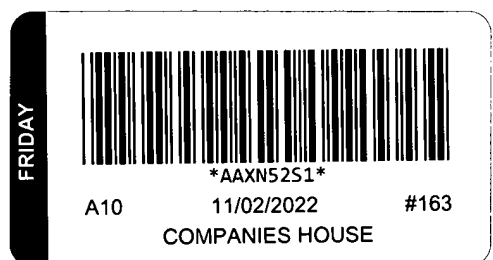


**Company Registration Number: 07843166 (England & Wales)**

**BMAT EDUCATION**  
**(A Company Limited by Guarantee)**

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



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**BMAT EDUCATION**  
**(A Company Limited by Guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

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**Members**

Mrs J Clark (resigned 31 August 2021)  
Mr T Elbourne  
Mrs F Griffith  
Mr N Tesseyman

**Trustees**

Ms H Mills CBE, Accounting Officer & Chief Executive Officer  
Mr P Drayton, Chair of Trustees (from 1st January 2021)  
Mr P Bogle  
Mr R Bristow  
Mr M Collier  
Mr J Cooke, (Joint Vice Chair from 1st Sept 2021)  
Ms J Coton  
Mr S J Crooks  
Mr D Kolinsky, Chair of Trustees (up to 31st December 2020, resigned 30 June 2021)  
Ms H C Neo (resigned 31 August 2021)  
Mr A Reid, Vice Chair of Trustees (up to 31st August 2021, resigned 21 October 2021)  
Prof R Sanders  
Mr N Trevallion

**Company registered number**

07843166

**Company name**

BMAT Education

**Principal and registered office**

Sir Frederick Gibberd College  
Tendring Road  
Harlow  
Essex  
CM18 6RN

**Company secretary**

Mr R Canning (resigned 31st August 2021)  
Mr M Ford (appointed 1st September 2021)

**Chief executive officer**

Ms H Mills CBE

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

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**Senior management team**

Ms H Mills CBE, Chief Executive Officer  
Mr J Blaney, Assistant Chief Executive Officer  
Mr S Hehir, Assistant Chief Executive Officer  
Mrs S Laing, Assistant Chief Executive Officer  
Mr M Ford, Chief Finance Officer  
Mrs L Glynn, Head of Operations  
Ms M Aylward, Interim Director of HR (appointed 4th January 2021)  
Mr R Canning, Chief Information Officer (resigned 31st August 2021)

**Independent auditor**

Crowe U.K. LLP  
55 Ludgate Hill  
London  
EC4M 7JW

**Bankers**

Lloyds TSB  
25 East Gate  
Harlow  
CM20 1LD

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

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The Trustees present their annual report together with the financial statements and Auditor's Report of BMAT Education (the Trust or the Charitable Company) for the year ended 31 August 2021. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' report under company law.

The Trust operates five primary and seven secondary Academies serving catchment areas in Harlow, Epping, Stansted (Essex) and Newham (London). The Academies have a combined capacity of 6,470 pupils and had 6,233 pupils on roll as at October 2020.

**Structure, governance and management**

**a. Constitution**

The Trust is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum and Articles of Association are the primary governing documents of the Trust.

The Trustees of BMAT Education are also the directors of the charitable company for the purposes of company law. The term Trustee and Director are interchangeable. The Charitable Company includes the following Academies:

- |  |                  |
|--|------------------|
| • Burnt Mill Academy converted on                                  | 1 December 2011  |
| • Freshwaters Primary Academy converted and joined the Trust on    | 1 September 2013 |
| • Roydon Primary Academy converted and joined the Trust on         | 1 September 2013 |
| • Cooks Spinney Primary Academy converted and joined the Trust on  | 1 December 2013  |
| • Little Parndon Primary Academy converted and joined the Trust on | 1 April 2014     |
| • Forest Hall School converted and joined the Trust on             | 1 February 2015  |
| • Magna Carta Primary Academy opened on                            | 1 September 2016 |
| • Epping St John's School opened on                                | 1 November 2017  |
| • Royal Docks Academy opened on                                    | 1 January 2018   |
| • BMAT STEM Academy opened on                                      | 1 September 2018 |
| • Sir Frederick Gibberd College opened on                          | 1 September 2019 |
| • Mark Hall Academy joined the Trust on                            | 1 January 2021   |

The operation of the Trust and employment of staff are the responsibility of the Trustees. The Trust retains control of Academy budgets and finances, and monitors these through its Finance Committee. Throughout this report the Board of Trustees is referred to as the Trust Board.

Details of the Trustees who served during the year, and to the date these financial statements are approved are included in the reference and administrative details on page 1. Within this Report the term Trustee or Director refers to a member of the Trust Board and the term Governor to a member of a Local Governing Board (LGB).

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

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**Structure, governance and management (continued)**

**b. 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.

In accordance with normal commercial practice, the Trust has purchased insurance to protect Trustees, Governors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £5,000,000 on any one claim; details of the costs are disclosed in Note 14 to the Financial Statements.

**c. Method of recruitment and appointment or election of Trustees**

Trustees are appointed for a fixed term. The term of office for any Trustee shall be four years save that this time limit shall not apply to the Chief Executive Officer (if appointed). Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-appointed or re-elected. The Chief Executive Officer (CEO) is an ex-officio member of the Trust Board. Other Trustees are elected to office or appointed if there are insufficient candidates offering themselves for election. The Articles of Association make provision for Members to appoint the number of Trustees as determined by the Articles. Additional Trustees may also be appointed in line with the Trust Articles of Association. The CEO is also appointed in line with the said articles.

**d. Policies adopted for the induction and training of Trustees**

The Trust is committed to providing adequate opportunities for Trustees and Governors to undertake and receive suitable training so as to enable them to perform their roles effectively. To this end the Trust links with a number of local training providers. New Trustees and Governors are required to attend a training programme organised by the Trust Board. The induction programme would involve a tour of the relevant Academy (in the case of Governors), meetings with students and staff and provision of policy and procedures documents that are appropriate to the role they undertake with particular emphasis on the committee work that they will undertake.

**e. Organisational structure**

The rules of governance of the Trust are set out in the Memorandum and Articles of Association and in the Master Funding Agreement entered into with the Department for Education.

The Trust Board meets on at least six occasions per year and its sub-committees meet at least three times per year. The Trust Board is responsible for the strategic direction of the Trust. The Trustees are responsible for setting strategic policy, adopting an annual plan and budget, monitoring The Trust by the use of those budgets, and making major decisions about the direction of the Trust, capital expenditure and senior staff appointments. Local Governing Boards (LGBs) are responsible for implementing and monitoring trust policies linked to Quality of Education, Safeguarding, Behaviour and attitudes to learning and personal development.

The Executive Management Team holds the leaders of Academies to account, supported by Local Governing Boards. Each Headteacher and/or Head of School is responsible for the day-to-day operation of their Academy, in particular organising staff, resources and students. Headteachers in consultation with Assistant Chief Executives are responsible for the authorisation of spending within agreed budgets and for the appointment of staff following vetting and safeguarding recruitment processes.

The Trust's Chief Executive Officer is the Accounting Officer.

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

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**Structure, governance and management (continued)**

**f. Arrangements for setting pay and remuneration of key management personnel**

Key management personnel include those staff to whom the Trustees have delegated significant authority and responsibility in the day-to-day running of the Trust.

Pay and remuneration of key management personnel is decided by a variety of contributory factors, such as the Academy group size, the pay scales for each role and the level of experience of each staff member. In addition, pay levels may be affected by nationally agreed pay awards as well as the ability to recruit and retain in post.

All amendments to key management's pay and remuneration are approved by the pay committee and ratified by the Trust Board.

**g. Connected organisations, including related party relationships**

Owing to the nature of the Trust's operations and the membership of the Trust Board being drawn from local public and private sector organisations, it is inevitable that from time to time transactions will take place with organisations in which a Trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procedures. Any transaction where the Trustee may have a pecuniary interest is only undertaken in accordance with the 'at cost' principle described in the Academies Trust Handbook.

The Trust cooperated with the following organisations during the academic year in pursuit of its charitable activities:

Arts Council England  
Aspire Academy  
Department for Education  
Education & Skills Funding Agency  
Epping Forest District Council Rates  
Essex County Council  
Harlow Council  
Harlowbury Primary School  
Hertfordshire County Council  
Kent County Council  
Leeds City Council Healthy Schools  
Liverpool City Council  
Odyssey Trust for Education  
Saffron Academy Trust  
Southend Borough Council  
Unity Schools Partnership  
Uttlesford District Council  
Westfield 4 Schools

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

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**Objectives and activities**

**a. Objects, aims and objectives**

The object of the Trust is to operate a group of collaborating academies providing free education and care for pupils of different abilities between the ages of 3 and 18 within their local communities. Our academies are located within commuting distance of each other, and this allows for the Trust to maintain a united purpose with the sharing of best practice, ideas and resources.

**b. Strategies and activities**

BMAT Education is a family of five primary and seven secondary academies across Essex and East London, united by a vision to ensure pupils and staff are freed to succeed. Our team of staff work hard together to smash through the barriers our pupils face which prevent them from being successful, confident learners.

Our academies are geographically located close enough to each other to provide a wider range of educational services to our students and the local community, to ensure that together we deliver a high-quality education to young people.

Over the last year we have been working on our strategic plan for the next five years with the mission of ensuring that by the end of the academic year in 2025 all our pupils receive an outstanding education.

The BMAT strategy unites all areas of our organisation, providing a clear sense of direction for the next five years. The strategy will be achieved by developing four key areas: curriculum implementation, provision for pupils with special educational needs and/or disabilities, developing our people and our estate.

Our five-year strategy aims to achieve the following seven planned outcomes:

- Academic outcomes for the most disadvantaged pupils are significantly above those achieved by pupils nationally;
- All our academies provide consistently high-quality learning for our pupils with special educational needs and/or disabilities;
- All our academies have been judged good or outstanding by Ofsted;
- Rates of exclusion are amongst the lowest in the country;
- Attendance in our academies is amongst the highest in the country;
- We are an employer of choice, recruiting, developing, and retaining the brightest and the best;
- All BMAT academies are characterised by exemplary safeguarding practice.

**c. Public benefit**

The Trustees confirm that they have complied with the duty set out in Section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit when reviewing the charitable company's objectives and aims and in planning future activities for the year.

The Trustees consider that the charitable company's aims are demonstrably to the public benefit.



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

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**Achievements, performance and plans for future periods**

BMAT staff understand and are committed to our vision to ensure that through education pupils and staff are free to succeed.

30% of our students receive the pupil premium and 19% of our students speak English as an additional language.

75% of our Academies joined by a sponsored route. The organisation has placed significant investment into these Academies to drive up the quality of teaching and education and increase progress.

Ofsted outcomes for Academies inspected under BMAT since 2017 were as follows:

Ofsted Visits	Ofsted Grading
<b>Secondaries</b>	
BMAT STEM	Not inspected
Burnt Mill	Outstanding
Epping St John's	Not inspected
Forest Hall	Requires improvement
Sir Frederick Gibberd	Not inspected
Royal Docks	Good
<b>Primaries</b>	
Cooks Spinney	Good
Freshwaters	Good
Little Parndon	Good
Magna Carta	Good
Roydon	Good

**Primary and Secondary achievement**

This year, as a result of school closures due to Covid-19, all exams/assessments were cancelled. For the primary phase, the phonics assessments for Year 1 was postponed until the late autumn term 2020/21. All other primary assessments, including the end of Key Stage 2 tests, were cancelled.

In the secondary phase, in place of exams, Academies were required to submit grades they believed students were most likely to achieve in the summer based on evidence such as predicted grades, mock exams and coursework.

Given the very different way these results have been awarded this year, they are not comparable to previous years and will not be used for school accountability. There will be no DfE performance tables this year and Ofsted will not be using this data in their judgement of schools.

Whilst we cannot formally compare our internal assessments against the public framework this year, we are confident in the accuracy of centre-assessed grades, which were brought together by the students' teachers using a number of different sources including coursework and exercises completed in exam conditions.

As an inclusive organisation we are fully committed to getting all our students into their Academy every day in a place where they can learn. Monitoring attendance is also key, and whilst figures are hugely distorted by the pandemic and lock down our attendance in the year 20/21 was 96/7% when the schools were opened to pupils. We are pleased that we were able to sustain high levels of attendance during the pandemic.

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

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**Achievements, performance and plans for future periods (continued)**

**Academy Accomplishments**

Across the BMAT family, students and staff regularly undertake activities to contribute to their academies and their wider communities.

Cooks Spinney Primary has been used as a national best practice case study in the latest book by Marc Rowland for their supporting of learners from disadvantaged backgrounds. It has received the School Games Gold award for four years running. The school received a 2021 Lockdown Hero Award for learner and community support at the Pearson National Teaching Awards and was named 2019 Education Champion of the Year by Active Harlow. At the Essex Teaching Awards, the Headteacher, teaching staff and support staff have been nominated and won awards. Cooks Spinney has also received accreditation from Healthy Schools and was the Stonewall School Champion for inclusion.

Since opening in September 2019, Sir Frederick Gibberd College (SFG) has so much to celebrate and be proud of. A group of year 7 pupils became the UK finalists of the Tomorrow's Engineers EEP Robotics Challenge. The school was awarded for outstanding contribution to staff wellbeing by the Teach Well Alliance. SFG was also recognised for the work it does with young carers and was presented with the Young Carers Award. Staff at SFG won the School Staff Anti Bullying Week Award, which was through the nominations of the students and the parents/carers. Two members of staff were recognised at the Pearson National Teaching Awards and were presented with a certificate; Ms Tyler, learning mentor at SFG, was presented with the 2021 Lockdown Hero Award for Learner and Community Support and Mrs Conlon, the Headteacher, was presented with the 2021 Headteacher of the Year in a Secondary School award.

Epping St John's received a safeguarding award for its pastoral care during lockdown. The school raised £4,000 for the mental health charity Papyrus and pupils dedicated 338 hours to volunteering in the local community.

To support the community during the pandemic, teachers at Roydon Primary Academy suggested parents donate the money they would normally spend on gifts for them as a thank you, to Harlow Food Bank instead. In response, families donated £500 and donated over 450 meals. The school also received the School Games Gold award for the fourth year running and a Keep Children Active award for the support they gave to pupils during the lockdown.

Little Parndon Primary Academy also retained the School Games Mark Gold award for the fourth year. They also secured the School Games Virtual Award for the work they did during the pandemic.

Freshwaters Academy had several members of staff nominated for awards, including a member of staff receiving the Wellbeing Champion award.

Forest Hall School has been raising money for the charity Smile of the Child. This charity, based in Greece, offers support and accommodation to young vulnerable children who live in an orphanage on the island of Corfu. Over £6,200 was raised last year. The school has also been awarded with the prestigious Eco Schools Green Flag Award. Throughout the pandemic and the first lockdown staff and pupils raised money, food, and clothing for the Uttlesford Community Support for the vulnerable members of their local community.

**Plans for future periods**

The Trust has a Combined Strategy to address all areas of school improvement and standards; focus will be placed on further enhancing the quality of the provision for its SEND and Pupil Premium pupils.

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

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**Achievements, performance and plans for future periods (continued)**

**a. Going concern**

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

As outlined in the impact in Going Concern under COVID-19, Trustees and the Board's Finance Committee have extensively considered the annual and 3-year budgets, along with a rolling cashflow forecast. The reviews carried out were done through regular monitoring of the risk registers, financial impact monitoring and forward planning reports. These reviews will continue during the ongoing period of the COVID-19 pandemic and thereafter and with reference to the reserve policy.

Trustees are comfortable to adopt the viable going concern basis.

**b. Promoting the success of the Trust**

The Trust is committed to ongoing effective communication and engagement with parents, staff, pupils and the local communities for the areas its schools serve. The BMAT Education Trust Board is mindful that its success depends on its ability to engage with its stakeholders effectively, to continue working constructively and to take the views of stakeholders into account objectively.

Through varying mechanisms (e.g. surveys and forums), the Trust has engaged with its stakeholders. Engagements with stakeholders are facilitated either locally by the respective schools (a process led by the respective Heads or their designees) or centrally by the Executive Team, where analysis is carried out of the outcome of any engagement process. The Board or its responsible Committees receives an update from the Executive Team on the outcome of any engagement process done with stakeholders via stand-alone reports, including in other main reports to the Board or verbal feedback during meetings.

The Board considered and will continue to consider any proposal it receives regarding the maintenance of engagement with its stakeholders, including:

- Outcome reports following surveys carried out with cohort/s of stakeholders (parents, pupils, staff);
- Determining what the success criteria for any decisions that the Board is expected to take, whilst facilitating designated time for reviews;
- Receiving reports from the Committee Chairs regarding any decisions taken, along with any recommendations for strategic foci that need to be considered by the Board;
- Holding periodic meetings where all schools' Local Governing Boards are represented.

**Section 172 Disclosure**

BMAT Education is governed by its charitable objects as set out in its Memorandum and Articles of Association. All decisions and activities of the Trust take into account how we best deliver our long-term goals and are driven by our strategic aims (see page 6). All decisions we make as a trust, from our operational teams through to the Trust Board, are made in the best interests of our pupils, who are our main beneficiaries, and in the knowledge that we are accountable to them, their parents, regulators and our staff.

The Board considers that it has adhered to the requirements of section 172 of the Companies Act 2006 (the "Act") and has, in good faith, acted in a way that it considers would be most likely to promote the success of the Trust for the benefit of its key stakeholders and, in doing so, has had regard to, and recognised the importance of, considering all stakeholders and other matters (as set out in s.172(1)(a-f) of the Act) in its decision making.

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

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**Achievements, performance and plans for future periods (continued)**

The Trust Board consists of a broad mix of individuals from different backgrounds including educational experts and people who have shown commercial success in areas such as law, HR, property, finance and risk management. The Trust Board and Local Governing Boards are made up of individuals who are also from the local communities where our schools are situated.

The Board has approved a number of policies that help to ensure the safety of our pupils and staff, as well as those that ensure the integrity of our business conduct.

Upon appointment, Trustees and Governors are briefed on their duties and responsibilities under the Companies Act and the Trust's Memorandum and Articles of Association and Scheme of Delegation. The Trust Board and Local Governing Boards are entitled to request from the Trust Executive Team and schools all such information as they may reasonably require in order to be able to perform their duties. On-going training is provided to the Governors, as required, to ensure that their knowledge remains up to date and that they continue to be able to discharge their duties. Bespoke training is also arranged for Trustees to enable them to discharge their duties as company directors and increase their knowledge of educational issues.

For all decision-making at Board level, discussion takes place around employee impact and impact on other stakeholders, such as pupils, parents and the local community. The relevance of each stakeholder group may vary by reference to the issue in question, so the Board seeks to understand the needs of each stakeholder group and any potential conflicts as part of its decision-making. The Trust's Executive team and Senior Leaders ensure that the Trust Board and Local Governing Boards are fully focused on the impacts on each stakeholder group.

**Principal decisions**

For the year ending 31 August 2021 the Trust considers that the following are examples of principal decisions that it made in the year. This is not intended to be an exhaustive list of Board decisions, but highlights instead areas of significant impact:

- Approving the sponsorship of Mark Hall Academy as the Trust's newest school;
- Establishing a new Committee of the Trust Board with specific responsibility for advising on issues related to governance based on statutory expectations/requirements and best practice;
- Adopting a new procedure that deals with the handling of conflicts of interests and related party transactions;
- Approving a new Combined Strategy designed to drive the focus of the Trust for 2020-2025;
- Approval of a revised Growth Strategy;
- Authorising the use of Trust property by Essex County Council for the establishment of a unit which will provide education to sixth form level pupils with special educational needs (SEN);
- Approving the restructuring of governance arrangements within four Trust primary schools;
- Authorising the establishment and incorporation of a trading subsidiary that will focus on the delivery and operation of sports and leisure facilities at designated Trust sites;
- Re-location of Trust registered address and Head Office to Sir Frederick Gibberd College

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

**Achievements, performance and plans for future periods (continued)**

**Stakeholder Engagement**

The table below sets out our approach to stakeholder engagement during 2021;

Stakeholders	Why they are important to BMAT Education	Our approach to stakeholder engagement and consideration in the Board's decision making
<b>Parents</b>	They facilitate the delivery of education provision by sending their pupils to our schools and contribute to the life of the school through active participation in various parent-focused activities.	<p>The views of parents are actively sought at local Academy levels on various issues within the Trust's schools. The outcome of the surveys is reported to the Local Governing Boards and where appropriate to the Trust Board. The views of parents inform the decisions taken at local and central level.</p> <p>Parents are also kept abreast of issues within the respective schools through regular newsletters and other written communication (e.g. Headteacher's letters). It is a requirement for all Local Governing Boards to have no less than two parent governors elected by the respective school's parent body. This provision is set out in the Trust's Scheme of Delegation and the Terms of Reference approved for Local Governing Board operations.</p> <p>Trustees survey all parents twice a year. The results of these surveys are analysed by the Executive and the Standards Committee.</p>
<b>Pupils</b>	They are the main beneficiaries of the work of the Trust.	<p>Where appropriate and necessary for the facilitation of their education provision, pupils' views are captured and inform specific requirements related to their educational needs. On school visits, Trustees aim to speak to representatives of the pupil body about their experience.</p> <p>The Trust's schools facilitate pupil input through pupil forums, pupil surveys, one to one meetings, focus groups, etc. Through these media, school leaders and staff are able to develop systems that positively contribute and impact pupil welfare.</p> <p>The LGBs are heavily involved in the monitoring of pupils through the monitoring visits they perform in schools. All LGB members receive annual training on how to conduct these visits.</p>

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

**Achievements, performance and plans for future periods (continued)**

<b>Stakeholders</b>	<b>Why they are important to BMAT Education</b>	<b>Our approach to stakeholder engagement and consideration in the Board's decision making</b>
<b>Employees</b>	They are the mains drivers and deliverers of the education provision.	<p>Where appropriate the views of staff are captured on various employee-related issues. Careful analysis is done and decisions (e.g. policy development, formation of structure) are informed by the views garnered from staff.</p> <p>Schools hold regular meetings with staff, periodic training sessions (e.g. INSET days), one-to-one supervision meetings, a comprehensive appraisal and performance management system, focus groups and other forums through which staff input is captured, analysed and used to inform measures that support staff development, well-being and professional development.</p> <p>There is a rigorous and well implemented performance management policy. Trustees survey all staff twice a year. The results of these surveys are shared with leaders and the operational risk committee. The Trust also issues a weekly staff bulletin which is shared with Trustees and Governors.</p>
<b>Suppliers</b>	They ensure continuity of the Trust operational line through the provision of supplies needed to support education delivery and operational needs.	The Board's approach includes ensuring that all supply and procurement process are fair, transparent and in line with statutory provisions. This allows for suppliers to be dealt with evenly through the development of policy and processes which facilitate this approach.
<b>Community / wider society</b>	The areas within which each of our schools are located act as the conduit through which the Trust's schools foster community cohesion.	<p>The Board considers the views of the community to be important to the effective operation and continuity of the Trust. The process involves periodic assessment locally and centrally. This allows for the Board to better understand the impact of the Trust on the community and the further development of any policy or process that ensure the continuity of the Trust's positive impact.</p> <p>The Board has developed a systematic process for considering each school within the Trust in detail during its annual cycle of meetings. The process of collecting the relevant material to undertake this review is collaborative and involves active engagement between an assigned Trustee and the Local Governing Board Chair. This process helps ensure that the Board is informed of stakeholder opinions and any relevant issues which concern its schools' communities.</p>

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

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**Achievements, performance and plans for future periods (continued)**

Stakeholders	Why they are important to BMAT Education	Our approach to stakeholder engagement and consideration in the Board's decision making
Regulators	They ensure the Trust is operating within the confines of the law in the delivery of its educational provision.	The Board approach is that the Accounting Officer and designated staff retain direct operational responsibility for ensuring compliance and effective communication with the Trust regulators. The actions of the Accounting Officer and the designated staff are regularly monitored by the Board to ensure the effective maintenance of a strategic and operational relationship.

**c. Covid-19 Disclosure**

During the COVID-19 pandemic BMAT Education schools have continued to provide an educational service both to pupils in schools and those self-isolating in line with guidance issued by the Department of Education (DfE). Pupils who are at home have had access to online lessons through Microsoft TEAMS. These pupils have had access to home learning packs. Engagement in these sessions has been high. The schools' attendance has been above the national averages during the pandemic.

The safety and wellbeing of pupils both in school and at home has been prioritised, with vulnerable pupils and families being supported with visits, online meetings and daily phone calls during school closures or self-isolation periods.

Although the year started well, with students back in schools, there were several periods of government mandated closures; this impact made financial forecasts difficult and many decisions reactive rather than planned and structured. The Trust incurred significant additional costs that were offset by savings in educational resources and other supplies costs and furloughed staff claims.

The impact of COVID-19 has a continuing effect on forward financial planning. However, the Trustees are confident that the impact on the Trust to continue as a going concern has been fully considered and that this continues to be regularly reviewed, with the support of a COVID-19 Risk Register.

BMAT Education has incurred the following expenditure:

- The total costs incurred on COVID-19 in 2020/21 amounted to approximately £309,000, mainly on cleaning costs of £209,000 with the addition of extensive day cleaning and deep cleans and fogging as required and for equipment and supplies (e.g. hand sanitisers) of £61,000.
- There has been a reduction in income of around £165,000 across catering, extended schools and letting; however, this is offset by saving on staff on furlough and catering supplies.
- The Trust has claimed £71,850 for furlough payroll and has received £231,000 in grants towards the costs of setting up and facilitating the mandated COVID-19 lateral flow testing from January 2021.

BMAT Education introduced a comprehensive COVID-19 Risk Management system (including a dedicated COVID-19 Risk Register) that is regularly updated and monitored by the Trust Board, its respective committees, the Local Governing Boards and Executive and School Leaders. A dedicated senior Executive has direct responsibility for the management of COVID-19 risk. Since the start of the pandemic, the following have also occurred:

- The increased workload of staff to ensure that the risks associated with the transmission of COVID-19 is appropriately managed in line with government guidelines;

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

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**Achievements, performance and plans for future periods (continued)**

- The increased and continued involvement and support of volunteers (e.g. Trustees, Governors) in ensuring senior leaders and staff are supported where possible, whilst also providing effective ongoing oversight and monitoring of the Trust's COVID-19 risk management system.
- Management of the challenges associated with reopening of Trust schools during the government mandated lockdown periods. These ongoing challenges include devising an operable staff rostering system, issues associated with pupil year groups and staff absences and the risks of closure.
- Managing and addressing the ongoing impact caused by the disruption to educational outcomes for pupils (especially vulnerable and disadvantaged pupils).

The Trust has achieved an overall revenue surplus in 2020-21; however unavoidable delays and dealing with the pandemic at schools continue to make financial planning difficult. The ongoing cost of COVID-19 cleaning, deep cleaning and use of expensive but effective fogging techniques within the schools has contributed to an approved in-year deficit anticipated in 2021-22 as a result of this. However, work continues to achieve a balanced budget by 2022-23

**Financial review**

The principal source of funding for the Trust is the General Annual Grant (GAG) and other grants that it receives from the Education and Skills Funding Agency (ESFA). For the year ended 31 August 2021 the Trust received £37,167,000 of GAG and other ESFA income. A high percentage of this income is spent on wages and salaries and support costs to deliver the Trust's primary objective of the provision of education. During the year the Trust spent a total of £40,388,000 from GAG and other ESFA funds before transfer of funds.

Unrestricted income in the year from trading activities was £815,000. The Trust brought forward from 2020/21 £1,002,000 of restricted funds (excluding the Pension reserve) and £2,391,000 unrestricted funding. The carry forward for 2020/21 is £1,083,000 restricted funding and £2,391,000 unrestricted funding. Total funds held at 31 August 2021 are £100,415,000. The restricted fixed asset fund represents the net book value of fixed assets owned by the Trust, as well as any unspent grants for capital purposes. At 31 August 2021 the value of this fund was £116,728,000.

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Trust is recognising a significant pension fund deficit of £17,152,000 from the Essex Pension Fund and a significant pension fund deficit of £2,635,000 from Newham Pension Fund for Royal Docks Academy.

**a. Reserves policy**

The Trustees have determined that the appropriate level of free reserves retained as a minimum should be equivalent to 4% of current year GAG income or £1,572,200. The reason for this is to provide sufficient working capital to cover delays between spending and receipts of grants and to provide a cushion to deal with any unexpected costs. The Trust is comfortably above the minimum level of reserves at 31 August 2021 at £3,474,000 (Unrestricted funding and Restricted GAG funding).

The Trustees will continue to review the reserve levels annually and agree an appropriate use of unrestricted and designated funds for strategic development, school improvement, capital, and other operational investment on a sustainable basis. The review will encompass the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves.

There are no designated funds in 2020/21 financial year.



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

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**b. Investment policy**

The cash balance of the Trust has been very healthy all year, ending the year at £6,855,000. A significant proportion of this cash is held against specific projects and is not generally available to meet normal recurring expenditure.

**c. Principal risks and uncertainties**

The Trust works with the Trustees in maintaining a central risk register identifying the major risks to which each Academy is exposed, and identifying actions and procedures to mitigate those risks. The Trust has also implemented further independent Internal Scrutiny reporting for the wider operational management requirements, following the ESFA framework and the emerging Academies Trust Handbook. The risk register and internal scrutiny reports are issued, approved and monitored by the Trust Board via the Operational Risk and People Management Committee, with a formal review of the process undertaken on an annual basis. The internal control systems and the exposure to identified risks are monitored on behalf of the Trustees at each meeting of the Operational Risk and People Management Committee.

The principal risks facing the Trust are outlined below. Those facing the Academies at an operational level are addressed by their systems and by internal financial and other control. The Trust and each Academy have continued to strengthen their risk management process throughout the year. All risks are assessed at the appropriate committees of the Trust Board. Each risk owner within the Executive identifies the top three risks on a termly basis and report these to the trust board, via the Operational Risk and People Management Committee.

The Trustees report that the Trust's financial and internal controls conform to guidelines issued by the ESFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

As a group of academy schools, the level of financial risk is low. Cash flows can be reliably forecast, monitored, and reported. Staff costs make up the majority of expenditure and are relatively stable with reasonable contingencies in place to cover staff absence and maternity. Transitional interim costs and support for leadership and wider strategic aims are included and viable for the new academic year.

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

The Trustees assessed the principal risks facing the Trust as follows:

Area	Principal risks	Mitigating actions
Safeguarding	Proximity to dangerous places outside schools	Community walks by SLT at the end of school and on the gates, curriculum strengthened, assemblies, liaising with the police and other agencies, DSL team staggered start and finish times to the school day
	Mental health	Curriculum content, safety, learning mentors, DSL team, staff trained regularly, worry boxes, signposting to child line and other support agencies, mental health first aider, smooth wall filtering and daily alerts to ACEO regarding suicide and self-harm, Safeguard Cluster meetings and full year
	Peer on peer abuse	Training for staff. Education of pupils in curriculum and personal development opportunities, awareness and use of KCSIE / Peer on Peer OFSTED report. Cluster meetings agenda item. DSLs monitoring safeguard concerns and patterns. Training and teaching. Clear protocols in place for reporting.
Information and data protection	Loss of IT network access and data due to cyber-attack or critical failure	Password complexity, acceptable use policy, user permissions and access levels implemented. Firewall and filtering in place. Regional blocking for emails. Ongoing network monitoring. Strengthen and provide further resilience in backup process. Implement VLANs and ACLs. Update AV software. Identify security tasks & allocate resource to complete same. Formalise DR plan. Raise user awareness. Upgrade firewall
	Data breach due to accidental or malicious disclosure of personal data	DPO and Trust Information Officer appointed. External requests routed to central contact address. GDPR action plan 60% complete. Staff awareness training programme planned and underway. Embed staff awareness alongside safeguarding. Consolidate personal and special category data systems. Complete and monitor Article 30 record. Formal GDPR training for Trust Information Officer. Role-based training.

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

Area	Principal risks	Mitigating actions
Human resources	Increase in open cases and investigations	Long-term structure plan in place - building capacity through structure and Training Employment of Trust HR Advisor and Pension/Payroll Lead - July star
	Low staff morale and high turnover	People strategy in place to ensure staff recruitment and retention are planned.
Educational outcomes	Impact of COVID-19 – primary schools	Teacher and SLT monitoring of pupil progress and attendance. Safeguarding and EWO teams monitoring vulnerable families. High quality remote learning in place within 24 hours of a bubble closure.
	Impact of COVID-19 – secondary schools	Teacher and SLT monitoring of pupil progress and attendance. Safeguarding and EWO teams monitoring vulnerable families. Upskill teachers in effective use of online learning.
Finance	COVID-19 impact: staff absence, wellbeing and increase in cover cost and casework	Full review of HR structures and support required underway, HR data and reporting being developed.
	Insufficient generation of unrestricted income	School Hire System implemented, linked to website. Pre-Ordering Systems in place for Catering. Resumption of Lettings and Hire and establishment of Trading Subsidiary.
Corporate	Succession planning	Coaching Leaders, Staff CPD and Professional Leadership within trust, Schools Sharing Best Practice.
	Impact of COVID-19	Provide clear guidance for containment to staff, students and parents. Extensive remote learning offer to all pupils. Regular checking of pupils educated off site. DFE enforced partial closure of the school.

**d. Fundraising activities / income generation**

The Trust does not work with professional fundraisers or companies who carry out fundraising on its behalf. During the year, no complaints or issues have arisen as a result of fundraising events.

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

**e. Streamlined Energy and Carbon Reporting**

<b>UK Greenhouse gas emissions and energy use data for the period:</b>	<b>Y/E 31 August 2021</b>	<b>Y/E 31 August 2020</b>
Energy consumption used to calculate emissions (kWh)	9,486,374	6,735,198
Energy consumptions breakdown (kWh)		
- Gas	7,482,299	
- Electricity	1,974,791	
- Transport fuel <sup>1</sup>	27,913	
Scope 1 emissions in metric tonnes CO <sub>2</sub> e		
Gas consumption	1,371.38	845.99
Owned transport - mini-buses	0.92	2.29
Total scope 1	1,372.30	848.28
Scope 2 emissions in metric tonnes CO <sub>2</sub> e		
Purchased electricity	419.31	495.81
Scope 3 emissions in metric tonnes CO <sub>2</sub> e		
Business travel in employee-owned vehicles	4.80	1.12
Total gross emissions in metric tonnes CO <sub>2</sub> e	1,795.49	1,344.09
Intensity ratio		
Tonnes CO <sub>2</sub> e per pupil	0.29	0.27
<b>Quantification and Reporting Methodology:</b>		
<p>• 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.</p>		
<b>Intensity measurement</b>		
<p>The chosen intensity measurement ratio is total gross emissions in metric tonnes CO<sub>2</sub>e per pupil, the recommended ratio for the sector</p>		

**Measures taken to improve energy efficiency**

1. Our target reported in 2019/20 was for the fitting of Smart Meters across our sites. Due to COVID restrictions during 2020/21 attendance at sites has been limited, along with the availability of smart meters. We are looking to continue with the aim of installation across the site for 21/22.
2. The 2020/21 energy data has identified an increase in the use of our energy from 0.27 to 0.29. It is believed that the increase in the area of gas in particular is down to the requirement of heating, whilst also needing to ventilate the classrooms.
3. We are continuing to plan to install solar thermal panels on the roofs of the Trust's Academies and will review the impact accordingly.
4. We have extended our plan to move all our servers to the cloud by September 2021.
5. We have undertaken an energy audit in our Academies and understand the actions we need to take to reduce our carbon footprint.
6. We were unsuccessful with our application for the Public Sector Decarbonisation Scheme to fund ways to reduce our Carbon Footprint.

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

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7. We have a five-year plan to upgrade all our boilers. We have undertaken modifications to our BMS systems across our buildings to ensure they are operating efficiently at all times.
8. We have completed a full window and door replacement schedule at Cooks Spinney Primary Academy with the replacement of crittall windows with energy efficient PVCA fittings.

**Reporting and monitoring**

The Trustees are aware of the requirement to balance current and future needs and always aim to set a balanced budget with annual income balancing annual expenditure. The Trustees monitor estimated year-end carry forward figures via the monthly reports from the Chief Finance Officer. The budget plan identifies how any carry forward will be allocated in the plan for the following academic year, including the identification of any funds earmarked for a specific project or purpose.

The Trust's current level of unrestricted free reserves (total funds less the amount held in fixed assets and restricted funds) is £2,391,000. This has been built up largely from a mixture of locally raised income and balances transferred from predecessor schools in prior years.

The Trust's current level of restricted free reserves (total funds less the amount held in fixed assets and restricted funds) is £1,083,000. This has been built up largely natural savings from the ESFA funding and a sustained period of savings through the prolonged pandemic period.

The cash balance of the Trust has been very healthy all year, ending the year with a balance of £6,855,000. A significant proportion of this cash is held against specific projects and is not generally available to meet normal recurring expenditure.

The Trustees do not consider the investment of surplus funds as a primary activity, rather as good stewardship and as and when circumstances allow.

**Plans for future periods**

The Trust has future plans in respect of the following:

- Development of the estate to ensure that all pupils are educated in premises fit for the 21st century;
- Teacher development of the ambitious curriculum at BMAT;
- Increasing the number of pupils on roll in BMAT schools;
- Strengthening the outcomes for the most disadvantaged pupils;
- Building a strong and successful SEND resourced provision for secondary pupils with SEND needs.

**Future developments**

BMAT Education is now considering growth opportunities which are consistent with its growth strategy subject to an assessment of the long-term financial sustainability of any such opportunity and the capacity to deliver its educational objectives.

A growth strategy is in place with two objectives:

1. Internal growth – ensuring all schools are full to capacity.
2. Exploring opportunities for schools to join if they are in the areas that provide strong, deep collaborations with schools already in the Trust.

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

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**Trade Unions**

BMAT continues to work closely with trade unions, holding JCC meetings at least twice a year. There were no trade union representatives or associated costs in the year.

**Employee involvement and employment of the disabled**

Where appropriate, the Trust consults on matters such as policy, pay, health and safety and welfare with the relevant support staff and teaching trade unions. The Trust provides information to employees generally by way of email, memoranda and staff meetings. During COVID-19 partial reclosure and opening all staff have been consulted with and have been involved in assessing risks.

**Equal Opportunities Policy**

It is the Trust's policy to ensure equality of opportunities is afforded to staff, students, and other stakeholders. Training, career development and promotion opportunities are available to all employees.

**Disabled Persons**

Applications for employment by disabled persons are given full and fair consideration for all vacancies in accordance with their particular aptitude and abilities. In the event of employees becoming disabled, every effort is made to retrain them in order that their employment within the Trust may continue.

**Disclosure of information to auditor**

Insofar as the Trustees are aware:

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

The Trustees' Report was approved by order of the Board of Trustees, as the company directors, on 16 December 2021 and signed on its behalf by:



**Mr P Drayton**  
Chair of Trustees

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**BMAT EDUCATION**  
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**GOVERNANCE STATEMENT**

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**Scope of responsibility**

As Trustees, we acknowledge we have overall responsibility for ensuring that BMAT Education 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.

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

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

**Governance**

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

The Trustees are highly experienced professionals, with an excellent range of skills that complement the focus of the Trust.

**Performance and Effectiveness of governance**

The Board reviews its performance on an annual basis through a carefully constructed online self-evaluation exercise. This allows the Board to evaluate how it conducted its business in the previous year and uses the analysis from the review to inform improvement in governance practice for the future.

The Board is supported by three committees whose membership includes a mixture of Trustees and individuals appointed as non-Trustee members based on skill sets peculiar to the remit of the committee. The Trust has a system of local governance which sees eight schools having stand-alone Local Governing Boards. Following a recent decision by the Board four schools have two Primary Governing Boards. The Local Boards have clearly defined delegated responsibilities and are made up of individuals of varying skills. To ensure the efficiency and effectiveness of the Trust's system of local governance, the Trust has a dedicated governance team which is led by an experienced governance and compliance professional who is answerable to the Trust Board and the Chief Executive Officer.

Some Local Governors have also been appointed to serve on Committees of the Trust Board.

The overall risk for governance for the Trust is low, with a stable Board and Local Governance in place.

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**BMAT EDUCATION**  
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**GOVERNANCE STATEMENT (CONTINUED)**

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**Governance (continued)**

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

Trustee	Meetings attended	Out of a possible
Ms H Mills CBE	9	9
Mr P Drayton (Chair)	9	9
Mr P Bogle	8	9
Mr R Bristow	7	9
Mr M Collier	7	9
Mr J Cooke	8	9
Ms J Coton	6	9
Mr S J Crooks	8	9
Mr D Kolinsky*	7	7
Ms H C Neo^	2	9
Mr A Reid	8	9
Prof R Sanders	8	9
Mr N Trevallion	9	9

\* Term ended as a Director on the 30th June 2021

^ Resigned as a Director on the 31st August 2021 (on approved Leave of Absence from January 2021)

**Finance Committee**

The Finance and General Purposes Committee is a sub-committee of the main Board of Trustees. Its purpose is to monitor and have oversight responsibility for all financial matters and procedures within the Trust. Its wider remit is set out in its Terms of Reference.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
H C Neo	1	2
H Mills	4	4
N Trevallion (Appointed Chair in Spring 2021)	4	4
A Reid	4	4
K Knight*	2	4
D South*	1	3

\* Voting Member of the Committee

**Operational Risk & People Management Committee**

The Operational Risk & People Management Committee is a sub-committee of the main Trust Board. Its purpose is to monitor and have oversight responsibility for risk and people management across the Trust.



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**BMAT EDUCATION**  
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**GOVERNANCE STATEMENT (CONTINUED)**

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**Governance (continued)**

The Operational Risk & People Management Committee met three times during 2020/21. Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
H Mills	3	3
J Cooke (Chair)	3	3
S Crooks	3	3
P Bogle	3	3
T Harrison *	2	3

\* Voting Member of the Committee

**Standards Committee**

The Standards Committee is a sub-committee of the main Trust Board. Its purpose is to monitor and have oversight responsibility for educational standards and safeguarding processes across the Trust.

The Standards Committee met four times during 2020/21. Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
P Drayton	4	4
H Mills	4	4
D Kolinsky	1	4
R Bristow	2	4
M Collier	2	4
J Coton	3	4
A Overton*	4	4
J Quaye*	4	4

\*Voting Member of the Committee, appointed in Spring 2020

**Governance Committee**

The Trust Board established a Governance Committee during autumn 2020 with special responsibility for advising it on all matters relating to governance and exercising any other delegated functions (including policy responsibility) as set out in the Committee's Terms of Reference. The Committee began its work in Spring 2021.

The Governance Committee met twice during 2020/21. Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
P Drayton (Chair)	2	2
A Reid	1	2
H Mills CBE	1	2
S Crooks	2	2
R Sanderson	2	2
M Burgess*	1	1
C Laws *	2	2

\*LGB Representative

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**BMAT EDUCATION**  
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**GOVERNANCE STATEMENT (CONTINUED)**

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**Review of value for money**

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

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

- Trust-wide procurement being achieved including a preferred supplier for curriculum and administration supplies;
- Trust-wide move to more cost effective 'in-house' catering provision and shared services across schools;
- Continued Trust-wide work on establishing preferred suppliers for facilities and estates;
- Continued Trust-wide managed service efficiencies and economies of scale for Finance, IT, GDPR, Facilities and Estates and HR.

**The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place in BMAT Education for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the Annual Report and financial statements.

**Capacity to handle risk**

The Board of Trustees has reviewed the key risks to which the Trust is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

The Trust Board is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks that has been in place for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Trust Board.

Reference has been made to the ESFA guidance on the areas of Internal Scrutiny identified and published; this process is regularly reviewed by the Trust Board.

**The risk and control framework**

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the finance committee and the Trust Board;
- Regular reviews by the Finance Committee and Trust Board of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;

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**BMAT EDUCATION**  
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**GOVERNANCE STATEMENT (CONTINUED)**

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**The risk and control framework (continued)**

- Setting targets to measure financial and other performance;
- Clearly defined purchasing (asset purchase or capital investment) guidelines;
- Review and update of the Scheme of Delegation and Sub-Committee Terms of Reference;
- Implementation of an Operational Risk and People Management Committee, covering the areas of Internal Scrutiny for all operational matters, identification and management of risks;
- The Trust Board's consideration of the need for a specific Operational Risk and People Management Committee and internal scrutiny function. Independent internal audits have been carried out for the Trust and academies in the year, giving advice on financial and wider operational matters, performing a range of checks including the Trust's financial systems and compliance, HR Systems and Compliance, Health and Safety and Premises Compliance, Information and GDPR Compliance.

The Board of Trustees has bought in an internal audit service from Upgrade Accounting

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

- Income Recording
- Lettings process
- Purchasing and ordering process
- Charge cards specifically in the Trust
- Capital expenditure specifically in the Trust
- Payroll and staff records.

On a quarterly basis, the reviewer 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 and prepares a short annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The reviewer has delivered their schedule of work as planned: no material control issues arose as a result of the work undertaken.

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**BMAT EDUCATION**  
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**GOVERNANCE STATEMENT (CONTINUED)**

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**Review of effectiveness**

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

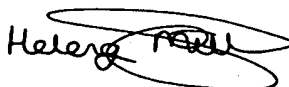
- the work of the Internal Auditor;
- the work of the External Auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework; and
- the work of the sub-committees to the Trust Board.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Operational Risk & People Management Committees. A plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 16 December 2021 and signed on their behalf by:



**Mr P Drayton**  
Chair of Trustees



**Ms H Mills CBE**  
Accounting Officer

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**BMAT EDUCATION**  
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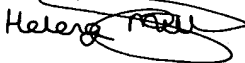
**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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

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

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

 Helene Mills

**Ms H Mills CBE**  
Accounting Officer  
Date: 16 December 2021

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

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The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP and the Academies Accounts Direction 2020 to 2021;
- 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 financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 16 December 2021 and signed on its behalf by:



**Mr P Drayton**  
Chair of Trustees

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**BMAT EDUCATION**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF BMAT EDUCATION**

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**Opinion**

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

In our opinion the financial statements:

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

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

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**BMAT EDUCATION**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF BMAT  
EDUCATION (CONTINUED)**

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**Other information**

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

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

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

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

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

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

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

**Responsibilities of trustees**

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

In preparing the financial statements, the Trustees are responsible for assessing the 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 Trust or to cease operations, or have no realistic alternative but to do so.



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**BMAT EDUCATION**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF BMAT  
EDUCATION (CONTINUED)**

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

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

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

**Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102), Companies Act 2006, Academies Accounts Direction, the Academy Trust Handbook and Tax legislation. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The key laws and regulations we considered in this context were General Data Protection Regulation, health and safety legislation, Ofsted and employee legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquire of the Trustees and other management and inspection of regulatory and legal correspondence, if any. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing and completeness of income recognition and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Board about their own identification and assessment of the risks of irregularities, sample testing on income and the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the ESFA, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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**BMAT EDUCATION**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF BMAT  
EDUCATION (CONTINUED)**

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

**Use of our report**

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



**Andrew Thomas (Senior Statutory Auditor)**

for and on behalf of

**Crowe U.K. LLP**

Statutory Auditor

55 Ludgate Hill

London

EC4M 7JW

Date: 17 December 2021

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**BMAT EDUCATION**  
**(A Company Limited by Guarantee)**

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

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In accordance with the terms of our engagement letter dated 11 October 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by BMAT Education during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of BMAT Education's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of BMAT Education's funding agreement with the Secretary of State for Education dated 1 December 2011 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**Approach**

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

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

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

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

The work undertaken to draw to our conclusion includes a review of the design and implementation of the Academy's internal controls and review processes on regularity, supported by detailed tests on samples of costs incurred by the academy and specific transactions identified from our review.

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**BMAT EDUCATION**  
**(A Company Limited by Guarantee)**

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

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**Conclusion**

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

Crowe U.K. LLP

Reporting Accountant  
**Crowe U.K. LLP**

Statutory Auditor

Date: 17 December 2021

**BMAT EDUCATION**  
(A Company Limited by Guarantee)

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

		Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
	Note					
<b>Income from:</b>						
Donations and capital grants:	3					
Transfer of Assets		-	(2,745)	16,119	13,374	-
Donations		-	522	-	522	522
Capital Grants		-	-	38,565	38,565	1,571
Other trading activities	5	814	-	-	814	1,086
Investments	6	1	-	-	1	14
Charitable activities:	4					
Funding for educational operations		-	39,305	-	39,305	33,329
Teaching School		-	85	-	85	122
<b>Total income</b>		<b>815</b>	<b>37,167</b>	<b>54,684</b>	<b>92,666</b>	<b>36,644</b>
<b>Expenditure on:</b>						
Raising funds		718	-	-	718	1,041
Charitable activities:	8					
Educational operations		-	40,311	4,512	44,823	36,400
Teaching School		-	77	-	77	157
<b>Total expenditure</b>		<b>718</b>	<b>40,388</b>	<b>4,512</b>	<b>45,618</b>	<b>37,598</b>
<b>Net income/(expenditure)</b>		<b>97</b>	<b>(3,221)</b>	<b>50,172</b>	<b>47,048</b>	<b>(954)</b>
Transfers between funds	20	-	(994)	994	-	-
<b>Net movement in funds before other recognised gains/(losses) carried forward</b>		<b>97</b>	<b>(4,215)</b>	<b>51,166</b>	<b>47,048</b>	<b>(954)</b>

**BMAT EDUCATION**  
(A Company Limited by Guarantee)

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

		<b>Unrestricted funds 2021 £000</b>	<b>Restricted funds 2021 £000</b>	<b>Restricted fixed asset funds 2021 £000</b>	<b>Total funds 2021 £000</b>	<i>Total funds 2020 £000</i>
	<b>Note</b>					
<b>Net movement in funds before other recognised gains/(losses) brought forward</b>		<b>97</b>	<b>(4,215)</b>	<b>51,166</b>	<b>47,048</b>	<i>(954)</i>
<b>Other recognised gains/(losses):</b>						
Actuarial losses on defined benefit pension schemes	27	-	(811)	-	(811)	<i>(461)</i>
<b>Net movement in funds</b>		<b>97</b>	<b>(5,026)</b>	<b>51,166</b>	<b>46,237</b>	<i>(1,415)</i>
<b>Reconciliation of funds:</b>						
Total funds brought forward		2,294	(13,678)	65,562	54,178	55,593
Net movement in funds		97	(5,026)	51,166	46,237	<i>(1,415)</i>
<b>Total funds carried forward</b>		<b>2,391</b>	<b>(18,704)</b>	<b>116,728</b>	<b>100,415</b>	<i>54,178</i>

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

The notes on pages 40 to 76 form part of these financial statements.

**BMAT EDUCATION**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 07843166**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2021**

	Note	2021 £000	2020 £000
<b>Fixed assets</b>			
Tangible assets	16	115,091	64,818
<b>Current assets</b>			
Debtors	17	3,422	3,100
Bank and cash balances		6,855	5,182
		<u>10,277</u>	<u>8,282</u>
Creditors: amounts falling due within one year	18	(3,483)	(2,529)
<b>Net current assets</b>		<u>6,794</u>	<u>5,753</u>
<b>Total assets less current liabilities</b>		<u>121,885</u>	<u>70,571</u>
Creditors: amounts falling due after more than one year	19	(1,683)	(1,713)
<b>Net assets excluding pension liability</b>		<u>120,202</u>	<u>68,858</u>
Defined benefit pension scheme liability	27	(19,787)	(14,680)
<b>Total net assets</b>		<u>100,415</u>	<u>54,178</u>
<b>Funds of the Trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	20	116,728	65,562
Restricted income funds	20	1,083	1,002
		<u>117,811</u>	<u>66,564</u>
Restricted funds excluding pension asset	20	117,811	66,564
Pension reserve	20	(19,787)	(14,680)
<b>Total restricted funds</b>	20	<u>98,024</u>	<u>51,884</u>
<b>Unrestricted income funds</b>	20	<u>2,391</u>	<u>2,294</u>
<b>Total funds</b>		<u>100,415</u>	<u>54,178</u>

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**BMAT EDUCATION**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 07843166**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 AUGUST 2021**

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The financial statements on pages 35 to 76 were approved by the Trustees, and authorised for issue on 16 December 2021 and are signed on their behalf, by:



**Ms H Mills CBE**

Chief Executive Officer

The notes on pages 40 to 76 form part of these financial statements.



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**BMAT EDUCATION**  
(A Company Limited by Guarantee)

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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	Note	2021 £000	2020 £000
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	22	37,486	1,094
<b>Cash flows from investing activities</b>	23	(35,813)	(379)
<b>Change in cash and cash equivalents in the year</b>		1,673	715
Cash and cash equivalents at the beginning of the year		5,182	4,467
<b>Cash and cash equivalents at the end of the year</b>	24, 25	<u>6,855</u>	<u>5,182</u>

The notes on pages 40 to 76 form part of these financial statements

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**BMAT EDUCATION**  
**(A Company Limited by Guarantee)**

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

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**1. Accounting policies**

The Trust is a private company limited by guarantee, incorporated in England (company number: 07843166). The address of the registered office and principal place of operation are detailed on page 1. The Members of the company are the Trustees as named on page 1. In the event of the Trust being wound up, the liability in respect of the guarantee is limited to £10 per member of the Trust.

On 17 October 2019 the Trust changed its name from Burnt Mill Academy Trust to BMAT Education.

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 of financial statements**

The financial statements of the Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 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 Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements. Having considered the impact of the current pandemic on the Trust's operations, the Trustees have concluded that the Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

**1.3 Income**

All incoming resources are recognised when the 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 year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

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

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**BMAT EDUCATION**  
**(A Company Limited by Guarantee)**

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

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**1. Accounting policies (continued)**

**1.3 Income (continued)**

- **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.

**Donated Fixed Assets**

Donated Fixed Assets are measured and brought in at their fair value. Where this is not available the assets are valued and brought in at the cost the Trust would have paid for those assets. Once brought in, the donated assets are depreciated in line with the Trust's accounting policy.

- **Other income**

Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent the goods have been provided or on completion of the service.

- **Transfer of existing academies into the Trust**

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

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

- **Expenditure on raising funds**

This includes all expenditure incurred by the 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 Trust's educational operations, including support costs and costs relating to the governance of the Trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

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**BMAT EDUCATION**  
**(A Company Limited by Guarantee)**

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

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**1. Accounting policies (continued)**

**1.5 Taxation**

The 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 Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 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.

**1.6 Tangible fixed assets**

The Trust occupies land and the buildings at Epping St John's Church of England School provided to it by the Diocesan Trustees under a license (also referred to as a Church Supplemental Agreement) which contrains a three year notice period. Having considered the fact that the Trust occupies the land and buildings by a license that transfers to it no rights or control over the site, save that of occupying it at the will of the Diocesan Trustees under the agreement, the Diocesan Trustees have concluded that the value of the land and buildings occupied by the Trust will not be recognised or valued within the fixed assets.

The deemed expenditure of renting the premises for a year is put through the accounts and an equal and opposite donation from the Discese is included in income.

All assets costing more than £2,000 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

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

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

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**BMAT EDUCATION**  
**(A Company Limited by Guarantee)**

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

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**1. Accounting policies (continued)**

**1.6 Tangible fixed assets (continued)**

Depreciation is provided on the following bases:

Freehold property	- 22-38 years straight line
Long term leasehold buildings	- 22-38 years straight line
Long term leasehold land	- over the term of the lease
Furniture and fixtures	- 5 - 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.

Transfer of existing academies into the academy trust:

Where assets and liabilities are received on the transfer of an existing academy into the academy trust, the transferred net assets are measured at fair value and recognised in the balance sheet at the point when risks and rewards of ownership pass to the academy trust. An equal amount of income is recognised for the transfer of an existing academy into the academy trust within Donations and capital grant income to the net assets acquired.

**1.7 Investments**

Investments represents cash held on deposits that are available on demand, these are included on the balance sheet as a current asset.

**1.8 Debtors**

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

**1.9 Cash at bank and in hand**

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

**1.10 Liabilities and provisions**

Liabilities and provisions 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 Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

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**BMAT EDUCATION**  
**(A Company Limited by Guarantee)**

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

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**1. Accounting policies (continued)**

**1.11 Financial instruments**

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

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 17. Prepayments are not financial instruments.

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

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 18 and 19. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

**1.12 Operating leases**

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

**1.13 Pensions**

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

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

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the 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.

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

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**1. Accounting policies (continued)**

**1.14 Fund accounting**

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

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

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

**2. Critical accounting estimates and areas of judgement**

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

Critical accounting estimates and assumptions:

The 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 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

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**3. Income from donations and capital grants**

	<b>Restricted funds 2021 £000</b>	<b>Restricted fixed asset funds 2021 £000</b>	<b>Total funds 2021 £000</b>
Right to occupy	522	-	522
Donated fixed assets	-	264	264
Capital grants	-	38,301	38,301
Transfer of Assets	(2,745)	16,119	13,374
<b>Total 2021</b>	<b>(2,223)</b>	<b>54,684</b>	<b>52,461</b>

	<i>Restricted funds 2020 £000</i>	<i>Restricted fixed asset funds 2020 £000</i>	<i>Total funds 2020 £000</i>
Right to occupy	522	-	522
Capital grants	-	1,571	1,571
<b>Total 2020</b>	<b>522</b>	<b>1,571</b>	<b>2,093</b>



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**4. Funding for the Trust's educational operations**

	<b>Restricted funds 2021 £000</b>	<b>Total funds 2021 £000</b>
<b>DfE/ESFA grants</b>		
General Annual Grant (GAG)	32,258	32,258
Other DfE/ESFA grants		
Other DfE Group grants	3,880	3,880
Start Up grants	377	377
Special educational projects	232	232
Teaching School Grants	85	85
Local Authority grants	1,904	1,904
	<hr/> 38,736	<hr/> 38,736
<b>COVID-19 additional funding (DfE/ESFA)</b>		
Catch-up Premium	487	487
Other DfE/ESFA COVID-19 funding	95	95
	<hr/> 582	<hr/> 582
<b>COVID-19 additional funding (non-DfE/ESFA)</b>		
Coronavirus Job Retention Scheme grant	72	72
	<hr/> 72	<hr/> 72
<b>Total 2021</b>	<hr/> <hr/> 39,390	<hr/> <hr/> 39,390

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

**4. Funding for the Trust's educational operations (continued)**

	<i>Restricted funds 2020 £000</i>	<i>Total funds 2020 £000</i>
<b>DfE/ESFA grants</b>		
General Annual Grant (GAG)	27,612	27,612
Other DfE/ESFA grants		
Other DfE Group grants	3,509	3,509
Start Up grants	633	633
Special educational projects	108	108
Teaching School Grants	122	122
Local Authority grants	1,375	1,375
	<u>33,359</u>	<u>33,359</u>
<b>COVID-19 additional funding (non-DfE/ESFA)</b>		
Coronavirus Job Retention Scheme grant	92	92
	<u>92</u>	<u>92</u>
<b>Total 2020</b>	<u><u>33,451</u></u>	<u><u>33,451</u></u>

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the trust's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

**5. Income from other trading activities**

	<b>Unrestricted funds 2021 £000</b>	<b>Total funds 2021 £000</b>
Rental Income	201	201
Catering Income	466	466
Other Income	110	110
Trip Income	37	37
<b>Total 2021</b>	<u><u>814</u></u>	<u><u>814</u></u>

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

**5. Income from other trading activities (continued)**

	<i>Unrestricted funds 2020 £000</i>	<i>Total funds 2020 £000</i>
Rental Income	171	171
Catering Income	636	636
Other Income	167	167
Trip Income	112	112
<i>Total 2020</i>	<u>1,086</u>	<u>1,086</u>

**6. Investment income**

	<b>Unrestricted funds 2021 £000</b>	<b>Total funds 2021 £000</b>
Bank interest	<u>1</u>	<u>1</u>

	<i>Unrestricted funds 2020 £000</i>	<i>Total funds 2020 £000</i>
Bank interest	<u>14</u>	<u>14</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**7. Expenditure**

	<b>Staff Costs 2021 £000</b>	<b>Premises 2021 £000</b>	<b>Other 2021 £000</b>	<b>Total 2021 £000</b>
Expenditure on fundraising trading activities:				
Direct costs	60	16	642	<b>718</b>
Academy's educational operations:				
Direct costs	24,079	-	1,687	<b>25,766</b>
Allocated support costs	8,599	3,590	6,868	<b>19,057</b>
Teaching school costs	6	-	71	<b>77</b>
<b>Total 2021</b>	<b>32,744</b>	<b>3,606</b>	<b>9,268</b>	<b>45,618</b>

	<b>Staff Costs 2020 £000</b>	<b>Premises 2020 £000</b>	<b>Other 2020 £000</b>	<b>Total 2020 £000</b>
Expenditure on fundraising trading activities:				
Direct costs	51	14	976	<b>1,041</b>
Academy's educational operations:				
Direct costs	21,970	-	-	<b>21,970</b>
Allocated support costs	5,581	2,893	5,956	<b>14,430</b>
Teaching school	97	-	60	<b>157</b>
<b>Total 2020</b>	<b>27,699</b>	<b>2,907</b>	<b>6,992</b>	<b>37,598</b>

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

**8. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Restricted funds 2021 £000</b>	<b>Total funds 2021 £000</b>
Academy's educational operations	44,823	44,823
Teaching school	77	77
	<u>44,900</u>	<u>44,900</u>

	<i>Restricted funds 2020 £000</i>	<i>Total funds 2020 £000</i>
Academy's educational operations	36,400	36,400
Teaching School	157	157
	<u>36,557</u>	<u>36,557</u>

**9. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2021 £000</b>	<b>Support costs 2021 £000</b>	<b>Total funds 2021 £000</b>
Direct costs - educational operations	25,766	19,057	44,823
Teaching School	77	-	77
	<u>25,843</u>	<u>19,057</u>	<u>44,900</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**9. Analysis of expenditure by activities (continued)**

	<i>Activities undertaken directly 2020 £000</i>	<i>Support costs 2020 £000</i>	<i>Total funds 2020 £000</i>
Direct costs - educational operations	21,970	14,430	36,400
Teaching School	157	-	157
	<u>22,127</u>	<u>14,430</u>	<u>36,557</u>

**Analysis of support costs**

	<i>Total funds 2021 £000</i>	<i>Total funds 2020 £000</i>
Staff costs	7,129	5,342
Depreciation	4,311	2,275
Governance costs	27	33
Technology costs	499	470
Premises costs	3,729	2,470
Other support costs	2,682	3,372
Agency costs	680	468
	<u>19,057</u>	<u>14,430</u>

**10. Net income/(expenditure)**

Net income/(expenditure) for the year includes:

	<i>2021 £000</i>	<i>2020 £000</i>
Operating lease rentals	93	96
Depreciation of tangible fixed assets	4,311	2,279
Fees paid to auditor for:		
- audit	27	29
- other services	8	5
	<u>4,439</u>	<u>2,399</u>

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

**11. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

	2021 £000	2020 £000
Wages and salaries	22,971	19,605
Social security costs	2,238	1,931
Pension costs	6,066	5,025
	<u>31,275</u>	<u>26,561</u>
Agency staff costs	1,479	1,065
Staff restructuring costs	46	73
	<u>32,800</u>	<u>27,699</u>

Staff restructuring costs comprise:

	2021 £000	2020 £000
Redundancy payments	46	73
	<u>46</u>	<u>73</u>

**b. Non-statutory/non-contractual staff severance payments**

Included in staff restructuring costs are redundancy payments totalling £46,000 (2020: £73,000). Individually the payments were £27,600, £2,800, £10,200 and £4,800. At year end no amounts remained outstanding (2020: £nil)

**c. Staff numbers**

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

	2021 No.	2020 No.
Teachers	387	306
Administration and support	366	334
Management	8	8
	<u>761</u>	<u>648</u>

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

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**11. Staff (continued)**

**d. Higher paid staff**

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

	<b>2021</b>	<b>2020</b>
	<b>No.</b>	<b>No.</b>
In the band £60,001 - £70,000	<b>46</b>	<b>29</b>
In the band £70,001 - £80,000	<b>12</b>	<b>6</b>
In the band £80,001 - £90,000	<b>7</b>	<b>5</b>
In the band £90,001 - £100,000	<b>1</b>	<b>4</b>
In the band £100,001 - £110,000	<b>4</b>	<b>2</b>
In the band £140,001 - £150,000	<b>2</b>	<b>1</b>

**e. Key management personnel**

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Trust was £1,028,124 (2020 £1,062,440). The number of staff that formed the key management personnel was 8 (2020: 8). Included in the above are employer pension contributions of £156,698 (2020: £159,246) and employer national insurance contributions of £103,576 (2020: £100,782).



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**NOTES TO THE FINANCIAL STATEMENTS**  
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**12. Central services**

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

- Executive Leadership Team
- Senior Human Resources Management
- Legal, Governance and Trust Administration
- Marketing and PR

The Trust charges for these services on the following basis:

Flat percentage of recurring GAG income at 4.38%.

The actual amounts charged during the year were as follows:

	2021 £000	2020 £000
Burnt Mill Academy	292	329
Cooks Spinney Academy	87	103
Freshwater Academy	82	92
Little Parndon Academy	82	85
Roydon Academy	41	42
Forest Hall Academy	144	153
Magna Carta	30	30
Epping St John's	226	242
Royal Docks Academy	306	328
STEM	48	45
Sir Frederick Gibberd	68	45
Mark Hall Academy	142	-
<b>Total</b>	<b>1,548</b>	<b>1,494</b>

The Trust also operates full centrally managed shared services for the functions below charged for each academy as outlined below.

Flat percentage of recurring GAG income as outlined below:

- Financial Management: 2.37%
- Educational Directors and Student Welfare: 1.90%
- Facilities and Estates Manager: 9.76%
- IT and Data Management: 3.03%

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**NOTES TO THE FINANCIAL STATEMENTS  
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**13. Trustees' remuneration and expenses**

One or more Trustees has been paid remuneration or has received other benefits from an employment with the 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. The value of Trustees' remuneration and other benefits was as follows:

		<b>2021</b>	<b>2020</b>
		<b>£000</b>	<b>£000</b>
Ms H Mills CBE, Chief Executive	Remuneration	<b>145 - 150</b>	<b>145 - 150</b>
	Pension contributions paid	<b>30 - 35</b>	<b>30 - 35</b>

During the year ended 31 August 2021, no Trustees received reimbursement for their role as Trustee (2020 - £nil). During the year ended 31 August 2021, expenses totalling £NIL were reimbursed or paid directly (2020 - £NIL).

**14. Trustees' and Officers' insurance**

In accordance with normal commercial practice, the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2021 was £123,930 (2020 - £128,111). The cost of this insurance is included in the total insurance cost.

**15. Other finance income**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Interest income on pension scheme assets	<b>220</b>	<b>187</b>
Interest on pension scheme liabilities	<b>(461)</b>	<b>(416)</b>
	<b>(241)</b>	<b>(229)</b>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**16. Tangible fixed assets**

	Freehold property £000	Long-term leasehold property £000	Furniture and equipment £000	Computer equipment £000	Motor vehicles £000	Total £000
<b>Cost or valuation</b>						
At 1 September 2020	36,998	36,307	1,983	1,485	22	76,795
Additions	971	33,968	2,270	1,256	-	38,465
Transfer in of assets	16,803	-	331	318	-	17,452
At 31 August 2021	54,772	70,275	4,584	3,059	22	132,712
<b>Depreciation</b>						
At 1 September 2020	3,315	6,828	822	990	22	11,977
Charge for the year	3,490	127	278	416	-	4,311
Transfer in of assets	813	-	285	235	-	1,333
At 31 August 2021	7,618	6,955	1,385	1,641	22	17,621
<b>Net book value</b>						
At 31 August 2021	47,154	63,320	3,199	1,418	-	115,091
At 31 August 2020	33,683	29,479	1,161	495	-	64,818

The Trust's transactions relating to land and buildings included;

- The transfer of Mark Hall Academy and its buildings to the group (further details in note 31)
- The acquisition of the leasehold building and land of Sir Frederick Gibberd College donated from the DfE to the academy trust at a value of £33,968,000.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**17. Debtors**

	2021 £000	2020 £000
<b>Due after more than one year</b>		
Other debtors	1,565	1,565
	<u>1,565</u>	<u>1,565</u>
<b>Due within one year</b>		
Trade debtors	61	30
Other debtors	220	242
Prepayments and accrued income	1,236	1,066
Tax recoverable	340	197
	<u>3,422</u>	<u>3,100</u>

**18. Creditors: Amounts falling due within one year**

	2021 £000	2020 £000
Salix loan	30	40
Trade creditors	1,114	534
Other taxation and social security	625	594
Other creditors	680	364
Accruals and deferred income	1,034	997
	<u>3,483</u>	<u>2,529</u>
	2021 £000	2020 £000
Deferred income at 1 September 2020	389	516
Resources deferred during the year	471	389
Amounts released from previous periods	(389)	(516)
	<u>471</u>	<u>389</u>

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

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**19. Creditors: Amounts falling due after more than one year**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Salix loan	<b>118</b>	<b>148</b>
Accruals and deferred income	<b>1,565</b>	<b>1,565</b>
	<u><b>1,683</b></u>	<u><b>1,713</b></u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**20. Statement of funds**

	Balance at 1 September 2020 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2021 £000
<b>Unrestricted funds</b>						
General Funds - all funds	2,294	815	(718)	-	-	2,391
<b>Restricted general funds</b>						
General Annual Grant (GAG)	1,002	32,258	(31,183)	(994)	-	1,083
Other DfE/ESFA	-	5,143	(5,143)	-	-	-
Local Authority Grants	-	1,904	(1,904)	-	-	-
Right to Occupy	-	522	(522)	-	-	-
Teaching School	-	85	(85)	-	-	-
Pension reserve	(14,680)	(2,745)	(1,551)	-	(811)	(19,787)
	(13,678)	37,167	(40,388)	(994)	(811)	(18,704)
<b>Restricted fixed asset funds</b>						
Fixed Asset Funds	64,618	52,033	(4,311)	2,751	-	115,091
Capital Grants	944	2,651	(201)	(1,757)	-	1,637
	65,562	54,684	(4,512)	994	-	116,728
<b>Total Restricted funds</b>	51,884	91,851	(44,900)	-	(811)	98,024
<b>Total funds</b>	54,178	92,666	(45,618)	-	(811)	100,415

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**20. Statement of funds (continued)**

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

**General Annual Grant (GAG)**

This represents funding from the ESFA to cover the costs of recurrent expenditure.

**Start Up Grant**

This represents a grant to aid with start up costs for new member Schools to the Trust.

**Other DfE/ESFA grants**

Other ESFA/DfE grants represent funding from Government agencies to be used for specific purposes.

**Local Authority grants**

Local Authority grants represent funding from the Local Authority to be used for specific purposes.

**Special educational projects**

This includes schools direct, absence insurance and Sure Start income.

**Other restricted funds**

Other restricted funds balance relates to cyclical maintenance funding.

**Right to Occupy**

This fund represents the rent free occupation of the land and buildings from the Diocese of Chelmsford.

**Pension reserve**

This fund represents the Trust's share of the deficit of the Local Government Pension Scheme (LGPS) transferred to the Trust on conversion from being a Local Authority school.

**Unrestricted - designated**

Unrestricted designated funds relate to future fixed asset improvements. The expected timing of expenditure is during 2021/22 academic year.

**Restricted fixed asset fund**

The restricted fixed asset fund represents the value of fixed assets held in line with the charitable objectives of the Trust. The transfer between funds represents additions purchased through GAG funding.

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

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**20. Statement of funds (continued)**

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

	<i>Balance at 1 September 2019 £000</i>	<i>Income £000</i>	<i>Expenditure £000</i>	<i>Transfers in/out £000</i>	<i>Gains/ (Losses) £000</i>	<i>Balance at 31 August 2020 £000</i>
<b>Unrestricted funds</b>						
Unrestricted funds - general	1,735	1,100	(541)	-	-	2,294
Curriculum Directorate	265	-	(265)	-	-	-
Teaching School	70	-	(70)	-	-	-
Extension/Development Costs	26	-	(26)	-	-	-
Curriculum Plans/P16	26	-	(26)	-	-	-
Recruitment and Retention	13	-	(13)	-	-	-
Premises (Contingency)	50	-	(50)	-	-	-
IT (Contingency)	50	-	(50)	-	-	-
	<u>2,235</u>	<u>1,100</u>	<u>(1,041)</u>	<u>-</u>	<u>-</u>	<u>2,294</u>
<b>Restricted general funds</b>						
General Annual Grant (GAG)	541	27,621	(26,581)	(579)	-	1,002
Other DfE/ESFA	-	4,333	(4,333)	-	-	-
Local Authority Grants	-	1,375	(1,375)	-	-	-
Right to Occupy	-	522	(522)	-	-	-
Teaching School	-	122	(122)	-	-	-
Pension reserve	(12,994)	-	(1,225)	-	(461)	(14,680)
	<u>(12,453)</u>	<u>33,973</u>	<u>(34,158)</u>	<u>(579)</u>	<u>(461)</u>	<u>(13,678)</u>



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**20. Statement of funds (continued)**

	<i>Balance at 1 September 2019 £000</i>	<i>Income £000</i>	<i>Expenditure £000</i>	<i>Transfers in/out £000</i>	<i>Gains/ (Losses) £000</i>	<i>Balance at 31 August 2020 £000</i>
<b>Restricted fixed asset funds</b>						
Fixed Asset Funds	65,811	-	(2,280)	1,087	-	64,618
Capital Grants	-	1,571	(119)	(508)	-	944
	<u>65,811</u>	<u>1,571</u>	<u>(2,399)</u>	<u>579</u>	<u>-</u>	<u>65,562</u>
<b>Total Restricted funds</b>	<u>53,358</u>	<u>35,544</u>	<u>(36,557)</u>	<u>-</u>	<u>(461)</u>	<u>51,884</u>
<b>Total funds</b>	<u>55,593</u>	<u>36,644</u>	<u>(37,598)</u>	<u>-</u>	<u>(461)</u>	<u>54,178</u>

**Total funds analysis by academy**

Fund balances for each academy at 31 August 2021 and 31 August 2020 were zero, hence a breakdown by academy is not included in these accounts.

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**20. Statement of funds (continued)**

**Total cost analysis by academy**

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2021 £000
Burnt Mill Academy	4,208	415	249	420	5,292
Burnt Mill Teaching School	6	-	1	70	77
Cooks Spinney Academy	1,362	208	72	216	1,858
Epping St John's	3,130	395	447	369	4,341
Forest Hall School	2,332	215	154	173	2,874
Freshwaters Academy	1,330	159	71	156	1,716
Little Parndon Academy	1,293	140	67	103	1,603
Central Seviles	631	602	538	654	2,425
Magna Carta Primary	451	76	32	43	602
Royal Docks School	4,793	544	145	794	6,276
Roydon Academy	556	92	35	67	750
Sir Frederick Gibberd	883	66	91	202	1,242
BMAT STEM	570	125	84	263	1,042
Burnt Mill Provision	-	-	-	2	2
Cooks Spinney Provision	32	-	1	109	142
Finance	-	746	-	109	855
Magna Carta Provision	69	-	1	9	79
PE grant	-	21	39	9	69
Premises and Estates	-	752	13	3,106	3,871
ICT Services	-	438	-	502	940
Curriculum Directorate	821	58	-	-	879
Mark Hall Academy	1,680	399	163	320	2,562
<b>Trust</b>	<b>24,147</b>	<b>5,451</b>	<b>2,203</b>	<b>7,696</b>	<b>39,497</b>

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**20. Statement of funds (continued)**

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

	<i>Teaching and educational support staff costs £000</i>	<i>Other support staff costs £000</i>	<i>Educational supplies £000</i>	<i>Other costs excluding depreciation £000</i>	<i>Total 2020 £000</i>
Burnt Mill Academy	4,064	456	258	605	5,383
Burnt Mill Teaching School	97	-	2	59	158
Cooks Spinney Academy	1,331	206	33	217	1,787
Epping St John's	3,120	276	292	494	4,182
Forest Hall School	2,075	202	190	286	2,753
Freshwaters Academy	1,177	129	51	180	1,537
Little Parndon Academy	1,190	156	48	161	1,555
Central Services	632	1,106	544	671	2,953
Magna Carta Primary	388	61	14	42	505
Royal Docks School	4,674	533	144	788	6,139
Roydon Academy	554	103	24	49	730
Sir Frederick Gibberd	519	49	60	69	697
BMAT STEM	502	70	114	79	765
Burnt Mill Provision	94	-	(124)	32	2
Cooks Spinney Provision	39	-	4	77	120
Magna Carta Provision	76	-	3	2	81
PE Grant	-	36	32	5	73
Premises and Estates	-	661	30	2,460	3,151
ICT Services	-	435	-	405	840
Curriculum Directorate	634	29	1	23	687
<b>Trust</b>	<b>21,166</b>	<b>4,508</b>	<b>1,720</b>	<b>6,704</b>	<b>34,098</b>

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**21. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000
Tangible fixed assets	-	-	115,091	<b>115,091</b>
Debtors due after more than one year	-	1,565	-	<b>1,565</b>
Current assets	7,556	(482)	1,637	<b>8,711</b>
Creditors due within one year	(3,482)	-	-	<b>(3,482)</b>
Creditors due in more than one year	(1,683)	-	-	<b>(1,683)</b>
Provisions for liabilities and charges	-	(19,787)	-	<b>(19,787)</b>
<b>Total</b>	<b>2,391</b>	<b>(18,704)</b>	<b>116,728</b>	<b>100,415</b>

**Analysis of net assets between funds - prior year**

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000
Tangible fixed assets	-	-	64,818	<b>64,818</b>
Debtors due after more than one year	-	1,565	-	<b>1,565</b>
Current assets	2,482	3,296	939	<b>6,717</b>
Creditors due within one year	(40)	(2,294)	(195)	<b>(2,529)</b>
Creditors due in more than one year	(148)	(1,565)	-	<b>(1,713)</b>
Provisions for liabilities and charges	-	(14,680)	-	<b>(14,680)</b>
<b>Total</b>	<b>2,294</b>	<b>(13,678)</b>	<b>65,562</b>	<b>54,178</b>

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**22. Reconciliation of net income/(expenditure) to net cash flow from operating activities**

	2021 £000	2020 £000
Net income/(expenditure) for the year (as per Statement of Financial Activities)	47,048	(954)
<b>Adjustments for:</b>		
Depreciation	4,311	2,279
Interest receivable	(1)	(14)
Defined benefit pension scheme cost less contributions payable	249	991
Defined benefit pension scheme finance cost	1,300	234
Increase in debtors	(320)	(201)
Increase in creditors	924	330
Capital grants from DfE and other capital income	(2,651)	(1,571)
Net (loss) on assets and liabilities from local authority on conversion	(13,374)	-
<b>Net cash provided by operating activities</b>	<b>37,486</b>	<b>1,094</b>

**23. Cash flows from investing activities**

	2021 £000	2020 £000
Interest received	1	14
Purchase of tangible fixed assets	(4,233)	(1,964)
Capital grants from DfE Group	2,651	1,571
Donated assets from DfE	(34,232)	-
<b>Net cash used in investing activities</b>	<b>(35,813)</b>	<b>(379)</b>

**24. Analysis of cash and cash equivalents**

	2021 £000	2020 £000
Cash in hand and at bank	6,855	5,182
<b>Total cash and cash equivalents</b>	<b>6,855</b>	<b>5,182</b>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**25. Analysis of changes in net debt**

	At 1 September 2020 £000	Cash flows £000	At 31 August 2021 £000
Cash at bank and in hand	5,182	1,673	6,855
	<u>5,182</u>	<u>1,673</u>	<u>6,855</u>

**26. Capital commitments**

	2021 £000	2020 £000
<b>Contracted for but not provided in these financial statements</b>		
Acquisition of tangible fixed assets	<u>600</u>	<u>234</u>

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**27. Pension commitments**

The 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 two Essex County Council and London Borough of Newham. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £419,040 were payable to the schemes at 31 August 2021 (2020 - £217,365) and are included within creditors.

**Teachers' Pension Scheme**

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

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

**Valuation of the Teachers' Pension Scheme**

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

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

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

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**27. Pension commitments (continued)**

The employer's pension costs paid to TPS in the year amounted to £3,396,000 (2020 - £2,920,056).

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

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £1,726,000 (2020 - £1,385,000), of which employer's contributions totalled £1,378,000 (2020 - £1,103,000) and employees' contributions totalled £ 348,000 (2020 - £282,000). The agreed contribution rates for future years are 25 per cent for employers and 5.5-12.5 per cent for employees.

As described in note 1.13 the LGPS obligation relates to the employees of the Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Trust at the balance sheet date.

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

**Principal actuarial assumptions**

Essex County Council

	2021	2020
	%	%
Rate of increase in salaries	3.90	3.26
Rate of increase for pensions in payment/inflation	2.90	2.26
Discount rate for scheme liabilities	1.65	1.62
Inflation assumption (CPI)	2.90	2.20

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



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**27. Pension commitments (continued)**

	2021 Years	2020 Years
<i>Retiring today</i>		
Males	21.6	21.8
Females	23.6	23.8
<i>Retiring in 20 years</i>		
Males	22.9	23.2
Females	25.1	25.2
<hr/>		
London Borough of Newham		
	2021 %	2020 %
Rate of increase in salaries	3.90	3.30
Rate of increase for pensions in payment/inflation	2.90	2.30
Discount rate for scheme liabilities	1.65	1.60
Inflation assumption (CPI)	2.90	2.30
<hr/>		

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

	2021 Years	2020 Years
<i>Retiring today</i>		
Males	21.4	21.3
Females	24.0	23.9
<i>Retiring in 20 years</i>		
Males	22.9	22.8
Females	25.6	25.5
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**Sensitivity analysis**

	2021 £000	2020 £000
Discount rate +0.1%	(939)	(645)
Discount rate -0.1%	964	661
Mortality assumption - 1 year increase	1,533	979
Mortality assumption - 1 year decrease	(1,472)	(942)
CPI rate +0.1%	894	611
CPI rate -0.1%	(872)	(599)
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**NOTES TO THE FINANCIAL STATEMENTS  
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**27. Pension commitments (continued)**

**Share of scheme assets**

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

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Equities	11,528	6,977
Gilts	598	505
Corporate bonds	728	724
Property	1,330	926
Cash and other liquid assets	574	398
Other managed funds	1,738	575
Alternative assets	1,628	1,423
<b>Total market value of assets</b>	<b>18,124</b>	<b>11,528</b>

The actual return on scheme assets was £2,836,000 (2020 - £(28,000)).

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

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Current service cost	(4,916)	(2,094)
Interest income	220	187
Interest cost	(461)	(416)
Administrative expenses	8	-
<b>Total amount recognised in the Statement of Financial Activities</b>	<b>(5,149)</b>	<b>(2,323)</b>

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**27. Pension commitments (continued)**

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

	2021 £000	2020 £000
<b>At 1 September</b>	<b>26,208</b>	<b>22,475</b>
Conversion of academy trusts	4,642	-
Change in financial assumption	4,899	1,915
Change in demographic assumptions	(335)	(647)
Interest cost	461	416
Employee contributions	348	282
Benefits paid	(273)	(327)
Current service cost	2,927	2,094
Experience loss/(gain) on defined benefit obligations	(578)	-
Settlements out (Ridge Creast)	(294)	-
<b>At 31 August</b>	<b>38,005</b>	<b>26,208</b>

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

	2021 £000	2020 £000
<b>At 1 September</b>	<b>11,528</b>	<b>9,481</b>
Conversion of academy trusts	2,406	-
Actuarial gain / (loss)	-	835
Interest income	220	187
Return on assets	2,616	(28)
Employer contributions	1,378	1,103
Employee contributions	348	282
Benefits paid	(273)	(327)
Admin costs	(8)	(5)
Settlement prices received / (Paid)	(47)	-
<b>At 31 August</b>	<b>18,168</b>	<b>11,528</b>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**28. Operating lease commitments**

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

	2021 £000	2020 £000
Not later than 1 year	128	111
Later than 1 year and not later than 5 years	205	158
	<u>333</u>	<u>269</u>

**29. Related party transactions**

Owing to the nature of the Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The daughter of CEO H Mills CBE is employed by the Trust on a contract approved by Trustees. Her remuneration is in line with the standard payscales for the role undertaken and her employment contract is subject to normal terms and conditions.

The spouse of one Director and one member of the Senior Management Team is employed by the Trust on a contract approved by Trustees. Their remuneration is in line with the standard payscales for the role undertaken and their employment contract is subject to normal terms and conditions.

There were no other related party transactions in the year.

**30. Agency arrangements**

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from EFA 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 academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2021 the trust received £22,515 (2020: £10,513) and disbursed £16,800 (2020: £9,683) from the fund. An amount of £5,715 (2020: £9,373) is included in other creditors relating to undistributed funds that is repayable to ESFA.

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**31. Transfer of existing academies into the trust**

**Mark Hall Academy**

	Value reported by transferring trust £000	Fair value adjustments £000	Transfer in recognised £000
<b>Tangible fixed assets</b>			
Freehold property and land	8,546	7,444	15,990
Furniture and equipment	96	-	96
Computer equipment	33	-	33
<b>Current assets</b>			
Debtors due within one year	93	-	93
<b>Liabilities</b>			
Creditors due within one year	(93)	-	(93)
<b>Pensions</b>			
Pensions - pension scheme liabilities	(2,745)	-	(2,745)
<b>Net assets</b>	<u>5,930</u>	<u>7,444</u>	<u>13,374</u>

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**32. Teaching school trading account**

	<b>2021</b> <b>£000</b>	<b>2021</b> <b>£000</b>	<b>2020</b> <b>£000</b>	<b>2020</b> <b>£000</b>
<b>Income</b>				
Other income	85		115	
Fundraising and other trading activities	-		7	
<b>Total income</b>		<b>85</b>		<b>122</b>
<b>Expenditure</b>				
Direct staff costs	6		97	
Staff development	70		55	
<b>Total direct expenditure</b>	<b>76</b>		<b>152</b>	
Other support costs	2		6	
<b>Total expenditure</b>		<b>78</b>		<b>158</b>
<b>Surplus/(deficit) from all sources</b>		<b>7</b>		<b>(36)</b>
<b>Teaching school balances at 1 September 2020</b>		<b>(85)</b>		<b>(49)</b>
<b>Teaching school balances at 31 August 2021</b>		<b>(78)</b>		<b>(85)</b>