements for each school, should they be required
- appointing all staff on the leadership scale and Chief Financial Officer
- reviewing the performance and pay of the Trust Principal and Head Teachers in conjunction with the chairs of the local governing bodies.

The Board is made up of the Trustees and includes the Trust CEO. The Board meets at least four times each academic year and otherwise as required. Any additional meetings require at least 7 days' notice. The quorum is half of the Board rounded down and meetings are minuted by the Clerk. The Trustees elect a Chair and Vice Chair annually at their first meeting in the school year. The Chair is responsible for drawing up the agenda with the Principal and sending it out to Board members with all associated papers at least 7 days in advance. Should the Chair or Vice Chair not be present at the meeting, a temporary Chair should be elected for the meeting.

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

The Board will identify individual Trustees with a specific remit and oversight for safeguarding and for the progress of disadvantaged pupils across the Trust.

The term of office for any Trustee shall be four years, save that this time limit shall not apply to the CEO, or to any post which is held ex officio. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-appointed by the other Trustees at an Annual General Meeting.

The Board of Trustees have devolved responsibility for day-to-day management to the Trust CEO and the Headteachers and Senior Management Team of each school.

Policies and Procedures adopted for the Induction and Training of Trustees

The Trust has a Trustee Recruitment, Induction and Training policy available from the Clerk to the Trustees.

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour from one of our academies and a chance to meet staff and pupils. Advantage is taken of specific courses offered by Govern Ed, the Local Authority and other bodies.

Our governance structure

Our governance structure is made up of the Members who founded the Trust, and the Board of Trustees who are the accountable body for the Trust.

The Board of Trustees has three sub committees:

- Finance & Resources Committee
- Remuneration and Appointments Committee
- Standards Committee

Each of our schools has its own Local Governing Body, and we operate a clearly defined scheme of delegation between the Board of Trustees and Local Governing Bodies.

There is a sub committee of the Standards committee called the Safeguarding Scrutiny Group. This committee consists of each of the safeguarding governors, DSLs and Heads from each of the schools and the CEO.

Finance and resources committee

Our Finance and Resources Committee is drawn from members of the Board of Trustees and representatives from each Local Governing Body. The committee shall have such co-opted non voting members as the Board of Trustees shall appoint. The committee may make recommendations for these appointments. The CEO, Head Teachers and Trust Business Manager are expected to attend.

They are responsible for:

- Considering the Trusts' indicative funding, notified annually by the DfE, and assessing implications for each of the schools.
- Drawing any matters of significance or concern to the attention of the Board of Trustees.
- Considering and recommending acceptance/non-acceptance of the Trust budget, and that of individual schools at the start of each financial year.
- Receiving and make recommendations on the broad budget headings and areas for expenditure to be adopted each year, including the level and use of any contingency fund or balances, ensuring the compatibility of all such proposals with the development priorities set out in the development plan.
- Monitoring and reviewing expenditure on a regular basis and ensure compliance with the overall financial plan for the schools, and with the financial regulations of the DfE, drawing any matters of concern to the attention of the Board of Trustees.
- Monitoring and reviewing procedures for ensuring the effective implementation and operation of financial procedures, on a regular basis, including the implementation of bank account arrangements and where appropriate, to make recommendations for improvement.
- Overseeing all matters relating to Health and Safety ensuring that the appropriate policies and practice are in place to meet statutory responsibilities.

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

- Overseeing all matters relating to staffing and personnel ensuring that the appropriate policies and practices are in place to meet statutory responsibilities.
- Oversee the development and management of the business information systems, the IT infrastructure and the physical assets of the Trust in accordance with the authorities and responsibilities set out in the financial regulations.
- Monitor significant value (both internally resourced and/or capital resources) projects with serious financial implications.

The Board of Trustees appoint a Chair annually and the committee appoints a Vice Chair.

The committee meets at least three times each academic year and otherwise as required. Any additional meetings require at least 7 days' notice.

The Chair will be responsible for drawing up the agenda and getting it sent out to committee members at least 7 days in advance. Should the Chair or Vice Chair not be present at the meeting, a temporary Chair should be elected for the meeting. The quorum is half of the committee rounded down. The minutes will be taken by the Clerk to the Academy Trust.

Appointments and remuneration committee

Our executive Appointments and Remuneration Committee is responsible for:

- Overseeing the remuneration of Executive staff including making recommendations to the Board as a result of performance review.
- Managing and approving the appointment of any vacancies arising within the Executive Management Team.

The members of the Committee will be appointed by the Board and will consist of five Trustees. Members will be appointed on an annual basis. The Trust's CEO will normally be in attendance, except when the discussions relate to their own salary and conditions. The Committee will meet twice a year but additional meetings may be called as required. The Committee retains the right to co-opt additional members to the panel where specialist knowledge is required to make appointments or assess remuneration. This could be an additional Trustee or an external consultant.

Standards committee

Our Standards Committee responsibilities are to:

- Ensure the curriculum is balanced, broadly based, maximises achievement, and meets the needs of all children and complies with statutory requirements.
- Ensure that regard is paid to children's spiritual, moral, social, emotional, and cultural development.
- Monitor, evaluate the quality of provision and teaching.
- Take account of the performance of the full range of different groups represented in the Trust's academies, including disadvantaged children, children with SEND, looked after children and children in different ethnic, social and ability groups.
- Review and revise safeguarding policies prior to ratification by the BPT Board.
- Monitor the implementation and impact of the relevant sections of the Trust Development plan.
- Keep under review the academies' self-evaluation process.
- Consider curriculum issues which have implications for finance and personnel decisions and to make recommendations to the relevant committees or the Trust.
- Deal with any other curriculum matters as may be referred by the Trust.

Arrangements for setting pay and remuneration of key management personnel

Arrangements for setting pay in accordance with The Black Pear Trust Pay Policy which itself is aligned to the requirements as set out in the Academies Handbook.

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
0	0

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Provide the total cost of facility time	0.00033%
Provide the total pay bill	£4,497,203
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time / total pay bill) x 100	£1,493.62

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time, hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period / total paid facility time hours) x 100	0
---	---

Related Parties and other Connected Charities and Organisations

The Black Pear Trust Teaching Alliance

The Trust has strong collaborative links with three other Worcestershire primary schools and Worcester University which form part of the Black Pear Trust Teaching Alliance. The Alliance trains teachers through the School Direct route as well leading a research study group with Worcester University and five further primary schools.

Social mobility

The Trust continues to have a strong relationship with the University of Warwick. Research remains focused on widening participation, ambition and aspiration of disadvantaged children with particular focus on STEM. A STEM lab has now been opened at Hollymount School which provides primary children both within and outside of the Trust to access specialist provision.

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

Local communities

The Trust, and each of the schools have strong relationships with their local communities and works collaboratively with organisations for the benefit of all local children. Heads work effectively with local councillors to provide additional funds for school projects. St George's C of E School and Upper Arley C of E Primary School have a strong relationship to the Diocese of Worcester and their local church. The Trust continues to enjoy the support of Worcester Rotary Club who train and source volunteers to help with reading, provide dictionaries for Year 6 leavers and enable Trust children to take part in Rotary competitions and events.

OBJECTIVES AND ACTIVITIES

Objects and Aims

Our vision

The Trust has agreed a vision which can best be summarised by our motto: Growing Excellent Learning Communities Together.

We want the best of futures for all our pupils; we want them to find out about, be inspired by and enjoy the world they live in. We want them to have the confidence to recognise and grasp opportunities that they are given and have high expectations of themselves and others.

We want our staff to be outward facing, to feel valued and to have the skills that enable them to contribute and have an impact on the success of the Trust schools.

Our vision is supported through our aims, which are:

- To cultivate and maintain high standards for all
- To help all schools succeed
- To invest in the development of our excellent staff
- To encourage positive relationships between all Trust schools and their communities
- To ensure financial stability
- To provide the best facilities, ensuring schools have excellent facilities and a safe environment

Trustees agreed the following core values:

- **Pride**
- **Excellence**
- **Achievement**
- **Respect**

These are to be embedded throughout the curriculum of trust schools and form the foundation of the education of our pupils. Through these values, our aim is to develop well-rounded individuals who will have the skills and aptitude to become successful members of British society and the world-wide community.

They can be seen in the daily life of our schools:

- Celebration of success in assemblies
- Work showcased around the school
- Learning which stimulates children's interests and is clearly enjoyable
- Short term targets are set which mean children understand the steps they need to make to progress in their learning
- A curriculum which draws on the richness of society and encourages respect for all and for the environment

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

Core Offer

In line with our aims and values one of the main goals of the Black Pear Trust is to ensure that schools are well led. To this end, schools will have core support in respect of administration and management so that leaders can focus on teaching and learning.

Leaders will be effectively supported in the running of their schools, enabling them to focus on ensuring that their school improves, and that staff are supported and developed to provide the very best opportunities for the children in each school.

We will work together as a team to provide an excellent curriculum, share professional expertise and help with finance to allow leaders to maximise the potential of every individual child and adult.

Objectives, Strategies and Activities

The Black Pear Trust strategic plan identifies four key areas to drive improvements across the Trust. The rationale and objective for each of the areas are as follows:

Leadership and Governance

Securing strong leadership at all levels across the Trust is key to the success of our schools and in turn the outcomes for our children. We believe in operating in an open and transparent manner and whilst school leaders have an individual responsibility for the children in their school, they also feel responsible for ensuring children across the Trust have the best opportunities and work collaboratively together to achieve this.

Finance, Estates and HR

The Trust endeavours to secure the best possible outcomes for all children. Highly effective strategic planning at Trust level ensures the financial sustainability required for continued school improvement. In daily practice, across all levels of the Trust, we aim to use school resources both effectively and efficiently to the benefit of all children. We understand our responsibility to ensure regularity and propriety in the use of Trust funds, ensuring value for money.

Health and safety is a key priority for the Trust, we endeavour to ensure all stakeholders are safe and receive the wellbeing support required.

Excellent educational provision and outcomes

We want to secure the best possible outcomes for children so they can fulfil their potential. We recognise that children need different levels of support, motivation and challenge as they progress through school and we need to ensure that all children flourish with us. We want our children to have equitable access to our curriculum and will never lower our expectations to help them achieve this but instead increase our levels of support, where necessary.

All children throughout the Trust will have access to a broad and balanced curriculum where they will become securely literate and numerate. The curriculum will seek to provide opportunities for children to learn outside of their comfort zone and push the boundaries of what they believe they are able to achieve. In order to deliver a high-quality curriculum, we need teachers and support staff who are well-skilled and also on a continuous improvement journey to become experts in their profession.

Investment in communities

Securing strong relationships with partners is essential to achieving the Trust's vision of Growing Excellent Learning Communities Together. We aim to foster relationships which drive school improvement both for schools within the Trust but also those in our wider community. We believe strongly in professional growth. We nurture and develop both experienced staff but also those new to the profession. Through developing excellent practitioners, we ensure excellent outcomes for pupils.

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

The key priorities for the academic year 2020-21 are contained in the annual Trust Improvement plan. These key actions are underpinned and developed from our core values, vision and aims. The main outcomes of the trust for the period ended 31st August 2021 were as followed:

- The Trust's vision, aims and ethos are widely communicated and understood by all stakeholders.
- Leadership across all three schools in the Trust is secure, and that leaders have the capacity to deliver improvements to the quality of provision and
- The Trust has a well-developed and communicated programme to support staff wellbeing and workload.
- The Trust has robust and highly effective financial systems and processes in place which are based on delivering excellent educational outcomes.
- Trustees oversee and ensure effective estates management across the Trust
- The Trust has an established estate's vision and three-year strategy, which is supported by a 3-5-year projected estate's budget.
- An established and embedded Trust HR Handbook clearly communicates systems and processes across the Trust; ensuring consistency and compliance to relevant policies and legislation.
- The Trust's pedagogical principles of learning provide a common language which facilitate dialogue. The sharing of effective practice enables teachers ongoing pedagogical professional development.
- Trust has an aspirational, well-established curriculum which clearly matches the needs of the pupils and its communities. The development of language sits at the heart of this curriculum.
- The Trust has a robust training offer for trainee teachers which provides students the opportunity to gain the knowledge and skills required to become highly effective practitioners.
- The Trust has an established STEM lab, providing rich learning opportunities for children across the Trust and within Worcestershire.

Key priorities for each school within the Trust are contained in their school development plans. These plans detail actions, timescales and intended impact required to drive continued and sustainable school improvement. Each school development plan is further underpinned by subject specific action plans formulated by school curriculum leaders.

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

The Trust vision of Growing Excellent Learning Communities Together supports the core purpose of the Trust to drive school improvement in each of our schools ensuring all children receive an excellent standard of education. This vision and purpose is mirrored within our wider role of school to school support. This year, the Trust has provided school to school support to three Worcestershire schools, one of which was through an Emergency School Improvement bid. The work of the Trust within this area has been noted as a strength by Worcestershire Local Authority.

All schools within the Trust work collaboratively with other schools in research, feedback, joint moderations and sharing pedagogical skills to improve the learning experiences of pupils. Furthermore, Carnforth School work very closely with the NHS Speech and Language team.

All schools within the trust provide affordable wrap around care for the local community from 8.00am to 6.00pm.

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

STRATEGIC REPORT

The trustees review statutory test results as a key performance of the Trust's continuing success as well reviewing the improvements of each year group and individuals to ensure that teaching activities of each of the schools are effective and there is continuous improvement at all levels.

Due to COVID-19 performance data is not available for 2020-2021. However, school improvement has continued throughout this academic year and has been a key priority for each of the schools. The impact of this work has been monitored by the Trust CEO and School Improvement lead.

There have been many achievements throughout the Trust during 2020-2021 both at Trust level and within each of our schools. On 1st April 2021 the Trust sponsored two further schools:

- Sidemoor First School (now known as The Orchards School)
- Upper Arley C of E Primary School

The Trustees welcome both schools to our Trust family and are committed to leading the continued school improvement journey of each of these schools.

During the academic year, Trustees have designed and implemented a new three-year strategic plan rooted within the vision, values and aims of the Trust; the plan has been shared with and understood by all stakeholders and has been used to drive key actions undertaken throughout 2020-21.

The Trustees have undertaken a review of Governance through an independent review; the outcome of the review has provided trustees with a detailed analysis of the effectiveness of the governance.

Through a successful application to the Trust Capacity improvement Fund, the Trust has designed and implemented systems and processes for the centralisation of HR, Estates and IT. This work will benefit all pupils across the trust by ensuring, efficiency, effectiveness, and economy of scale leading to value for money. The Trust has also strengthened the capacity of the central team through the recruitment of a substantive full time CEO, operating officer and a part time school improvement lead.

The Trust, alongside each of the schools has strengthened its core curriculum and pedagogical offer by working through a robust CPD and school improvement model. Through the introduction of a trust wide teaching and learning handbook, strong pedagogical principles have been shared and implemented in each of the schools.

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

Key Performance Indicators

Monitoring the KPIs helps understand how well the trust is performing and whether the trust is meeting its strategic goals.

Many of the KPIs used by the trust to measure performance are influenced by fluctuations in pupil numbers. At the time when the budget was set the KPIs were calculated on 812 pupils. With the addition of The Orchards and Upper Arley, there are currently 1169 children on roll across the trust. There are 169 nursery children and 1000 pupils between Reception to YR6 pupils enrolled in schools across the trust.

Pupil Teacher Ratio	1 : 19.27	1 : 19.22
Non-teaching to Teaching Ratio	1 : 0.88	1 : 0.9107
Total Revenue Income Per Pupil	£5,591	£5,540
GAG Income per Pupil: Reception - Year 6	£4,747	£4,065
GAG Income as a % of Total Income	73.50%	66.89%
Total Revenue Expenditure as a % of Total Income	99.40%	97.25%
Total Staff costs as % of total income	81.00%	74.07%
Staff costs as a % of total costs	81.20%	73.06%
Heating and Lighting as a % total costs	1.28%	1.40%
Education Costs as a % total costs	6.0%	4.2%
Total Staff costs per pupil (annualised)	£4,507	£3,670
Total learning resources per pupil	£335	£206
Spend per pupil on non-pay expenditure lines	£965	£1,223

Going Concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

FINANCIAL REVIEW

The principal source of funding received by the Trust is obtained from the DFE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DFE during the year ended 31st August 2021 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Trust also received grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice, "Accounting for 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 Academy also receives grants for fixed assets from the DFE which 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 useful life of the assets concerned, as defined in the Academy's accounting policies.

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

During the year ended 31 August 2021, the Academy received total revenue income of £6,525k and incurred total expenditure of £5,927k, excluding amounts on conversion. The excess of income over expenditure for the year was £598k before recognised adjustments.

At 31st August 2021 the net book value of fixed assets was £5,591k and movements in tangible fixed assets are shown in note 15 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

During the year, the Trust principal and senior leadership team carried out training and support activities with Schools outside the Trust. This generated income that has been re-invested back into the Trust. In addition, the Trust received Emergency School Improvement funding to support an external school. In addition, the Trust received TCAF2 funding which was used to support the growth and centralisation of the Trust. Following the sponsorship of two special measures schools, the Trust has received full conversion funding and EIG for both schools.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 28 to the financial statements.

Key financial policies adopted or reviewed during the year include the Trust Finance Policy which lays out the framework for financial management including financial responsibilities of the Board, Head Teacher, managers, budget holders and other staff, as well as delegated authority for spending. The Trust has reviewed the Reserves Policy to incorporate the new schools within the trust and agreed a policy change to ensure a financial contingency is held at Trust level for emergency or large-scale works.

Reserves Policy

Trustees 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. The Trustees take into consideration the future plans of the Trust, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees have determined that the appropriate level of free reserves should be approximately equal to one month's ESFA funding. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants to ensure a sufficient working cashflow. Additional funding has been ring fenced as a contingency to deal with unexpected emergencies such as urgent maintenance. Total reserves of the academy amount to £7,392k excluding the pension scheme liability, although £5,858k of this is invested in fixed assets. The remaining £1,533k (representing £1,055k unrestricted funds and £478k of unspent Academy Sponsor funds and GAG in Restricted Funds) is the balance that the Trustees monitor in accordance with the Board's reserves policy.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy Trust.

Investment Policy

All funds surplus to immediate requirements are invested in a low-risk immediate access account. Where cash flow allows, sums in excess of £100,000 may be invested on deposit for extended periods. Trustees are committed to ensuring that all funds under their controls are managed in such a way to maximise return whilst minimising risk.

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Trustees has reviewed the major 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 principal risks and uncertainties facing the Trust are as follows:

- The Trust has considerable reliance on continued Government funding through the ESFA. There is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms. Furthermore, the COVID-19 pandemic has led to additional financial risk because of the need to purchase additional resources and increase staffing levels. This risk will continue into next academic year however the Trust has recognised these additional costs and budgeted accordingly.
- Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, staff training, health & safety and discipline. All relevant policies and risk assessments were updated and shared with stakeholders in relation to COVID-19.
- Reputational - the continuing success of the Trust is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk, Trustees ensure that student success and achievement are closely monitored and reviewed.
- The known pupil numbers of each of the schools reflects the falling birth rate within Worcestershire. The Trust has identified this as a risk to future pupil numbers and are developing a number of strategies to mitigate the impact of this risk. This will continue to be an area of high priority over the next academic year.

The Trustees examine the financial health formally every month. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Finance & Resource Committee meetings. The Trustees also regularly review cash flow forecasts as part of the monthly management accounts to ensure sufficient funds are held to cover all known and anticipated commitments. The trust benchmark against other similar sized schools to evaluate the efficiencies within the schools.

At the year end, the Trust had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 23 to the financial statements, represents a significant potential liability. However, as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

The overall Trust risk register is comprehensive and deals with a wider range of matters than above. Where appropriate, there is adequate insurance cover to mitigate any residual risk

FUNDRAISING

Under the provisions of the Charities (Protection and Social Investment) Act 2016 the Trustees have a duty to report information on fundraising practices.

The Trust does not, and has not, engaged in any formal fundraising efforts. However, the individual schools may raise funds for charities such as Children in Need. Donations raised in respect of external charities are recorded in the school accounting system, deposited into the academy bank account and paid to the relevant charity via cheque, school credit card or bank transfer.

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

The Trust has never received a complaint in relation to charitable fundraising events and continues to protect all pupils from any unreasonably intrusive or persistent fundraising approaches either from within the academy or from external organisations.

PLANS FOR FUTURE PERIODS

The Trust will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Trust will continue to aim to attract high quality teachers and support staff in order to deliver its objectives. In order to do this, the Trust will continue to work collaboratively with other schools and universities to improve the educational opportunities for pupils in the wider community.

The Trust will continue to drive forward the three-year strategic plan which focuses on ensuring the Trust provides effectiveness and efficiency, enabling all school leaders to focus on the leadership and management of high-quality teaching, learning and excellent curriculum provision.

A central part of the Trustees work for this academic year will be to further develop The Black Pear Trust Growth Plan. This plan will be delivered in a sustainable way, rooted in the Trust vision and values. In the short term, the Trust will be seeking schools to join who able to provide additional capacity and contribute to improvement in the educational outcomes for all pupils across our Trust as well as to our school-to-school support offer.

Following the notification of a successful capital funding bid at Hollymount School, further construction work will take place during November 2021. The project is due for completion in December 2021.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy and its Trustees do not act as the Custodian Trustees of any other Charity.

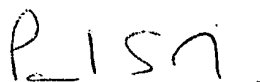
AUDITOR

In so far as the Trustees are aware:

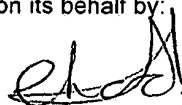
- there is no relevant audit information of which the Charitable Company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 9.12.21 and signed on its behalf by:



P Shoesmith
Chair of Trustees



Emma Pritchard
CEO

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

SCOPE OF RESPONSIBILITY

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Black Pear Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 7 times during the 2020-21 year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
NAME OF TRUSTEE	MEETINGS ATTENDED	TOTAL MEETINGS HELD WHILST IN POST
Mr P Shoesmith	7	7
Mrs R Allsopp	5	6
Mrs A Burkert	7	7
Mr P Clayton	7	7
Mrs J Cook	7	7
Mr P Edwards	7	7
Mr T Griffiths	3	7
Mr H Osborne	7	7
Miss E Pritchard	7	7
Mr P Sheehan	6	6

The Board has reviewed its effectiveness and established a Standards committee and a Safeguarding Scrutiny Group, which is a subcommittee of Standards.

A long-standing trustee resigned at the end of the 2020-21 academic year and the Board have recruited two new members at the start of the 2021-22 academic year to fill skill gaps. Two other trustees joined at the start of the 2020-21 academic year, who equally filled gaps and increased the number of independent trustees who have no other connection via the Trust schools.

Trustees have continued to review the data and information provided at meetings, making changes to the information required as the Scheme of Delegation has been reviewed and amended. As the Trust has grown by two schools over the 2020-21 year, Trustees continue to monitor the best way of holding leaders to account, whilst not duplicating data presented at other meetings – such as at the Standards committee.

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Governance Review

As the trust planned to grow in the near future, trustees commissioned an external review of governance by a National Leader in Governance (NLG) during the autumn 2020-21 term.

As a result of this review there were several recommendations made:

- Revisit roles and separation of duties
- Introduce an Induction Handbook
- Check website compliance and policy review
- Review information presented at meetings, review meeting cycle and meeting attendees
- Appoint or recruit a Chair of the Finance Committee (currently is it the Chair of Trustees)
- Highlight CPD opportunities

Trustees recognised the points above and were already working towards most recommendations before the review took place. The following have been implemented:

- Roles have been revisited and a skills audit allowed for gaps to be identified. Four new Trustees have been recruited (two early 2020-21 and two early 2021-22). Duplication of roles has been reduced and there is a clear plan in place to reduce this further as terms come due for renewal.
- An induction handbook has been devised and includes a set process for training. The Trust has invested in NGA membership and learning modules to support CPD.
- Websites are reviewed by the Trust IT team and there is a policy review schedule in place.
- The cycle of meetings has been amended for the 2021-22 year to aid communication flow and Headteachers no longer attend Board meetings, unless invited for a specific reason. The data presented has also been amended to reflect the two additional schools who have joined the Trust.
- Three of the new Trustees are considering taking on the role of Finance Committee Chair and this has been highlighted as a priority by Trustees.
- The Trust held a training day in September 2021 for both Trustees and Governors; there were training sessions on roles and responsibilities; effective questioning; the growth strategy; being a trustee in a Mixed MAT, exclusions, SEND, PP, Curriculum and preparing for Ofsted.
- The Trust has also invested in NGA and CST membership to support Trustees in their role and provide convenient training opportunities.

The Finance and Resources Committee is a sub-committee of the main Board of Trustees. The committee is responsible for:

- considering the Trust's indicative funding, notified annually by the DfE, and assessing implications for each of the schools;
- drawing any matters of significance or concern to the attention of the Board of Trustees;
- considering and recommending acceptance/non-acceptance of the Trust budget, and that of individual schools at the start of each financial year;
- receiving and making recommendations on the broad budget headings and areas for expenditure to be adopted each year, including the level and use of any contingency fund or balances, ensuring the compatibility of all such proposals with the development priorities set out in the development plan;
- monitoring and reviewing expenditure on a regular basis and ensuring compliance with the overall financial plan for the schools, and with the financial regulations of the DfE, drawing any matters of concern to the attention of the Board of Trustees;
- monitoring and reviewing procedures for ensuring the effective implementation and operation of financial procedures, on a regular basis, including the implementation of bank account arrangements and, where appropriate, to make recommendations for improvement;
- overseeing all matters relating to Health and Safety ensuring that the appropriate policies and practice are in place to meet statutory responsibilities;
- overseeing all matters relating to staffing and personnel ensuring that the appropriate policies and practices are in place to meet statutory responsibilities;

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

- overseeing the development and management of the business information systems, the IT infrastructure and the physical assets of the Trust in accordance with the authorities and responsibilities set out in the financial regulations; and
- monitoring significant value (both internally resourced and/or capital resources) projects with serious financial implications

During the year Mrs R Allsopp joined the committee. During the 2021-22 year, new trustees Mrs K Reilly and Mrs J Page have also joined the committee. Attendance at meetings in the 2020-21 year was as follows:

Trustee	Meetings attended	Out of a possible
NAME OF TRUSTEE	MEETINGS ATTENDED	TOTAL MEETINGS HELD WHILST IN POST
Mr P Shoesmith	4	4
Mrs R Allsopp	4	4
Mrs A Burkert	4	4
Mr P Clayton	4	4
Mr T Griffiths	3	4
Miss E Pritchard	4	4

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Trust CEO has responsibility for ensuring that the Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the board of Board of Trustees' where value for money can be improved, including the use of benchmarking data where appropriate.

The accounting officer for the Trust has delivered improved value for money during the year by:

- Benchmarking against similar academies using data provided by ESFA and the Auditors
- Using Crown Commercial Services for the procurement of the schools' utilities and the RPA scheme as an ESFA approved alternative to insurance
- Tracking restricted funding against pupil outcomes to ensure effective use of resources
- Outlining procedures for accepting best value quotes, noting that this is not necessarily the cheapest quote
- Purchasing services and resources at a trust level to access economies of scale
- Sharing expertise and CPD opportunities within the Trust and with cluster schools
- Completing an SRMA internal review
- Ensuring robust financial governance and budget monitoring
- Used external experts as part of the tendering process for large scale projects.

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 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 The Black Pear Trust for the year 1st September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

CAPACITY TO HANDLE RISK

The board of Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Board of Trustees' is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks that has been in place for the year 1st September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Board of Trustees'.

THE RISK AND CONTROL FRAMEWORK

The 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 Board of Trustees'
- Regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- Setting targets to measure financial and other performance
- Clearly defined purchasing guidelines within the trust finance policy
- Delegation of authority and segregation of duties
- Identification and management of risks

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Kreston Reeves LLP as internal auditor

The internal auditors' role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. In particular the checks carried out in the current period included:

- Examining and testing of control and bank accounts
- Examining and testing of the finance operation on income and expenditure
- Examining and testing of controls on payroll, reconciliation and payment
- Examining and testing trust regulation, policy and governance

The auditor reports to the Board of Trustees, through the Finance and Resources Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

REVIEW OF EFFECTIVENESS

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

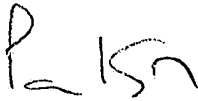
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

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

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Approved by order of the members of the Board of Trustees and signed on their behalf by:



P Shoesmith
Chair of Trustees

9/12/21



Emma Pritchard
CEO

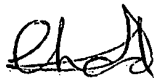
**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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



E Pritchard
Accounting Officer

Date: 9/12/21

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Academies Accounts Direction 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 Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

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

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

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

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

Approved by order of the members of the Board of Trustees and signed on its behalf by:



**E Pritchard
Accounting Officer**

Date: ~~20~~ 9/12/21

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
BLACK PEAR TRUST**

OPINION

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

In our opinion the financial statements:

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

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
BLACK PEAR TRUST (CONTINUED)**

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

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

RESPONSIBILITIES OF TRUSTEES

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

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

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
BLACK PEAR TRUST (CONTINUED)**

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the Academy sector, control environment and the Academy's performance;
- results of our enquiries of management and the Trustee board, including the committees charged with governance over the Academy's finance and control, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Academy's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or noncompliance with laws and regulations;
- how the Academy ensured it met its obligations arising from it being financed by the ESFA and other funders, and as such material compliance with these obligations is required to ensure the Academy will continue to receive its public funding and be authorised to operate, including around ensuring there is no material unauthorised use of funds and expenditure;
- how the Academy ensured it met its obligations to its principal regulator, the Secretary of State for Education; and
- the matters discussed among the audit engagement team and involving relevant internal Academy specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue, management override of controls using manual journal entries, procurement and payroll. We identified the greatest potential for fraud as incorrect recognition of revenue and management override using manual journal entries.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the Academy operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Academies Accounts Direction, Academies Financial Handbook, UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Academy's ability to operate or to avoid a material penalty. These included safeguarding regulations, data protection regulations, occupational health and safety regulations, education and inspections legislation, building legislation and employment legislation.

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
BLACK PEAR TRUST (CONTINUED)**

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of Trustees and management and those charged with governance concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of its regulators;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing internal control reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

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

USE OF OUR REPORT

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



Andrew Wood FCCA (Senior Statutory Auditor)
for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
1-3 College Yard
Worcester
WR1 2LB

Date: *14th December 2021*

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE BLACK PEAR TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 20 September 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Black Pear Trust during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

RESPECTIVE RESPONSIBILITIES OF THE BLACK PEAR TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of The Black Pear Trust's funding agreement with the Secretary of State for Education dated 29 May 2014 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the 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's income and expenditure.

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

CONCLUSION

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Andrew Wood FCCA (Reporting Accountant)
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
1-3 College Yard
Worcester
WR1 2LB

Date: *14th December 2021*

THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
INCOME FROM:						
Donations and capital grants:	4					
Transfer on conversion from Local Authority		-	(743,000)	-	(743,000)	(450,000)
Other donations and capital grants		14,675	11,852	313,234	339,761	935,143
Other trading activities	6	222,940	-	-	222,940	161,881
Investments	7	103	-	-	103	602
Charitable activities	5	368,243	5,906,919	-	6,275,162	4,742,876
TOTAL INCOME		605,961	5,175,771	313,234	6,094,966	5,390,502
EXPENDITURE ON:						
Charitable activities	8	30,441	5,896,640	251,798	6,178,879	4,853,298
TOTAL EXPENDITURE		30,441	5,896,640	251,798	6,178,879	4,853,298
NET INCOME/(EXPENDITURE)		575,520	(720,869)	61,436	(83,913)	537,204
Transfers between funds	20	(587,728)	-	587,728	-	-
NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED GAINS/(LOSSES)		(12,208)	(720,869)	649,164	(83,913)	537,204
OTHER RECOGNISED GAINS/(LOSSES):						
Actuarial losses on defined benefit pension schemes	29	-	(396,000)	-	(396,000)	(45,000)
NET MOVEMENT IN FUNDS		(12,208)	(1,116,869)	649,164	(479,913)	492,204

THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
RECONCILIATION OF FUNDS:					
Total funds brought forward	1,067,741	(2,791,715)	5,208,431	3,484,457	2,992,253
Net movement in funds	(12,208)	(1,116,869)	649,164	(479,913)	492,204
TOTAL FUNDS CARRIED FORWARD	1,055,533	(3,908,584)	5,857,595	3,004,544	3,484,457

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 32 to 62 form part of these financial statements.

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:08922754**

**BALANCE SHEET
AS AT 31 AUGUST 2021**

	Note	2021 £	2021 £	2020 £	2020 £
FIXED ASSETS					
Tangible assets	15		5,590,571		4,507,788
CURRENT ASSETS					
Stocks	16		33,958		25,726
Debtors	17		525,074		987,762
Cash at bank and in hand			2,049,640		1,348,319
			<u>2,608,672</u>		<u>2,361,807</u>
Creditors: amounts falling due within one year	18		(755,724)		(514,138)
NET CURRENT ASSETS			<u>1,852,948</u>		<u>1,847,669</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>7,443,519</u>		<u>6,355,457</u>
Creditors: amounts falling due after more than one year	19		(51,975)		-
NET ASSETS EXCLUDING PENSION LIABILITY			<u>7,391,544</u>		<u>6,355,457</u>
Defined benefit pension scheme liability	29		(4,387,000)		(2,871,000)
TOTAL NET ASSETS			<u><u>3,004,544</u></u>		<u><u>3,484,457</u></u>
FUNDS OF THE ACADEMY					
RESTRICTED FUNDS:					
Fixed asset funds	20		5,857,595		5,208,431
Restricted income funds	20		478,416		79,285
			<u>6,336,011</u>		<u>5,287,716</u>
Restricted funds excluding pension asset	20		6,336,011		5,287,716
Pension reserve	20		(4,387,000)		(2,871,000)
TOTAL RESTRICTED FUNDS	20		<u>1,949,011</u>		<u>2,416,716</u>
UNRESTRICTED INCOME FUNDS	20		<u>1,055,533</u>		<u>1,067,741</u>
TOTAL FUNDS			<u><u>3,004,544</u></u>		<u><u>3,484,457</u></u>

The financial statements on pages 28 to 62 were approved by the Trustees, and authorised for issue on and are signed on their behalf, by:

P D Shoemith 9/12/21
P D Shoemith
Chair of Trustees

The notes on pages 32 to 62 form part of these financial statements.

THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash provided by operating activities	22	1,649,977	511,881
CASH FLOWS FROM INVESTING ACTIVITIES	24	(1,008,055)	(247,494)
CASH FLOWS FROM FINANCING ACTIVITIES	23	59,399	-
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		701,321	264,387
Cash and cash equivalents at the beginning of the year		1,348,319	1,083,932
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	25, 26	<u>2,049,640</u>	<u>1,348,319</u>

The notes on pages 32 to 62 form part of these financial statements

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

1. GENERAL INFORMATION

The Black Pear Trust is a private company limited by guarantee, incorporated in the UK and registered in England and Wales. The registered office is Hollymount Road, Worcester, Worcestershire, WR4 9SG.

The financial statements cover the individual entity only.

2. ACCOUNTING POLICIES

A summary of the principal accounting policies adopted, judgments and key sources of estimation uncertainty, is set out below.

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Academy, which is a public benefit entity under FRS 102, have been prepared under the historic 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 2019 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

2.2 GOING CONCERN

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

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

2. ACCOUNTING POLICIES (continued)

2.3 INCOME

All incoming resources are recognised when the Academy 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 year for which it is receivable and any abatement in respect of the year 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 year it is receivable and to the extent the Academy has provided the goods or services.

• **Transfer on conversion**

Where assets and liabilities are received by the Academy on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Academy. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

2.4 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 allocated on the portion of the asset's use.

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

2. ACCOUNTING POLICIES (continued)

2.5 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 TANGIBLE FIXED ASSETS

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

On conversion the Academy Trust was granted a 125 year lease from the Local Authority for the land and buildings previously occupied by the local authority school. On conversion the long term leasehold property was recognised as a donation from the Local Authority and was valued using the depreciated replacement cost method.

Where the Academy Trust has been granted use of school buildings from the The Worcester Diocesan Board of Finance Limited under Supplemental Agreements, the Academies Accounts Direction prescribes that under this agreement the risks and rewards of ownership remain with the Diocese. A donation from the Diocese has been recognised equal to the deemed rental expense, based on the rateable value of the buildings.

The Supplemental Agreement includes the right for The Worcester Diocesan Board of Finance Limited Trustees to give not less than 2 years written notice to the Academy Trust and Secretary of State for Education to terminate the agreement. No such written notice has been received as at the date of the approval of the financial statements.

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

2. ACCOUNTING POLICIES (continued)

2.6 TANGIBLE FIXED ASSETS (CONTINUED)

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold property	- Land 125 Years, Buildings 35-50 Years
Furniture and equipment	- 50% Straight Line
Computer equipment	- 33% Straight Line
Motor vehicles	- 20% Straight Line

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.

The land and buildings of St George's Church of England Primary School and Upper Arley Church of England Primary School are owned by the Diocese of Worcester. The agreement that allows the Trust to use the land and buildings for the provision of education contains a clause that stipulates the Trust must vacate the premises with two years notice. The land and buildings of these schools are therefore not recognised on the Balance Sheet. A notional rent charge is calculated each year; the Trustees have determined that this should be equivalent to the depreciation of the land and buildings, which is based on a reasonable valuation.

2.7 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.8 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 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 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.

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

2. ACCOUNTING POLICIES (continued)

2.11 FINANCIAL INSTRUMENTS

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 19. Prepayments are not financial instruments. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 19. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment.

2.12 OPERATING LEASES

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

2.13 PENSIONS

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

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

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

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

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

2. ACCOUNTING POLICIES (continued)

2.14 FUND ACCOUNTING

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

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

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

Investment income, gains and losses are allocated to the appropriate fund.

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 29, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

4. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Transfer on conversion	-	(743,000)	-	(743,000)	(450,000)
Donations	14,675	11,852	46,210	72,737	29,945
Capital Grants	-	-	267,024	267,024	905,198
	<u>14,675</u>	<u>(731,148)</u>	<u>313,234</u>	<u>(403,239)</u>	<u>485,143</u>
TOTAL 2020	<u>(329)</u>	<u>(419,726)</u>	<u>905,198</u>	<u>485,143</u>	

THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

5. FUNDING FOR THE ACADEMY'S EDUCATION

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
DFE/ESFA GRANTS				
General Annual Grant	-	4,076,897	4,076,897	3,378,411
OTHER DFE/ESFA GRANTS				
Pupil Premium	-	419,342	419,342	368,486
Universal Infant Free School Meals	-	109,481	109,481	68,590
Teachers Pension Grant	-	136,358	136,358	109,068
Teachers Pay Grant	-	48,258	48,258	38,598
PE & Sport Grant	-	59,570	59,570	54,220
Start Up Grants	-	305,000	305,000	70,000
Environmental Impact Grant	-	120,000	120,000	-
Trust Capacity Funding	-	186,248	186,248	-
Other DfE/ESFA grants	-	122,093	122,093	138,195
	-	5,583,247	5,583,247	4,225,568
OTHER GOVERNMENT GRANTS				
High Needs	-	134,960	134,960	103,029
Other government grants	-	42,815	42,815	23,022
	-	177,775	177,775	126,051
COVID-19 ADDITIONAL FUNDING (DFE/ESFA)				
Catch-up Premium	-	79,280	79,280	-
	-	79,280	79,280	-
OTHER INCOME				
Sales to students	30,798	-	30,798	18,832
Notional rent	-	66,617	66,617	60,557
	30,798	66,617	97,415	79,389
	30,798	5,906,919	5,937,717	4,431,008
TOTAL 2020	18,832	4,412,176	4,431,008	

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

THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

6. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Lettings	9,476	9,476	5,251
External catering	28,178	28,178	16,561
Consultancy	101,583	101,583	94,541
Fees received	15,100	15,100	360
Other	68,603	68,603	45,168
	<u>222,940</u>	<u>222,940</u>	<u>161,881</u>
TOTAL 2020	<u>161,881</u>	<u>161,881</u>	

7. INVESTMENT INCOME

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Bank interest	103	103	602
	<u>602</u>	<u>602</u>	
TOTAL 2020	<u>602</u>	<u>602</u>	

8. EXPENDITURE

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	Total 2020 £
Education:					
Direct costs	3,895,979	251,973	229,469	4,377,421	3,809,259
Support costs	618,440	681,920	501,098	1,801,458	1,044,039
	<u>4,514,419</u>	<u>933,893</u>	<u>730,567</u>	<u>6,178,879</u>	<u>4,853,298</u>
TOTAL 2020	<u>3,835,193</u>	<u>516,993</u>	<u>501,112</u>	<u>4,853,298</u>	

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Direct costs 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Education	4,377,421	1,801,458	6,178,879	4,853,298
TOTAL 2020	3,809,259	1,044,039	4,853,298	

ANALYSIS OF DIRECT COSTS

	Total funds 2021 £	Total funds 2020 £
Pension finance costs	48,000	36,000
Staff costs	3,878,763	3,412,863
Depreciation	93,929	158,701
Educational supplies	45,091	38,734
Staff development	28,568	17,015
Other costs	15,856	49,463
Supply teachers	17,216	5,006
Notional rent	66,617	60,557
Technology costs	25,337	30,920
PFI charges	158,044	-
	4,377,421	3,809,259

THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Total funds 2021 £	Total funds 2020 £
Pension finance costs	16,000	14,000
Staff costs	618,440	417,324
Depreciation	157,869	14,580
Other costs	56,972	37,612
Maintenance of premises and equipment	215,506	74,410
Cleaning	32,497	19,167
Rent and rates	42,338	35,187
Energy costs	51,067	48,114
Insurance	61,747	15,313
Security and transport	8,585	19,131
Catering	121,095	90,455
Technology costs	42,644	1,858
Office overheads	96,260	72,425
Legal and professional	228,212	164,348
Conversion costs	23,400	7,621
Bank interest and charges	1,180	299
PFI charges	16,051	-
Governance	11,595	12,195
	<u>1,801,458</u>	<u>1,044,039</u>

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Operating lease rentals	2,082	4,396
Depreciation of tangible fixed assets	251,798	233,838
Fees paid to auditors for:		
- audit	13,875	9,925
- other services	2,510	3,870
	<u>258,265</u>	<u>248,039</u>

THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

11. STAFF

a. STAFF COSTS

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	3,276,230	2,808,105
Social security costs	268,212	224,471
Pension costs	952,761	797,611
	<u>4,497,203</u>	<u>3,830,187</u>
Agency staff costs	17,216	5,006
	<u><u>4,514,419</u></u>	<u><u>3,835,193</u></u>

b. STAFF NUMBERS

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

	2021 No.	2020 No.
Teachers	55	46
Educational Support	59	48
Administration & Clerical	41	26
Premises	14	14
Management	15	12
	<u>184</u>	<u>146</u>

The average headcount expressed as full-time equivalents was:

	2021 No.	2020 No.
Teachers	42	38
Educational Support	34	31
Administration & Clerical	19	14
Premises	6	6
Management	13	9
	<u>114</u>	<u>98</u>

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

11. STAFF (CONTINUED)

c. HIGHER PAID STAFF

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

	2021 No.	2020 No.
In the band £60,001 - £70,000	2	2
In the band £70,001 - £80,000	-	1
	<u>2</u>	<u>1</u>

d. KEY MANAGEMENT PERSONNEL

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £667,873 (2020: £532,683).

12. CENTRAL SERVICES

The Academy has provided the following central services to its academies during the year:

- Trust Staff Support
- Legal and Professional
- Marketing
- Strategic Governance
- Tendering and Procurement of Contracts
- Insurance

The Academy charges for these services on the following basis:

The Trust recharges costs incurred to cover the central services detailed above. This cost is based on 6% of GAG income.

The actual amounts charged during the year were as follows:

	2021 £	2020 £
Hollymount school	124,793	118,339
Carnforth School	70,248	65,196
St George's C.E. Primary	24,726	48,852
Upper Arley CofE Primary School	7,000	-
The Orchards School	23,000	-
TOTAL	<u><u>249,767</u></u>	<u><u>232,387</u></u>

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

13. TRUSTEES' REMUNERATION AND EXPENSES

The Trust Principal, Headteachers and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments from the Academy in respect of their role as Trustees. The value of Trustees' remuneration including pension contributions in respect of defined benefit schemes in the period was as follows; V Cranton: remuneration £NIL (2020: £45,000 - £50,000), employer's pension contributions £NIL (2020: £10,000 - £15,000); E Pritchard: remuneration £65,000 - £70,000 (2020: £60,000 - £65,000) employer's pension contributions £15,000 - £20,000 (2020: £5,000 - £10,000).

Other related party transactions involving the trustees are set out in note 30.

During the year ended 31 August 2021, expenses totalling £NIL were reimbursed or paid directly to Trustees (2020 - £391 to 1 Trustee).

14. TRUSTEES' AND OFFICERS' INSURANCE

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

THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

15. TANGIBLE FIXED ASSETS

	Leasehold property £	Office equipment £	Computer equipment £	Motor vehicles £	Total £
COST OR VALUATION					
At 1 September 2020	4,625,667	340,048	202,264	73,873	5,241,852
Additions	-	1,131,192	155,061	48,328	1,334,581
At 31 August 2021	<u>4,625,667</u>	<u>1,471,240</u>	<u>357,325</u>	<u>122,201</u>	<u>6,576,433</u>
DEPRECIATION					
At 1 September 2020	389,263	178,015	121,957	44,829	734,064
Charge for the year	93,929	82,849	58,080	16,940	251,798
At 31 August 2021	<u>483,192</u>	<u>260,864</u>	<u>180,037</u>	<u>61,769</u>	<u>985,862</u>
NET BOOK VALUE					
At 31 August 2021	<u>4,142,475</u>	<u>1,210,376</u>	<u>177,288</u>	<u>60,432</u>	<u>5,590,571</u>
At 31 August 2020	<u>4,236,404</u>	<u>162,033</u>	<u>80,307</u>	<u>29,044</u>	<u>4,507,788</u>

16. STOCKS

	2021 £	2020 £
Goods for resale	<u>33,958</u>	<u>25,726</u>

17. DEBTORS

	2021 £	2020 £
Trade debtors	22,618	14,112
Other debtors	10,599	1,598
Prepayments and accrued income	374,805	936,776
VAT recoverable	117,052	35,276
	<u>525,074</u>	<u>987,762</u>

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
ESFA loans	7,424	-
Trade creditors	373,594	113,397
Other taxation and social security	13,597	13,679
Other creditors	26,290	96,908
Accruals and deferred income	334,819	290,154
	<u>755,724</u>	<u>514,138</u>
	2021 £	2020 £
Deferred income at 1 September	127,312	112,133
Resources deferred during the year	59,922	127,312
Amounts released from previous periods	(127,312)	(112,133)
	<u>59,922</u>	<u>127,312</u>

Amounts included in deferred income are funds received in advance from the ESFA in relation to UIFSM funding.

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021 £	2020 £
ESFA loans	<u>51,975</u>	<u>-</u>

Included within creditors due within one year is a Salix loan balance of £4,070 (note 18). The full value of the loan outstanding is £32,559, £28,489 of which is shown as due over one year (note 19). The loan is repayable in six-monthly instalments over the remaining 8 year of the loan with an applicable annual interest rate of NIL%.

Also included within creditors due within one year is a Salix loan balance of £3,354 (note 18). The full value of the loan outstanding is £23,486, £28,489 of which is shown as due over one year (note 19). The loan is repayable in six-monthly instalments over the remaining 8 year of the loan with an applicable annual interest rate of NIL%.

THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

20. STATEMENT OF FUNDS

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
UNRESTRICTED FUNDS						
General Funds - all funds	1,067,741	605,961	(30,441)	(587,728)	-	1,055,533
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	27,428	4,076,897	(3,955,644)	-	-	148,681
High Needs	-	134,960	(134,960)	-	-	-
Pupil Premium	-	419,342	(395,448)	-	-	23,894
UIFSM	-	109,481	(109,481)	-	-	-
Other ESFA	-	1,056,807	(879,765)	-	-	177,042
Trips	-	11,852	(11,852)	-	-	-
Other grants	-	152,815	(75,873)	-	-	76,942
Academy sponsorship funds	51,857	-	-	-	-	51,857
Notional rent	-	66,617	(66,617)	-	-	-
Pension reserve	(2,871,000)	(853,000)	(267,000)	-	(396,000)	(4,387,000)
	(2,791,715)	5,175,771	(5,896,640)	-	(396,000)	(3,908,584)
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	3,964,112	-	(191,644)	-	-	3,772,468
Fixed assets purchased from revenue funds	32,914	-	(1,591)	587,728	-	619,051
DfE/ESFA Capital grants	71,733	32,444	(3,468)	-	-	100,709
Nursery Capital grants	546	-	(26)	-	-	520
Other Capital grants	45,056	30,740	(2,178)	-	-	73,618

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

20. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Condition Improvement Fund (CIF)	933,993	203,840	(45,153)	-	-	1,092,680
Unrestricted fixed assets	141,309	-	(6,831)	-	-	134,478
Healthy pupil capital grant	18,768	-	(907)	-	-	17,861
DfE/ESFA assets donated	-	46,210	-	-	-	46,210
	<u>5,208,431</u>	<u>313,234</u>	<u>(251,798)</u>	<u>587,728</u>	<u>-</u>	<u>5,857,595</u>
TOTAL RESTRICTED FUNDS	<u>2,416,716</u>	<u>5,489,005</u>	<u>(6,148,438)</u>	<u>587,728</u>	<u>(396,000)</u>	<u>1,949,011</u>
TOTAL FUNDS	<u><u>3,484,457</u></u>	<u><u>6,094,966</u></u>	<u><u>(6,178,879)</u></u>	<u><u>-</u></u>	<u><u>(396,000)</u></u>	<u><u>3,004,544</u></u>

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

20. STATEMENT OF FUNDS (CONTINUED)

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

Restricted:

General Annual Grant - income from the ESFA which is to be used for the normal running costs of the Academy, including education and support costs.

Higher Needs funding - funding received by the Local Authority to fund further support for students with additional needs.

Pupil Premium - income from the ESFA which is to be used to address the current inequalities by ensuring that funding to tackle disadvantage reaches the pupils who need it most.

Universal Infant Free School Meals (UIFSM) - represents income for the provision of free school meals.

Educational trips - represents contributions made by parents to cover the cost of educational school trips.

Other Grants - represents income which has been received for other specific purposes.

Academy sponsorship funding - represents income which has been received for the benefit of improving the Trust.

Notional rent - represents a notional rental charge and corresponding donation to occupy Church owned land & buildings.

Pension Reserve - represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme.

Fixed assets funds:

Fixed assets transferred on conversion - this represents the buildings and equipment donated to the school from the Local Authority on conversion to an academy.

Fixed assets purchased from revenue funds - this represents capital assets that have been purchased out of restricted GAG funding.

DfE/ESFA capital grants - this represents funding from the ESFA to cover the maintenance and purchase of the schools assets.

Nursery Grant - this represents funding for capital expenditure on the nursery.

Other capital grants - this represents funding received from non-government bodies to fund the purchase of a minibus for the Academy Trust.

Condition Improvement Fund (CIF) - are restricted grants related to a grant provided to the Academy from the Condition Improvement Fund to be used on specific capital work.

Unrestricted fixed assets - this represents fixed assets funded by unrestricted income.

Healthy Pupil capital fund - this represents funding received to improve the health of pupils

DfE/ESFA assets donated - this represents capital assets that have been donated by the DfE/ESFA.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2021.

THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

20. STATEMENT OF FUNDS (CONTINUED)

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
UNRESTRICTED FUNDS						
General Funds - all funds	634,210	492,854	(28,995)	(30,328)	-	1,067,741
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	-	3,432,631	(3,405,203)	-	-	27,428
High Needs	-	103,029	(103,029)	-	-	-
Pupil Premium	-	368,486	(368,486)	-	-	-
UFSM	-	68,590	(68,590)	-	-	-
Other ESFA	-	83,551	(83,551)	-	-	-
Trips	-	30,274	(30,274)	-	-	-
Other grants	-	355,889	(355,889)	-	-	-
Academy sponsorship funds	51,857	-	-	-	-	51,857
Pension reserve	(2,140,000)	(450,000)	(236,000)	-	(45,000)	(2,871,000)
	<u>(2,088,143)</u>	<u>3,992,450</u>	<u>(4,651,022)</u>	<u>-</u>	<u>(45,000)</u>	<u>(2,791,715)</u>
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	4,122,576	-	(158,464)	-	-	3,964,112
Fixed assets purchased from revenue funds	3,872	-	(1,286)	30,328	-	32,914
DfE/ESFA Capital grants	73,631	-	(1,898)	-	-	71,733
Nursery Capital grants	577	-	(31)	-	-	546
Other Capital grants	46,182	-	(1,126)	-	-	45,056

THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

20. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Condition Improvement Fund (CIF)	30,411	905,198	(1,616)	-	-	933,993
Unrestricted fixed assets	149,238	-	(7,929)	-	-	141,309
Healthy pupil capital grant	19,699	-	(931)	-	-	18,768
	<u>4,446,186</u>	<u>905,198</u>	<u>(173,281)</u>	<u>30,328</u>	<u>-</u>	<u>5,208,431</u>
TOTAL RESTRICTED FUNDS	<u>2,358,043</u>	<u>4,897,648</u>	<u>(4,824,303)</u>	<u>30,328</u>	<u>(45,000)</u>	<u>2,416,716</u>
TOTAL FUNDS	<u><u>2,992,253</u></u>	<u><u>5,390,502</u></u>	<u><u>(4,853,298)</u></u>	<u><u>-</u></u>	<u><u>(45,000)</u></u>	<u><u>3,484,457</u></u>

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

20. STATEMENT OF FUNDS (CONTINUED)

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

	2021 £	2020 £
Hollymount School	99,414	873,955
Carnforth School	102,863	203,797
St George's C.E. Primary	23,815	69,274
Upper Arley CofE Primary School	6,244	-
The Orchards School	7,447	-
The Black Pear Trust	1,294,166	-
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	1,533,949	1,147,026
Restricted fixed asset fund	5,857,595	5,208,431
Pension reserve	(4,387,000)	(2,871,000)
	<hr/>	<hr/>
TOTAL	3,004,544	3,484,457
	<hr/> <hr/>	<hr/> <hr/>

The Black Pear Trust have taken an alternative approach to recognising their funds split by school. All applicable funds have been have been pooled with The Black Pear Trust central services, leaving carried forward balances against specific projects and those funds which are not able to be pooled. Previously, Hollymount School have held funds which are deemed to be for the benefit of the Trust. This has been re-analysed in the current year.

This pooling exercise noted above is with the exception of The Orchards School which cannot be pooled, as it is a PFI school.

THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

20. STATEMENT OF FUNDS (CONTINUED)

TOTAL COST ANALYSIS BY ACADEMY

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2021 £	Total 2020 £
Hollymount School	1,604,389	72,959	3,132	284,524	1,965,004	2,337,329
Carnforth School	778,064	124,223	22,089	136,602	1,060,978	1,097,705
St George's C.E. Primary	730,884	98,999	5,208	247,416	1,082,507	937,719
Upper Arley CofE Primary School	126,568	25,512	9,651	35,964	197,695	-
The Orchards School	361,790	36,743	1,734	233,469	633,736	-
The Black Pear Trust	132,068	202,004	3,277	382,812	720,161	-
TOTAL	3,733,763	560,440	45,091	1,320,787	5,660,081	4,372,753

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	5,590,571	5,590,571
Current assets	1,055,533	1,118,145	434,994	2,608,672
Creditors due within one year	-	(639,729)	(115,995)	(755,724)
Creditors due in more than one year	-	-	(51,975)	(51,975)
Provisions for liabilities and charges	-	(4,387,000)	-	(4,387,000)
TOTAL	1,055,533	(3,908,584)	5,857,595	3,004,544

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	4,507,788	4,507,788
Current assets	1,067,741	478,470	815,596	2,361,807
Creditors due within one year	-	(399,185)	(114,953)	(514,138)
Pension scheme liability	-	(2,871,000)	-	(2,871,000)
TOTAL	1,067,741	(2,791,715)	5,208,431	3,484,457

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

	2021 £	2020 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(83,913)	537,204
ADJUSTMENTS FOR:		
Depreciation	251,798	173,281
Capital grants from DfE and other capital income	(326,423)	(20,843)
Interest receivable	(103)	(602)
Defined benefit pension scheme obligation inherited	853,000	450,000
Defined benefit pension scheme cost less contributions payable	203,000	186,000
Defined benefit pension scheme finance cost	64,000	50,000
(Increase)/decrease in stocks	(8,232)	-
Decrease/(increase) in debtors	462,688	(805,086)
Increase/(decrease) in creditors	234,162	(58,073)
NET CASH PROVIDED BY OPERATING ACTIVITIES	1,649,977	511,881

23. CASH FLOWS FROM FINANCING ACTIVITIES

	2021 £	2020 £
Cash inflows from new ESFA loans	59,399	-
NET CASH PROVIDED BY FINANCING ACTIVITIES	59,399	-

THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

24. CASH FLOWS FROM INVESTING ACTIVITIES

	2021 £	2020 £
Interest received	103	602
Purchase of tangible fixed assets	(1,334,581)	(268,939)
Capital grants from DfE Group	326,423	20,843
NET CASH USED IN INVESTING ACTIVITIES	(1,008,055)	(247,494)

25. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £	2020 £
Cash in hand and at bank	2,049,640	1,348,319
TOTAL CASH AND CASH EQUIVALENTS	2,049,640	1,348,319

26. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	1,348,319	701,321	2,049,640
Debt due within 1 year	-	(7,424)	(7,424)
Debt due after 1 year	-	(51,975)	(51,975)
	1,348,319	641,922	1,990,241

THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

27. CONVERSION TO AN ACADEMY TRUST

On 1 April 2021 Upper Arley CofE Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Black Pear Trust from Worcestershire County Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Income from Donations and Capital Grants - transfer from local authority on conversion.

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

	Restricted funds £	Total funds £
Defined benefit pension scheme liability	(222,000)	(222,000)

On 1 April 2021 The Orchards School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Black Pear Trust from Worcestershire County Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Income from Donations and Capital Grants - transfer from local authority on conversion.

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

	Restricted funds £	Total funds £
CURRENT ASSETS		
Cash - representing budget surplus on LA funds	110,000	110,000
Defined benefit pension scheme liability	(631,000)	(631,000)

28. CAPITAL COMMITMENTS

	2021 £	2020 £
CONTRACTED FOR BUT NOT PROVIDED IN THESE FINANCIAL STATEMENTS		
Acquisition of tangible fixed assets	300,746	1,127,588

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

29. PENSION COMMITMENTS

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

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

Contributions amounting to £12,359 were payable to the schemes at 31 August 2021 (2020 - £12,099) and are included within creditors.

TEACHERS' PENSION SCHEME

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

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

VALUATION OF THE TEACHERS' PENSION SCHEME

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

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

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

The employer's pension costs paid to TPS in the year amounted to £465,433 (2020 - £143,731).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

29. PENSION COMMITMENTS (CONTINUED)

LOCAL GOVERNMENT PENSION SCHEME

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £413,000 (2020 - £201,000), of which employer's contributions totalled £340,000 (2020 - £156,000) and employees' contributions totalled £ 73,000 (2020 - £45,000). The agreed contribution rates for future years are 5.5-12.5 per cent for employers and 16.4 per cent for employees.

As described in note 27 the LGPS obligation relates to the employees of the Academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy at the balance sheet date.

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.

PRINCIPAL ACTUARIAL ASSUMPTIONS

	2021	2020
	%	%
Rate of increase in salaries	4.30	3.85
Rate of increase for pensions in payment/inflation	2.90	2.45
Discount rate for scheme liabilities	1.70	1.80
Inflation assumption (CPI)	2.80	2.35

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

	2021	2020
	Years	Years
Retiring today		
Males	22.7	22.6
Females	25.1	25.0
Retiring in 20 years		
Males	24.4	24.2
Females	27.1	27.0

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

29. PENSION COMMITMENTS (CONTINUED)

SHARE OF SCHEME ASSETS

The Academy's share of the assets in the scheme was:

	2021 £	2020 £
Equities	2,476,000	1,049,000
Government bonds	-	107,000
Other bonds	3,000	84,000
Property	130,000	87,000
Cash and other liquid assets	75,000	67,000
Other	292,000	199,000
TOTAL MARKET VALUE OF ASSETS	2,976,000	1,593,000

The actual return on scheme assets was £379,000 (2020 - £36,000).

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

	2021 £	2020 £
Current service cost	(543,000)	(414,000)
Past service cost	-	(5,000)
Interest income	38,000	25,000
Interest cost	(97,000)	(71,000)
TOTAL AMOUNT RECOGNISED IN THE STATEMENT OF FINANCIAL ACTIVITIES	(602,000)	(465,000)

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

	2021 £	2020 £
AT 1 SEPTEMBER	4,464,000	3,077,000
Conversion of Academy Trust	1,486,000	781,000
Current service cost	543,000	414,000
Interest cost	97,000	71,000
Employee contributions	73,000	58,000
Actuarial (gains)/losses	737,000	56,000
Benefits paid	(37,000)	2,000
Past service costs	-	5,000
AT 31 AUGUST	7,363,000	4,464,000

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

29. PENSION COMMITMENTS (CONTINUED)

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

	2021 £	2020 £
AT 1 SEPTEMBER	1,593,000	937,000
Conversion of Academy Trust	633,000	331,000
Interest income	38,000	25,000
Actuarial gains	341,000	11,000
Employer contributions	340,000	233,000
Employee contributions	73,000	58,000
Benefits paid	(37,000)	2,000
Admin expense	(5,000)	(4,000)
AT 31 AUGUST	2,976,000	1,593,000

30. OPERATING LEASE COMMITMENTS

At 31 August 2021 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	1,269	2,082
Later than 1 year and not later than 5 years	-	1,269
	1,269	3,351

The Orchard School are subject to a PFI charge from Worcestershire County Council. The commitment under this agreement will vary depending on a number of variables. Hence, the commitment at 31 August 2021 cannot be quantified.

31. 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/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

**THE BLACK PEAR TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

32. RELATED PARTY TRANSACTIONS

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 13.

Owing to the nature of the Academy and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy's financial regulations and normal procurement procedures relating to connected and related party transactions.