

Company number 07566986

**BRIGHOUSE HIGH SCHOOL
ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**Annual Report of the Governors and
Financial Statements for the year ended 31 August 2020**

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BRIGHOUSE HIGH SCHOOL
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REFERENCE AND ADMINISTRATIVE DETAILS
Directors and Members of the Trust ("Governors")

Name	Type	Role	Date appointed	Date resigned/ retired	Policy	Finance	Audit	JCC
M Brearley	Appointed	Member	March 2011		✓			✓
M Bullick	Appointed		April 2013					
L Gabbitass	Parent		October 2019					
R Horsfield	Appointed	Headteacher	April 2018		✓	✓	✓	✓
J Jones	Appointed		March 2011		✓	✓	✓	✓
K Jones	Appointed	Member; Vice-chair Governors	January 2016		✓	✓	✓	✓
D Kirby	Staff		February 2017					
A Moffat	Appointed Parent		October 2014		✓	✓	✓	✓
R Pyrah	Parent		October 2019					
F Roberts	Parent		February 2017					
B Robson	Appointed	Member; Chair Governors	October 2011		✓	✓	✓	✓
S Sykes	Appointed Parent		October 2012			✓		
J Thompson	Parent		October 2015					
S Thompson	Appointed		October 2015		✓	✓		✓
R Venus	Staff		October 2014					

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Clerk to Governors (Company Secretary)	P Helyar
Responsible Officer	A Stewart
Senior Management Team	R Horsfield F Wardle S Brass C Horsfield J Brierley S Bishop C Lee D Rule
Registered Office	Brighouse High School Finkil Street Brighouse HD6 2NY
Company Registration Number	07566986 (England & Wales)
Independent Auditors	Henton & Co LLP 118 North Street Leeds LS2 7PN
Solicitors	DAC Beachcroft (Leeds) St Pauls House 23 Park Square South Leeds LS1 2ND

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REFERENCE AND ADMINISTRATIVE DETAILS

Glossary of Acronyms

A level	Advanced level examination
AFH	Academies Financial Handbook
AGM	Annual General Meeting
ALPS	A Level Points System
AS level	Advance subsidiary examination
CE	Church of England
CEIAG	Careers Education, Information, Advice & Guidance
CPD	Continuing Professional Development
DfE	Department for Education
EBacc	English Baccalaureate (a performance measure at GCSE consisting of English, Mathematics, Science, a humanity subject and a foreign language)
ECM	Every Child Matters
ESFA	Education and Skills Funding Agency
Ever 6	Pupils who have been on free school meals at any time during the last 6 years
FFT	Fisher Family Trust (Educational data organisation)
FMSYS	Financial Management System
FSM	Free School Meals
GCSE	General Certificate of Secondary Education
GIS	Geographical Information System
IAG	Information, Advice & Guidance
ICT	Information & Communication Technology
ITT	Initial Teacher Training
JCC	Joint Consultative Committee
KS	Key Stage
KS2	Key Stage 2 - pupils in Years 3, 4, 5, and 6
KS3	Key Stage 3 – pupils in Years 7, 8 and 9
KS4	Key Stage 4 – pupils in Years 10 and 11
KS5	Key Stage 5 – post 16 pupils
LA	Local Authority
MFL	Modern Foreign Languages
OFSTED	Office for Standards in Education, Children's Services and Skills.
PE	Physical Education
PP	Pupil Premium
PSHCE	Personal, Social, Health and Citizenship Education
QA	Quality Assurance
RO	Responsible Officer
RWCM	Reading, Writing, Communication, Maths
DSEN	Disability and Special Education Needs
SIP	School Improvement Plan
SMT	Senior Management Team
SORP	Statement Of Recommended Practice
STEM	Science, Technology, Engineering and Maths
VA	Value added
VA	Voluntary Aided
VLE	Virtual Learning Environment
VLP	The Valley Learning Partnership

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GOVERNORS' REPORT FOR YEAR ENDED 31 AUGUST 2020

The governors present their annual report together with the financial statements and auditors' reports of the charitable company for the year ending 31st August 2020.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy is a company limited by guarantee (Company Registration No 07566986 (England & Wales)) established on 16th March 2011. In accordance with paragraph 12 of the Academies Act 2010, the Academy is a charity exempt from registration with the Charities Commission.

The Academy's memorandum and articles of association together with the Funding Agreement, dated 25th March 2011, entered into with the Secretary of State for Education are the primary governing documents of the Academy Trust.

The governors act as trustees for the charitable activities of the Brighouse High School Academy Trust and are also the directors of the charitable company for the purposes of company law. The charitable company is known as Brighouse High School.

Details of the governors, including dates of appointment, resignation or retirement, are included in the reference and administrative details at the head of this report.

Members' Liability

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

Governors' indemnities

No governor enjoys the benefit of qualifying indemnity provisions.

Principal Activities

The principal activity of the Academy is to advance, for the public benefit, education in the United Kingdom, by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum. It is a secondary school providing education for pupils of different abilities who are wholly or mainly drawn from the area (Brighouse in Calderdale) in which the school is situated.

Recruitment, Appointment, and Election of Governors

The Academy's governing body comprises up to eight governors appointed by the governing body (including the members), the Academy's head teacher, two teaching staff elected by teachers employed at the School, one support staff member elected by support employees of the School, one Calderdale Council governor, and seven parents of pupils at the School elected by all parents with pupils at the School. If insufficient parents put themselves forward for election, a suitable parent is appointed to fill a parent governor vacancy.

Governors encourage parents from all walks of life to apply for governorship in order to achieve the widest possible range of parental views to be represented on the governing body.

It also considers the input of both teaching and non-teaching governors essential to the achievement of balanced representation amongst stakeholders.

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When appointing governors, the governing body seeks to attract individuals whose professional expertise and extensive knowledge will complement the skills and experience the body already enjoys and will thereby contribute to the Academy's success.

No corporate body (other than the governing body) or individual person is entitled to nominate or appoint one or more governors.

Governor Induction

Brighouse High School buys into a Governance support package from 'One Education' via Calderdale LA for governor induction and training. New governors are mentored and made aware of a range of free training courses available from Calderdale Council Governors' Section. In addition, Governors receive bespoke training delivered by school leaders and consultants.

All governors receive a full induction pack and introductory discussion with the Chair or Vice-chair of Governors, the head teacher and clerk to the governors when they join the governing body.

Organisational Structure

The governing body operates under a set of standing orders. It meets at least once per term (with provision for a further meeting per term if necessary) to manage strategic objectives and receive reports from the other governors' committees.

The governing body has two main committees:

- Policy committee meets four times per year; it exercises overall control of the business to be executed by the other committees with delegated powers to ensure there is no duplication or conflict between them. It determines which matters are for decision by each Committee, including itself, and which only for recommendation to the full governing body, taking in to account the School's standing orders and relevant Statutes. It oversees the School's Pay and Recruitment Policies and acts as the Staffing Committee. From its members will normally be drawn disciplinary committees and complaints committees should the need arise;
- Finance and Premises committee meets four times a year to consider accounts, budgets, premises, health & safety and risk issues.

The governing body has two other committees that meet on an ad-hoc basis:

- The Audit committee, consisting of the responsible officer, the external auditors, the head teacher, the chair and vice chair of the Finance & Premises committee, and one other governor which meets to consider auditors' reports and issues raised by both the responsible officer and the auditors.
- The head teacher's performance review panel, consisting of three appointed governors (excluding the Chair) with the School Improvement Partner in attendance, which reviews and approves the setting of the head teacher's pay on an annual basis.

Key senior governors also are members of a Joint Consultative Committee (JCC) with staff Trade Union Representatives which is scheduled to meet termly and does discuss any collective issues raised by either parties. The day to day management is delegated to the head teacher, who has appointed a Senior Management Team (SMT). This meets formally every two weeks but daily on an informal basis to advise and support the head on the execution of his day to day responsibilities in respect of teaching and learning. The head also meets a Core Team on a monthly basis consisting of the School Accountant, the Facilities Manager, the ICT Management Information Systems Manager and two deputy heads in order to manage all non-teaching support and administrative operations.

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Risk Management

At conversion to academy status (in April 2011) the risk management processes were migrated to conform to the requirements of the Academies Financial Handbook. The SMT and the governing body review and reassess risks, on an annual basis resulting in the modification of the Risk Register and associated risk weightings where necessary. Control measures are introduced to reduce, or mitigate risks to an acceptable level as necessary.

Connected organisations

Brighouse High School Academy Trust is a part and a founding member of The Valley Learning Partnership. This is a strategic learning partnership established by two founding members in 2019, Brighouse High School and The Brookshank School. Since then we have also welcomed two Primary Schools into the partnership with Moorside and Saville Park joining in 2019-2020. Over time, the intention is to grow the partnership through the joining of further schools across phases in order to build expertise, efficiency and drive school improvement for all schools within the partnership. The Trust's only further related party is a Friends of Brighouse High School association which was constituted seven years ago and whose activities for the period in question were not material to the funding of the School.

STRATEGIC REPORT

OBJECTIVES AND ACTIVITIES

The objectives of the Academy comply fully with the Charity Commission's definition of public benefit. There are no shareholders and therefore no financial return for them. The provision of education for the public is its only objective.

In this context the public is limited by the requirements on admissions. The governors of Brighouse High School adhere to the School Admissions Code (2012), and the School Admission Appeals Code (2012). Pupils were admitted without reference to ability or aptitude. The number of intended admissions for the year commencing September 2019 was 210.

Where applications for admission exceeded the number of places available, the following criteria were applied in the order set out below, to decide which children would be offered places.

1. Pupils who were in public care.
2. Those children who attended the primary schools of St John's CE (VA) Primary (Clifton), St Andrew's CE (VA) Junior, St Chad's CE (VA) Primary and Withinfields Primary.
3. Those children who had a brother or sister attending the school at the time of their admission and residing at the same address.
4. The child(ren) of staff working at the School.
5. Children were then admitted in the order of the proximity of the child's home address to the school. Proximity was determined by a measured straight line on a map by an electronic Geographical Information System (GIS), from the front entrance of the school at Finkil Street, Brighouse.

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Where acceptance of applications for admission into Year 12 for an appropriate course on offer exceeded the number of places available, the following criteria were applied to decide which students to admit:

1. Pupils who were in public care.
2. Those students who had a brother or sister attending the school at the time of their admission.
3. The child(ren) of staff working at the School
4. Students were then admitted in the order of the proximity of the child's home address to the school. Proximity was determined by a measured straight line on a map by an electronic Geographical Information System (GIS), from the front entrance of the 6th Form Centre at Parsonage Lane, Brighouse High school participated in the co-ordinated admission scheme administered by Calderdale Council's Children and Young People's Services Directorate.

Objectives and Aims

The sole activity of the Academy is to achieve its principle objective: - the provision of education that is **second to none** for pupils of different abilities on entry between the ages of 11 and 19 through a broadly and appropriate curriculum which is ambitious for all.

Aims associated with this objective are:-

1. To give all pupils the experience of school as a caring, supportive community where life is enjoyable and where there is equality of opportunity regardless of sex, race, culture, physical and academic ability.
2. To develop character; to develop positive personal traits, dispositions and virtues that informs their motivation and guides pupil conduct so that they reflect wisely, learn eagerly, behave with integrity and cooperate consistently well with others. Giving all pupils the qualities they need to flourish in our society throughout the whole of their lives.
3. To provide an enterprise ethos within the school and community that encourages the development of enterprise skills. To provide all students with opportunities to learn, develop and practice these skills. To challenge all pupils to make a difference to their world.
4. To provide all pupils with the opportunity to fully develop their abilities, interests and attitudes and to make additional provision if necessary for those who are in any way disadvantaged.
5. To allow children to develop lively, enquiring minds, to be capable in learning so that they may be encouraged to take advantage of educational opportunities at all stages in their life.
6. To develop a wide range of skills, including as a vocational school to apply their learning to a variety of situations.
7. To develop a curriculum which is ambitious for all pupils and ensures access for all children to areas of knowledge and experience which will help them to know and understand more about themselves and the world in which they live. A curriculum which is coherently planned and sequenced, designed and developed for pupils of differing needs.
8. As an outward facing school develop effective partnerships to test, inspire and develop practice
9. To develop a respect of and practical concern for other people.
10. To encourage appreciation and practical concern for the environment.
11. To establish a partnership between the school and the community it serves and to develop understanding of, and involvement with, the wider community, taking into account international, national and regional factors.
12. To develop with pupils the skills necessary to respond effectively to changes – at work, or in the world.
13. To develop the social skills necessary to relate to other people whatever their beliefs, values or circumstances.
14. To help pupils to understand the rights and responsibilities of being adults, citizens, consumers and producers.
15. To encourage the development of interest and skills which will enrich their lives.
16. To value the part played by extra-curricular activities in the development of the child and to expect pupils to participate in such activities.

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The detailed objectives set out in the School Improvement Plan for the Year 2019-20 were: -

Quality of education

1. To develop and promote our challenging and diverse curriculum to ensure that it cumulatively delivers the skills and knowledge for all pupils to make positive next steps.
2. To ensure an ambitious curriculum for all pupils including especially SEND pupils, disadvantage pupils and boys.
3. To ensure that learning is sequenced carefully and understanding is checked systematically so that all pupils achieve well across the curriculum.
4. To reinforce the implementation of strategies across the curriculum to secure improvements in literacy and comprehension.
5. To further develop curriculum implementation strategies to ensure effective and meaningful feedback is balanced with staff workload.

Leadership and Management

6. To develop the effectiveness of parental engagement and communication.
7. To develop and extend effective partnership work within the Valley Learning Partnership as a vehicle to support further development of the quality of education and high quality training for teachers.

Personal Development

8. To further develop the curriculum and wider work to enhance the development of character and promote a physically and mentally healthy school.
9. To build the effectiveness of the wider curriculum to support pupils' development as responsible members of our community and wider society.

Behaviour and attitudes

10. To improve key indicators of punctuality and attendance.
11. To promote positive attitudes to learning for all pupils through consistency of application of a positive behaviour policy.

In implementing all aspects of the school improvement plan we will continue to provide and uphold a culture of safeguarding and vigilance.

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Health & Safety

The health and safety committee applies common approaches across the whole Academy. High risk departments (science, technology, physical education) undertake and hold risk assessments, safety tours, safety checks, etc. in a common centralised electronic file that is accessible to all staff on the school network. Trips and visits are co-ordinated, risk assessed and reviewed via a centralised database system that also links through the LA's school health and safety office. Fire risk assessments, for the school buildings, have once again been fully reassessed, updated and recorded as a requirement of a 5-year cycle.

The health and safety focus for this year continued to be to develop an invocation and lockdown plan. The plan was implemented following the model policy provided by the LA Health and Safety consultant. A review of site security was carried out in the year ending 2019 and the school increased the security of the whole site with restricted access gates but a bid for perimeter fencing in 2019-20 was unsuccessful. Security remains a priority for development.

At the end of March 2019, the school was forced into a partial closure by the national lockdown in the UK imposed due to COVID-19. The school remained open during the rest of the Spring term and throughout the summer term to continue provision for vulnerable children and the children of key workers, while remote learning was put into action for the rest of the school community. During this period, the school lost a significant amount of expected income but expenditure was also reduced. All staff were kept employed on full pay and the furlough scheme was not required for any employee. There were increased costs due to making the site COVID safe but some of those costs were recouped through the application to the grants available from the DfE. In the summer term, we opened to Y10 and Y12 pupils which incurred further costs to ensure the safety of students and staff, including extra cleaning and materials to shape the accommodation into a safer environment. These costs increased significantly throughout the summer break in order to prepare the school for the full return of all students and staff and, although the financial impact on the accounting year 2019-20 was not significant, we expect the financial losses to be concerning in the year ahead if the government offer no support through further grants.

FINANCIAL REVIEW

At the end of the year ended 31st August 2020 and ignoring the pension deficit movement on the year, the Academy Trust made a deficit of £830 (2019: deficit £270). After actuarial losses on defined benefit pension schemes of £893k in the year (2019: £1585k actuarial loss), the net movement in funds amounted to a deficit of £1,823k (2019: deficit £1855k). Together with reserves brought forward of £8,244k, reserves carried forward at 31 August 2020 were thus £6,421k.

Risks and Uncertainties

Governors view the School as being a generally low risk operation. They do however regard maintenance and improvement of the present high standards as essential to the maintenance of pupil numbers which is the key to retaining high levels of grant. The general levels of income foreseeable together with the stability created by having a cost structure aligned with fixed and predictable pay scales leave the governors confident that the School can continue to deliver the educational services which are its fundamental purpose.

Reserves Policy

Brighouse High School believes in maximising the amount spent out of income received from all sources for the benefit of pupils within the year that the funding is received. The principles on the carry forward of reserves as set out by the AFH and the ESFA are adhered to. Whatever reserves are held, the purpose is to cover two main situations - the need for positive net cash flow and the need to build up funds as a contribution to large capital works or major repairs and maintenance. The latter situation is foreseen within the three year capital plan produced by the School. Governors authorise transfers to capital reserves based upon these plans.

Investment Policy

The School does believe in holding sums on deposit at favourable rates of interest with appropriate financial

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institutions. Currently the school has some of its funds in two interest earning accounts. This approach is kept under review.

Funds Held As Custodian Trustee On Behalf Of Others

Included within restricted private funds is interest accumulated from bequests to the School. The total interest received in the year ended 31st August 2020 was £382 and awaits distribution under the terms of the bequests. The governing body acts as the board of trustees for these bequests whose capital value stands at £12,777.

Fixed Assets

Governors do not believe that the market value of land and buildings is materially different to the book amount shown on the Balance Sheet.

Charitable Donations

No charitable donations have been given by the Academy Trust in the period. Pupils do raise funds of their own initiative for specific charities, and the total raised and donated in the period was £5,329.

GOING CONCERN

After making appropriate enquiries, the governing body 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.

PLANS FOR FUTURE PERIODS

The school continues to focus strongly on improving attainment and particularly progress at Key Stages 4 and 5. Outcomes at Key Stage 4 were very strong in 2020 and broadly in line with FFT20 targets. 78% of students achieved grades 9-4 in English and Maths and 55% achieved grades 9-5. Students who achieved well in English and Maths generally did so across the board, with 76% of the cohort achieving 5 standard passes including English and Maths and 55% achieving 5 strong passes. An area of focus for us in 2019-20 was raising the attainment of the more able, especially in regards to EBacc uptake and progress. The proportion of students achieving grades 9-7 in English and Maths rose to 12% and our average score per EBacc slot for the cohort rose considerably from 3.84 in 2019 to 4.4 in 2020, as the vast majority of students who followed an EBacc pathway passed all of their subjects. We intend to continue to build on this progress with the more able in 2020-21 as part of our determination to ensure that the curriculum is ambitious for all students. The emphasis on the performance of the disadvantaged cohort and the attainment of boys continued to be a key feature of our improvement work in 2019-20 and this led to improvements in attainment for those cohorts in 2020, with the Attainment 8 figure rising from 44 in 2019 to 48 in 2020 for boys and from 36 to 40 for disadvantaged students. Of particular note was the fact that 10% of PP students achieved grades 9-7 in English and Maths, compared to 3% in 2019. Nevertheless, there are still more improvements to be made in terms of the attainment and progress of disadvantaged students and boys, so these will continue to be key school improvement themes this year. Strategies to further improve literacy and numeracy across the curriculum and develop the effectiveness of parental engagement and communication continue to be central to our improvement plan.

At Key Stage 5 the average point score per entry was significantly better than the national average across academic and vocational subjects, with an average grade of B- in A Level subjects and Distinction across applied general subjects. 87% of all grades awarded were at A*-C and the successful implementation of the high grade strategy contributed to 20% of grades being awarded at A*-A and 59% at A*-B. For 2020-21 there are plans to continue to extend the high grade strategy and review pedagogy to ensure that there is clear identification of what challenge at the top end looks like in individual subjects. The consortium arrangements for Post-16 delivery have continued through collaborative work with The Brooksbank School and other partners. Outcomes for students moving between partners as part of the C6 collaboration are good. The Key Stage 5 curriculum offer therefore remains strong.

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Throughout 2019-20 departments continued to review the impact of their curriculum to ensure that the intent is clear and appropriate and that the implementation enables that intent to be achieved. Departments also spent time collaborating to ensure that content is appropriately sequenced. In 2020-21 this process will continue and there will be a focus on blended learning, to ensure that where learning needs to be provided online it links in seamlessly with the curriculum and sequence of learning provided in school. During the national lockdown, departments used Google Classroom to continue to provide students in all year groups with sequenced learning, aligned as far as possible to the curriculum that they would have been following had they been in school. Teachers were also able to provide students with individual feedback via that platform. In 2020-21 departments are building on the knowledge gained from that experience to plan for the mature use of online technology to support quality teaching and learning for all students, both in and out of school. This will include the use of Google Meet to support live, interactive teaching where needed.

In 2019-20 we continued to develop effective partnership work within the Valley Learning Partnership, both as a vehicle to support further development of the quality of education and to provide high quality training for teachers. Along with Brooksbank School, we put in place 'deep dives' in 5 subjects across both schools to look in depth at the quality of education in those subjects and recommend areas for further investigation or improvement. This gave subject leaders the opportunity to think deeply about the implementation of their curriculum, as well as to work collaboratively with their counterpart in the partner school. In 2020-21, we intend to build on those links that have been established and extend the collaborative work on curriculum. Last year our first cohort of three ITT students on the VLP Schools Direct scheme started at Brighouse High; in 2020-21 there are now 18 trainees.

A key strand in our School Improvement Plan is to further develop the SEMH curriculum and undertake wider work to enhance the development of character and promote a physically and mentally healthy school. We also continue to work on strategies to address the increasingly complex learning needs and social and emotional well-being of pupils. The 'Base' (which provides short to medium-term provision for a small number of pupils who are experiencing emotional or behavioural difficulties in accessing mainstream provision) was successfully established last year; a key focus this year will be to continue to develop the curriculum in the Base to ensure the effective transition of pupils back into mainstream lessons.

EQUAL OPPORTUNITIES

The governors actively promote a climate where all individuals are valued and respected and show tolerance and understanding through their equal opportunities policies. The policies incorporate the spirit of the Code of Practice for the Elimination of Racial Discrimination in Education published by the Commission for Racial Equality and the Codes of Practice on Gender Equality Duty and Disability Equality Duty published by the Equal Opportunities Commission.

The senior leadership team and the governing body have once again re-assessed the Academy's equality position in the light of the Equality Act 2010 and the Public Sector Equality Duty of 2011. This has resulted in the further development of the new, all encompassing (age, gender, disability, ethnicity, religion, gender reassignment and sexual identity) Academy equality policy statement, based upon the principles of the Equality Act. Objectives have once again been evaluated and further targets have been set to improve areas for identified disadvantaged groups and action plans proposed to achieve these. The objectives are published on the School's website.

EMPLOYEES AND DISABLED PERSONS

Average employee numbers are close to 200 but we nevertheless provide information on employees and disabled persons.

Following upon its equality policy, the Academy welcomes:

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- Application for places from pupils from a disadvantaged group
- Parents and visitors from disadvantaged groups
- Applications for employment from those from a disadvantaged group

The Academy's recruitment process ensures applicants are shortlisted against their qualifications, skills and experience to match the job position.

It is recognised that reasonable adjustments may be required to the working environment and/or work methods to allow disabled people to perform their job. Consultation with the job holder will identify required changes. These will then be implemented where practicable.

Disadvantage group pupils applying for a place at the School will undergo the usual admissions procedure. Their admission will not be hindered on account of their disadvantage. The standard criteria, as detailed by the Admissions Policy, will be applied and used to determine the allocation of places.

Disabled pupils attending the School are supported through the Special Education Needs department and are fully included in all aspects of school life, including trips and visits.

The majority of the School's buildings are over 25 years old and as such do not fully comply to expected modern standards of accessibility. The Academy Trust holds an Accessibility Plan, which is used to identify priority areas for improving the environment, curriculum and provision of information for disabled pupils, visitors and staff. The Facilities Manager regularly reviews and updates the plan to reflect completed improvements and identify new needs. This work is scrutinised by the Finance & Premises committee.

Employee consultation takes place formally each term with a Joint Consultative Committee consisting of Union representatives, the head teacher, the Chair and Vice Chair of Governors, the Chairs of the two governors' sub-committees, and two other governors who volunteer to serve on the committee annually.

Consultation also takes place at formal training days, at briefings held weekly in term-time (email copy sent to all staff), termly staff meetings for teachers and administrative staff and on an ad-hoc basis for specific circumstances.

TRADE UNION FACILITY TIME

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, the governors report that there were 2 employees (full time equivalent: 2) who were relevant union officials during the year. None of these employees were given paid time off to spend on facility time or trade union activities, and thus the percentage of staff costs spent on facility time and trade union activities was 0%.

AUDITOR

As far as the governors are aware:

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

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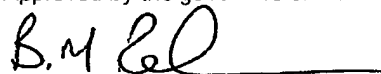
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RE-APPOINTMENT OF AUDITORS

Auditors Henton & Co LLP were appointed when the school became an academy to carry out an independent audit on the initial accounting period from 16th March 2011 to 31st August 2012, and on the subsequent financial and academic years to 31st August 2020.

Approved by the governors on 23 November 2020 and signed on their behalf by:



B Robson
Chair

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STATEMENT OF GOVERNORS' RESPONSIBILITIES

STATEMENT ON INTERNAL CONTROL

Scope of Responsibility

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

The governing body has delegated the day-to-day responsibility to the head teacher, 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 Brighouse High School Academy Trust and the Secretary of State for Education. He is also responsible for reporting to the governing body any material weaknesses or breakdowns in internal control.

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 ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and their impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Brighouse High School Academy Trust since its formation on 16th March 2011 up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The governing body has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The governing body is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for 12 months ending 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the governing body.

The Risk and Control Framework

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

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

The governing body has considered the need for a specific internal audit function and with this in mind A Stewart, an internal auditor with Calderdale Council is the responsible officer (RO). The RO's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. On a quarterly basis, the RO reports to the Governing Body on the operation of the systems of control and on the discharge of the governing body's financial responsibilities.

**BRIGHOUSE HIGH SCHOOL
ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT OF GOVERNORS' RESPONSIBILITIES

Review of Effectiveness

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

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

Prior to being awarded academy status, the School was fully compliant with FMSYS and had internal control procedures and risk management arrangements that for all practical purposes reflected the requirements of Academies' Financial Handbook. The change of status therefore only implied some minor adjustments to procedures during the early months after conversion. As a result the YPLA, in February 2012, judged the internal control systems as "Good" on the basis of their Financial and Governance Evaluation.

Statement of Governors' / Trustees' Responsibilities

The governors (who act as trustees for charitable activities of Brighouse High School Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the governors' report and the financial statements in accordance with the Annual Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the governors to prepare financial statements for each financial year. Under company law the governors 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 governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2019 to 2020,
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

The governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the 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 governors are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA/DfE have been applied for the purposes intended.

BRIGHOUSE HIGH SCHOOL
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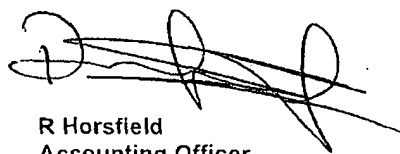
STATEMENT OF GOVERNORS' RESPONSIBILITIES

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

Approved by order of the members of the Governing Body on 23 November 2020 and signed on its behalf by:

A handwritten signature in black ink, appearing to be 'B. M. Robson', followed by a horizontal line.

B Robson
Chair

A handwritten signature in black ink, appearing to be 'R Horsfield', followed by a horizontal line.

R Horsfield
Accounting Officer

BRIGHOUSE HIGH SCHOOL
ACADEMY TRUST

(A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 AUGUST 2020

Opinion

We have audited the financial statements of Brighouse High School Academy Trust (the 'Academy Trust') for the year ended 31 August 2020 which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice), and the Academies Accounts Direction 2017 to 2018 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 Trust's affairs as at 31 August 2019, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you were:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Academy Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

We have nothing to report in this regard.

BRIGHOUSE HIGH SCHOOL
ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 AUGUST 2020

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Governor's Annual Report (incorporating the Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of governors

As explained more fully in the Statement of Governors' Responsibilities set out on pages 15 to 17, the governors (who are also the directors of the academy trust 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 governors determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

BRIGHOUSE HIGH SCHOOL
ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 AUGUST 2020

Auditor's responsibilities for the audit of the financial statements.

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

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

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

Henton & Co LLP

Ian Peter Hart BA BFP FCA
Senior Statutory Auditor
For and on behalf of Henton & Co LLP
Date: 26 November 2020

Henton & Co LLP
118 North Street
Leeds
LS2 7PN

BRIGHOUSE HIGH SCHOOL
ACADEMY TRUST

(A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY
TO THE GOVERNING BODY OF BRIGHOUSE HIGH SCHOOL ACADEMY TRUST
AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 19 September 2014 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Brighthouse High School Academy Trust during the year ended 31 August 2020 has been applied to the purposes identified by Parliament and the financial transactions confirm to the authorities which govern them.

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

Respective responsibilities of Brighthouse High School Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Brighthouse High School Academy Trust's funding agreement with the Secretary of State for Education dated 28 March 2011 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions confirm 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 2019 to 2020. 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 ended 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusions includes:

- Enquiries made of governors and officers of Brighthouse High School Academy Trust;
- Review developments in the activities undertaken by Brighthouse House School Academy Trust;
- Testing of income and expenditure for regularity purposes for compliance with funding and other agreements, the Academies Financial Handbook (including delegated authorities) and Brighthouse High School Academy Trust's system of internal financial control;
- Review of related party relationships and transactions; and
- Examination of relevant supporting documentation.

BRIGHOUSE HIGH SCHOOL
ACADEMY TRUST

(A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY
TO THE GOVERNING BODY OF BRIGHOUSE HIGH SCHOOL ACADEMY TRUST
AND THE EDUCATION AND SKILLS FUNDING AGENCY.

Conclusion

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

Henton & Co LLP

Ian Peter Hart BA BFP FCA
Senior Statutory Auditor
For and on behalf of Henton & Co LLP
Date: 26 November 2020

Henton & Co LLP
118 North Street
Leeds
LS2 7PN

BRIGHOUSE HIGH SCHOOL
ACADEMY TRUST

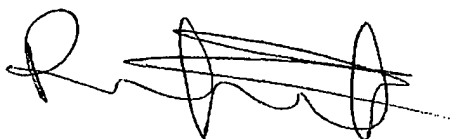
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STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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


A handwritten signature in black ink, appearing to be 'R Horsfield', with a large, stylized flourish extending to the right.

R Horsfield
Accounting Officer
23 November 2020

**BRIGHOUSE HIGH SCHOOL
ACADEMY TRUST**
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET AS AT 31 AUGUST 2020

	Note	2020 £000	2020 £000	2019 £000	2019 £000
Fixed assets					
Tangible assets	11		11,087		11,495
Investments			13		13
Total fixed assets			11,100		11,508
Current assets					
Stock	12		5		5
Debtors	13		219		238
Cash at bank and in hand			380		462
			604		705
Liabilities:					
Creditors: Amounts falling due within one year	14		(344)		(398)
Net current assets			260		307
Total assets less current liabilities			11,360		11,815
Creditors: Amounts falling due after more than one year	15		(38)		(51)
Net assets excluding pension liability			11,322		11,764
Pension scheme liability	27		(4,901)		(3,520)
Net assets including pension liability			6,421		8,244
Funds of the academy:					
Restricted funds					
. Fixed asset fund(s)	16		11,045		11,464
. General fund(s)	16		283		306
. Pension Reserve	16		(4,901)		(3,520)
. Other	16		(6)		(6)
Total restricted funds			6,421		8,244
Unrestricted funds					
. General fund(s)	16		-		-
Total unrestricted funds			-		-
Total Funds			6,421		8,244

The financial statements on pages 22 to 39 were approved by the Governors, and authorised for issue on 23 November 2020 and signed on their behalf by:


B Robson
Chair

BRIGHOUSE HIGH SCHOOL
ACADEMY TRUST

(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITY INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDING 31 AUGUST 2020

	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Other Funds £000	Restricted Fixed Asset Funds £000	Total 2020 £000	Total 2019 £000
Income							
Other Trading activities	3	247	-	-	-	247	328
Investment income	4	4	-	-	-	4	6
Charitable activities:							
Funding for the Academy's educational operations	5	-	7,427	-	29	7,456	7,300
Other income	5a	-	170	40	-	210	411
Total Income		<u>251</u>	<u>7,597</u>	<u>40</u>	<u>29</u>	<u>7,917</u>	<u>8,045</u>
Expenditure							
Cost of generating funds:							
Raising Funds	6	405	-	-	-	405	420
Charitable activities:							
Academy's educational operations	7	-	7,941	40	461	8,442	7,895
Total Expenditure		<u>405</u>	<u>7,941</u>	<u>40</u>	<u>461</u>	<u>8,847</u>	<u>8,315</u>
Net expenditure before transfers		(154)	(344)	-	(432)	(930)	(270)
Transfers							
Gross transfers between funds	16	154	(167)	-	13	-	-
Net Income/(expenditure) for the year		-	(511)	-	(419)	(930)	(270)
Other recognised gains and losses							
Actuarial (losses) gains on defined benefit pension schemes	17, 27	-	(893)	-	-	(893)	(1,585)
Net movement in funds		-	(1,404)	-	(419)	(1,823)	(1,855)
Reconciliation of funds							
Total funds brought forward at 1st September 2019	16	-	(3,520)	(5)	11,770	8,244	10,099
Total funds carried forward at 31 August 2020		<u>-</u>	<u>(4,924)</u>	<u>(6)</u>	<u>11,351</u>	<u>6,421</u>	<u>8,244</u>

All of the Academy's activities derive from continuing operations during the financial period.
The Academy has no recognised gains or losses other than those reported above.

**BRIGHOUSE HIGH SCHOOL
ACADEMY TRUST**
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £000	2019 £000
Cash flow from operating activities	19	(48)	(52)
Cash flow from investing activities			
Interest received		4	6
Purchase of tangible fixed assets		(54)	(582)
Capital grants from DfE/EFA		29	335
Cash flows from financing activities			
Loan Repayment		(13)	(13)
Change in cash and cash equivalents in the year		<u>(82)</u>	<u>(306)</u>
 Cash and cash equivalents at the beginning of the year		 462	 768
Cash and cash equivalents at the end of the year		<u>380</u>	<u>462</u>

1 Accounting Policies
Company Information
Brighouse High School Academy Trust is a charitable company limited by guarantee (company number 07565986). The registered office is Finkil Street, Brighouse, HD6 2NY.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020
(A COMPANY LIMITED BY GUARANTEE)

BRIGHOUSE HIGH SCHOOL
ACADEMY TRUST

Formal financial statements
The standard format for the financial statements as required by part 15 of the Companies Act 2006 has been adapted to provide more appropriate information which complies with 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) (effective 1 January 2015) – (Charities SORP (FRS 102)). The financial statements have been prepared under the historic cost convention, modified to include the market value of investments.
The financial statements have been prepared in accordance with applicable United Kingdom accounting standards including Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)). The financial statements have been prepared under the historic cost convention, modified to include the market value of investments.
The principal accounting policies are set out below.

Income
Grants receivable
Grants are included in the statement of financial activities on an accruals basis. The balance of income received for specific purposes but not matched to relevant expenditure during the period is shown in the relevant funds on the balance sheet.
General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund. Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.
Sponsorship income
Sponsorship income provided to the academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable, where there is certainty of receipt and it is measurable.
Donations
Donations are included in the statement of financial activities on a cash received basis or on an accruals basis where they are assured with virtual certainty and are receivable at the balance sheet date.
Donated services and gifts in kind
The value of donated services and gifts in kind provided to the academy is recognised in the statement of financial activities as incoming resources and resources expended at their estimated value to the academy in the period in which they are receivable, and where the benefit is both quantifiable and material.
Interest receivable
Interest receivable is included within the statement of financial activities on an accruals basis.
Expenditure and the basis of apportioning costs
Resources expended are recognised in the period in which they are incurred and include irrecoverable VAT. They have been classified under headings that aggregate all costs relating to that activity.
Allocation of costs
In accordance with the Charities SORP, expenditure has been analysed between the costs of generating funds and the academy's charitable activities. Items of expenditure which involve more than one cost category have been apportioned on a reasonable, justifiable and consistent basis for the cost category concerned. Central staff costs are allocated on the basis of time spent on each activity and depreciation charges on the basis of the proportion of the assets' use which is utilised by each activity. Governance costs, included within the costs of the Academy's educational operations, include the costs attributable to the academy trust compliance with constitutional and statutory requirements, including audit, strategic management and governors' meetings and reimbursed expenses. Such costs include both direct and allocated support costs.
Going Concern
The trustees assess whether the use of going concern is appropriate, namely whether there are any material uncertainties related to events or conditions that may cast significant doubt on the academy trust to continue as a going concern, and are satisfied that no such material uncertainties exist. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements. This financial statements have been prepared on a going concern basis.

Fund accounting
General funds represent those resources which may be used towards meeting any of the objects of the academy trust at the discretion of the governors.
Restricted funds comprise grants from the DfE/ESFA and other donors which are to be used for specific purposes as explained in note 14.

Tangible fixed assets
Tangible fixed assets acquired since the academy trust was established are included in the accounts at cost.
Where tangible fixed assets have been acquired with the aid of specific grants, either from the Government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund (in the statement of financial activities and carried forward in the balance sheet). The depreciation on such assets is charged in the statement of financial activities over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

BRIGHOUSE HIGH SCHOOL
ACADEMY TRUST

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting Policies (continued)

Depreciation

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

Freehold buildings 10 – 50 years
Long leasehold property The shorter of 50 years or lease length
Computer equipment and software 3 years
All other fixtures, fittings and equipment 5 – 10 years

No depreciation is charged on assets purchased in the year specifically for the next school year until they are brought into use.

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

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.

Investments

Fixed assets investments are stated at cost or market value less provision for diminution in value.

Financial instruments

Basic financial assets, including trade and other receivables, cash and bank balances, are initially recognised at transaction price. Such assets are subsequently carried at the amortised cost using the effective interest method, less impairment. Other financial assets, including investments, are initially measured at fair value, with subsequent changes in fair value recognised in the statement of financial activities.

Basic financial liabilities, including trade and other payables, and loans from third parties are initially recognised at transaction price. Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Stocks

Unused catering stores are valued at the lower of cost and net realisable value. Stationery costs are expensed as they arise except for stationery stocked specifically for re-sale to pupils which is also valued at the lower of cost and net realisable value.

Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight line basis over lease term.

Taxation

The academy is an exempt charitable company and as such is exempt from corporation tax subject to the provisions of the Corporation Tax Act 2010. The cost of irrecoverable VAT incurred by the academy has been included in the statement of financial activities.

Pensions

Academy staff are members of one of two pension schemes, both of which are multi-employer defined benefit schemes. More details of the schemes are given in note 25.

Defined Benefit Schemes

Teachers' Pension Scheme

Full-time and part-time teaching staff employed under a contract of service are eligible to contribute to the Teachers' Pension Scheme (TPS). The TPS, a statutory, contributory, final salary scheme is administered by Capita Teachers' Pensions on behalf of the Department for Education. As the academy is unable to identify its share of the underlying (notional) assets and liabilities of the scheme, the academy has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The pension costs for the scheme represent the contributions payable by the academy in the year.

Local Government Pension Scheme

Non-teaching members of staff are offered membership of the Local Government Pension Scheme (LGPS) which is managed in this School's case by the West Yorkshire Pension fund (WYPF). The LGPS is a defined benefit pension scheme and as the academy is able to identify its share of assets and liabilities, the requirements of FRS 102 in respect of defined benefit schemes have therefore been followed.

The academy's share of the LGPS assets are measured at fair value at each balance sheet date. Liabilities are measured on an actuarial basis using the projected unit method. The net of these two figures is recognised as an asset or liability on the balance sheet. Any movement in the asset or liability between balance sheet dates is reflected in the statement of financial activities.

Judgements and Estimates

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The following judgements and estimates were made in preparing the financial statements:

Useful economic life of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, economic utilisation and physical condition of the assets.

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2 Voluntary Income	Unrestricted Funds £000	Restricted Funds £000	2020 Total £000	2019 Total £000
Donations - Capital	-	-	-	-
Other Donations	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
3 Other Trading Activities	Unrestricted Funds £000	Restricted Funds £000	2020 Total £000	2019 Total £000
Hire of Facilities	20	-	20	33
Catering Income	227	-	227	295
	<u>247</u>	<u>-</u>	<u>247</u>	<u>328</u>
4 Investment Income	Unrestricted Funds £000	Restricted Funds £000	2020 Total £000	2019 Total £000
Short term deposits	4	-	4	6
	<u>4</u>	<u>-</u>	<u>4</u>	<u>6</u>
5 Funding for Academy's educational operations	Unrestricted Funds £000	Restricted Funds £000	Total 2020 £000	Total 2019 £000
DfE/ESFA capital grant	-	29	29	105
. Devolved Formula Capital allocations	-	-	-	230
. Academy main building grants - CIF	-	29	29	335
	<u>-</u>	<u>29</u>	<u>29</u>	<u>335</u>
DfE / ESFA revenue grants	-	-	-	-
. General Annual Grant (GAG)	-	6,681	6,681	6,546
. Start Up Grants	-	-	-	-
. Other DfE Group Grants	-	673	673	350
	<u>-</u>	<u>7,354</u>	<u>7,354</u>	<u>6,886</u>
Other Government grants	-	-	-	-
. SEN from LA	-	73	73	69
	<u>-</u>	<u>7,456</u>	<u>7,456</u>	<u>7,300</u>
5a Other income	Unrestricted Funds £000	Restricted Funds £000	Total 2020 £000	Total 2019 £000
Academy trips	-	40	40	251
Sundry income	-	170	170	160
	<u>-</u>	<u>210</u>	<u>210</u>	<u>411</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

6 Total Expenditure

	Staff Costs £000	Non Pay expenditure Premises £000	Other Costs £000	Total 2020 £000	Total 2019 £000
Costs of generating voluntary income	218	-	187	405	420
Academy's educational operations					
Direct costs	5,226	-	864	6,090	5,900
Allocated support costs	1,102	876	374	2,352	1,995
	<u>6,546</u>	<u>876</u>	<u>1,425</u>	<u>8,847</u>	<u>8,315</u>
	<u>6,546</u>	<u>876</u>	<u>1,425</u>	<u>8,847</u>	<u>8,315</u>

Net expenditure for the year includes

	2020 £000	2019 £000
Operating leases	19	19
Depreciation	461	435
Fees payable to auditor - audit	6	6
	<u>486</u>	<u>460</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

7 Charitable Activities - Academy's educational operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2020 £000	Total 2019 £000
<i>Direct costs</i>				
Teaching and educational support staff costs	-	5,226	5,226	4,821
Educational supplies	-	612	612	803
Examination fees	-	156	156	183
Staff development	-	10	10	13
Educational consultancy	-	-	-	-
Other direct costs - ICT	-	86	86	80
	-	6,090	6,090	5,900
<i>Allocated support costs</i>				
Support staff costs	-	1,102	1,102	856
Depreciation	-	461	461	434
Recruitment and support	-	11	11	7
Maintenance of premises and equipment	-	180	180	123
Cleaning	-	151	151	138
Rent & rates	-	33	33	33
Insurance	-	39	39	40
Security and transport	-	12	12	14
Bank interest and charges	-	18	18	11
Other support costs	-	287	287	282
Governance costs:				
Legal and professional fees	-	3	3	3
Auditors' remuneration	-	-	-	-
Audit of financial statements	-	6	6	6
Responsible officer audit	-	1	1	1
Support costs	-	48	48	47
	-	2,352	2,352	1,995
	-	8,442	8,442	7,895

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8 Staff costs

Staff costs during the period were:

	Total 2020 £000	Total 2019 £000
Wages and salaries	4,568	4,510
Social security costs	444	450
Other pension costs	1,876	909
	<u>6,988</u>	<u>5,869</u>
Supply teacher costs	85	62
	<u>7,073</u>	<u>5,931</u>

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

	2020 No.	2019 No.
<i>Charitable Activities</i>		
Teachers	81	82
Administration and support	59	57
Casual	1	2
Management	7	7
	<u>148</u>	<u>148</u>

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

	2020 No.	2019 No.
<i>Charitable Activities</i>		
Teachers	93	94
Administration and support	88	86
Casual	2	11
Management	11	12
	<u>194</u>	<u>203</u>

The number of employees whose emoluments exceeded £60,000 was

	2020 No.	2019 No.
£60,001 - £70,000	2	2
£70,001 - £80,000	1	1
£80,001 - £90,000	0	1
£90,001 - £100,000	1	0
£100,001 - £110,000	0	0
£100,001 - £120,000	0	0

All of the above employees participated in the Teachers' Pension Scheme. During the year ended 31st August 2020 pension contributions for these staff amounted to £70,414

Key Management personnel

Key management personnel are defined as the members of the senior management team as noted on page 2.
Aggregate staff costs for key management personnel were as follows

	2020 £0	2019 £0
Wages and salaries	511	562
Social security costs	61	67
Other pension costs	121	90
	<u>693</u>	<u>719</u>

9 Governors' remuneration and expenses

The head teacher (Principal) and other staff governors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff and not in respect of their services as governors.

No governor received any payments, or expenses, from the Academy in respect of their role as governors.

The value of the Principal's remuneration for the year ended 31st August 2020 was £92,373 (2019 £68,104)
The value of staff governors' remuneration for the same period was £70,351 (2018 £68,104)

Governors do not claim travel expenses

There were no related party transactions involving the trustees.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

10 Trustees' and Officers' Insurance

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the year ended 31 August 2020 was £96.28 (2019:£97.53).

The cost of this insurance is included in the total insurance cost.

11 Tangible Fixed Assets

	Freehold Land and Buildings	Leasehold Land and Buildings	Furniture and Equipment	Computer Equipment	Motor Vehicles	Total
	£000	£000	£000	£000	£000	£000
Cost						
At 1st September 2019	13,695	713	104	367	-	14,879
Additions	-	-	25	29	-	54
Disposals	-	-	-	-	-	-
At 31 August 2020	13,695	713	129	396	-	14,933
Depreciation						
At 1st September 2019	2,899	123	47	315	-	3,384
Charged in year	413	15	6	28	-	462
Disposals	-	-	-	-	-	-
At 31 August 2020	3,312	138	53	343	-	3,846
Net book values						
At 31 August 2020	10,383	575	76	53	-	11,087
At 31 August 2019	10,796	590	57	52	-	11,495

The Academy has no subsidiary companies.

12 Stock

	2020 £000	2019 £000
Catering	5	5
	<u>5</u>	<u>5</u>

13 Debtors

	2020 £000	2019 £000
Trade debtors	44	3
Other debtors	28	4
Prepayments	128	180
VAT recoverable	19	51
	<u>219</u>	<u>238</u>

14 Creditors: amounts falling due within one year

	2020 £000	2019 £000
Trade creditors	101	169
Taxation and social security		
Other creditors	13	13
Accruals	9	27
Deferred income	221	189
	<u>344</u>	<u>398</u>

The movement on the deferred income balance in the year was as follows

	2020 £000	2019 £0
Deferred Income at 1st September 2019	189	167
Resources deferred in the year	216	188
Amounts released from previous years	(165)	-166
Deferred Income at 31 August 2020	<u>240</u>	<u>189</u>

Deferred income comprises income deferred in respect of school trips, curriculum, bursary, pupil premium and rates.

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15 Creditors: amounts falling due after more than one year

	2020 £000	2019 £000
Long Term Loans	38	51
	<u>38</u>	<u>51</u>

The trust has a loan with Calderdale Metropolitan Borough Council, totalling £50,664 (2019: £83,330). This is repayable in April 2024. The interest rate on the loans is 5.5%

The loans are repayable as follows

	2020 £000	2019 £000
Within one year	13	13
Within one to two years	13	13
Within two to five years	25	37
After more than five years	<u>51</u>	<u>63</u>

16 Funds

	Balance at 1 September 2019 £000	Incoming resources £000	Resources expended £000	Gains, losses and transfers £000	Balance at 31 August 2020 £000
Restricted general funds					
General Annual Grant (GAG)	924	6,681	(6,455)	(173)	977
Other DfE/EFSA grants	(143)	441	(441)	-	(143)
Pupil Premium	-	232	(239)	7	-
LEA and other grants	(777)	73	(148)	-	(852)
Other restricted	302	170	(171)	-	301
	<u>306</u>	<u>7,597</u>	<u>(7,454)</u>	<u>(166)</u>	<u>283</u>
			487		
Restricted other funds	(6)	40	(40)	-	(6)
Restricted Pension Reserve	(3,520)	-	(65)	(1,316)	(4,901)
Restricted fixed asset funds					
DfE/EFSA capital grants	10,740	29	(461)	-	10,308
Capital expenditure from GAG	724	-	-	13	737
	<u>11,464</u>	<u>29</u>	<u>(461)</u>	<u>13</u>	<u>11,045</u>
Total restricted funds	<u>8,244</u>	<u>7,666</u>	<u>(8,020)</u>	<u>(1,469)</u>	<u>6,421</u>
Unrestricted funds					
Unrestricted funds	-	251	(404)	153	-
Total unrestricted funds	<u>-</u>	<u>251</u>	<u>(404)</u>	<u>153</u>	<u>-</u>
Total funds	<u>8,244</u>	<u>7,917</u>	<u>(8,424)</u>	<u>(1,316)</u>	<u>6,421</u>

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

Restricted general funds consists mainly of the General Annual Grant (GAG) available to the Academy Trust and the defined pension pension reserve

Restricted fixed assets funds consists of the Fixed Assets transferred to the Academy on conversion and other Capital grants added subsequently.

Restricted other funds represents the net results of school trips undertaken during the period where any surplus/deficiency is carried forward to future years.

Under the funding agreement with the Secretary of State. The Academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31st August 2020.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

16 Funds (continued)

Comparative information in respect of the preceeding year is as follows

	Balance at 1 September 2018 £000	Incoming resources £000	Resources expended £000	Gains, losses and transfers £000	Balance at 31 August 2019 £000
Restricted general funds					
General Annual Grant (GAG)	866	5,546	(6,390)	(98)	924
Other DfE/YPLA grants	(143)	130	(130)	-	(143)
Pupil Premium	-	220	(220)	-	-
LEA and other grants	(696)	68	(149)	-	(777)
Other restricted	301	162	(161)	-	302
	<u>328</u>	<u>7,126</u>	<u>(7,050)</u>	<u>(98)</u>	<u>306</u>
Restricted other funds	(6)	252	(252)	-	(6)
Restricted Pension Reserve	(1,175)	-	(47)	(2,298)	(3,520)
Restricted fixed asset funds					
DfE/YPLA capital grants	10,841	334	(435)	-	10,740
Capital expenditure from GAG	711	-	-	13	724
	<u>11,552</u>	<u>334</u>	<u>(435)</u>	<u>13</u>	<u>11,464</u>
Total restricted funds	<u>10,699</u>	<u>7,712</u>	<u>(7,784)</u>	<u>(2,383)</u>	<u>8,244</u>
Unrestricted funds					
Unrestricted funds	-	334	(419)	85	-
Total unrestricted funds	<u>-</u>	<u>334</u>	<u>(419)</u>	<u>85</u>	<u>-</u>
Total funds	<u>10,699</u>	<u>8,046</u>	<u>(8,203)</u>	<u>(2,298)</u>	<u>8,244</u>

17 Analysis of net assets between funds

Fund balances at 31 August 2020 are represented by:

	Unrestricted general fund £000	Restricted general fund £000	Restricted fixed asset fund £000	Restricted other fund £000	Total 2020 £000
Tangible fixed assets	-	13	11,087	-	11,100
Current assets	-	604	-	-	604
Current liabilities	-	(344)	-	-	(344)
Long Term Liabilities	-	(38)	-	-	(38)
Pension scheme liability	-	(4,901)	-	-	(4,901)
Total net assets	<u>-</u>	<u>(4,666)</u>	<u>11,087</u>	<u>-</u>	<u>6,421</u>

18 Financial commitments

Operating leases

At 31 August 2020 the Academy had annual commitments under non-cancellable operating leases as follows:

	2020 £000	2019 £000
Expiring within one year	15	19
Expiring within two and five years inclusive	5	19
	<u>20</u>	<u>38</u>

19 Cash flows from operating activities

	2020 £000	2019 £000
Net income for the year	(930)	(269)
Depreciation (note 13)	462	434
Capital grants from DfE and other capital income	(29)	(335)
Interest receivable (note 5)	(4)	(6)
FRS 1102 pension cost less contributions payable	423	112
FRS 102 pension finance income	65	47
(Increase)/decrease in stocks	-	-
(Increase)/decrease in debtors	19	54
Increase/(decrease) in creditors	(54)	(89)
Net cash inflow from operating activities	<u>(48)</u>	<u>(52)</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

20 Returns on Investments and servicing of finance	2020 £000	2019 £000
Loan repayment	(13)	(13)
Net cash inflow from returns on investment and servicing of finance	<u>(13)</u>	<u>(13)</u>

21 Capital expenditure and financial investment		
Purchase of tangible fixed assets	(54)	(560)
Capital grants from DfE/EFA		
Capital funding received from sponsors and others		
Receipts from sale of tangible fixed assets		
Net cash outflow from capital expenditure and financial investment	<u>(54)</u>	<u>(560)</u>

22 Analysis of changes in net funds	At 1 September 2019 £000	Cash flows £000	At 31 August 2020 £000
Cash in hand and at bank	462	(82)	380
	<u>462</u>	<u>(82)</u>	<u>380</u>

23 Contingent Liabilities

The Academy Trust has no grounds to believe that it may be subject to any material contingent liabilities.

24 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.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

25 Pension and similar obligations

The Academy Trust employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the West Yorkshire Pension Scheme (WYPF) which is a Local Government Pension Scheme (LGPS) for non-teaching staff managed by Bradford Council. Both are defined-benefit schemes.

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

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

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2014)

Membership is automatic for teachers in academies. All teachers have the option to opt-out of

The TPS is an unfunded scheme to which both the members 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 above Act.

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. 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 5th March 2019. The key elements of the valuation and subsequent consultation are:

employer contribution rates set at 23.68% of pensionable pay, including a 0.08% employer administration 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 investment held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 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 the TPS in the period amounted to £807,714 (2019: £565,429)

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

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

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

25 Pension and similar obligations (continued)

Local Government Pension Scheme

The disclosures relate to the funded liabilities within the West Yorkshire Pension Fund (the "Fund") which is part of the Local Government Pensions Scheme (the "LGPS"). The LGPS is a funded defined benefit plan with benefits earned up to 31 March 2014 being linked to final salary. Benefits after 31 March 2014 are based on a Career Average Revalued Earnings Scheme. Details of the benefits earned over the period covered by this disclosure are set out in 'The Local Government Pension Scheme Regulations 2013' and 'The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014'.

The funded nature of the LGPS requires participating employers and its employees to pay contributions into the fund, calculated at a level intended to balance the pension liabilities with investment assets. Information on the framework for calculating contributions to be paid is set out in LGPS Regulations 2013 and the Fund's Funding Strategy Statement. The last actuarial valuation was at March 2016 and the contributions to be paid until 31 March 2020, resulting from that valuation are set out in the Fund's Rates and Adjustments Certificate. The next actuarial valuation of the Fund will be carried out at 31 March 2019. The Fund Administering Authority, City of Bradford Metropolitan District Council, is responsible for the governance of the fund.

The assets allocated to the Employer in the Fund are notional and are assumed to be invested in line with the Investments of the Fund for the purposes of calculating the return to be applied to those notional assets over the accounting period. The Fund is large and holds a significant proportion of its assets in liquid investments. As a consequence there will be no significant restriction on realising assets if a large payment is required to be paid from the Fund in relation to an employer's liabilities. The assets are invested in a diversified spread of investment and the approximate split of assets for the Fund as a whole (based on data supplied by the Administering Authority) is shown in the disclosures.

The Administering Authority may invest a small proportion of the Fund's investments in the assets of some of the employers participating in the Fund if it forms part of their balanced investment strategy.

The total contributions made for the year ended 31 August 2020 was £316,000 (2019: £272,000) of which employer's contributions totalled £239,000, (2019: £209,000) and employees' contributions totalled £77,000 (2019: £63,000). The agreed contribution rates for future years are 17.3% for employers and for employees, a sliding scale of contributions ranging from 5.5% to 12.5% dependent upon pay band.

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

Principal Actuarial Assumptions (% per annum)

	At 31 August 2020	At 1 August 2019
Rate of increase in salaries	3.55%	3.35%
Rate of increase for pensions in payment / inflation	2.30%	2.10%
Discount rate for scheme liabilities	1.70%	1.90%
Inflation assumption (CPI)	2.30%	2.10%

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

	At 31 August 2020	At 31 August 2019
Retiring today		
Males	21.8	22.2
Females	24.6	25.4
Retiring in 20 years		
Males	22.5	23.2
Females	25.7	27.2

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

25 Pension and similar obligations (continued)

Local Government Pension Scheme (Continued)

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

	Asset allocation 2019 %	Fair Value £000	Asset allocation 2019 %	Fair value £000
Equities	77.80%	4,453	77.60%	4,481
Bonds	14.70%	842	15.00%	866
Property	4.30%	246	4.40%	254
Other	3.20%	183	3.00%	173
Total market value of assets		5,724		5,774
Present value of scheme liabilities		(10,625)		(9,294)
- Funded				
Surplus/(deficit) in the scheme		<u>(4,901)</u>		<u>(3,520)</u>

Brighouse High School Academy employs a building block approach in determining the rate of return of Fund assets. Historical markets are studied and assets with higher volatility are assumed to generate higher returns consistent with widely accepted capital market principles. The assumed rate of return on each asset class is set out within this note. The overall expected return on assets is then derived by aggregating the expected return for each asset class over the actual asset allocation of the Fund at 31 August 2020.

The expected return on the scheme assets was £110,000 over the 12 month period.

Amounts recognised in the statement of financial activities

	2020 £000	2019 £000
Current service cost (net of employee contributions)	540	332
Past service cost	<u>122</u>	
Total operating charge	<u>662</u>	<u>332</u>

Analysis of pension finance income / (costs)

	2020 £000	2019 £000
Expected return on pension scheme assets	(110)	(148)
Interest on pension liabilities	<u>175</u>	<u>195</u>
Pension finance income / (costs)	<u>65</u>	<u>47</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

25 Pension and similar obligations (continued)

Local Government Pension Scheme (Continued)

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

	2020 £000	2019 £000
At 1st September	9,294	6,970
Current service cost	540	322
Interest cost	175	195
Employee contributions	77	63
Actuarial (gain)/loss	659	1,856
Benefits paid	(242)	(112)
Past Service cost	122	-
Curtailments and settlements		
Liabilities assumed in a business combination		
At 31 August	10,625	9,294

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

	2020 £000	2019 £000
Opening fair value of plans' assets at 1st September	5,774	5,195
Expected return on assets	110	148
Interest income		
Actuarial gains / (losses)	(234)	271
Employer contributions	239	209
Employee contributions	77	63
Benefits paid	(242)	(112)
Assets acquired in a business combination		
At 31 August	5,724	5,774

The estimated value of employer contributions for the year ended 31 August 2021 is £234,177

BRIGHOUSE HIGH SCHOOL
ACADEMY TRUST

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

25 Pension and similar obligations (continued)

Local Government Pension Scheme (Continued)

The five-year history of experience adjustments is as follows:

	2020 £000	2019 £000	2018 £000	2017 £000	2016 £000
Defined benefit obligation at end of year	(10,625)	(9,294)	(6,970)	(6,949)	(7,592)
Fair value of plan assets at end of year	5,724	5774	5,195	4,833	4,260
Liability	(4,901)	(3,520)	(1,775)	(2,116)	(3,332)

26 Related Party Transactions

Owing to the nature of the academy trust's operations 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 a trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures.

There were no related party transactions during the year.

