

Company Registration Number: 08168237 (England & Wales)

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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



BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details	1 - 2
Trustees' Report	3 - 15
Governance Statement	16 - 20
Statement on Regularity, Propriety and Compliance	21
Statement of Trustees' Responsibilities	22
Independent Auditors' Report on the Financial Statements	23 - 27
Independent Reporting Accountant's Report on Regularity	28 - 29
Statement of Financial Activities Incorporating Income and Expenditure Account	30 - 31
Balance Sheet	32 - 33
Statement of Cash Flows	34
Notes to the Financial Statements	35 - 69

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	G Hussey J Ingleton K Lock H Seary E Moore (appointed 28 October 2020)
Trustees	S M Cotton, Chair of Trustees D Ellis S Hall A Longley G P Nelmes, Chief Executive Officer and Accounting Officer E Moore E Tarelli P Wardman (appointed 1 September 2020)
Company Registered Number	08168237
Company Name	Bradgate Education Partnership
Principal and Registered Office	Trust Offices Wreake Valley Academy Parkstone Road Syston Leicester LE7 1LY
Senior Management Team	Gareth Nelmes, Chief Executive Officer Dean Pomeroy, Director of Schools Lauren Gray, Director of HR Sarah Edge, Finance Manager / CFO
Independent Auditors	Streets Audit LLP Chartered Accountant and Statutory Auditors Tower House Lucy Tower Street Lincoln Lincolnshire LN1 1XW
Bankers	Lloyds Bank Plc 7 Sherrard Street Melton Mowbray Leicestershire LE13 1XR

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

Solicitors	Stone King LLP Somerset House 37 Temple Street Birmingham B2 5DP
-------------------	--

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year from 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a trustees' report, and a directors' report including a strategic report under company law.

The Trust operates sixteen academies (as at 1 September 2021) for pupils aged 2 to 18 serving a catchment area in Leicestershire. For the year ended 31 August 2021 it had a pupil capacity of 6,091, plus a sixth form of 283, in sixteen academies and had a roll of 5,244 in the school census in October 2020.

Structure, Governance and Management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust.

The Trustees of Bradgate Education Partnership are also the directors of the charitable company for the purposes of company law. The charitable company is known as Bradgate Education Partnership.

Details of the Trustees who served throughout the year except as noted are included in the Reference and Administrative Details on page 1.

Members' Liability

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

Trustees' Indemnities

Trustees benefit from indemnity insurance to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. The cost of this insurance in the year was £2,884.

Method of Recruitment and Appointment or Election of Trustees

In accordance with the Articles of Association, Members of the Trust appoint a minimum of 3 Trustees. There is no maximum number of Trustees and the Trust currently aims to operate with at least 7 Trustees.

Trustees are appointed for a period of four years. On completion of the four year term, retiring Trustees are eligible for re-election.

The Trustees have set up procedures which enable regular reviews of the mix of skills that should be available to the Board. The Trustees are then sought with these skills as replacements when existing Trustees stand down. Potential Trustees are asked to submit a 'pen picture' detailing their relevant skills and expertise to Members. It is anticipated that most new Trustees will be drawn from the local community or others who have shown an interest in the future well-being of the Trust, the Academies within the Trust and the students. Recruitment will be through a combination of approaches to individuals with known skills and by wider communications to those within the local area.

Policies and Procedures Adopted for the Induction and Training of Trustees.

Individual Trustees attend training courses, primarily through the Trust, NGA or through other appropriate bodies, in order to ensure their knowledge and understanding is up to date. Briefings for the Board and the Senior Management Team are carried out based on areas of potential interest and/or concern.

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

Organisational Structure

Bradgate Education Partnership (BEP) is a Multi-Academy Trust with each Academy retaining its own identity and managing its own school budget. The BEP Board of Trustees meets termly and provided strategic direction to BEP and individual Academies.

The Trust now has 5 Members who are the Trust custodians and they ensure operation within the scope of the Articles of Association.

There are 8 Trustees who hold the Chief Executive Officer (CEO) and the other members of executive team to account. The Trustees support the academy Local Advisory Boards (local governing committees) and act as a conduit between the Trust and the Academies. Due to the size of the Trust and the scope of associated responsibilities the Trust Board will look to further expand its number during 2021/22.

Each Academy within the Trust has a Local Advisory Board (LAB) which is responsible for delegated items in accordance with the Trust scheme of delegation.

Local Advisory Boards (LABs) for each of the Academies adopt individual school improvement plans, are consulted on the annual budget for approval by the Trust Board, challenge and scrutinize the academy based in the delegated duties outlined in our LAB Handbook and our Roles and Remits document using delegated powers, as set out in the BEP Scheme of Delegation.

The Trustees have responsibility for setting and monitoring the overall strategic direction of the charitable company, approving decisions reserved for Trustees and appointing key members of staff.

LABs are responsible for the conduct of their respective Academies in accordance with the objectives of the Trust.

The Trustees determine the general policy of the Trust. The day to day running of the Trust is delegated to the CEO and Senior Management Team, supported by the Headteachers of the individual Academies. The CEO and Director of Schools undertake the key leadership role overseeing educational and strategic functions. The day-to-day running of the individual schools is the responsibility of Headteachers. Administration is undertaken within the policies and procedures approved by the Trustees. Significant expense decisions, including for major capital projects, are referred to Trustees prior to approval. Delegated purchasing limits are detailed in the Trust Finance Policy.

The Senior Management Team oversees recruitment of all central staff and advises LABs on the appointment of Headteachers. The appointments of senior Trust staff and academy Headteachers are recommended to the Trust Board for approval by Trustees. The CEO is an ex officio Trustee, Accounting Officer and attends all meetings. The CFO is invited to attend Trustee meetings as appropriate.

Trustees meet at least four times a year as a full board. The Trust supports the effective running of the 16 Academies through the following Committees:

- Finance, Audit and Risk;
- Pay, Performance Management and Personnel (renamed as Workforce and Organisational Development from 2021/22);
- Performance and Standards; and
- Property, Health & Safety.

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

At the first meeting in that year, Trustees elect a Chair and Vice Chair from among their numbers. A Trustee who is employed by the Trust shall not be eligible for election as a Chair or Vice Chair. In addition to the 4 Trustees meetings there are also additional Committee meetings which usually meet at least once a term, including Performance Management, Finance, Curriculum, Health and Safety and Planning. Furthermore, certain responsibilities are delegated to LABs in accordance with the scheme of delegation. The clerk to the Trustees is responsible for preparing agendas and papers and sending out the minutes. The CFO is responsible for preparing the schools accounts. Operational management is led by the CEO. The Trust employs a Director of Schools and two Lead Practitioners. All the Trustees give their time freely.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

With the exception of the CEO, members of the Board of Trustees are not entitled to receive any remuneration for loss of earnings as a result of their post as a Trustee of Bradgate Education Partnership.

In the Autumn of each year the Pay, PM & Personnel Committee, consisting of nominated Trustees, will receive information concerning the salary of the CEO. Recommendations are made for the movement up the CEO's salary range, the basis for which the CEO is currently paid, and will identify the recommended number of progression points proposed. The Pay, PM & Personnel Committee also receives the performance review recommendations for Headteachers' pay, and ratifies Headteachers' recommendations for teaching staff pay.

In addition, the arrangements for setting the pay and remuneration of the Academies Key Management Personnel depends on the level of responsibility. Teaching staff in the Academy Trust are paid in accordance with school teachers pay and conditions. The Trust follows the advice of its Director of HR. Trustees benchmark senior executive pay against Trusts of a similar size and structure to Bradgate Education Partnership. This along with HR advice is taken into consideration to support their decision making.

Engagement with Employees (Including Disabled Persons)

The Trust is an equal opportunities employer and its policies for the recruitment, training, career development and promotion of employees are based on the relevant merits and abilities of the individuals concerned. This is regardless of race, ethnic or national origin, religious belief, political opinion or affiliation, sex, marital status, sexual orientation, gender reassignment, age or disability.

The Trust's policy is to give full and fair consideration to applications for employment made by disabled persons, having regard for their particular aptitudes and abilities. Employees with disabilities receive appropriate training to promote their career development within the Trust. Employees who become disabled are retained in their existing posts where possible or retrained for suitable alternative posts.

Engagement with Suppliers, Customers and Others in a Business Relationship with the Trust

The Trust is committed to treating all suppliers, customers and others with whom we do business in a fair and open way. We aim to foster good working relationships with all of them. We have a number of policies and procedures to ensure that this happens while also obtaining best value for the Trust, including through the use of frameworks provided by a number of suppliers, customers and local businesses. Our Procurement and Finance Policy details how all our business relationships are managed and our Finance Policy details how our suppliers are paid.

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

Trade Union Facility Time

Information, as it applies to the Academy Trust, is included below to satisfy requirements of the Trade Union (Facility Time Publication Requirements) Regulations 2017 for the period from 1 April 2020 to 31 March 2021 (the relevant period).

Relevant Union Officials:

Number of employees who were relevant union officials during the relevant period	11
Full-time equivalent employee number	11

Percentage of time spent on facility time:

Percentage of time	Number of employees
0%	11
1-50%	-
51-99%	-
100%	-

Percentage of pay bill spent on facility time:

£000

Total cost of facility time	-
Total pay bill	-
Percentage of the total pay bill spent on facility time	- %

Paid trade union activities:

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

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

Objectives and Activities

Objects and Aims

The Academy Trust's objectives ("the Objectives") are specifically restricted to the following:

- To advance for the public benefit education in the United Kingdom. In particular, but without prejudice, to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing schools, which offer a broad and balanced curriculum ("the mainstream Academies"). Educational institutions, which are principally concerned with providing full-time or part-time education for children of compulsory school age who, because of illness, exclusion from school or otherwise, may not for any period receive suitable education, unless alternative provision is made for them ("the alternative provision Academies"). 16 to 19 Academies offering a curriculum appropriate to the needs of its students ("the 16 to 19 Academies"). Schools specially organised to make special educational provision for pupils with special Educational Needs ("the Special Academies"); and
- To promote for the benefit of the inhabitants of the areas in which the Academies are situated, the provision of facilities for recreation or other leisure time occupation of individuals. This is for those who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship, or social and economic circumstances, or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

Objectives, Strategies and Activities

Mission Statement

To create high quality educational opportunities for all children and young people across the Partnership, by developing a strong collaborative and co-operative model, through which we encourage autonomy, share best practice, enhance the professional aspirations of our staff, and ensure the safety and well-being of all pupils and staff, regardless of gender or race.

Public Benefit

In addition to the principal educational activities detailed above, the Trust aims to promote itself for the benefit of individuals living in the local area, for those who have the need because of their age, infirmity or disability, financial hardship, or social or economic circumstances. Also for the public at large, the provision of facilities for recreation or other leisure time, which is in the interests of society, with the objective of improving the condition of life for individuals.

Trustees have complied with their duty to have due regard to the guidance on public benefit published by the charity commission.

Strategic Report

The Trust recently re-visited the Strategic Plan and have consulted with all major stakeholders to enable a greater degree of input and understanding on the priorities for the next three years. This plan has been widely circulated across the organization.

Achievements and Performance

Primary Schools

Due to Covid and the cancellation of statutory exams and assessments in schools during 2020-21 there is no comparative National data.

However, all BEP schools completed norm-referenced tests at the end of each year group. This data has been used internally to inform future provision and the Covid-recovery curriculum. The data revealed that maths and reading were the most negatively impacted areas by Covid, with progress in reading broadly maintained. It also revealed that younger and more vulnerable pupils were disproportionately affected.

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

Secondary Schools

Again due to Covid and the amended exams processes the headline data attached is the most current summary of the pupil performance outcomes for 2020-21 at Key Stage 4 and Key Stage 5. The grades presented are based upon the agreed 2021 methodology resulting in Teacher Assessed Grades.

Key Stage 4

ROUNDHILL (TRA)					WREAKE (WVA)				
TRA 2021 Results %					WVA 2021 Results %				
	GRADE 4+	GRADE 5+	GRADE 7+			GRADE 4+	GRADE 5+	GRADE 7+	
English Language	79	61	25		English Language	80%	62%	26%	
English Literature	81	62	24		English Literature	77%	51%	25%	
Maths	78	56	19		Maths	88%	71%	30%	
Combined Science	58	38	12		Combined Science	67%	56%	14%	
Biology	100	97	78		Biology	100%	100%	71%	
Chemistry	97	91	72		Chemistry	100%	100%	75%	
Physics	100	91	69		Physics	100%	100%	67%	
Geography	66	45	29		Geography	75%	40%	31%	
History	75	60	39		History	72%	63%	35%	
RS	91	77	56		RS				
Sociology	82	76	38		Sociology				
French	99	81	72		French	90%	72%	28%	
Spanish	87	68	31		Spanish				
Art	92	64	22		Art	81%	72%	22%	
DT	11	0	0		DT	74%	52%	26%	
Food	94	80	31		Food	50%	20%	10%	
Drama	87	70	40		Drama	83%	46%	25%	
Music	68	62	34		Music	78%	43%	21%	
Computing	81	69	44		Computing				
PE	81	74	30		PE	79%	55%	24%	
					Business	67%	37%	15%	
					Media	63%	43%	3%	
TRA 2021 Results %					WVA 2021 Results %				
	L1 Pass +		L2 Pass +			L1 Pass +		L2 Pass +	
BTEC Creative Media	100		83						
BTEC Health & Social Care	100		100		BTEC HSC	100%		100%	
BTEC Sport	100		67						

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

Key Stage 5

WVA 2021 Results %							
Qualification Name	Grade A+	Grade B+	Grade C+	Grade D+	Grade E+	Stu Count	Avg Grade
BTEC HEALTH & SOCIAL	33	100	100	100	100	6	Dist.
DESIGN	14	71	71	100	100	7	C+
DRAMA	33	66	78	100	100	9	B
ECONOMICS	40	100	100	100	100	5	B+
ENGLISH LITERATURE	33	89	100	100	100	9	B+
FURTHER MATHS	100	100	100	100	100	1	A*
GEOGRAPHY	33	66	78	100	100	9	B-
HISTORY	22	66	88	100	100	9	B
MATHS	67	75	83	92	92	12	B+
MEDIA	0	40	100	100	100	10	C+
PE	25	75	100	100	100	4	B
PSYCHOLOGY	36	57	82	93	100	28	B-
BIOLOGY	33	50	89	100	100	18	B-
CHEMISTRY	36	55	73	91	100	11	B-
PHYSICS	38	38	50	75	100	8	C
SOCIOLOGY	33	66	100	100	100	9	B+

The educational performance across the Trust in the primary sector is remains strong. From 2016 to current the Trust has continued to make steady and positive improvements against almost all pupil performance benchmarks. The 2021 data (albeit based upon teacher assessments) shows that at the end of KS2 the Trust currently performs above National Averages at all areas of 'expected' levels, with average progress from KS1 to KS2 improved to broadly in line or above National figures. The 2021 data also reflects the continued trend for modest but sustained annual improvement. Given the positive Ofsted profile of the schools across the Trust and these consistent and improving end of KS2 outcomes, as well as good outcomes at the end of EYFS, Phonics & KS1, there is a strong foundation for further future improvements within the primary estate.

Overall, the position across the secondary estate remains relatively challenging, but improving rapidly towards a stable and 'good' position educationally – again due to the lack of formal exams we must take the improvements with a pinch of salt, but all indicators are heading in the right direction. The current position at TRA is educationally stable, although they continue to face a challenging financial recovery.

WVA has made very positive steps educationally and structurally. Outcomes have improved and a newly restructured and fully-appointed leadership team is in place. Whilst not yet 'good' the school is improving rapidly.

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

Going Concern

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

Promoting the Success of the Trust

The Trust has a strong track record of pupil achievement in its schools. Schools that were not performing as would have been wanted have shown clear and substantial improvement, sometimes as indicated by clearly improved Ofsted grades since joining the Trust. Education is based on a broad curriculum for all pupils in all schools and thus pupils develop wider skills as well as achieving well academically. This is the core of the substance of the Trust's work. This is appropriately communicated through the Trust's and the schools' websites and in other publications. Coupled with a very sound financial position and a strong central staffing infrastructure, it means that the Trust is well placed for further development.

High quality professional development is central to the approach of the Trust with all of its staff. All staff are able to develop their practice and their career through the opportunities provided. This ensures effective and motivated staff run the Trust's schools and help to promote the Trust effectively within the educational community.

Financial Review

Most of the Trust's income in the year was obtained from the DfE and ESFA, in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received for the year and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

In accordance with the Charities SORP Accounting by Charities, grants and donations for capital are shown in the Statement of Financial Activities as restricted fixed asset funds.

The Balance Sheet restricted fixed asset fund is reduced by any depreciation charges over the expected useful life of the assets concerned. The net book value of fixed assets was £51,149,000. The assets were used for providing education and the associated support services to the students of the academies within the Trust.

The Trust's non teaching staff are entitled to membership of the Local Government Pension Scheme. The Trust's share of the scheme's assets is currently assessed to be less than its liabilities in the scheme, and consequently the Trust balance sheet shows a net liability of £21,295,000. It should be noted that this does not present the Trust with any current liquidity problems.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management and limits of delegated authority for spending. Other policies reviewed and updated included Health and Safety, HR and Pay related policies.

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

Reserves Policy

The DfE expects Academy Trusts to use their allocated funding each year for the full benefit of the schools' current pupils. Therefore, it is important that, if the Trust has a substantial surplus there is a clear plan how it will be used to benefit the pupils and to fulfil the Trust's charitable objectives.

The Trust also recognises that a level of reserve is required to cover unforeseen events and areas of investment.

Reserves at the end of each year are generally held in support of but not restricted to:

- Contribution to capital projects planned or in development.
- Anticipated downward movements in pupil numbers (e.g. low cohort going through all school years).
- Financial commitments made but not yet come to fruition (e.g. IT Infrastructure work).
- Investment in future educational initiatives (e.g. targeting improvement in a specific area).
- Cash flow requirement (e.g. Due to lagged funding such as Pupil Premium).

The minimum reserve amount the trust should maintain is the equivalent amount of one month's running costs (Total Expenditure Budget divided by 12).

If an individual academy does not hold one months' worth of running costs as a reserve, then the three-year budget plan should include a provision to increase the levels of reserve.

Investment Policy

Adequate cash balances must be maintained in the current account to cover day to day working requirements. Any investment made by BEP must ensure there is no risk of loss in capital value of any cash funds invested and that invested funds are protected against a rise in inflation and a view is taken to optimise returns on invested funds.

Investments must be made only in accordance with written procedures approved by the Trust Board.

Regular cash flow reports are to be prepared and monitored to ensure there are adequate liquid funds to meet all payroll related commitments and outstanding creditors that are due for payment. Where the cash flow identifies a base level of cash funds that will be surplus to requirements these may be invested following approval from the Trust FAR. Approval must be signed off and recorded in the committee minutes. When making decisions regarding where and how any surplus funds should be invested, due regard will be given to risk.

The aim is to reach an appropriate level of reserve to allow the Trust FAR Committee to explore alternative investment possibilities with criteria being:

- Investment in a deposit account attracting a higher rate of interest than current accounts.
- Investment with a different counterparty (in order to reduce counterparty risk).
- Consideration of whether there should be a maximum level of investment with a single approved counterparty.
- A longer-term investment with a higher return (but not high-risk investments which are not in the best interests of the Trust and its academies).

All investments must be recorded in sufficient detail to identify the investment and to enable the current market value to be calculated. The information required will normally be the date of purchase, the cost and a description of the investment. Additional procedures may be required to ensure any income receivable from the investment is received.

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

Principal Risks and Uncertainties

The Trustees have assessed the major risks to which the Trust is exposed. The Trustees are satisfied that systems and procedures are in place to mitigate the exposure to major risks. Systems and procedures have been implemented covering both operational (e.g. in relation to teaching, health and safety, trips, vetting of new staff, supervision of Trust grounds) and financial risks (comprehensive system of internal controls explained in more detail in the Governance Statement). Where significant financial risk remains, Trustees have ensured they have adequate insurance cover.

The principal risks and uncertainties facing the Trust are as follows:

- The Trust has considerable reliance on continued Government funding through the Education and Skills Funding Agency. While the current level of funding is expected to continue, there is no assurance that government policy or practice will remain the same, or that public funding will continue at the same level or on the same terms.
- As the Trust remains highly reliant on Government Funding, the Schools therefore remain highly reliant on pupil admissions. There exists a risk that one or more schools may not continue to attract sufficient pupil numbers to support current expenditure, and therefore income and expenditure applied to 5 year plans continues to be closely monitored.
- The success of the Trust is reliant on the quality of its staff, the Trustees monitor and review policies and procedures to ensure continued development and training of staff, as well as ensuring there is clear succession planning.
- As the Trust has expanded there exists the potential for a lack of consistency with regard to support staff remuneration across the Trust.

Risk Management

The Trust has undertaken a full review of the main areas of risks which it faces. This includes all health and safety, and child protection policies and procedures. In addition, a review of all financial risks is undertaken on a regular basis.

The Trust has a formal risk management process to assess business risks and to implement risk management strategies. The process involves identifying the types of risk the Trust faces, scoring and prioritising the risks in terms of their potential operational and financial impact, assessing the likelihood of occurrence and identifying means of mitigating the risks.

A Trust risk register is maintained which identifies principle risks and provides a record of the mitigations in place to manage the individual risks. This register is reviewed on a regular basis by senior leaders and trustees. A review of the Risk Register is a standing agenda item on all trust and subcommittee meetings. The risk register clearly identifies the committee which retains oversight of the specific risk and which member of the senior leadership team is responsible for managing the risk on a day to day basis.

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

Financial and Risk Management Objectives and Policies

The Trust's approach to Risk Management is fully articulated in the Trust's Finance Policy with clear lines of accountability and responsibility articulated. Individual schools maintain local risk registers as a manner of recording the risks and their mitigations which forms part of local business continuity plans. The Trust's Risk Register identifies the specific risks concerning the Trust as a whole.

The objectives of Risk Management within the Trust is to identify, analyse and responds to risk factors that could effect the Trust's pursuance of its educational objectives. The process confers control (where possible) of possible future events and aims to be proactive rather than reactive.

Fundraising

The Trust will bid for educational allowances and grants as they become available where the stated educational outcomes of any such grants fits with the ethos and objectives of the Trust and are fully compliant with ESFA guidelines.

Responsibility for local fundraising resides with individual members schools who continue to enjoy good relations with parents and communities through the effective channels of 'friends of....' Organisations and Parent Teachers Associations (PTAs).

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

Streamlined Energy and Carbon Reporting

UK Greenhouse Gas Emissions and Energy Use Data	2020/21	2019/20
Energy consumption used to calculate emissions (kWh)	6,956,439	5,456,386
Energy consumption break down (kWh) (optional) <ul style="list-style-type: none">• gas• electricity	5,305,703 1,650,736	3,919,450 1,536,936
<u>Scope 1 emissions in metric tonnes CO2e</u>		
Gas consumption	975.56	720.67
<u>Scope 2 emissions in metric tonnes CO2e</u>		
Purchased electricity	368.63	358.32
Total gross emissions in metric tonnes CO2e	1,344.19	1,080.44
<u>Intensity ratio</u>		
Tonnes CO2e per pupil	0.26	0.21

Quantification and Reporting Methodology:

We have followed the 2021 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2021 UK Government's Conversion Factors for Company Reporting.

Intensity Measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

Measures Taken to Improve Energy Efficiency

As a Trust we encourage energy efficiency across all of our schools, we are planning on utilising our capital funding to install energy efficient lighting. We are also working with our energy providers to have SMART meters fitted in schools and carry out usage audits to highlight inefficiencies.

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

Plans for Future Periods

The majority of schools in the Trust have an OFSTED category of Good or Outstanding. The Trust also operates a successful school improvement model, which has led the DfE to work with the Trust to accept schools on a sponsored model. The Trust currently has three sponsored schools who are making strong improvements.

Additionally, the Trust considers itself to be geographically restricted to 25 minutes driving time from the central office and thus any growth in school numbers will not compromise this principle. With that in mind it is unlikely that this Trust would grow over and above 20-25 schools in size unless MAT mergers come into play.

Auditor

In so far as the trustees are aware:

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

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 17 December 2021 and signed on its behalf by:



S M Cotton
Chair of Trustees

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Bradgate Education Partnership 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 of Bradgate Education Partnership, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Bradgate Education Partnership 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.

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. Covid restrictions during 2020/21 meant that the Board of Trustees moved to meeting virtually for much of the year. Holding virtual meetings allowed the Board of Trustees to continue to discharge their responsibilities effectively, and the Board of Trustees has formally met 6 times during the year. The Trustees believe this is sufficient to provide effective oversight.

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

Trustee	Meetings attended	Out of a possible
S M Cotton	5	6
D Ellis	4	6
S Hall	3	6
A Longley	5	6
G P Nelmes	6	6
E Moore	5	6
E Tarelli	2	6
P Wardman	6	6

The Trustees have considered the quality of the data they receive and consider it to be adequate for the purposes of overseeing the work of the Academy. Their assessment has been made having regard to externally validated data, which is consistent with that received from within the Academy and data provided by the work of the internal and external auditors.

Care was taken during the creation of the Trust Board, to ensure that a relevant and wide range of experience was brought together to create the most effective body. A Board skills audit was carried out in Spring 2019. This, together with Trustee discussions on succession planning, has resulted in a commitment to appoint additional Trustees to the Board.

The Trust and each LAB, working with Senior Leaders will review its effectiveness during each academic year. These reviews will also examine the effectiveness of individual Governors, to ensure that the Board of Trustees and each LAB possesses the necessary mix of skills to maximise their effectiveness.

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Finance, Audit and Risk Committee is a sub-committee of the main board of Trustees. Its purpose is to:

- To review the indicative funding of each Academy.
- To review the formulation of the strategic plans for each Academy, through the consideration of financial priorities and proposals.
- To monitor and review expenditure.
- To monitor and review procedures for ensuring the effective implementation and operation of financial procedures.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
A Longley	3	3
S Hall	3	3
G P Nelmes	3	3
E Tarelli	2	3

Review of value for money

As accounting officer, the CEO of Bradgate Education Partnership 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 Academy Trust has delivered improved value for money during the year by:

- Continued growth of the Bradgate Education Partnership Trust, which as at 1 September 2021 provided for 5,244 students in Reception to year 13.
- Established collaborative approach to providing supporting services to 16 schools through centralised contracts (including Audit, HR, H&S and Premises Management).
- Reviewing contracts on an opportunity basis.

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 Bradgate Education Partnership for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

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 Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks that has been in place for the year 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 Board of Trustees.

The risk and control framework

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

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

The Board of Trustees has decided to employ Assurance Lincolnshire as internal auditor.

Assurance Lincolnshire's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. In particular the checks carried out in the current year included:

- Testing of payroll systems.
- Testing of purchase systems.
- Testing of control account/ bank reconciliations.
- Testing of internal finance processes.

On an annual basis, Assurance Lincolnshire reports to the Board of Trustees, through the Finance, Audit and Risk Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

The in-depth report did make a number of observations and recommendations, which are being implemented on an opportunity basis as central systems are being improved upon.

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

As accounting officer, the CEO of Bradgate Education Partnership 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 auditors;
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control and 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 17 December 2021 and signed on their behalf by:



S M Cotton
Chair of Trustees



G P Nelmes
Accounting Officer

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Bradgate Education Partnership I have considered my responsibility to notify the Trust board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the 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 Trust 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 ESFA.



G P Nemes
Accounting Officer
Date: 17 December 2021

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

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

Company law requires the Trustees to prepare financial statements for each financial 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 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 17 December 2021 and signed on its behalf by:



S M Cotton
Chair of Trustees

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BRADGATE EDUCATION PARTNERSHIP**

Opinion

We have audited the financial statements of Bradgate Education Partnership (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 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the 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 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the 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.

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BRADGATE EDUCATION PARTNERSHIP (CONTINUED)**

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BRADGATE EDUCATION PARTNERSHIP (CONTINUED)**

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.

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BRADGATE EDUCATION PARTNERSHIP (CONTINUED)**

Auditors' responsibilities for the audit of the financial statements

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the academy through discussions with management, and from our knowledge and experience of the sector in which it operates;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the academy, including relevant DfE and ESFA guidance, the Companies Act 2006, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the academy's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BRADGATE EDUCATION PARTNERSHIP (CONTINUED)**

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the governors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the 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 Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Robert Anderson (Senior Statutory Auditor)
for and on behalf of
Streets Audit LLP
Chartered Accountant and Statutory Auditors
Tower House
Lucy Tower Street
Lincoln
Lincolnshire
LN1 1XW

21 December 2021

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

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

Respective responsibilities of Bradgate Education Partnership's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Bradgate Education Partnership's funding agreement with the Secretary of State for Education 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.

Our audit work involved:

- a review of the Trust systems and controls and confirmation of their operation and effectiveness during the year;
- a detailed review of purchase transactions conforming the purpose, value for money and that appropriate tendering / quotation procedures had been followed in line with the Trust finance policy; and
- a review of the internal audit reports.

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

Conclusion

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



Robert Anderson
Streets Audit LLP
Chartered Accountant and Statutory Auditors

Tower House
Lucy Tower Street
Lincoln
Lincolnshire
LN1 1XW

Date: 21 December 2021

BRADGATE EDUCATION PARTNERSHIP
(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					
Income from:						
Donations and capital grants:	3					
Transfer of Existing Academy		-	-	-	-	4,342
Conversion of New Academy		-	(533)	1,500	967	-
Other donations and capital grants		21	-	1,466	1,487	1,503
Charitable activities		264	27,162	-	27,426	24,428
Teaching schools		-	-	-	-	100
Other trading activities		729	-	-	729	839
Investments	6	1	-	-	1	2
Total income		1,015	26,629	2,966	30,610	31,214
Expenditure on:						
Charitable activities		1,011	28,060	1,987	31,058	29,194
Teaching schools		-	-	-	-	141
Total expenditure		1,011	28,060	1,987	31,058	29,335
Net income/(expenditure)		4	(1,431)	979	(448)	1,879
Transfers between funds	18	-	(21)	21	-	-
Net movement in funds before other recognised gains/(losses)		4	(1,452)	1,000	(448)	1,879
Other recognised gains/(losses):						
Actuarial (losses)/gains on defined benefit pension schemes	26	-	(3,438)	-	(3,438)	723
Net movement in funds		4	(4,890)	1,000	(3,886)	2,602

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

	Unrestricted funds	Restricted funds	Restricted fixed asset funds	Total funds	Total funds
	2021	2021	2021	2021	2020
Note	£000	£000	£000	£000	£000
Reconciliation of funds:					
Total funds brought forward	-	(13,370)	51,133	37,763	35,161
Net movement in funds	4	(4,890)	1,000	(3,886)	2,602
Total funds carried forward	4	(18,260)	52,133	33,877	37,763

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

The notes on pages 35 to 69 form part of these financial statements.

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08168237

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £000	2020 £000
Fixed assets			
Tangible assets	14	51,149	50,430
		<u>51,149</u>	<u>50,430</u>
Current assets			
Debtors	15	713	752
Cash at bank and in hand		5,765	5,211
		<u>6,478</u>	<u>5,963</u>
Creditors: amounts falling due within one year	16	(2,319)	(2,658)
Net current assets		<u>4,159</u>	<u>3,305</u>
Total assets less current liabilities		<u>55,308</u>	<u>53,735</u>
Creditors: amounts falling due after more than one year	17	(136)	(156)
Net assets excluding pension liability		<u>55,172</u>	<u>53,579</u>
Defined benefit pension scheme liability	26	(21,295)	(15,816)
Total net assets		<u><u>33,877</u></u>	<u><u>37,763</u></u>

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08168237

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021

	Note	2021 £000	2020 £000
Funds of the Trust			
Restricted funds:			
Fixed asset funds	18	52,133	51,133
Restricted income funds	18	3,035	2,446
		<u>55,168</u>	<u>53,579</u>
Restricted funds excluding pension asset	18	55,168	53,579
Pension reserve	18	(21,295)	(15,816)
		<u>33,873</u>	<u>37,763</u>
Total restricted funds	18	33,873	37,763
Unrestricted income funds	18	4	-
		<u>33,877</u>	<u>37,763</u>
Total funds		<u><u>33,877</u></u>	<u><u>37,763</u></u>

The financial statements on pages 30 to 69 were approved by the Trustees, and authorised for issue on 17 December 2021 and are signed on their behalf, by:



S M Cotton
Chair of Trustees

The notes on pages 35 to 69 form part of these financial statements.

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £000	2020 £000
Cash flows from operating activities			
Net cash provided by operating activities	20	311	757
Cash flows from investing activities	22	264	987
Cash flows from financing activities	21	(21)	(17)
Change in cash and cash equivalents in the year		554	1,727
Cash and cash equivalents at the beginning of the year		5,211	3,484
Cash and cash equivalents at the end of the year	23, 24	<u>5,765</u>	<u>5,211</u>

The notes on pages 35 to 69 form part of these financial statements

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

1. Accounting policies

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgments 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.

Bradgate Education Partnership meets the definition of a public benefit entity under FRS 102.

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 and 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.

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

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

- **Donations**

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

- **Other income**

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

- **Transfer on conversion**

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

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.

- **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.

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

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

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding 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:

Depreciation is provided on the following bases:

Long leasehold buildings	- 1% straight line per annum
Long leasehold building improvement	- 10% straight line per annum
Furniture and equipment	- 20% straight line per annum
Plant and machinery	- 10% straight line per annum
Computer equipment	- 25% straight line per annum

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

1.7 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.

1.8 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.

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.9 Liabilities

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

1.10 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 15. 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 16 and 17. 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.

1.11 Operating leases

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

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.12 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.

1.13 Conversion to an academy trust

The conversion from a state maintained school to a Trust involved the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from Highgate Community Primary School to the Trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate Balance Sheet categories, with a corresponding amount recognised in Income from Donations and Capital Grants in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 25.

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

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.

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

2. Critical accounting estimates and areas of judgment

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

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 26, 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.

Tangible fixed assets are recognised at cost, less accumulated depreciation and any impairment. Depreciation takes place over the estimated useful life, down to the assessed residual value. The carrying amount of the Trust's fixed assets is tested as soon as changed conditions show that a need for impairment has arisen.

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

3. Income from donations and capital grants

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000
Donations				
Academy Conversion	-	(533)	1,500	967
	-	(533)	1,500	967
Donations	21	-	-	21
Capital Grants	-	-	1,466	1,466
Subtotal	21	-	1,466	1,487
	21	(533)	2,966	2,454

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000
Donations				
Transfer of Existing Academy	129	(2,446)	6,660	4,343
	129	(2,446)	6,660	4,343
Donations	51	-	-	51
Capital Grants	-	-	1,451	1,451
Subtotal	51	-	1,451	1,502
	180	(2,446)	8,111	5,845

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

4. Funding for the Trust's educational operations

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000
DfE/ESFA grants			
General Annual Grant (GAG)	-	22,029	22,029
Other DfE/ESFA grants			
Pupil Premium	-	888	888
Universal Infant Free School Meals	-	640	640
Rates Relief	-	99	99
PE & Sports Premium	-	242	242
Teachers Pay Grants	-	1,064	1,064
Other ESFA Grants	-	187	187
	-	25,149	25,149
Other Government grants			
SEN Funding	-	797	797
Other Government Grants	-	727	727
	-	1,524	1,524
Other income from the Trust's educational operations	264	-	264
COVID-19 additional funding (DfE/ESFA)			
Catch-up Premium	-	395	395
Other Covid Funding	-	71	71
	-	466	466
COVID-19 additional funding (non-DfE/ESFA)			
Coronavirus Job Retention Scheme	-	23	23
	-	23	23
	264	27,162	27,426

The Trust received £395,000 of Covid Catch-up Premium of which £341,000 was spent during the year. This leaves a balance of £54,000 to be carried forward.

The Trust furloughed some of its staff under the government's CJRS. The funding received of £23k relates to staff costs which are included within note 10 below as appropriate.

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

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

	<i>Unrestricted funds 2020 £000</i>	<i>Restricted funds 2020 £000</i>	<i>Total funds 2020 £000</i>
DfE/ESFA grants			
General Annual Grant (GAG)	-	19,949	19,949
Other DfE/ESFA grants			
Pupil Premium	-	917	917
Universal Infant Free School Meals	-	507	507
Rates Relief	-	112	112
PE & Sports Premium	-	221	221
Teachers Pay Grants	-	978	978
Other ESFA Grants	-	74	74
	-	22,758	22,758
Other Government grants			
SEN Funding	-	477	477
Other Government Grants	-	639	639
	-	1,116	1,116
Other income from the Trust's educational operations	417	-	417
COVID-19 additional funding (DfE/ESFA)			
Other Covid Funding	-	30	30
	-	30	30
COVID-19 additional funding (non-DfE/ESFA)			
Coronavirus Job Retention Scheme	-	107	107
	-	107	107
	417	24,011	24,428

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department for Education and ESFA, individually material income streams are no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

5. Income from other trading activities

	Unrestricted funds 2021 £000	Total funds 2021 £000	<i>Total funds 2020 £000</i>
Lettings	147	147	232
Other Income	541	541	544
Insurance Claims	41	41	63
	<u>729</u>	<u>729</u>	<u>839</u>

6. Investment income

	Unrestricted funds 2021 £000	Total funds 2021 £000	<i>Total funds 2020 £000</i>
Bank Interest	<u>1</u>	<u>1</u>	<u>2</u>

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

7. Expenditure

	Staff Costs 2021 £000	Premises 2021 £000	Other 2021 £000	Total 2021 £000
Educational operations:				
Direct costs	18,584	-	2,988	21,572
Support costs	5,091	881	3,514	9,486
Teaching School	-	-	-	-
	<u>23,675</u>	<u>881</u>	<u>6,502</u>	<u>31,058</u>
	Staff Costs 2020 £000	Premises 2020 £000	Other 2020 £000	Total 2020 £000
Educational operations:				
Direct costs	16,398	-	2,952	19,350
Allocated support costs	4,994	2,610	2,240	9,844
Teaching school	100	-	41	141
	<u>21,492</u>	<u>2,610</u>	<u>5,233</u>	<u>29,335</u>

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

8. Analysis of expenditure by activities

	Activities undertaken directly 2021 £000	Support costs 2021 £000	Total funds 2021 £000
Educational operations	21,572	9,486	31,058

	<i>Activities undertaken directly 2020 £000</i>	<i>Support costs 2020 £000</i>	<i>Total funds 2020 £000</i>
Educational operations	19,350	9,844	29,194

Analysis of direct costs

	Total funds 2021 £000	Total funds 2020 £000
Staff costs	18,543	16,365
Depreciation	1,984	1,764
Educational supplies	365	343
Staff development	54	59
Other direct costs	626	819
	21,572	19,350

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2021 £000	<i>Total funds 2020 £000</i>
Pension finance cost	282	269
Staff costs	5,091	4,946
Maintenance	374	841
Cleaning	255	227
Rates	252	210
Insurances	224	236
Catering	726	670
Other support costs	630	972
Technology costs	1,027	842
Energy	366	312
Governance costs	59	61
Legal and professional fees	200	258
	<u>9,486</u>	<u>9,844</u>

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2021 £000	<i>2020 £000</i>
Operating lease rentals	55	55
Depreciation of tangible fixed assets	1,984	1,764
Fees paid to auditors for:		
- audit	40	40
- other services	10	8
	<u>2,049</u>	<u>1,867</u>

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021 £000	2020 £000
Wages and salaries	16,973	15,388
Social security costs	1,500	1,330
Pension costs	5,161	4,693
	<u>23,634</u>	<u>21,411</u>
Staff restructuring costs	41	81
	<u>23,675</u>	<u>21,492</u>

Staff restructuring costs comprise:

	2021 £000	2020 £000
Redundancy payments	24	17
Severance payments	17	64
	<u>41</u>	<u>81</u>

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

Included in staff restructuring costs are non-statutory / non-contractual severance payments totalling £16,500 paid to 3 employees (2020: £64,000 paid to 5 employees).

c. Staff numbers

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

	2021 No.	2020 No.
Teaching	295	289
Administration and Support	541	548
Management	15	18
	<u>851</u>	<u>855</u>

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

10. Staff (continued)

d. Higher paid staff

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

	2021	2020
	No.	No.
In the band £60,001 - £70,000	9	7
In the band £70,001 - £80,000	5	3
In the band £80,001 - £90,000	1	2
In the band £90,001 - £100,000	1	1
In the band £100,001 - £110,000	1	-
In the band £130,000 - £140,000	-	1
In the band £140,000 - £150,000	1	-

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 £481,000 (2020 - £477,500).

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

11. Central services

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

- Educational Services
- Governance Services
- Finance Services
- Audit
- HR
- Health & Safety
- Premises Management

The Trust charges for these services on the following basis:

All academies who are members of the Trust are charged 5% (2020: 5%) of GAG income per year.

The actual amounts charged during the year were as follows:

	2021	2020
	£000	£000
Broomfield Primary School	40	40
Church Hill Infant School	45	46
Eastfield Primary School	69	64
Gaddesby Primary School	35	33
Great Dalby Primary School	30	31
The Merton Primary School	77	72
Newtown Linford Primary School	24	22
The Pochin School	31	30
Ratby Primary School	70	63
The Roundhill Academy	211	199
Seagrave Village Primary School	23	22
Swallowdale Primary School	73	72
Wreake Valley Academy	183	185
Mercenfeld Primary School	60	60
Stafford Leys Academy	115	62
Highgate Primary School	16	-
Total	1,102	1,001

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

12. Trustees' remuneration and expenses

One Trustee has been paid remuneration or has received other benefits from an employment with the Trust. The Chief Executive Officer only receives remuneration in respect of services they provide undertaking the role Chief Executive Officer under their contracts of employment. The value of the Trustee's remuneration and other benefits was as follows:

		2021 £000	2020 £000
G P Nelmes, Chief Executive Officer and Accounting Officer	Remuneration	140 - 145	135 - 140
	Pension contributions paid	30 - 35	30 - 35

During the year ended 31 August 2021, no Trustee expenses have been incurred (2020 - £NIL).

13. Trustees' and Officers' insurance

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

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

14. Tangible fixed assets

	Long-term leasehold property £000	Furniture and equipment £000	Plant and machinery £000	Computer equipment £000	Total £000
Cost or valuation					
At 1 September 2020	55,754	822	53	617	57,246
Additions	883	115	-	205	1,203
Acquired on conversion	1,500	-	-	-	1,500
At 31 August 2021	58,137	937	53	822	59,949
Depreciation					
At 1 September 2020	5,737	548	36	495	6,816
Charge for the year	1,770	126	7	81	1,984
At 31 August 2021	7,507	674	43	576	8,800
Net book value					
At 31 August 2021	50,630	263	10	246	51,149
At 31 August 2020	50,017	274	17	122	50,430

Property values have been brought in based on methods considered appropriate by the trustees being external valuations, valuations provided by the ESFA or other methods which provide a reasonable and reliable estimate.

15. Debtors

	2021 £000	2020 £000
Due within one year		
Trade debtors	24	30
VAT receivable	152	290
Prepayments and accrued income	537	432
	713	752

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

16. Creditors: Amounts falling due within one year

	2021	2020
	£000	£000
Other loans	22	23
Trade creditors	390	765
Other taxation and social security	354	320
Other creditors	665	756
Accruals and deferred income	888	794
	<u>2,319</u>	<u>2,658</u>
	<u><u>2,319</u></u>	<u><u>2,658</u></u>
	2021	2020
	£000	£000
Deferred Income		
Deferred income at 1 September	577	488
Resources deferred during the year	591	577
Amounts released from previous periods	(577)	(488)
	<u>591</u>	<u>577</u>
	<u><u>591</u></u>	<u><u>577</u></u>

At the balance sheet date the Trust was holding funds received in advance primarily in relation to universal infant free school meals.

17. Creditors: Amounts falling due after more than one year

	2021	2020
	£000	£000
Other loans	136	156
	<u>136</u>	<u>156</u>

Other loans totalling £158,000 are from the ESFA.

In total there are 4 loans at the year-end, 3 of which are interest-free and repayable by 2 installments each year. The other loan is repayable by monthly installments over 10 years with an interest rate of 1.85%.

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

18. 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
Unrestricted funds						
General Funds	-	1,015	(1,011)	-	-	4
Restricted general funds						
General Annual Grant (GAG)	2,428	22,045	(21,564)	(3)	-	2,906
Other DfE/ESFA Grants	-	3,609	(3,485)	-	-	124
Other Government Grants	-	1,524	(1,519)	-	-	5
Step Teaching School	18	-	-	(18)	-	-
Pension Reserve	(15,816)	(549)	(1,492)	-	(3,438)	(21,295)
	<u>(13,370)</u>	<u>26,629</u>	<u>(28,060)</u>	<u>(21)</u>	<u>(3,438)</u>	<u>(18,260)</u>
Restricted fixed asset funds						
Fixed Assets	50,430	1,500	(1,984)	1,203	-	51,149
Unspent Capital Funds	882	1,466	(3)	(1,203)	-	1,142
Fixed Asset Loans	(179)	-	-	21	-	(158)
	<u>51,133</u>	<u>2,966</u>	<u>(1,987)</u>	<u>21</u>	<u>-</u>	<u>52,133</u>
Total Restricted funds	<u>37,763</u>	<u>29,595</u>	<u>(30,047)</u>	<u>-</u>	<u>(3,438)</u>	<u>33,873</u>
Total funds	<u><u>37,763</u></u>	<u><u>30,610</u></u>	<u><u>(31,058)</u></u>	<u><u>-</u></u>	<u><u>(3,438)</u></u>	<u><u>33,877</u></u>

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

18. Statement of funds (continued)

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

Unrestricted Funds

All funds relate to those resources which may be used towards meeting any of the objectives of the academy at the discretion of the Trustees.

Restricted Funds

General Annual Grant (GAG) - funds from the Education and Skills Funding Agency for the provision of education in line with the funding agreement.

Other DfE/ESFA Grants - other funds including Pupil Premium provided by the DfE/ESFA for particular purposes.

Other Government Grants - other funds provided by the local authority and other institutions for use on specific purposes.

Pension Reserve - represents the current deficit balance of the Local Government Pension Scheme (LGPS)

Restricted Fixed Asset Funds

Fixed Assets - represents the net book value of assets.

Unspent Capital Grants - represents unspent grants received for which the specific purpose of capital expenditure has been imposed by the funder.

Fixed Asset Loans - represents the loan liability which was received as part of the CIF funding received for the purchase of tangible fixed assets. As repayments are made against this liability, a transfer will be made from restricted funds against this fund.

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.

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

18. 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>
Unrestricted funds						
General Funds	-	1,438	(1,438)	-	-	-
Restricted general funds						
General Annual Grant (GAG)	2,370	19,949	(19,891)	-	-	2,428
Other DfE/ESFA Grants	-	2,107	(2,107)	-	-	-
Other Government Grants	-	1,955	(1,955)	-	-	-
Step Teaching School	122	100	(204)	-	-	18
Pension Reserve	(12,631)	(2,446)	(1,462)	-	723	(15,816)
	<u>(10,139)</u>	<u>21,665</u>	<u>(25,619)</u>	<u>-</u>	<u>723</u>	<u>(13,370)</u>
Restricted fixed asset funds						
Fixed Assets	45,080	6,648	(1,764)	466	-	50,430
Unspent Capital Funds	384	1,478	(514)	(466)	-	882
Fixed Asset Loans	(164)	(15)	-	-	-	(179)
	<u>45,300</u>	<u>8,111</u>	<u>(2,278)</u>	<u>-</u>	<u>-</u>	<u>51,133</u>
Total Restricted funds	<u>35,161</u>	<u>29,776</u>	<u>(27,897)</u>	<u>-</u>	<u>723</u>	<u>37,763</u>
Total funds	<u>35,161</u>	<u>31,214</u>	<u>(29,335)</u>	<u>-</u>	<u>723</u>	<u>37,763</u>

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

18. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

	2021	2020
	£000	£000
Broomfield Primary School	273	273
Church Hill Infant School	327	318
Eastfield Primary School	204	189
Gaddesby Primary School	133	117
Great Dalby Primary School	114	116
The Merton Primary School	513	437
Newtown Linford Primary School	5	(8)
The Pochin School	144	143
Ratby Primary School	271	249
The Roundhill Academy	(5)	(270)
Seagrave Village Primary School	130	117
Swallowdale Primary School	470	422
Wreake Valley Academy	84	135
Bradgate Education Partnership	236	125
STEP Teaching School Alliance	-	18
Mercenfeld Primary School	(33)	(3)
Stafford Leys Academy	119	68
Highgate Primary School	54	-
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	3,039	2,446
Restricted fixed asset fund	52,133	51,133
Pension reserve	(21,295)	(15,816)
	<hr/>	<hr/>
Total	33,877	37,763
	<hr/> <hr/>	<hr/> <hr/>

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

18. Statement of funds (continued)

The following academies are carrying a net deficit on their portion of the funds as follows:

	Deficit £000
The Roundhill Academy	5
Mercenfeld Primary School	33
	<hr/> <hr/>

The Roundhill Academy - The Roundhill Academy had a deficit balance brought forward into the year which arose due to the school expanding but with the funding being calculated on the previous year's numbers of roll resulting in a shortfall of funding. The academy has vastly reduced its deficit during 2020/21 as a result of a number of staff, including the Head and Finance Manager, now being shared with Wreake Valley Academy.

Mercenfeld Primary School - Mercenfeld Primary School was sponsored into the Trust on 1st September 2019, the school had no balances when they transferred and there has been additional costs over the last two years in order for the school to meet the required healthy and safety and curriculum standards. As a result of these improvements, the academy are forecasting increased pupil numbers which will result in additional income in the future. The Trust is working closely with the academy in order for them to achieve a surplus in future years.

The Trust is taking the following action to return the academies to surplus:

Going forward, it is expected The Roundhill Academy will return to surplus in 2021/22 with the cost savings already made and the large reduction in deficit in the current year. The Trust will monitor this closely and take action where necessary.

Improvements have been made at Mercenfeld Primary School over the previous two years which is expected to result in increased pupil numbers and therefore increased funding. The trust will monitor pupil numbers closely and will continue to make improvements at the academy where necessary.

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

18. 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
Broomfield Primary School	652	109	9	180	950
Church Hill Infant School	762	159	6	158	1,085
Eastfield Primary School	1,216	158	18	289	1,681
Gaddesby Primary School	581	139	15	167	902
Great Dalby Primary School	505	38	8	143	694
The Merton Primary School	1,192	211	39	264	1,706
Newtown Linford Primary School	318	109	10	108	545
The Pochin School	581	111	9	145	846
Ratby Primary School	1,150	159	35	255	1,599
The Roundhill Academy	3,022	543	32	929	4,526
Seagrave Village Primary School	340	77	9	114	540
Swallowdale Primary School	1,221	186	31	283	1,721
Wreake Valley Academy	3,379	815	81	819	5,094
Bradgate Education Partnership	468	571	15	1,660	2,714
STEP Teaching School Alliance	-	-	-	-	-
Mercenfeld Primary School	964	221	14	270	1,469
Stafford Leys Academy	1,979	232	26	400	2,637
Highgate Primary School	264	42	6	53	365
Trust	18,594	3,880	363	6,237	29,074

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

18. 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>
Broomfield Primary School	609	101	15	173	898
Church Hill Infant School	775	144	8	263	1,190
Eastfield Primary School	1,187	189	26	384	1,786
Gaddesby Primary School	539	133	24	168	864
Great Dalby Primary School	494	39	10	198	741
The Merton Primary School	1,099	205	35	484	1,823
Newtown Linford Primary School	326	95	12	133	566
The Pochin School	550	121	11	213	895
Ratby Primary School	1,063	173	18	380	1,634
The Roundhill Academy	2,875	680	63	1,150	4,768
Seagrave Village Primary School	326	68	17	125	536
Swallowdale Primary School	1,122	214	21	394	1,751
Wreake Valley Academy	2,860	908	43	1,296	5,107
Bradgate Education Partnership	414	354	10	1,096	1,874
STEP Teaching School Alliance	33	67	-	46	146
Mercenfeld Primary School	1,016	192	19	312	1,539
Stafford Leys Academy	1,111	136	11	195	1,453
Trust	16,399	3,819	343	7,010	27,571

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

19. 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	-	-	51,149	51,149
Current assets	4	5,332	1,142	6,478
Creditors due within one year	-	(2,161)	(158)	(2,319)
Creditors due in more than one year	-	(136)	-	(136)
Provisions for liabilities and charges	-	(21,295)	-	(21,295)
Total	4	(18,260)	52,133	33,877

Analysis of net assets between funds - prior year

	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000
Tangible fixed assets	-	50,430	50,430
Current assets	5,081	882	5,963
Creditors due within one year	(2,635)	(23)	(2,658)
Creditors due in more than one year	-	(156)	(156)
Provisions for liabilities and charges	(15,816)	-	(15,816)
Total	(13,370)	51,133	37,763

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

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

	2021 £000	2020 £000
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(448)	1,879
Adjustments for:		
Depreciation	1,984	1,764
Capital grants from DfE and other capital income	(1,466)	(1,451)
Interest receivable	(1)	(2)
Defined benefit pension scheme cost less contributions payable	1,210	1,193
Defined benefit pension scheme finance cost	282	269
Decrease in debtors	39	763
(Decrease)/increase in creditors	(338)	529
Fixed assets on transfer / conversion	(1,500)	(6,648)
Pension on transfer / conversion	549	2,446
Loan balance on transfer / conversion	-	15
Net cash provided by operating activities	311	757

21. Cash flows from financing activities

	2021 £000	2020 £000
Repayments of borrowing	(21)	(17)
Net cash used in financing activities	(21)	(17)

22. Cash flows from investing activities

	2021 £000	2020 £000
Interest receivable	1	2
Purchase of tangible fixed assets	(1,203)	(466)
Capital grants from DfE Group	1,466	1,451
Net cash provided by investing activities	264	987

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

23. Analysis of cash and cash equivalents

	2021	2020
	£000	£000
Cash in hand and at bank	5,765	5,211
Total cash and cash equivalents	5,765	5,211

24. 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	5,211	554	5,765
Debt due within 1 year	(23)	1	(22)
Debt due after 1 year	(156)	20	(136)
	5,032	575	5,607

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

25. Conversion to an academy trust

On 1 May 2021 Highgate Community Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Bradgate Education Partnership from Leicestershire County Council for £nil consideration.

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

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

	Restricted funds £000	Restricted fixed asset funds £000	Total funds £000
Tangible fixed assets			
Leasehold land and buildings	-	1,500	1,500
Current assets			
Surplus on conversion	16	-	16
Non-current liabilities			
LGPS Deficit	(549)	-	(549)
Net (liabilities)/assets	<u>(533)</u>	<u>1,500</u>	<u>967</u>

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

26. 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 Leicestershire County Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £476,000 were payable to the schemes at 31 August 2021 (2020 - £422,000) 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.

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

26. Pension commitments (continued)

The employer's pension costs paid to TPS in the year amounted to £2,592,000 (2020 - £2,112,000).

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 £1,703,000 (2020 - £1,498,000), of which employer's contributions totalled £1,376,000 (2020 - £1,212,000) and employees' contributions totalled £327,000 (2020 - £286,000). The agreed contribution rates for future years are 23.72% per cent for employers and a maximum of 12.5% per cent for employees.

As described in note 25 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

	2021 %	2020 %
Salary Increase Rate	3.40	2.70
Discount Rate	1.65	1.70
Pension Increase Rate 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:

	2021 Years	2020 Years
<i>Retiring today</i>		
Males	21.7	21.5
Females	24.2	23.8
<i>Retiring in 20 years</i>		
Males	22.6	22.2
Females	25.9	25.2

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

26. Pension commitments (continued)

Sensitivity analysis

	2021	2020
	£000	£000
0.5% Decrease in Discount Rate	5,315	4,074
0.5% Increase in the Salary increase Rate	500	408
0.5% Increase in the Pension Increase Rate (CPI)	4,735	3,593

Share of scheme assets

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

	2021	2020
	£000	£000
Equities	13,893	10,494
Gilts	6,946	5,158
Property	1,677	1,423
Cash	1,437	711
Total market value of assets	23,953	17,786

The actual return on scheme assets was £3,459,000 (2020 - £(626,000)).

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

	2021	2020
	£000	£000
Current service cost	(2,586)	(2,396)
Past service cost	-	(9)
Interest income	318	309
Interest cost	(600)	(578)
Total amount recognised in the Statement of Financial Activities	(2,868)	(2,674)

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

26. Pension commitments (continued)

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

	2021	2020
	£000	£000
At 1 September	33,602	27,322
Transferred in on existing academies joining the trust	1,185	4,923
Current service cost	2,586	2,396
Interest cost	600	578
Employee contributions	327	286
Changes in actuarial assumptions	7,215	(1,658)
Benefits paid	(267)	(254)
Past service costs	-	9
At 31 August	45,248	33,602

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

	2021	2020
	£000	£000
At 1 September	17,786	14,691
Transferred in on existing academies joining the trust	636	2,477
Interest income	318	309
Return on assets excluding net interest	3,777	(935)
Employer contributions	1,376	1,212
Employee contributions	327	286
Benefits paid	(267)	(254)
At 31 August	23,953	17,786

27. 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	2020
	£000	£000
Not later than 1 year	13	55
Later than 1 year and not later than 5 years	31	17
	44	72

BRADGATE EDUCATION PARTNERSHIP
(A Company Limited by Guarantee)

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

28. Members' liability

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

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.

No related party transactions took place in the year, other than certain Trustees' remuneration and expenses already disclosed in note 12.