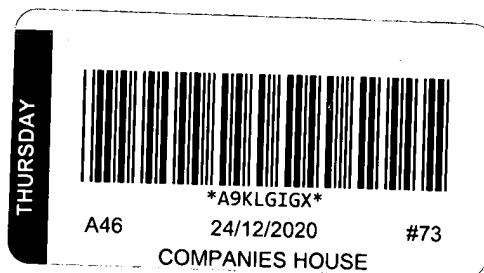


Company Registration No. 07695771 (England and Wales)

BRIGHT FUTURES EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2020



BRIGHT FUTURES EDUCATIONAL TRUST

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BRIGHT FUTURES EDUCATIONAL TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Dame D Ross-Wawrzynski J Kelly Y Patel	
Trustees	J Appleyard (Resigned 28 September 2019) L Nicholls Dr J W Stephens CBE (Accounting Officer) A Foster D Rubin (Chair of the Board) R Leggett (Chair of Remuneration Committee) I Ashworth (Chair of Audit Committee) A Healy (Appointed 14 October 2019 and resigned 26 February 2020) P Moonan (Appointed 14 October 2019) M Whilby (Appointed 14 October 2019) K Clough (Appointed 11 June 2020)	
Senior management team <ul style="list-style-type: none">- Chief Executive Officer- Chief Operating Officer- Director of Primary Education- Director of HR & Strategy- Director of Teaching School	Dr J W Stephens CBE E Vitalis FCCA (Chief Financial Officer) G Handforth L Beckett L Fathers	
Company secretary	E Vitalis FCCA (Chief Financial Officer)	
Company registration number	07695771 (England and Wales)	
Principal and Registered Office	Lodge House Cavendish Road Bowdon Cheshire WA14 2NJ	
Academies operated Altrincham Grammar School for Girls Cedar Mount Academy Marton Primary Academy and Nursery Melland High School Rushbrook Primary Academy South Shore Academy Stanley Grove Primary Academy	Location Altrincham Gorton Blackpool Gorton Gorton Blackpool Manchester	Principal/Head of School S Gill K Hodgson A Coyle/R Coupe S Warner M Carroll N Reynolds/R Coupe A Footman
Independent auditor	UHY Hacker Young Manchester LLP St James Building 79 Oxford Street Manchester M1 6HT	

BRIGHT FUTURES EDUCATIONAL TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

Browne Jacobson LLP
Mowbray House
Castle Meadow Road
Nottingham
NG2 1BJ

BRIGHT FUTURES EDUCATIONAL TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

The trustees present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates seven academies in the north-west of England. These comprise three primary schools, two 11-16 secondary schools, one 11-18 grammar school and one 11-18 special school.

The academy trust operates academies for pupils aged 3 to 19 serving the catchment areas of East Manchester, South Manchester and Blackpool. Its academies have a combined pupil capacity of 4,850 and had a roll of 4,788 in the school census in October 2019.

Structure, governance and management

Constitution

Bright Futures Educational Trust (BFET) is a company limited by guarantee (No. 07695771) and an exempt charity in accordance with the Academies Act 2010. The charitable company was incorporated on 6 July 2011. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Bright Futures Educational Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Bright Futures Educational Trust.

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

Members' liability

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

Trustees' indemnities

The Trust has purchased insurance to cover trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. Details of the costs can be found in note 12 of the accounts.

Method of recruitment and appointment or election of trustees

The Members of the Trust are responsible for the appointment of Trust Directors. The number of appointed Trustees shall be a minimum of seven up to a maximum of ten with the number of Executive Trustees not exceeding one third.

Policies and procedures adopted for the induction and training of trustees

Trustees are inducted with the Trustees Induction Pack that have been developed. Training requirements are discussed at directors' board meetings.

BRIGHT FUTURES EDUCATIONAL TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Organisational structure

The governance of the Trust is defined in the Memorandum and Articles of Association together with the funding agreements with the Department of Education. In addition to the Trustees, Local Governing Bodies ('LGBs') have been appointed for each school within the Trust. These bodies report to the Board of Trustees through the Chief Executive Officer.

The Trust has two Board Committees: the Audit and Risk Committee and the Remuneration Committee, who report directly to the Board of Trustees. The Executive Team consists of the Chief Executive Officer, Chief Operating Officer, Director of HR & Strategy, Directors of Education and the Director of Teaching School and Partnerships. The Executive Team meets each month in term time during each academic year.

The day to day running of the Trust is delegated by the trustees to manage under the leadership of the Chief Executive Officer, who is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

Setting the pay on appointment

- We use the School Teachers Pay and Conditions Document as the benchmark and guide for school leadership posts
- For central Trust Leadership posts, we use external salary benchmarking as the guide to pay.

Annual Pay Reviews

Any pay review is dependent upon the successful outcome of an appraisal process.

- For leadership posts in schools, up to Vice Principal level, pay recommendations from Principals are moderated and approved by the local governing body
- For Principals, pay recommendations made by the line manager, are moderated and approved by a committee chaired by the CEO of the Trust
- For the central Trust leadership posts, the recommendations made by the CEO and COO are moderated and approved by the Remuneration Committee
- The Chief Executive's pay is set by the Remuneration Committee.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	15
Full-time equivalent employee number	15.00

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	5
1%-50%	10
51%-99%	-
100%	-

Percentage of pay bill spent on facility time

Total cost of facility time	10
Total pay bill	24,430
Percentage of the total pay bill spent on facility time	-

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	25%
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BRIGHT FUTURES EDUCATIONAL TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Engagement with employees

The Trust is committed to ensuring equality of opportunity for all who learn and work here. We respect and value positive differences in race, gender reassignment, sex, sexual orientation, marriage and civil partnerships, pregnancy and maternity, religion or belief and age.

The Trust considers all applications from disabled persons, bearing in mind the aptitudes of the individuals concerned. Where an existing employee becomes disabled, every effort is made to ensure that employment with the Trust continues. The Trust's policy is to provide training, career development and opportunities for promotion, which are, as far as possible, identical to those for other employees.

The Trust works with employee trade unions and professional associations via the Joint Consultation and Negotiation Body (JCNB) and across all our academies. We engage in consultation, as required, to ensure that all aspects of the Trust affecting its employees are in accordance with our recognition and procedure agreement.

During the year we commissioned an independent survey of all of our staff to understand the levels of staff engagement across a number of areas such as school leadership, trust leadership, job role, development, wellbeing and teamwork. We had a good response rate of 68% and the results saw an improving picture of staff engagement since we last did a similar survey in 2015.

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

Throughout the year, Trustees have taken account of the need to develop strong business relationships with suppliers, customers and others. This has been particularly important during the coronavirus pandemic to ensure financial stability for everyone, maintain well-being and ensure quality provision of services is maintained.

An example of this during 2019-2020 is adherence to Policy Procurement Notices issued by the Cabinet Office and support the Trust has provided to suppliers, particularly in the case of small local businesses.

Related parties and other connected charities and organisations

Although there are a number of professional links to other schools and third party organisations, the Trust is an independent company with no affiliation to outside bodies.

Altrincham Grammar School for Girls is designated by the DfE as a Teaching School Alliance, which sits within the Trust. As well as the seven BFET schools, there are an additional 450 partner organisations that make up the Alliance. This includes a Maths Hub and School Centred Initial Teacher Training (SCITT).

BRIGHT FUTURES EDUCATIONAL TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and activities

Objects and aims

The objective of BFET is to advance education, for the public benefit, by managing and developing academies, promoting co-operation between academies, promoting school improvement in respect of academies and ensuring the distinctive ethos of any academy which it manages or develops is upheld. In order to achieve this, we have articulated our Vision as 'the best for everyone, the best from everyone'.

Through our mission, our family of schools places young people, families and communities at the heart of everything we do. We are a true community with shared responsibility and common core values which create a culture of collaboration, opportunity, respect and innovation. We inspire excellence and believe in nurturing the abilities of all within our schools and communities. We empower our young people to build purposeful lives and have the courage and confidence to make a positive contribution to society. Through excellence in education all of our young people will have a bright future.

Our core values are:

- Community – we work together for a common purpose acknowledging our diversity as strength
- Integrity – we do the right things for the right reasons
- Passion – we take responsibility, work hard and have high aspirations

Our commitments are: to foster collaborative and strong relationships; to promote professional learning; to be supportive, challenging and fair; to communicate effectively; to create strong governance and accountability; to achieve value for money; to be united behind decisions and to be an organisation where ensuring equality, diversity and inclusion is celebrated.

Objectives, strategies and activities

Our Strategic Aims are:

- Good progress, participation and achievement for all pupils equitably via a rich and diverse curriculum.- All schools to be improving at an ambitious pace, appropriate to their context, and have the capacity for sustainable continuous improvement in all aspects of the curriculum and wider offers.
- Sustained financial viability enables flexible investment in school improvement.- Achievement of long term sustainable viability, managed within a robust governance environment with clear and effective financial controls that yield opportunities to support improvements by targeted investment.
- Our staff advocate Bright Futures as an excellent and equal opportunities employer.- All staff are positively engaged, enjoy equitable treatment, are held to account, supported and challenged. People's wellbeing and development are evident through compassionate behaviours, strategies and decision making.

Through growth, influence, collaboration and partnerships, the Trust's vision and mission are embedded in everything we do. Any growth adds value to the rest of the Trust, the school system and our communities. Governance and organisational systems are sufficiently strong and flexible to deliver and exceed our vision and mission.

Public benefit

The Trustees of Bright Futures Educational Trust are committed to ensuring that the Trust's activities are for the public benefit and have complied with their statutory duties.

In particular, Trustees have been provided with the Public Benefit guidance published by the Charity Commission and public benefit is properly taken into account in exercising their powers and duties.

BRIGHT FUTURES EDUCATIONAL TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report

Achievements and performance

The Trust worked closely with the Education and Skills Funding Agency (ESFA) to manage its strategic financial recovery plan and was able to achieve a £2.2m surplus before capitalisation of fixed assets, depreciation and movements in the pension liability, illustrating its strong move to becoming a financially viable and sustainable Multi Academy Trust.

During the year the Trust worked on due diligence and the submission of an application to the Regional Schools Commissioner Head Teacher Board to merge with the Dunham Trust, a five school multi academy trust located in Trafford. The application was authorised immediately following the balance sheet date and the Trust executive are currently working through the integration plans for the two organisations.

Throughout the year there have been notable achievements in all academies, a few examples of which are provided here. Altrincham Grammar School for Girls continues to be one of the highest performing state schools in the country in both GCSE and A level outcomes. The school offers a rich curriculum that allows students to engage in a wide variety of activities. A group of students created an event this year that earned the school an entry in the Guinness World Records. In addition to significant academic successes the students excel in PE and sport, music and the arts, debating (in different languages), charitable giving and active citizenship.

South Shore and Cedar Mount were inspected by Ofsted during the year under the new inspection framework. They each received an overall judgement of 'requires improvement'. The new inspection framework focuses on the 'substance of education' as defined by the school's curriculum. The reports for South Shore and Cedar Mount describe the substantial progress that has been made at both schools to improve the quality of leadership and overall provision. Additionally, Cedar Mount has attracted high praise for its work to promote anti-racism and to develop a more inclusive curriculum. South Shore received a very favourable review commissioned from the 'Wellspring Trust' looking at its arrangements for promoting positive, inclusive behaviour and has been recognised nationally both in the Youth Sport Trust Awards and by for excellent research and practice in the promotion of literacy. The Duke of Edinburgh Award also features highly at South Shore and represents significant success.

BRIGHT FUTURES EDUCATIONAL TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Melland High School has continued to make excellent provision for young people with complex learning difficulties and disabilities. The overhaul of the curriculum offer has meant that more students are accessing opportunities that enable them to make great progress towards their individual ambitious goals. Work related learning and digital technologies are significant strengths of the school and give the students access to opportunities to develop and demonstrate their entrepreneurial and creative qualities.

Marlon Primary Academy was successful this year in bidding to become the provider of specialist resourced provision for children with special educational needs and disabilities that are currently educated outside Blackpool because of a lack of in-Borough provision. This is a significant and exciting strategic development both for the town and for Bright Futures. A student from Marlon also attended the national Youth Sport Trust Awards and was celebrated for his positive leadership.

School improvement work at Rushbrook Primary has been driven at pace with imaginative and carefully planned strategies. It has been particularly good to see the commitment to invest in staff development, specifically the use of the apprenticeship levy to enable a team of primary learning assistants to build on their existing skills and have opportunities to gain high quality training and qualifications in 2020/21.

Stanley Grove Primary has continued to develop as a strong community presence leading innovative projects with partners within the local area and across Manchester. The school has continued to make a powerful contribution to the health and well-being of students through an impressive commitment to physical activity and sport. The young people have many opportunities to take part in both participatory and competitive sports and they enjoy great successes.

The Alliance for Learning Teaching School has continued to thrive responding positively to new demands throughout the pandemic crisis. The reach of the Alliance provides an excellent forum for Bright Futures to have wider presence and impact across the system. The training of new teachers remains very high quality and attracts good numbers of students. The Maths Hub continues its highly successful provision in the region.

During the year, extensive work has been undertaken to improve and update our Human Resources policies. Notably this included an extensive, full staff survey and complete independent analysis and the development of a Dignity and Respect at Work Policy.

So much of the year was shaped by our responses to the Covid emergency. The speed and skill with which schools moved to remote learning was impressive. The support provided by IT technicians, often unseen, has also helped to ensure that new equipment for students and staff was rolled out quickly and efficiently.

BRIGHT FUTURES EDUCATIONAL TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Key performance indicators

Financial:

- income (percentage of general funds income derived from the GAG) – 68.4% (2019: 70.5%)
- staff costs as a percentage of general funds income – 79.0% (2019: 75.9%)
- cash balance – £7,051,000 (2019: £6,909,000)

Non-financial:

2020 Examination/Assessment Context

The 2020 KS2 national tests ('SATs'), GCSE and A-level examinations were different to previous years due to Covid-19. For the primary sector, the schools submitted their teacher assessment for each pupil and no formal examinations were taken. The secondary schools were asked to produce a centre-assessed grade (CAG). This is a grade the school judged to be what the student achieved in each subject drawing on a range of evidence. Then the school produced a ranking within each subject. Evidence for the grade was provided by in-year examinations and class-based information. Rigorous moderation of the grades took place. The final centre assessed grades were then sent to the exam boards. Ofqual applied an algorithm to each data set.

The 2020 data cannot accurately be compared to previous years for the purposes of demonstrating year on year improvement. However, the achievements of each of our schools did demonstrate the hard work and dedication of our students, teachers and support staff.

There is also no progress 8 measure for 2020 (P8) so we are simply reporting on the overall attainment for English and Maths Grade 4+ and Grade 5+, for A Levels: A* A*- A and A*-C and for Key Stage 2 results Reading, Writing and Maths combined measures (% of pupils achieving the expected standard).

South Shore Academy

The GCSE Grade 4-9 (English and Maths) 2020 outcomes at 36.1% were close to the predicted 33%. GCSE G5-9 (E&M) was 13.5%. South Shore Academy KS4 mock exams in February data (2020) and external quality assurances e.g. script marking, provided us with confidence of accuracy of the summer predictions and actual outcomes for the 2020 results. Improved quality of provision was identified by Ofsted in the 2019 inspection at South Shore and the profile of the cohort was of higher ability than previous years. These factors were reflected in the results.

Cedar Mount Academy

The 2020 outcomes were close to the school predictions and the improvement is reflected in the recent Ofsted inspection that recognised a good leadership, curriculum and quality of teaching and learning. The school achieved 46.2% Grade 4-9 (E&M), and 28.6% G5-9 (E&M).

BRIGHT FUTURES EDUCATIONAL TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Altrincham Grammar School for Girls

The results this year are consistent with the very high standards achieved for a number of years. G7-9 (E&M) 84.5%. At A level: A* 35%, A*-A 74.9, A*-C 98.2%. Most students were able to access their chosen university courses and, where necessary, good solutions were found for all through the clearing process.

All of our primary school outcomes reflect the improved standards of teaching and learning. Each school achieved near to the KS2 outcome levels predicted (brackets) at the start of the year for Reading, Writing and Maths combined Expected Standard: Marton Primary Academy and Nursery 74% , Rushbrook Primary Academy 54% and Stanley Grove Primary Academy 60%.

Melland High School set personalised targets in core subjects for pupils accessing the Formal Curriculum. A full level of achievement has been agreed at 75% threshold. Regular APPRE (Assessment, Planning, Progress, Recording & Evaluation) and Progress Meetings with teachers ensure teaching, learning and assessment are effectively scrutinised, moderated and remain time efficient for teachers. Progress in English & Maths is at least good and largely outstanding. In certain strands a very low percentage of pupils achieved progress which was less than good whilst a high percentage of pupils achieved outstanding progress.

School Progress Measures

Primary Progress

School	Subject	2016	2017	2018	2019	2020
RPA	Reading	well below average	below average	average	below average	N/a
	Writing	average	well below average	average	below average	N/a
	Maths	well below average	well below average	average	average	N/a
SGPA	Reading	average	average	well below average	well below average	N/a
	Writing	above average	average	below average	below average	N/a
	Maths	average	average	below average	average	N/a
MAR	Reading	above average	average	average	above average	N/a
	Writing	well above average	average	average	above average	N/a
	Maths	average	average	average	well above average	N/a

BRIGHT FUTURES EDUCATIONAL TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Secondary Progress

School	2016	2017	2018	2019	2020
AGGS	above average	well below average	well below average	well below average	N/a
CMA	well below average	well below average	below average	below average	N/a
SSA	average	below average	well below average	well below average	N/a

Going concern

The trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts.

The financial statements have been prepared on the going concern basis, which assumes that the charitable company will continue in operational existence for the foreseeable future. The validity of this assumption depends on the continued provision of adequate funding. The financial statements do not include any adjustments that would result if the funds were not made available.

The charitable company finances its operations with cash funds held at Lloyds Bank and borrowings from the Education Skills Funding Agency (ESFA). At the balance sheet date, amounts due to the ESFA total £5m. The trustees have agreed a repayment plan with the ESFA for these liabilities and for ongoing support to enable the charitable company to continue trading for the foreseeable future.

After making appropriate enquiries, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the annual report and accounts. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

BRIGHT FUTURES EDUCATIONAL TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Promoting the success of the academy trust

The Trustees have acted in accordance with their duties codified in law, which include their duty to act in the way in which they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members, stakeholders and the matters set out in section 172(1) of the Companies Act 2006. The Charities Commission has issued guidance which explains that charitable companies should take "promoting the success of the company" to mean "promoting the success of the charity to achieve its charitable purposes."

The Trust is governed by its charitable objects. These charitable objects set out the purpose of the charity. The consequences of all decisions and activities of the charity are assessed by how they drive us towards achieving that long-term purpose, including by reference to the charity's strategy, vision and values. As an educational charity, we are accountable not only to our funders and direct beneficiaries (our pupils) but also our parents and wider community. These stakeholders support us; engage with us, and challenge us. They ensure that the decisions we make as a charity, from the ground level through to the Board, are for their benefit. We are a values driven organisation and our values mean that we are informed, shaped and powered by our determination to uphold our vision and values. Well-established involvement and consultation mechanisms, both direct (through parent and staff surveys) and indirect ensure that decisions made by the Trustees are informed by the needs of the organisation's stakeholders.

a) Long-term consequences of any decision

Trustees consider the consequences of any strategic decision in the long-term as part of their assessment. We aim to ensure that as an organisation we balance our income and expenditure to ensure that our organisation remains sustainable in the long term. This is balanced against the needs of our pupils, staff and other stakeholders, and the community, to ensure we are spending the funding we receive from the government in the most effective way to support our aims, and with integrity.

b) The interests of the company's employees

Details of how the Trustees give consideration to the interests of the organisation's employees can be found in the section Engagement with employees within this report.

c) The need to foster the company's business relationships with suppliers, customers and others

Details of how the Trustees give consideration to the interests of the organisation's other stakeholders can be found in the section Engagement with suppliers, customers and others in a business relationship with the Trust.

d) The impact of the company's operations on the community and the environment

Details of how the Trustees give consideration to the impact on the community can be found in the section Engagement with suppliers, customers and others in a business relationship with the Trust. Further information is also given in the section on Public Benefit. An example of how the Trust has considered its impact on the local community has been during the COVID-19 crisis, where a decision was made to supply supermarket vouchers to families normally in receipt of free school meals, ahead of the government introducing a national scheme.

e) The desirability of the company maintaining a reputation for high standards of business conduct

The Trust aims to conduct all its relationships with integrity and courtesy, and to honor all business agreements. The Trustees have approved a number of policies that help to ensure we maintain high standards of business conduct.

f) The need to act fairly as between members of the company

All members of the Trust are treated fairly and equally, with the same access to information, the ability to directly contact trustees, the Chief Executive Officer or any member of the senior leadership teams.

All matters reserved for decision by the Trustees are presented at Board or Committee meetings as appropriate. Trustees are briefed on any identified potential impacts and risks for our stakeholders and how they are to be managed. The Trustees take these factors into account before making a final decision which together they believe is in the best interests of the Trust and its stakeholders.

BRIGHT FUTURES EDUCATIONAL TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Financial review

For the financial period ended 31 August 2020, financial performance has been analysed across the operating divisions of the Trust which are largely responsible for managing delegated budgets. These are: Altrincham Grammar School for Girls (AGGS), Melland High School (MHS), Cedar Mount Academy (CMA), Rushbrook Primary Academy (RPA), Stanley Grove Primary Academy (SGPA), South Shore Academy (SSA), Marton Primary Academy and Nursery (MAR) and Head Office.

The main source of income for the Trust is revenue grant funding for individual academies. Funding is based largely on pupil numbers, and the key risk moving forward is a reduction in the number of pupils at schools within the Trust. AGGS, MHS, and SGPA are currently oversubscribed, and pupil numbers at CMA are nearing its pupil number admission threshold. The pupil numbers at RPA have reduced since the year end. In Blackpool, at MAR, student numbers continue to fall whilst at SSA they have stabilised.

Expenditure across the Trust is typical for the education sector with the main area of expenditure being staff costs.

During the year the Trust received revenues from general funds of £35,214,000 (2019: £35,240,000). Expenditure for the year, excluding pension and fixed asset costs, was £33,011,000 (2019: £32,742,000). The operational surplus was £2,203,000 (2019: £2,498,000).

The trustees' policy on reserves is to strike a balance between financial prudence and achieving the Trust's educational objectives. It is acknowledged both that available assets should remain at a financially secure level and that current year government funding is to meet the educational needs of current year pupils.

The Financial Notice to Improve was lifted during the year reflecting the strengthening of the Trust's financial position.

Reserves policy

The level of net assets held at 31 August 2020 totals £933,000 (2019 net liabilities: £654,000). This excludes the fixed asset and pension liability reserves.

The deficit on the Local Government Pension Scheme (£16,073,000 at 31 August 2020) does not mean that an immediate liability crystallises. The deficit results in a cash flow effect for the Academy Trust in the form of possible future increases in pension contributions, which, if required, will be met from the budgeted annual income. There is therefore considered to be no material impact on free reserves of the Academy Trust because of recognising the deficit.

Investment policy

A Treasury Management Policy was adopted during the year. The aim of the policy is to ensure funds that the Trust does not immediately need to cover anticipated expenditure are invested in such a way as to maximise the Trust's income but with minimal risk. The policy permits cash deposits to be made on terms of up to 6 months to UK incorporated institutions with a Fitch Ratings Short Term Rating of F1 or F1+.

At 31 August 2020 £1.5m was held on short term deposits.

BRIGHT FUTURES EDUCATIONAL TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Principal risks and uncertainties

Risks across the Trust are managed via a Trust Strategic Risk Register reviewed at each Audit and Risk Committee and individual School Risk Registers, which are reviewed regularly by their Local Governing Bodies. A Trust wide Risk Management Strategy is in place alongside an Academy Risk Management Strategy.

During the year, the Trust managed some significant risks;

Following significant improvements in governance and financial management the Financial Notice to Improve was removed during the year acknowledging that the Trust is now financially sustainable .

In Blackpool, at Marton Primary Academy and Nursery where student numbers continue to fall the Trust worked collaboratively with Blackpool Local Authority and agreed the creation of a new resource provision at the school for SEN children with autistic spectrum condition to open its doors January 2021.

During the year, the Trust continued to strengthen its internal control environment through a series of proactive external reviews including: administration of governance, budget setting and financial planning, Altrincham Grammar School for Girls financial controls, health and safety governance and follow up audit.

The Trust managed the risk presented to the health and safety of children and staff, the continuing operation of its business, the quality of provision and student outcomes by the strict implementation of the government guidelines throughout and following the advice and guidance of the Health and Safety Executive.

The Trust's employees are members of two defined benefit pension schemes, the Teachers' Pension Scheme (TPS) and the Local Government Pension Scheme (LGPS). The Trust has recognised its share of the LGPS assets and liabilities in accordance with Financial Reporting Standard 102 section 28. A deficit has been recognised at 31 August 2020. The TPS has been accounted for as a defined contribution scheme. Further details of the accounting policy adopted for each scheme are included in note 1 to the financial statements.

Due to the nature of the two pension schemes there is an underlying risk to the Trust which relates primarily to the uncertainty of the future funding requirements of each scheme, the results of which impact on the contribution rates for future employer contributions to each scheme.

Financial and risk management objectives and policies

Fundraising

The trust's approach to fundraising is not to actively participate but to seek out and apply for other bids and grants that may become available throughout the year.

Streamlined energy and carbon reporting

UK Greenhouse gas emissions and energy use data for the period 1 September 2019 to 31 August 2020

Energy consumption

Aggregate of energy consumption in the year

kWh

4,184,761

BRIGHT FUTURES EDUCATIONAL TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

<i>Emissions of CO2 equivalent</i>	metric tonnes	metric tonnes
Scope 1 - direct emissions		
- Gas consumption	477.65	
- Fuel consumed for owned transport	7.17	
		484.82
Scope 2 - indirect emissions		
- Electricity purchased		357.41
Scope 3 - other indirect emissions		
- Fuel consumed for transport not owned by the academy trust		6.14
Total gross emissions		848.37
<i>Intensity ratio</i>		
Tonnes CO2e per pupil		0.18

Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2 equivalent per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

The impact of Covid has drastically reduced our travel this year. The increased use of video conferencing technology for staff meetings will continue and aid a reduction in the need for travel between sites.

Plans for future periods

Led by the Chief Executive, the Trust continues to deliver its Strategy which seeks to secure; Good progress, participation and achievement for all pupils equitably via a rich and diverse curriculum. Sustained financial viability enables flexible investment in school improvement. Our staff advocate Bright Futures as an excellent and equal opportunities employer, and through growth, influence, collaboration and partnerships, the Trust's vision and mission are embedded in everything we do.

During the year the Trust worked on due diligence and the submission of an application to the Regional Schools Commissioner Head Teacher Board to merge with the Dunham Trust, a five school multi academy trust located in Trafford. The application was authorised immediately after the balance sheet date and the Trust executive are currently working the integration plans for the two organisations.

The strategic plan is underpinned by seven functional plans with strategic and short-term deliverables in the form of ambitions, programmes of work and success criteria. Governed by the Board of Trustees they will provide strategic leadership, monitor school improvement and compliance and oversee effective controls for financial viability. The Trust Executive will provide strategic and operational leadership. Our local governing bodies will provide scrutiny of school development plans and monitor that schools are working within agreed finances and policies.

Funds held as custodian trustee on behalf of others

No funds are held on behalf of other organisations.

BRIGHT FUTURES EDUCATIONAL TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

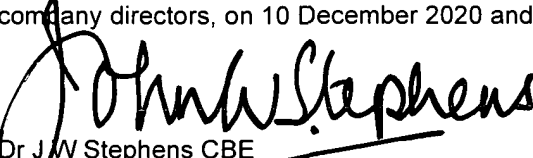
Auditor

In so far as the trustees are aware:

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

A resolution proposing that UHY Hacker Young Manchester LLP be reappointed as auditor of the charitable company will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 10 December 2020 and signed on its behalf by:


Dr J W Stephens CBE
Accounting Officer


D Rubin
Chair of the Board

BRIGHT FUTURES EDUCATIONAL TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreements between the academy trust and the Secretary of State for Education. The Chief Executive Officer is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

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

Trustees	Meetings attended	Out of possible
J Appleyard (Resigned 28 September 2019)	0	1
L Nicholls	3	6
Dr J W Stephens CBE (Accounting Officer)	6	6
A Foster	4	6
D Rubin (Chair of the Board)	6	6
R Leggett (Chair of Remuneration Committee)	5	6
I Ashworth (Chair of Audit Committee)	5	6
A Healy (Appointed 14 October 2019 and resigned 26 February 2020)	1	4
P Moonan (Appointed 14 October 2019)	4	4
M Whilby (Appointed 14 October 2019)	2	4
K Clough (Appointed 11 June 2020)	1	1

The Audit and Risk Committee is a sub-committee of the main Board of Trustees. Its purpose is to advise the board on all strategic risk-related issues, in particular financial risk. There were four meetings during the period 1 September 2019 to 31 August 2020.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
A Foster	3	4
D Rubin (Chair of the Board)	1	1
R Leggett (Chair of Remuneration Committee)	1	1
I Ashworth (Chair of Audit Committee)	4	4
P Moonan (Appointed 14 October 2019)	3	3

BRIGHT FUTURES EDUCATIONAL TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

The Remuneration Committee is a sub-committee of the main board of trustees. Its purpose is to review executive pay, conduct the appraisal of the CEO review any recommendations for pay that sit outside of the national agreements for School Teachers (School Teachers Pay and Conditions Document) and Associate staff (National Joint Council).

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
L Nicholls	2	3
D Rubin (Chair of the Board)	3	3
R Leggett (Chair of Remuneration Committee)	3	3

Review of value for money

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

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

- The improvement in outcomes previously reported, whilst noting the achievement in an environment of reduced resources.
- Moving the Trust to a position of financial viability and longer term financial sustainability through a turnaround strategy that has led to an operating surplus position of £2.2m.
- Transferring Connell Sixth Form College to the Co-operative Academies Trust.
- Generating surplus funds in six of our seven Academies.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Bright Futures Educational Trust for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of trustees.

BRIGHT FUTURES EDUCATIONAL TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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:

- budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Audit and Risk Committee who report to the full governing body;
- regular reviews by the Audit and Risk 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 and general expenditure purchase) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

Areas of weakness have been identified within the framework of internal financial controls and the Trust is committed to improving controls and systems in line with audit recommendations.

The board of trustees has considered the need for a specific internal audit function and has appointed RSM UK Audit LLP as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. On a termly basis, the internal auditor reports to the board of trustees, through the audit and risk committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

The internal auditor has delivered their schedule of planned work for the financial year ending 31 August 2020, which covered review of:

- Safeguarding
- Month end processes
- Estates Management
- Follow up
- GDPR

The internal auditors schedule of work was carried out as planned. At the date of signing the statutory report and accounts there were no material recommendations outstanding from the 2019/20 schedule of internal audit works.

Review of effectiveness

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

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

BRIGHT FUTURES EDUCATIONAL TRUST

GOVERNANCE STATEMENT (CONTINUED)

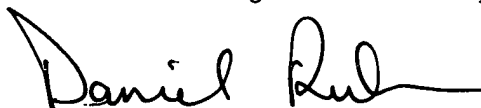
FOR THE YEAR ENDED 31 AUGUST 2020

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

Approved by order of the board of trustees on 10 December 2020 and signed on its behalf by:



Dr J W Stephens CBE
Accounting Officer



D Rubin
Chair of the Board

BRIGHT FUTURES EDUCATIONAL TRUST


STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2020

As accounting officer of Bright Futures Educational Trust I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the academy trust's board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2019.

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

A handwritten signature in black ink, reading "John W. Stephens". The signature is written in a cursive, flowing style.

Dr. J. W. Stephens CBE
Accounting Officer

10 December 2020

BRIGHT FUTURES EDUCATIONAL TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2020

The trustees (who are also the directors of Bright Futures Educational Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2019 to 2020 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the trustees are required to:

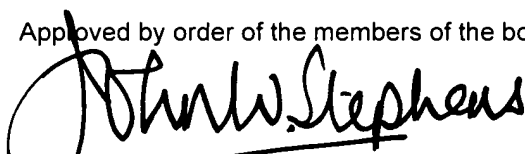
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

Approved by order of the members of the board of trustees on 10 December 2020 and signed on its behalf by:


Dr J W Stephens CBE
Accounting Officer


D Rubin
Chair of the Board

BRIGHT FUTURES EDUCATIONAL TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRIGHT FUTURES EDUCATIONAL TRUST

FOR THE YEAR ENDED 31 AUGUST 2020

Opinion

We have audited the accounts of Bright Futures Educational Trust for the year ended 31 August 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

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

Basis for opinion

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

Conclusions relating to going concern

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

- the trustees' use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or
- the trustees have not disclosed in the accounts 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 accounts are authorised for issue.

Other information

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

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

We have nothing to report in this regard.

BRIGHT FUTURES EDUCATIONAL TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRIGHT FUTURES EDUCATIONAL TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the accounts

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

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

BRIGHT FUTURES EDUCATIONAL TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRIGHT FUTURES EDUCATIONAL TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Use of our report

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



**Stephen Grayson FCCA (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young Manchester LLP**

10 December 2020

**Chartered Accountants
Statutory Auditor**

St James Building
79 Oxford Street
Manchester
M1 6HT

BRIGHT FUTURES EDUCATIONAL TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BRIGHT FUTURES EDUCATIONAL TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2020

In accordance with the terms of our engagement letter and further to the requirements of the Education & 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 Bright Futures Educational Trust during the period 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Bright Futures Educational Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Bright Futures Educational Trust's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 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 period 1 September 2019 to 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 ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

We conducted our work in accordance with Technical Release TECH 08/12 AAF issued by the Institute of Chartered Accountants In England and Wales. In accordance with that Technical Release we have carried out the procedures we consider necessary to be able to report on whether anything has come to our attention which suggests that in all material respects expenditure disbursed and income received have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them. Other than those procedures undertaken for the purposes of our audit of the financial statements of Bright Futures Educational Trust for the year ended 31 August 2019 which provide evidence on regularity, our work was limited to only those additional procedures necessary to provide limited assurance.

BRIGHT FUTURES EDUCATIONAL TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BRIGHT FUTURES EDUCATIONAL TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Conclusion

In the course of our work nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2019 to 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.



Reporting Accountant

UHY Hacker Young Manchester LLP
St James Building
79 Oxford Street
Manchester
M1 6HT

Dated: 10 December 2020

BRIGHT FUTURES EDUCATIONAL TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted funds £000's	Restricted funds: General £000's	Fixed asset £000's	Total 2020 £000's	Total 2019 £000's
Income and endowments from:						
Donations and capital grants	3	-	74	605	679	1,473
Charitable activities:						
- Funding for educational operations	4	-	32,145	-	32,145	32,130
- Funding for teaching schools	4, 27	-	2,666	-	2,666	1,992
Other trading activities	5	283	43	-	326	711
Investments	6	-	3	-	3	3
Total		<u>283</u>	<u>34,931</u>	<u>605</u>	<u>35,819</u>	<u>36,309</u>
Expenditure on:						
Charitable activities:						
- Educational operations	9	283	31,864	1,179	33,326	33,231
- Teaching schools	7, 27	-	2,463	-	2,463	2,034
Charitable expenditure - transfer of existing academy out of the trust		-	-	-	-	8,772
Total	7	<u>283</u>	<u>34,327</u>	<u>1,179</u>	<u>35,789</u>	<u>44,037</u>
Net income/(expenditure)		-	604	(574)	30	(7,728)
Transfers between funds	18	-	(616)	616	-	-
Other recognised gains/(losses)						
Actuarial losses on defined benefit pension schemes	20	-	(2,482)	-	(2,482)	(4,150)
Net movement in funds		-	(2,494)	42	(2,452)	(11,878)
Reconciliation of funds						
Total funds brought forward		-	(12,645)	33,165	20,520	32,398
Total funds carried forward		-	(15,139)	33,207	18,068	20,520

BRIGHT FUTURES EDUCATIONAL TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2020

Comparative year information Year ended 31 August 2019	Notes	Unrestricted funds £000's	Restricted funds: General £000's	Fixed asset £000's	Total 2019 £000's
Income and endowments from:					
Donations and capital grants	3	-	404	1,069	1,473
Charitable activities:					
- Funding for educational operations	4	-	32,130	-	32,130
- Funding for teaching schools	27	-	1,992	-	1,992
Other trading activities	5	601	110	-	711
Investments	6	-	3	-	3
Total		601	34,639	1,069	36,309
Expenditure on:					
Charitable activities:					
- Educational operations	9	-	32,164	1,067	33,231
- Teaching schools	27	-	2,034	-	2,034
Charitable expenditure - transfer of existing academy out of the trust		-	(285)	9,057	8,772
Total	7	-	33,913	10,124	44,037
Net income/(expenditure)		601	726	(9,055)	(7,728)
Transfers between funds	18	(601)	287	314	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	20	-	(4,150)	-	(4,150)
Net movement in funds		-	(3,137)	(8,741)	(11,878)
Reconciliation of funds					
Total funds brought forward		-	(9,508)	41,906	32,398
Total funds carried forward		-	(12,645)	33,165	20,520

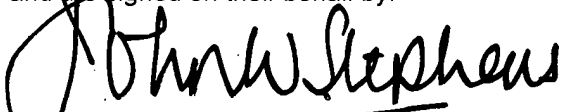
BRIGHT FUTURES EDUCATIONAL TRUST

BALANCE SHEET

AS AT 31 AUGUST 2020

		2020	2019
	Notes	£000's	£000's
Fixed assets			
Tangible assets	13	33,207	33,165
Current assets			
Debtors	14	1,666	1,511
Cash at bank and in hand		7,051	6,909
		8,717	8,420
Current liabilities			
Creditors: amounts falling due within one year	15	(3,576)	(4,079)
Net current assets		5,141	4,341
Total assets less current liabilities		38,348	37,506
Creditors: amounts falling due after more than one year	16	(4,207)	(4,995)
Net assets before defined benefit pension scheme liability		34,141	32,511
Defined benefit pension scheme liability	20	(16,073)	(11,991)
Total net assets		18,068	20,520
Funds of the academy trust:			
Restricted funds	18		
- Fixed asset funds		33,207	33,165
- Restricted income funds		934	(654)
- Pension reserve		(16,073)	(11,991)
Total restricted funds		18,068	20,520
Unrestricted income funds	18	-	-
Total funds		18,068	20,520

The accounts on pages 28 to 53 were approved by the trustees and authorised for issue on 10 December 2020 and are signed on their behalf by:


 Dr. W. Stephens CBE
 Accounting Officer


 D. Rubin
 Chair of the Board

Company Number 07695771

BRIGHT FUTURES EDUCATIONAL TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020 £000's	2019 £000's
Cash flows from operating activities			
Net cash provided by operating activities	21	760	2,764
Cash flows from investing activities			
Dividends, interest and rents from investments		3	3
Capital grants from DfE Group		605	941
Capital funding received from sponsors and others		-	128
Purchase of tangible fixed assets		(1,221)	(1,383)
Net cash used in investing activities		(613)	(311)
Cash flows from financing activities			
Repayment of Salix loan		(5)	(4)
Net cash used in financing activities		(5)	(4)
Net increase in cash and cash equivalents in the reporting period		142	2,449
Cash and cash equivalents at beginning of the year		6,909	4,460
Cash and cash equivalents at end of the year		7,051	6,909

BRIGHT FUTURES EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

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

1.1 Basis of preparation

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

The trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts.

The financial statements have been prepared on the going concern basis, which assumes that the charitable company will continue in operational existence for the foreseeable future. The validity of this assumption depends on the continued provision of adequate funding. The financial statements do not include any adjustments that would result if the funds were not made available.

The charitable company finances its operations with cash funds held at Lloyds Bank and borrowings from the Education Skills Funding Agency (ESFA). At the balance sheet date, amounts due to the ESFA total £5m. The trustees have agreed an 8 year period, commencing from 1 April 2019 to repay the balance. This time frame should enable the charitable company to adequately manage cash flow allowing them to continue trading for the foreseeable future.

Considering the above the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the annual report and accounts.

1.3 Income

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

Grants

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

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

BRIGHT FUTURES EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

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 are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Donations

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

Other income

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

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the accounts until they are sold. This income is recognised within 'Income from other trading activities'.

Donated fixed assets

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

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

BRIGHT FUTURES EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

1.5 Tangible fixed assets and depreciation

Tangible fixed assets acquired since the trust was established are stated at historical costs less accumulated depreciation and any accumulated impairment losses.

In the case of fixed assets transferred from predecessor schools these are treated as acquired at fair value, calculated by reference to either:

- net book value at date of transfer; or
- in the absence of reliable net book value data, an estimate of fair value calculated by reference to an assumed value of fixed assets as compared to the pupil roll.

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

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

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

Land and buildings	50 years straight line
Computer equipment	3 years straight line
Fixtures, fittings & equipment	10 years straight line

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

1.6 Liabilities

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

1.7 Leased assets

Rentals payable under operating leases are charged against income on a straight-line basis over the period of the lease.

1.8 Financial instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

BRIGHT FUTURES EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.9 Taxation

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

1.10 Pensions benefits

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

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

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

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

1.11 Fund accounting

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

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

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

BRIGHT FUTURES EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

1.12 Agency Arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received and paid and any balance held are disclosed in note 26.

1.13 PFI agreement

The Academy occupies buildings which are owned by Blackpool Council and utilised by the Academy under a PFI agreement. The Academy pays revenue contributions in respect of the facilities management and buildings use. The contract will expire in the year 2042. The Academy does not have any rights or obligations of ownership in respect of these assets and therefore they are not included on the Academy's balance sheet. The revenue payment is recognised in the SOFA. Where the Academy procures and pays for additional furniture or equipment or changes to the building, the costs are capitalised and depreciated in accordance with the tangible fixed assets policy.

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3 Donations and capital grants

	Unrestricted funds £000's	Restricted funds £000's	Total 2020 £000's	Total 2019 £000's
Private sponsorship	-	74	74	404
Capital grants	-	605	605	1,069
	-	679	679	1,473

BRIGHT FUTURES EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

4 Funding for the academy trust's educational operations

	Unrestricted funds £000's	Restricted funds £000's	Total 2020 £000's	Total 2019 £000's
DfE / ESFA grants				
General annual grant (GAG)	-	23,896	23,896	24,434
Other DfE group grants	-	5,434	5,434	4,710
	-	29,330	29,330	29,144
Other government grants				
Local authority grants	-	2,815	2,815	2,986
Other funding				
Teaching schools income	-	2,666	2,666	1,992
Total funding	-	34,811	34,811	34,122

5 Other trading activities

	Unrestricted funds £000's	Restricted funds £000's	Total 2020 £000's	Total 2019 £000's
Hire of facilities	34	-	34	107
Catering income	-	37	37	107
Other income	249	6	255	497
	283	43	326	711

6 Investment income

	Unrestricted funds £000's	Restricted funds £000's	Total 2020 £000's	Total 2019 £000's
Short term deposits	-	3	3	3

BRIGHT FUTURES EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

7 Expenditure

	Staff costs £000's	Non-pay expenditure Premises £000's	Other £000's	Total 2020 £000's	Total 2019 £000's
Academy's educational operations					
- Direct costs	21,166	-	1,777	22,943	22,720
- Allocated support costs	5,485	2,967	1,931	10,383	10,514
Teaching schools					
- Direct costs	653	-	1,753	2,406	1,979
- Allocated support costs	3	-	54	57	55
	<u>27,307</u>	<u>2,967</u>	<u>5,515</u>	<u>35,789</u>	<u>35,268</u>

Net income/(expenditure) for the year includes:

	2020 £000's	2019 £000's
Fees payable to auditor for:		
- Audit	29	34
- Other services	22	50
Operating lease rentals	23	7
Depreciation of tangible fixed assets	1,170	1,067
Loss on disposal of fixed assets	9	-
Net interest on defined benefit pension liability	233	197

8 Central services

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

- human resources co-ordination and casework
- financial services via hub managers
- IT Services
- Facilities and estates via hub managers

The academy trust charges for these services on a flat 4% of GAG income.

The amounts charged during the year were as follows:

	2020 £000's	2019 £000's
Altrincham Grammar School for Girls	250	239
Cedar Mount Academy	248	241
Marton Primary Academy and Nursery	49	47
Melland High School	67	64
Rushbrook Primary Academy	110	119
South Shore Academy	169	165
Stanley Grove Primary Academy	121	121
Connell Sixth Form College	-	43
	<u>1,022</u>	<u>1,039</u>

BRIGHT FUTURES EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

9 Charitable activities

	Unrestricted funds £000's	Restricted funds £000's	Total 2020 £000's	Total 2019 £000's
Direct costs				
Educational operations	283	22,660	22,943	22,720
Teaching schools	-	2,406	2,406	1,979
Support costs				
Educational operations	-	10,383	10,383	10,511
Teaching schools	-	57	57	55
	<u>283</u>	<u>35,506</u>	<u>35,789</u>	<u>35,265</u>
	Teaching schools £000's	Educational operations £000's	Total 2020 £000's	Total 2019 £000's
Analysis of support costs				
Support staff costs	3	5,568	5,571	5,495
Depreciation	-	1,179	1,179	1,067
Technology costs	10	318	328	386
Premises costs	-	1,788	1,788	1,859
Legal costs	-	79	79	71
Other support costs	44	1,407	1,451	1,599
Governance costs	-	44	44	89
	<u>57</u>	<u>10,383</u>	<u>10,440</u>	<u>10,566</u>

BRIGHT FUTURES EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

10 Staff

Staff costs

Staff costs during the year were:

	2020 £000's	2019 £000's
Wages and salaries	19,556	19,366
Social security costs	1,884	1,870
Pension costs	5,400	4,296
Staff costs - employees	26,840	25,532
Agency staff costs	467	395
Staff restructuring costs	-	55
Staff development and other staff costs	27,307	25,982
	292	325
Total staff expenditure	27,599	26,307

Staff restructuring costs comprise:

Redundancy payments	-	12
Severance payments	-	40
Other restructuring costs	-	3
	-	55

Staff numbers

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

	2020 Number	2019 Number
Teachers	263	286
Administration and support	340	358
Management	44	43
	647	687

BRIGHT FUTURES EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

10 Staff

(Continued)

Higher paid staff

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

	2020 Number	2019 Number
£60,001 to £70,000	8	7
£70,001 to £80,000	2	7
£80,001 to £90,000	6	2
£90,001 to £100,000	1	2
£100,001 to £110,000	3	2
£140,001 to £150,000	1	1
	<u> </u>	<u> </u>

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £614,762 (2019: £583,010).

11 Trustees' remuneration and expenses

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

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

Dr J W Stephens CBE (CEO and trustee) £140,001 - £150,000 (2019: £140,001 - £150,000)

The value of trustees' employers pension contributions was as follows:

Dr J W Stephens CBE (CEO and trustee) £20,001 - £30,000 (2019: £20,001 - £30,000)

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

12 Insurance for trustees and officers

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

BRIGHT FUTURES EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

13 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£000's	£000's	£000's	£000's
Cost				
At 1 September 2019	37,075	1,705	1,748	40,528
Additions	634	205	382	1,221
Disposals	(9)	-	-	(9)
At 31 August 2020	37,700	1,910	2,130	41,740
Depreciation				
At 1 September 2019	5,528	1,130	705	7,363
Charge for the year	701	310	159	1,170
At 31 August 2020	6,229	1,440	864	8,533
Net book value				
At 31 August 2020	31,471	470	1,266	33,207
At 31 August 2019	31,547	575	1,043	33,165

14 Debtors

	2020 £000's	2019 £000's
Trade debtors	80	150
Other debtors	791	537
Prepayments and accrued income	795	824
	1,666	1,511

15 Creditors: amounts falling due within one year

	2020 £000's	2019 £000's
Government loans	5	5
Trade creditors	697	801
ESFA creditors	752	929
Other creditors	182	211
Accruals and deferred income	1,940	2,133
	3,576	4,079

Government loans represents an interest free loan of £4,706 (2019: £4,706) from Salix, this amount represents two repayments of an initial £37,640 loan, repayable in biannual instalments of £2,353.

The ESFA creditor is being repaid over an 8 year period from 1 April 2019.

BRIGHT FUTURES EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

16 Creditors: amounts falling due after more than one year	2020 £000's	2019 £000's
Government loans	7	12
ESFA Creditor over 1 year	4,200	4,983
	<u>4,207</u>	<u>4,995</u>
Analysis of loans		
Wholly repayable within five years	12	17
Less: included in current liabilities	(5)	(5)
	<u>7</u>	<u>12</u>
Amounts included above	<u>7</u>	<u>12</u>
Loan maturity		
Debt due in one year or less	5	5
Due in more than one year but not more than two years	5	5
Due in more than two years but not more than five years	2	7
	<u>12</u>	<u>17</u>

Government loans represents an interest free loan of £7,000 from Salix, this amount represents seven repayments of an initial £37,640 loan, repayable in biannual instalments of £2,353.

The ESFA creditor is being repaid over an 8 year period from 1 April 2019.

17 Deferred income	2020 £000's	2019 £000's
Deferred income is included within:		
Creditors due within one year	<u>1,237</u>	<u>991</u>
Deferred income at 1 September 2019	991	920
Released from previous years	(991)	(920)
Resources deferred in the year	<u>1,237</u>	<u>991</u>
Deferred income at 31 August 2020	<u>1,237</u>	<u>991</u>

Included within deferred income at the balance sheet date are funds received in advance for School Capital Funding of £457,840, Universal Infant Free School Meals £110,763 and £362,362 in relation to the teaching school.

BRIGHT FUTURES EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

18 Funds

	Balance at 1 September 2019 £000's	Income £000's	Expenditure £000's	Gains, losses and transfers £000's	Balance at 31 August 2020 £000's
Restricted general funds					
General Annual Grant (GAG)	(713)	23,896	(21,895)	(616)	672
Other DfE / ESFA grants	-	5,434	(5,434)	-	-
Other government grants	-	2,815	(2,815)	-	-
Teaching schools	59	2,666	(2,463)	-	262
Other restricted funds	-	120	(120)	-	-
Pension reserve	(11,991)	-	(1,600)	(2,482)	(16,073)
	<u>(12,645)</u>	<u>34,931</u>	<u>(34,327)</u>	<u>(3,098)</u>	<u>(15,139)</u>
Restricted fixed asset funds					
DfE group capital grants	<u>33,165</u>	<u>605</u>	<u>(1,179)</u>	<u>616</u>	<u>33,207</u>
Total restricted funds	<u>20,520</u>	<u>35,536</u>	<u>(35,506)</u>	<u>(2,482)</u>	<u>18,068</u>
Unrestricted funds					
General funds	<u>-</u>	<u>283</u>	<u>(283)</u>	<u>-</u>	<u>-</u>
Total funds	<u>20,520</u>	<u>35,819</u>	<u>(35,789)</u>	<u>(2,482)</u>	<u>18,068</u>

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

- (i) General Annual Grant (GAG) must be used for the normal running costs of the academy.
- (ii) The other DfE/ESFA grants fund is used to track grants provided by local and central government departments.
- (iii) The other restricted funds tracks grants, donations and other income arising from sources other than grants provided by central and local government departments.
- (iv) The pensions reserve is a restricted fund to account for the liability arising under the Local Government Pension Scheme.
- (v) The restricted fixed asset funds are carried forward to meet the specific costs of fixed asset projects and to cover the depreciation charges that will be required on these projects going forward as well as the current fixed assets held.

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 31 August 2020.

BRIGHT FUTURES EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

18 Funds

(Continued)

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

	Balance at 1 September 2018 £000's	Income £000's	Expenditure £000's	Gains, losses and transfers £000's	Balance at 31 August 2019 £000's
Restricted general funds					
General Annual Grant (GAG)	(2,838)	24,434	(22,495)	186	(713)
Other DfE / ESFA grants	-	4,710	(4,710)	-	-
Other government grants	-	2,986	(2,986)	-	-
Teaching schools	-	1,992	(2,034)	101	59
Other restricted funds	-	517	(517)	-	-
Pension reserve	(6,670)	-	(1,171)	(4,150)	(11,991)
	<u>(9,508)</u>	<u>34,639</u>	<u>(33,913)</u>	<u>(3,863)</u>	<u>(12,645)</u>
Restricted fixed asset funds					
DfE group capital grants	41,906	1,069	(10,124)	314	33,165
	<u>41,906</u>	<u>1,069</u>	<u>(10,124)</u>	<u>314</u>	<u>33,165</u>
Total restricted funds	<u>32,398</u>	<u>35,708</u>	<u>(44,037)</u>	<u>(3,549)</u>	<u>20,520</u>
Unrestricted funds					
General funds	-	601	-	(601)	-
	<u>-</u>	<u>601</u>	<u>-</u>	<u>(601)</u>	<u>-</u>
Total funds	<u>32,398</u>	<u>36,309</u>	<u>(44,037)</u>	<u>(4,150)</u>	<u>20,520</u>

Total funds analysis by academy

	2020 £000's	2019 £000's
Fund balances at 31 August 2020 were allocated as follows:		
Altrincham Grammar School for Girls	1,375	922
Cedar Mount Academy	1,679	869
Marton Primary Academy and Nursery	77	224
Melland High School	904	798
Rushbrook Primary Academy	1,056	960
South Shore Academy	(455)	(525)
Stanley Grove Primary Academy	1,511	1,340
Central services	(5,213)	(5,242)
Total before fixed assets fund and pension reserve	934	(654)
Restricted fixed asset fund	33,207	33,165
Pension reserve	(16,073)	(11,991)
Total funds	<u>18,068</u>	<u>20,520</u>

BRIGHT FUTURES EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

18 Funds

(Continued)

Total cost analysis by academy

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

	Teaching and educational support staff £000's	Other support staff costs £000's	Educational supplies £000's	Other costs excluding depreciation £000's	Total 2020 £000's	Total 2019 £000's
Altrincham Grammar School for Girls	5,068	1,203	1,895	755	8,921	8,558
Cedar Mount Academy	4,308	844	357	949	6,458	6,008
Marton Primary Academy and Nursery	1,486	239	68	205	1,998	1,941
Melland High School	2,378	667	62	107	3,214	2,984
Rushbrook Primary Academy	2,462	562	232	430	3,686	3,494
South Shore Academy	3,360	552	532	517	4,961	4,739
Stanley Grove Primary Academy	2,696	661	163	422	3,942	3,687
Connell Sixth Form College	-	-	-	-	-	1,557
Central services	269	852	15	294	1,430	695
	<u>22,027</u>	<u>5,580</u>	<u>3,324</u>	<u>3,679</u>	<u>34,610</u>	<u>33,663</u>

19 Analysis of net assets between funds

	Unrestricted Funds £000's	Restricted funds: General £000's	Fixed asset £000's	Total Funds £000's
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	-	33,207	33,207
Current assets	-	8,717	-	8,717
Creditors falling due within one year	-	(3,576)	-	(3,576)
Creditors falling due after one year	-	(4,207)	-	(4,207)
Defined benefit pension liability	-	(16,073)	-	(16,073)
Total net assets	<u>-</u>	<u>(15,139)</u>	<u>33,207</u>	<u>18,068</u>

BRIGHT FUTURES EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

19 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £000's	Restricted funds: General £000's	Fixed asset £000's	Total Funds £000's
Fund balances at 31 August 2019 are represented by:				
Tangible fixed assets	-	-	33,165	33,165
Current assets	-	8,420	-	8,420
Creditors falling due within one year	-	(4,079)	-	(4,079)
Creditors falling due after one year	-	(4,995)	-	(4,995)
Defined benefit pension liability	-	(11,991)	-	(11,991)
Total net assets	-	(12,645)	33,165	20,520

20 Pension and similar obligations

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

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

Contributions amounting to £31,262 (2019: £28,419) were payable to the schemes at 31 August 2020 and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

BRIGHT FUTURES EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

20 Pension and similar obligations

(Continued)

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £2,824,000 (2019: £1,895,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds.

The Trust currently has 2 schemes in operation, one with Greater Manchester Pension Fund, covering the following schools; Altrincham Girls Grammar School, Melland High School, Stanley Grove Primary Academy, Cedar Mount Academy and Rushbrook Primary Academy. The second scheme is with Lancashire County Pension Fund and includes South Shore Academy, Marton Primary Academy and Nursery and Bright Futures Educational Trust.

The total contributions are as noted below. The contributions per Fund are as follows:

Greater Manchester Pension Fund - employer's contributions £876,000 (2019: £908,000), employee's contributions £271,000 (2019: £296,000).

Lancashire County Pension Fund - employer's contributions £297,000 (2019: £247,000), employee's contributions £72,000 (2019: £67,000).

The agreed contribution rates for future years are 17.8% - 20% for employers and 5.5% - 12.5% for employees.

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

BRIGHT FUTURES EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

20 Pension and similar obligations (Continued)

Total contributions made	2020 £000's	2019 £000's
Employer's contributions	1,173	1,155
Employees' contributions	343	363
Total contributions	<u>1,516</u>	<u>1,518</u>

Principal actuarial assumptions	2020 %	2019 %
Rate of increase in salaries	3.0 - 3.8	3.1 - 3.5
Rate of increase for pensions in payment/inflation	2.2 - 2.4	2.1 - 2.3
Discount rate for scheme liabilities	1.7 - 1.8	1.8
Inflation assumption (CPI)	<u>2.3</u>	<u>2.2</u>

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

	2020 Years	2019 Years
Retiring today		
- Males	20.5 - 22.3	20.6 - 22.8
- Females	23.1 - 25	23.1 - 25.5
Retiring in 20 years		
- Males	22 - 23.8	22.0 - 25.5
- Females	<u>25 - 26.8</u>	<u>24.8 - 28.2</u>

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

	2020 £'000	2019 £'000
Discount rate - 0.1%	902	615
Mortality assumption + 1 year	197	80
CPI rate + 0.1%	<u>827</u>	<u>522</u>

BRIGHT FUTURES EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

20 Pension and similar obligations

(Continued)

The academy trust's share of the assets in the scheme	2020 Fair value £000's	2019 Fair value £000's
Equities	13,344	11,330
Bonds	3,027	2,284
Cash	1,638	1,390
Property	1,640	1,410
Other assets	952	966
Total market value of assets	20,601	17,380

The actual return on scheme assets was £2,090,000 (2019: £916,000).

Amount recognised in the Statement of Financial Activities	2020 £000's	2019 £000's
Current service cost	2,535	2,041
Past service cost	5	373
Interest income	(316)	(446)
Interest cost	549	643
Total operating charge	2,773	2,611

Changes in the present value of defined benefit obligations	2020 £000's
At 1 September 2019	29,371
Current service cost	2,535
Interest cost	549
Employee contributions	343
Actuarial loss	4,256
Benefits paid	(385)
Past service cost	5
At 31 August 2020	36,674

BRIGHT FUTURES EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

20	Pension and similar obligations	(Continued)	
Changes in the fair value of the academy trust's share of scheme assets			
			2020 £000's
	At 1 September 2019		17,380
	Interest income		316
	Actuarial gain		1,774
	Employer contributions		1,173
	Employee contributions		343
	Benefits paid		(385)
	At 31 August 2020		20,601
21	Reconciliation of net income/(expenditure) to net cash flow from operating activities		
		2020 £000's	2019 £000's
	Net income/(expenditure) for the reporting period (as per the statement of financial activities)	30	(7,728)
	Adjusted for:		
	Net deficit on transfer of academy out of the trust	-	8,772
	Capital grants from DfE and other capital income	(605)	(1,069)
	Investment income receivable	(3)	(3)
	Defined benefit pension costs less contributions payable	1,367	1,259
	Defined benefit pension scheme finance cost	233	197
	Depreciation of tangible fixed assets	1,170	1,067
	Loss on disposal of fixed assets	9	-
	(Increase) in debtors	(155)	(273)
	(Decrease)/increase in creditors	(1,286)	542
	Net cash provided by operating activities	760	2,764
22	Analysis of changes in net funds		
		1 September 2019 £000's	Cash flows £000's 31 August 2020 £000's
	Cash	6,909	142
	Loans falling due within one year	(5)	-
	Loans falling due after more than one year	(12)	5
		6,892	147

BRIGHT FUTURES EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

23 Commitments under operating leases

At 31 August 2020 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2020 £000's	2019 £000's
Amounts due within one year	125	120
Amounts due in two and five years	428	424
Amounts due after five years	1,592	1,694
	<u>2,145</u>	<u>2,238</u>

The Academy has a commitment to make a unitary payment to Blackpool Council under a PFI contract which commenced on 1 September 2017. The annual commitment for the year was £86k, although the final charge was significantly lower due to a rebate as a result of issues with the building. The contract is until 31 August 2042 and the annual unitary charges increase with inflation.

24 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 the academy trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures. The following related party transaction took place in the accounting period.

Challenge Partners - a Trustee of the company is also a Bright Futures Executive.

- The Trust purchased educational resources totalling £5,061 (2019: £23,669) and had income totalling £2,943 (2019: £13,527) for room hire and courses provided by the North West hub. There is a balance of £819 (2019: £819) owed to the trust at year end. There is a balance of £3,964 (2019: £5,720) owed by the trust at year end.

ESSA Academy - a Member of ESSA Academy is also a Member at Bright Futures. Additionally, a Bright Futures Executive was a Trustee of Essa until April 2020 when she resigned.

- The Trust had income totalling £12,415 (2019: £23,615) for the provision of courses and had purchases totalling £383 (2019: £5,260). There is a balance of £290 (2019: £155 owed to the trust) owed by the trust at year end.

25 Members' liability

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

26 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2020 the trust received £26k (2019: £65k) and disbursed £26k (2019: £65k) from the fund, with the balance carried forward totalling £nil.

BRIGHT FUTURES EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

27 Teaching schools trading account

	2020		2019	
	£000's	£000's	£000's	£000's
Direct income				
Other external funding		2,666		1,992
Direct costs				
Direct staff costs	653		608	
Educational supplies and services	49		76	
Staff development	9		5	
Educational consultancy	998		677	
Other direct costs	697		613	
	<u>2,406</u>		<u>1,979</u>	
Other costs				
Support staff costs	3		6	
Technology costs	10		-	
Transport	9		30	
Catering	5		13	
Other support costs	30		3	
Share of governance costs	-		3	
	<u>57</u>		<u>55</u>	
Total operating costs		(2,463)		(2,034)
Transfers between funds excluding depreciation		-		101
Surplus from teaching schools		203		59
Teaching schools balances at 1 September 2019		59		-
Teaching schools balances at 31 August 2020		<u>262</u>		<u>59</u>

Included within teaching schools is the Alliance for Learning SCITT which was approved for accreditation as a provider of Initial Teacher Training by the National College of Teaching and Leadership (now DFE) in May 2014 under the original name of the Greater Manchester Bright Futures SCITT. The name of the SCITT was subsequently changed in April 2017.

The Alliance for Learning SCITT offers Initial Teacher Training leading to Early Years Teacher Status for trainee teachers of the 0-5 age group, and Qualified Teacher Status for trainees of primary and secondary education.