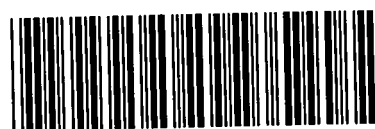




# ANNUAL REPORT & FINANCIAL STATEMENTS

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COMPANIES HOUSE

For the year ended 31 August 2021



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# Trustees' Report

## Reference and Administrative Details

### Members



**Venerable Dr Andrew Jolly**  
Archdeacon of Bradford



**Canon Anthony Hesselwood**  
appointed by



**Very Reverend Jerry Lepine**  
(until 22 July 2021)



**Mrs Theresa Mason FCCT**  
(ex-officio)



**Canon Richard Noake**



**Mrs Marilyn Banister**  
(from 22 July 2021)

# Trustees' Report

## Reference and Administrative Details (continued)

### Directors & Trustees



**Mrs Theresa Mason FCCT**  
(Chair of Trustees)



**Mr Bill Henry**  
(Vice Chair of Trustees)



**Canon Anthony Hesselwood**



**Ms. Carol Dewhurst OBE**  
(ex-officio)



**Mrs Nurjahan Ali Arobi**



**Mr Neil Diamond**



**Mr Stephen Emsley**



**Canon Roland Clark**



**Mrs Ruby Bhatti OBE**



**Mrs Denise Sterling**



**Mr Peter Addison-Child**



**Canon John Wood**



**Mrs Catherine Wilson**  
(appointed 22 October 2020)



**Mr Richard Gilles**  
(appointed 18 March 2021)



**Mr Andrew Truby**  
(appointed 30 September 2021)



**Mrs Allison Grant**  
(appointed 30 September 2021)

There are further details relating to Trustees and the governance of Bradford Diocesan Academies Trust in the Governance Statement on page 44.

# Trustees' Report (continued)

## Reference and Administrative Details (continued)

### Senior Executive Management Team



**Ms. Carol Dewhurst OBE**  
Chief Executive Officer/  
Accounting Officer



**Mr Ashley Reed**  
Chief Financial Officer



**Mr Peter Thompson**  
Chief Operating Officer



**Mr Craig Lee**  
Director  
of Primary



**Mr Jason Kenneally**  
Director  
of Secondary



**Mrs Katie Waring**  
Director of Professional  
& Career Development

# Trustees' Report (continued)

## Reference and Administrative Details (continued)

### Company Name

**Bradford Diocesan Academies Trust**

### Principal and Registered Office

2nd Floor, Jade Building  
Albion Mills  
Albion Road  
Bradford BD10 9TQ

### Company Registration Number

08258994

### Independent Auditor

Saffery Champness LLP  
Mitre House  
North Park Road  
Harrogate HG1 5RX

### Bankers

Lloyds Bank PLC  
Hustlergate  
Bradford BD1 1NT

### Legal Advisors

Lupton Fawcett LLP  
Yorkshire House  
East Parade  
Leeds LS1 5BD



# Trustees' Report (continued)

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the period 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a Trustees' report and a Directors' report under company law.

## Principal Activities

The charitable company acts as sponsor for Church of England academies and those with no religious character with a view to providing a high standard of education to the communities in which they exist.

## Objectives and Activities of the Trust

### Aims and Strategies

The objects of the company as set out in our Memorandum and Articles 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, management and developing academies which shall offer a broad and balanced curriculum, and which shall include:

Church of England Schools designated as such which shall be conducted in accordance with the principles, practices and tenets of the Church of England including any Trust deed governing the use of the land by academy both generally and in particular in relation to arranging for religious education and daily acts of worship (as required by the relevant funding agreement), and having regard to any advice and following directives published by the Diocesan Board of Education, and other academies whether with or without a designated religious character, but in relation to each of the academies to recognise and support their individual character and respect the different background of each of its links to the local community which it serves"

**THE TRUST'S MISSION IS: "to provide high quality education within the context of Christian belief and practice so that every child can fulfil their academic potential and accomplish their individual goals".**

**OUR VISION IS "That every student in a Bradford Diocesan Academies Trust academy gets a happy and high-quality education enabling competence, confidence and character to thrive; and that our Academies become the schools of choice in Bradford."**

The Trust, our family of schools and our pupils are driven by a set of shared values which guide how we operate, how we teach and how we support each other.

# Trustees' Report (continued)

## Public Benefit

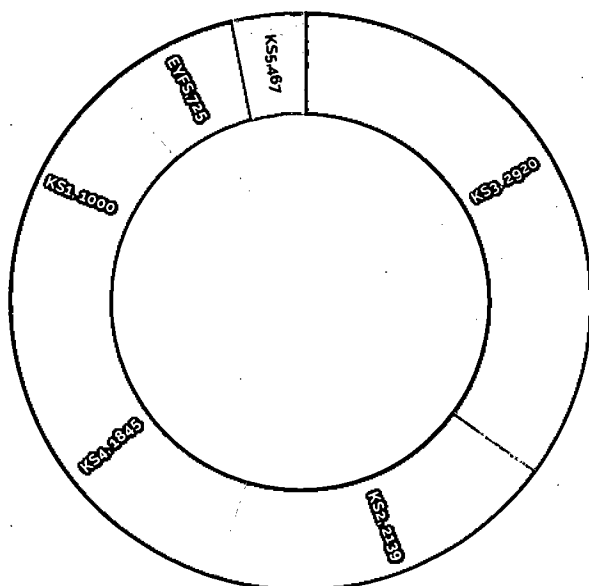
In line with the policy of the Church of England, our academies offer an education with a Christian ethos, to the whole local community, encouraging good educational standards and an engagement with the wider community. We do work with both Church of England and Non-Church of England Schools within Bradford Diocesan Academies Trust. Robust values underpin the work of the Trust and our schools and everyone is encouraged to explore their own spirituality and to recognise and understand that of others. We recognise that these values are held in common by people of different faiths and by schools without a designated faith. It is for this reason that we are proud to support and sponsor Non-Church of England Academies, as well as those within the faith.

The Trustees continue to comply with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

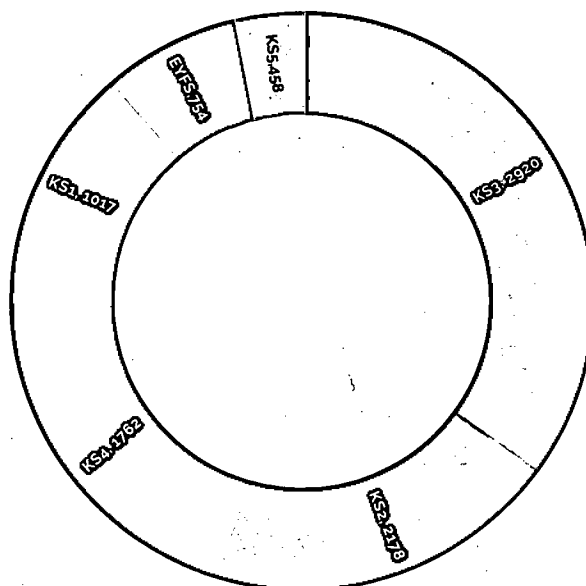
As of August 2021, Bradford Diocesan Academies Trust supports seventeen academies (four secondary and thirteen primary) across the Bradford district. Its academies have a combined pupil capacity of 9,385 and a roll of 9,096 in the school census, which is inclusive of an early year's foundation stage of 725, on 5 October 2021. (2020 comparison: 9,089 in school census, which is inclusive of an early year's foundation stage of 754).

The following charts show a comparison of the October 2021 census data with the October 2020 census data.

**October 2021 School Census**



**October 2020 School Census**



The Trust's pupil numbers have changed very little between 2020 and 2021 with the main changes being:

- the growth of Key stage 3 and 4 at Buttershaw Business and Enterprise College Academy and Immanuel College
- further growth in sixth form numbers at Immanuel College
- in our primary phase Westminster Church of England Primary Academy and the Academy at St James have seen reductions in pupil numbers due to changes in local population.



# Trustees' Report (continued)

## Structure, Governance and Management

### Constitution

The Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association dated 18 October 2012 and updated by special resolution on the 18 October 2018 and 30 March 2020, are the primary governing documents of the Trust.

### Our Articles - Bradford Diocesan Academies Trust

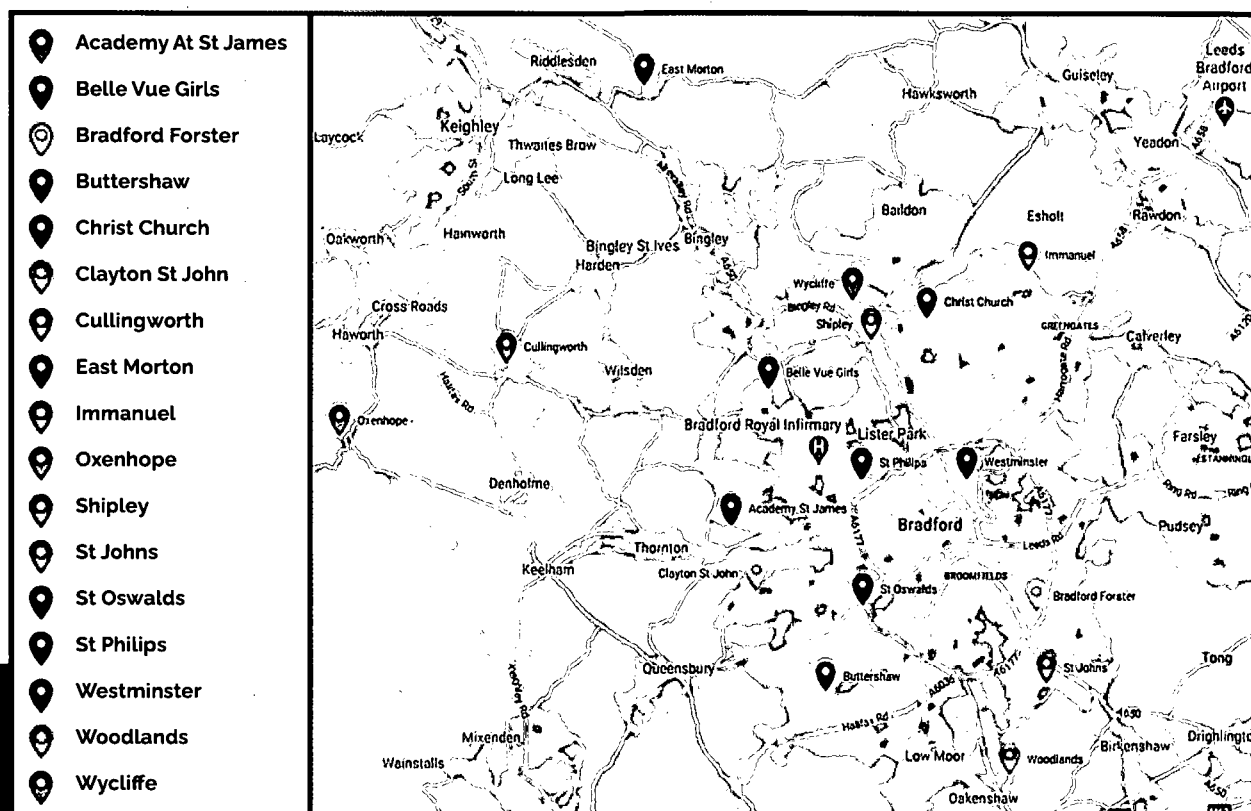
The Trustees of Bradford Diocesan Academies Trust are also the Directors of the charitable company for the purposes of company law. The charitable company operates as Bradford Diocesan Academies Trust and includes the following academies:



- The Academy at St James
- Belle Vue Girls' Academy
- Bradford Forster Academy
- Buttershaw Business and Enterprise College Academy
- Christ Church C of E Primary Academy
- Clayton St John C of E Primary School
- Cullingworth Village Primary School
- East Morton C of E Primary School
- Immanuel College
- Oxenhope C of E Primary School
- Shipley C of E Primary School
- St John's C of E Primary School
- St Oswald's C of E Primary Academy
- St Philip's C of E Primary School
- Westminster C of E Primary Academy
- Woodlands C of E Primary Academy
- Wycliffe C of E Primary School

# Trustees' Report (continued)

## Geographical Locations of the BDAT Academies

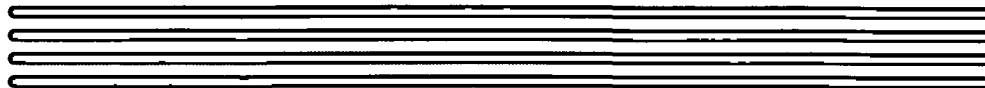


## Members' Liability

Members are appointed ex officio or by the Diocesan Board of Education or by the Bishop of Leeds. Each member 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 but not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

## Trustees' third-party Indemnity Provision

Subject to the provisions of the Companies Act 2006, every Trustee of the Trust shall be indemnified out of the assets of the Trust against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which they are acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or Trust in relation to the affairs of the Trust.



## Trustees' Report (continued)

A Trustee may benefit from any indemnity insurance purchased at the Trust's expense to cover the liability of the Trustee 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 Trust. This is provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of Trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of Trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as directors of the Trust.

The charitable company pays a premium of £336 (2020: £2,800) to provide indemnity insurance of £5m for the Trustees.



### Method of Recruitment and Appointment or Election of Trustees

The Board seeks to have members with a range of skills and experience in education and business management. New Trustees holding the necessary skills are identified through the Diocesan and national education networks such as Governors for Schools and Academy Ambassadors. The Board may appoint up to two Trustees without reference to the members, who carry out responsibility to appoint Trustees.

**The Board seeks to  
 have members with  
 a range of skills  
 and experience in  
 education and  
 business  
 management.**

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

A programme of induction by academy visits and familiarisation with the objects and procedures is offered to new Trustees and appropriate training is made available. A full induction pack including Code of Conduct, Role Descriptors, Scheme of Delegation and support documentation is also provided to all Trustees at the point of appointment. The Trust employs a central Head of Corporate Governance and Compliance who supports Trustees and governors in their roles and is also the named clerk to the Trust Board. The Trust has a central clerking service to provide professional support in all Trustee and governor meetings. The Chair of the Trust conducts annual self-evaluative reviews with a selection of Trustees and Chairs of Governors on a rolling basis.



# Trustees' Report (continued)

## Organisational Structure

### 1) Trust Board Structure

Our core organisational structure has remained stable for 2020-21.

The main board continues to meet at least half-termly to oversee growth, education standards and financial accountability, while detailed scrutiny has been delegated to subject-focussed Board committees. Each sub-committee is made up of at least four Trustees overseeing primary, secondary and finance/resources.

We also have an independent audit committee which meets three times per year to provide quality assurance for all areas of Trust activity. This committee reports directly to members at least annually and provides a summary response of activity and recommendations to the ESFA and DfE as part of our annual accounting process.

During 2020-21 the Board established two further subcommittees to strengthen Trustee accountability and oversight in response to the Covid-19 pandemic.

The first new committee is a "Covid-19 committee". This group has direct accountability and oversight for ensuring the additional funds received during the pandemic to support school operations and student learning are prioritised and spent appropriately to ensure the recovery of lost learning during the pandemic and the operation of safe schools. This group met three times between 1 September 2020 and 31 August 2021 to sign off school and Trust level Covid-19 action plans, facilitate the sharing of good practice and learning and to review overall impact and associated spend.



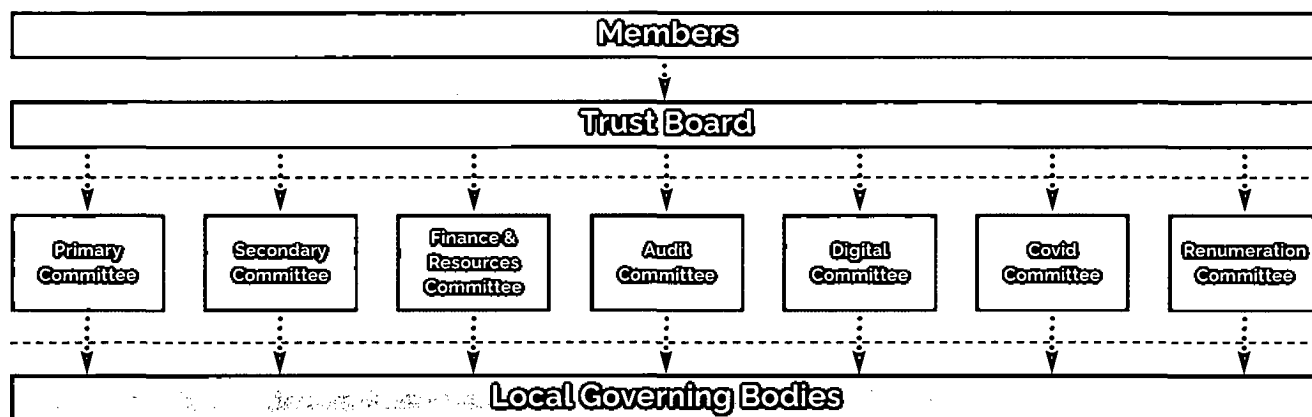
The Board also established a Digital ICT Committee to oversee the implementation of a Trust wide digital improvement strategy. Early in the pandemic we identified that the quality, accessibility, and security of the BDAT ICT estate varied significantly from school to school depending on historic investment. We believe that ICT should be a driver for school learning and particularly during lock-down it was important that all students and staff had access to good quality ICT. As a result, the Trust has committed £5 million for digital improvement and investment over a 30-month period from Spring 2020 with upgrades of infrastructure during Summer 2021. Due to the high value of the investment and the operational importance of smooth implementation a new committee of the Board was established to increase oversight of the project.

The operations of the Board has also adapted during the pandemic. From Spring 2020 the Trust Board meetings quickly moved to remote meetings and online audited decision making meant the Trust could support the agile approval of risk assessments as school guidance changed on a week-by-week basis.

As a Trust we remain committed to ensuring strong and agile governance. During 2021-2022 the Trust will be conducting an independent governance review of our governance and accountability framework. This will consider whether existing structures and processes are robust, well managed and fit for purpose should the Trust experience further growth in the future.

# Trustees' Report (continued)

## Trust Board and Committee Structure 2020 - 2021



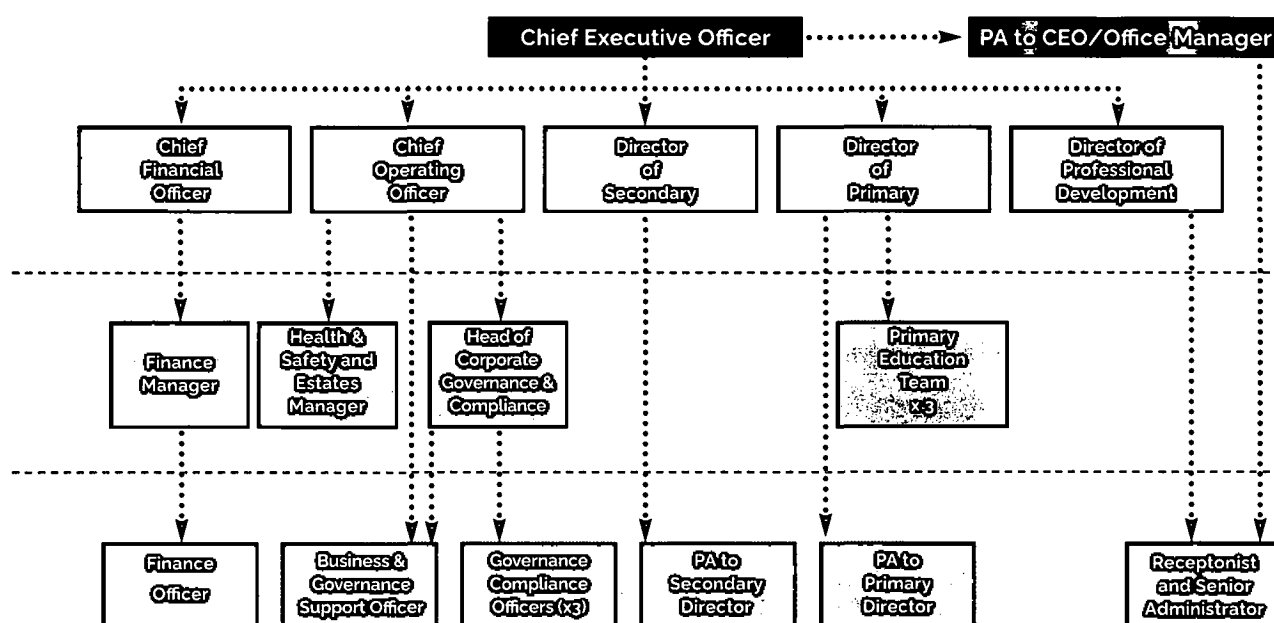
# Trustees' Report (continued)

## 2) Executive Leadership Structure

The Board of Trustees are supported by a lean central executive team (as shown on page 4) providing expertise and advice in education, operations, finance, and governance. The executive team is responsible for the roll out of Trust strategy as agreed in an annual operations plan agreed each year with Trustees.

This current BDAT Executive leadership structure is well established and stable with a number of staff serving for five years or more. There have been no changes to the Trust Executive Leadership structure during 2020 – 2021.

## Central Team Structure



Underpinning the Trust executive leadership structure, the Trust employs 21 experienced and committed headteachers and heads of schools who drive forward the Trust vision within their own academies. We have appointed a number of new headteachers at the end of the academic year 2021, predominantly due to existing staff choosing to retire and were pleased to receive a good quality and quantity of applicants filling all leadership posts.

# Trustees' Report (continued)

## Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Trust has a robust process for the scrutiny of staff performance and remuneration and in particular for those staff identified by the Department for Education as having "high salaries". From Autumn 2020 the Trust has published high salaries on the Trust website as per the new requirements of the Academies Trust Handbook 2021: <https://bdat-academies.org/bdat-business/our-financial-accounts/> The Trust conducts executive salary benchmarking providing additional scrutiny on high salaries.

The Trust Board directly oversees all central staff and headteacher performance management and remuneration decisions. Central Trust senior leaders are directly line managed by the Chief Executive Officer and a Trustee (or in the case of the Chief Executive Officer by two Trustees). Pay decisions for all central team staff are referred to the Board after due consideration by the Remuneration Committee.

All headteachers are line managed by their Academy Chair of Governors and either the Chief Executive Officer or a Trust Education Director. All headteachers' pay decisions are referred to the Trust Board.





## Trustees' Report (continued)

For all other employees, remuneration decisions remain the responsibility of the local governing body and headteacher, although the Trust continues to audit and spot-check individual decisions and monitor equity of approach across schools. The Trust operates a single pay policy across all academies which is updated annually and available on the Trust website.

During 2020-21, in response to the continuing Covid-19 pandemic all objective setting incorporated any additional requirements that Covid-19 brought. Line managers of all staff were expected to have performance management discussions, setting realistic targets in the midst of Covid-19. This is again particularly important in supporting staff wellbeing and touching base with staff at this unusual time.



### Trade Union Facilities Time

In line with the Trade Union (Facility Time Publication Requirements) Regulations 2017, the Trust's analysis is as follows:

<b>Relevant Union Officials</b>	
Number of employees who were relevant union officials during the relevant period:	2.0
Full time equivalent employee number:	0.8
<b>Percentage of time spent on facility time</b>	
Percentage of time	Number of employees
0%	0
0% - 50%	2
51% - 99%	0
100%	0
<b>Percentage of pay bill spent on facility time</b>	
Total cost of facility time	£31,916
Total pay bill	£44,724,333
Percentage of total pay bill spent on facility time, (total cost of facility time ÷ total pay bill) x 100	0.07%
<b>Paid trade union activities</b>	
Hours spent on paid facility time	1012
Hours spent on paid trade union activity	1012
Percentage of total paid facility time hours spent on paid trade union activities	100%



# Trustees' Report (continued)

## Section 172 (1) Statement for the Financial Year 1 September 2020 to 31 August 2021

The Trustees of the Board of Bradford Diocesan Academies Trust consider, both individually and collectively, that they have acted to promote the success of the Trust taking into account the needs of pupils, colleagues, Trustees, members and other stakeholders and the Trust's wider role in society. In doing so they have taken into account the following matters set out in s172 (1) (a) to (f) of the Companies Act 2006:

- a) The likely consequences of any decision in the long term,
- b) The interests of the Trust's employees,
- c) The need to foster the Trust's business relationships with suppliers, customers and others,
- d) The impact of the Trust's operations on the community and the environment,
- e) The desirability of the Trust maintaining a reputation for high standards of business conduct, and
- f) The need to act fairly as between Trustees of the Trust.

The Board is mindful that the long-term success of the Trust is critically dependent on the way we work with a large number of notable stakeholders. The table overleaf sets out our focus on the key relationships and shows how engagement with them is addressed by the Board of Trustees, committees, and work streams to help the Trust's decision making. It is important for all Trustees of the Board to gain sufficient understanding of the issues relating to every stakeholder so that their views are considered in Board discussions.

A robust governance framework is in place to ensure that stakeholder considerations are captured, and enhancements made to strengthen the views of our stakeholders in the Board meetings.



# Trustees' Report (continued)

Stakeholder Group	Forms of Engagement	How this stakeholder group influenced the Board agenda and long term decision-making s172 (1)(a)
<p><b>People (our employees) s172(1)(b)(e)</b></p> <p>At the end of August 2021, the trust had 1366 employees.</p> <p>We create an environment in which our people can make a positive contribution, develop their careers and reach their potential. Our ambition is to be an employer of choice across the Education sector and across Bradford.</p>	<p>At Board level: Employees are a key asset to the Trust. We can't have great schools without great people. The BDAT "Growth to Great" strategy is now in its second year of a three-year strategy with the main emphasis being enabling the Trust to be an employer of choice. The Board receives regular updates on progress against the Trust's Employee strategic objectives including key performance recruitment and retention data. Two additional all-staff temperature checks were conducted during 2020-2021 to ensure staff wellbeing, workload, safety, and morale was monitored and informed Trust decisions.</p> <p>At Academy Level: To facilitate engagement, we have established a 'Talent Management work stream including executive team members, school leaders and other key staff. We also have a staff voice group, made up of teachers and non-teaching staff which drives company direction and activity, for example, development of the annual staff survey, and sharing collective practice around wellbeing across school.</p> <p>Engagement with our stakeholders takes many forms with regular and ongoing discussions. This includes presentation to the staff board and sub-committee performance management, annual career discussions, work streams and professional development networks, termly CEO newsletters, employee engagement surveys and most recently through twice-weekly senior leadership briefings on Coronavirus related activity.</p>	<p>During the year 2020-21 the Trust has delivered Board approved employee development initiatives to motivate, engage and support high performance and to retain key talent.</p> <p><b>Early Career Development</b> BDAT is a key strategic partner in the pilot of the Early Careers Framework with the Ambition Institute. This provides better and wider training for our early careers teachers than the traditional Initial Teacher Training (ITT) route only and provides mentoring and tutoring opportunities for our more experienced staff. During 2020-21 we also increased the number of ITT placements within our academies recruiting more Newly Qualified Teacher's (NQT) and teaching students within our Trust. We are the main partner in the roll out of the outstanding Gorse ITT to Bradford, which is part of the DFE Innovation work stream project. The number of apprentices also increased across the Trust utilising the Governments' apprenticeship levy program in core business and administrative support areas.</p> <p><b>Continuous Development</b> The Director for Professional and Careers Development strategically leads professional development. All academies have a ring-fenced staff development budget to invest in their employees - we are seeking to maximise the effective use of this by investing in programmes across our family of schools. The last year has concentrated on online training due to Covid-19 restrictions and a more holistic training approach will return in 2021-2022.</p> <p><b>Leadership Development</b> BDAT staff have continued to be signposted to the full suite of National Professional Qualification (NPQ) leadership qualifications often utilising funding through the opportunity area.</p> <p><b>Diversity and Wellbeing</b> Reflecting our Christian ethos and values, BDAT encourages academic, vocational, mental, physical, and spiritual opportunities and development for each member of our academies. We encourage both professional and personal development and seek to support staff wellbeing. The Trust and each of our academies have Diversity and Wellbeing policies that set out our wellbeing offer including coaching, mentoring, lifestyle coaches and mindfulness. In 2020-21 the Trust will be focusing on Inclusion - one of the key BDAT values, shared across our family of schools. We define it as "understanding everyone is equal, without exception, valuing and encouraging diversity and difference and seeking to learn from others" BDAT recognise 2020 has been a year where we have seen a number of inequalities, gaps and biases come to the forefront across our society. The Black Lives Matter agenda showed that inherent racial inequality and prejudice is still prevalent in our country and Covid-19 has exacerbated the class, poverty, BAME and ethnic divides across many of the most deprived areas in the UK. We will be launching our inclusion strategy in Autumn 2021 and setting up a staff working group to drive this across our schools with additional Trust Board oversight.</p>

# Trustees' Report (continued)

Stakeholder Group	Forms of Engagement	How this stakeholder group influenced the Board agenda and long term decision-making s172 (1)(a)
<p><b>Our Pupils s172(1)(c)(d)(e)</b></p> <p>The Trust supported 9,089 pupils during the financial year 2020-21 across our 17 academies. Each academy has a curriculum improvement plan with targeted support for pupils with the greatest need.</p>	<p>At Board level: Our academies hold the key relationship with our pupils. This is intentional as each of our schools are very different and serve a unique set of families. The Trust however does receive intelligence and data on a range of areas which highlight trends, concerns and areas for development. These include attendance, safeguarding, behaviour, education outcomes, cultural capital and extracurricular experiences and so on.</p> <p>Trustees do have an active role within our Academies. From 2018 we established Trustee link roles where each Trustee is a named link with an Academy and spends time throughout the year within a school and talking to staff and students. This gives qualitative feedback on pupils' views and lived experiences.</p> <p>When the Trust lead on core school business activity e.g., headteacher recruitment, student voice is always built into the interview process.</p> <p>At Academy level: Schools have extensive mechanisms to ensure student voice is heard. For example, most schools have student councils which feed directly into Governors, most schools complete regular student and parent surveys throughout the year. All schools consult with pupils on significant changes such as school day, plans for trips, food choice, environment etc.</p>	<p>At Board level: Education outcomes and pupil experience is at the core of all strategic plans reflecting the Trust's mission statement "to provide high quality education within the context of Christian belief and practice so that every child can fulfil their academic potential and accomplish their individual goals".</p> <p>Trustee decision making is always informed by the qualitative and quantitative feedback set out in the column on the left. For example, the Trustees receive regular reports on the disadvantage gap and the impact of the pandemic in increasing disparity in children's outcome and the decline in attendance. As a result, Trustees have ensured that interventions focused on narrowing the gap and improving attendance are central to the 2020-21 Covid-19 Catch Up plans.</p> <p>At Academy level: Student feedback informs all areas of academy action planning. Governors and members of the central executive team regularly visit schools and talk directly to students and families to ensure they have a say.</p>

# Trustees' Report (continued)

Stakeholder Group	Forms of Engagement	How this stakeholder group influenced the Board agenda and long term decision-making s172 (1)(a)
<p><b>Our Suppliers s172(1)(c)(e)</b></p> <p>Provide goods and services on which we rely to deliver a quality education to our pupils.</p>	<p>At Board level: Trustees are responsible for the strategic running of the Trust so do not frequently interact with suppliers. Reports are submitted to the Board on matters of importance regarding goods and services for example, when a concern arose around supplier contact in line with the Trust ethos. Trustee advice was sought. Trustees do support high value procurement of suppliers for example Trust wide insurance or HR. The Finance and Resources Committee and the Audit Committee which are sub-committees of the Board review details of related party transactions and areas of high spend e.g., supply staff cover.</p> <p>At Academy level: The Trust has a robust procurement policy with delegated authorities which are within the Scheme of Delegation. Academies regularly benchmark budgets to ensure value for money and spend against similar schools.</p>	<p>At Board level: The Board sets the principles around the type of supplier they want Trust business to be associated with e.g., companies with a similar ethos, companies with a local Bradford focus or companies with a charitable background. This provides the parameters for procurement. This is checked through external audit and concerns would be reported to the Board as appropriate. Trustees also pay particular attention to suppliers who may have a related party interest or are high value. Other than that, Trustees are not expected to interact with day-to-day transactional business. View My Financial Insights, a new tool provided by the ESFA, helps the trust quickly benchmark suppliers' value for money.</p>
<p><b>Our Regulators s172(1)(c)</b></p> <p>This includes financial regulators such as the Education and Skills Funding Agency (ESFA), the Department for Education and Regional Schools Commissioner and other bodies who hold the Trust to account such as Ofsted or the Diocese of Leeds.</p>	<p>At Board level: It is the Trust's policy to be open and transparent in line with ESFA regulations and the Nolan Principles of Public Life. Trustees work closely with our external auditors to ensure a robust annual review is conducted. The Audit Committee and the Finance and Resources Committee review the annual reports and have the opportunity to discuss any audit findings. The trust has started working with the DfE research teams to develop and improve the digital platforms and financial tools that they make available to the sector.</p> <p>At Academy/Business level: There are normally four fundamental submissions annually to the ESFA however during 2020-2021 there were three:</p> <ul style="list-style-type: none"> <li>• Annual Report and Financial Statements. This report reviews the past 12 month's operations from a corporate position and includes an Internal Scrutiny report linked to governance.</li> <li>• Annual Academies Return.</li> <li>• Budget Forecast Return Budget was consolidated with the Budget Forecast Return Outturn</li> </ul> <p>Ofsted review the education standards within the Trust academies. Trustees are involved in all Ofsted inspections and have face-to-face inspection slots. These were paused during 2020-2021 although the Trust continued external quality assurance visits.</p> <p>We are also accountable as a church Trust to the Diocese of Leeds who frequently visit our schools and are invited to all Trust Board meetings. Our church schools are also inspected under the SIAMS framework, although these inspections were paused during 2020-2021 due to the pandemic.</p>	<p>All feedback from the bodies to which we are externally accountable is fed back to the full Trust Board, discussed in Board meetings and then used to inform future activity and priorities. For example, the performance of the Trust is reviewed by the Regional Schools Commissioner – the feedback letter from this was shared with Trustees and used to inform key governance and executive pay conversations.</p> <p>The Chief Financial Officer and the Chief Executive Officer ensure that all submitted returns are complete, accurate, consistent, timely and in compliance with ESFA's requirements.</p> <p>Feedback from the ESFA is usually conducted through the industry through revisions of the Academy Financial Handbook. These changes are summarised with actions required and communicated to the Board, governing body and Headteachers.</p> <p>External inspection reports such as Ofsted reports are always shared with Trustees and frequently headteachers or senior Trust staff will attend Boards to report lessons learned.</p> <p>Where appropriate, feedback on new guidance from regulatory bodies will be used to refresh school and Trust level policies. The Trust finance policies for example are reviewed each year following the release of the Academies Financial Handbook and Annual Accounts directive. Many of the Trust HR policies were updated this year in light of the DfE Covid-19 Guidance for schools. These are scrutinised and signed off by Trustees.</p> <p>Safeguarding policies are reviewed routinely in response to Keeping Children Safe In Education updates and other best practice recommendations, for example, this year to increase focus and response to harmful sexual behaviour.</p>

# Trustees' Report (continued)

Stakeholder Group	Forms of Engagement	How this stakeholder group influenced the Board agenda and long term decision-making s172 (1)(a)
<p><b>Our Community and the local Environment s172(1)(d)(e)</b></p> <p>The local neighbourhood being local housing, businesses, and the environment.</p>	<p>Understanding the local communities our students live in is key to supporting their needs and ensuring they have the best chance to achieve full potential. The Trust Board delegates community links to each local governing body and school as they understand best the communities they serve and hold the strong links to the church, community, and local businesses. Any concerns, positive feedback or complaints trends are reported back to the Trustees at academy level through the half-termly CEO report.</p> <p>While school governing bodies do take the main lead in liaising and supporting community issues, where concerns are significant the Trust does get involved to support the school voice, for example, this year as BDAT we have directly contributed to support school concerns over a local road widening project and impact on air quality. We are also actively supporting another school in the location of a new car park build where the original proposed location highlighted potential safeguarding and road safety concerns.</p> <p>Our Inclusion strategy aims to work with our communities and local families to build cohesive relationships understanding and celebrating our differences.</p>	<p>Community engagement is usually driven at school level however during the pandemic the Trust took the unprecedented decision of writing directly to parents.</p> <p>If trends or concerns in community communications are picked up these are discussed at Trust Board. Our community are informed of large projects or any events that may impact the local community and always have the opportunity to alert BDAT to discuss concerns as well as the school.</p> <p>Websites and social media are regularly updated with latest news items and upcoming events.</p>





## Trustees' Report (continued)

### Related Parties and Other Connected Charities and Organisations

The charitable company is under the control of the Diocesan Board of Education of the Diocese of Leeds.

The Board have declared four related party transactions in our financial statements for the period 1 September 2020 to 31 August 2021.

The first is the **Diocese of Leeds** for services to support the religious ethos and vision of the Trust. This related party transaction has a national exemption under the Academies Accounts Direction due to the bespoke nature of the Diocese to provide the services offered.

The second is several small collaborative staff development sessions that **Dixons Academies Charitable Trust** provide. The related party transactions exist because the two entities have a common Trustee.

The third is a staff and pupil wellbeing consultant who currently works across two schools in the Trust, **Chrysalis Consultancy Ltd**. The related party is the husband of a headteacher.

The fourth is the charity **Inn Churches** that provides community support for those in the greatest need. The related party transactions are that a Trustee is also the Chair of Inn Churches.

The four related parties have been externally checked for conflicts of interest or financial impropriety and will continue to be monitored on an annual basis. (note 28).



# Trustees' Report (continued)

## Strategic Report

### A special thank you to all BDAT staff

The Covid-19 pandemic has impacted on all BDAT schools over the last 18 months, forcing school and Trust leaders to adapt and work agilely to support and drive the education of our students, whilst also ensuring the safeguarding and safety of staff and students stayed firmly at the top of our agenda.

No two days in any two academies has been the same.

The impact on children's education and life opportunities has been profound and is not yet fully quantifiable. For months, the majority of children could not attend school in person or engage in the routine play and extra-curricular activities we strive so hard to provide. Exams were cancelled. Bubbles became the norm. Transition days and trips were lost. The social mobility gap has never been so evident when considering the national disparity to ICT access and online learning and the prevalence of food parcels required to feed and support the most disadvantaged communities we serve.



**As a Board we  
are so proud of  
the relentless  
ambition and  
drive of our staff  
to go that  
extra mile**

And amongst this the BDAT schools all stayed open, including through several school holidays, often working longer hours, as teachers and support staff across our Trust family stepped up do their bit during Covid-19.

As a Board we are so proud of the relentless ambition and drive of our staff to go that extra mile, often at a time of personal sacrifice or anxiety, to ensure our students had access to good quality learning. It is only right that we start this strategic report by acknowledging the herculean effort of all BDAT staff and to take the opportunity to again thank them for their hard work.

**Thank you**



# Trustees' Report (continued)

## Strategic Report (continued)

**There are however some silver linings emerging from the pandemic**

**As we emerge cautiously from the last unique and at times breath-taking academic year, BDAT and our academies have taken massive strides forward which will support operational school management and flexible education and learning approaches long after the pandemic. We need to make sure we harness this momentum.**

1. We have emerged stronger and more cohesive as one BDAT family.

During the pandemic the BDAT family pulled together to support each other through times of often frantic change due to daily changes in National Education Policy and Public Health Guidance. The strength of the academy trust model largely came to the forefront as rather than duplicate 17 risk assessments or sets of policies, the Trust could take some of the administrative operational burden from our schools. This allowed our staff to focus more on adapting teaching and learning provision. Communications improved – at one point moving to daily bulletins – now settling at weekly updates and our modus operandi of schools supporting peer schools became the norm.

BDAT is proud to operate a model of aligned autonomy across our family of 17 fiercely independent and unique academies, however at a time of national crisis "the BDAT family" united as one. Long gone are the days of "being in BDAT"; now "we are all BDAT."

a member of the  
**bdat**  
family





# Trustees' Report (continued)

## Strategic Report (continued)

### **2. BDAT launched a more holistic Pure Accountability framework which puts students and staff at the centre**

BDAT is a Trust which prides itself on having high impact for the students we serve and by being an employer of choice for our staff. We do this by driving sustained education outcomes, quality first teaching and learning and recruiting and retaining high performing staff through investing in people development. We have historically evidenced this by measuring attendance, progress, and attainment outcomes; improved OFSTED's, by narrowing the disadvantage gap; by analysing recruitment and retention data and by considering staff satisfaction.

**The question we faced in 2020 was how we could demonstrate impact when most of our traditional success measures are, at best, now heavily skewed due to Covid-19 or, at worst, completely meaningless as comparators during the pandemic?**

In September 2020 we launched a new broader accountability framework that we would use across the Trust to evidence impact: **Pure Accountability 2020 and Beyond**. <https://www.bdat-academies.org/wp-content/uploads/2021/02/Pure-Accountability-in-2020-and-Beyond-Final-Feb-2021.pdf>

The new framework looks at how we can measure impact and effectiveness in the most holistic sense of improving outcomes and life chances for children. Rather than simply looking at what exam grades a student got for example, which whilst important, we must also consider did that individual child get to the next education or career destination of their choice? The framework also considers staff how we measure being an employer of choice, moving beyond hard recruitment and retention data to consider more holistically the staff morale, wellbeing, and satisfaction of our employees.

From September 2021, BDAT we will be launching a further version of the framework, "Reconnecting Pure Accountability", considering how we join up pre, during and post pandemic measures into a meaningful trend line, centred around providing the very best for our students and staff.

### **3. Putting our People First**

2020-21 was also a year where the Trust really focussed on developing our People offer. We have always said we can't have great schools without great staff teaching and supporting them. This year we really invested in providing a great career experience for our team.

As examples:

- BDAT is now a school direct ITT partner working with the Ofsted outstanding Gorse SCITT in Bradford training student teachers in our City.
- In 2020 we also were pleased to become a lead partner in the Early Careers Framework pilot, in conjunction with the Ambition Institute supporting the continued development of our early careers' professionals.
- In 2021 we have also been confirmed as a lead delivery partner for the new suite of National Professional Qualifications in conjunction with neighbouring Trusts, Beckfoot and Dixons. Through the new National Professional Qualifications our staff will now have the opportunity to both train and teach alongside colleagues in the Trust, building and sharing our specialist knowledge across the BDAT family.

# Trustees' Report (continued)

## Strategic Report (continued)



As a Trust we have also worked hard to improve our recruitment, retention and development offer for all staff this year. In September 2021 we were delighted to launch our new Faculty of Professional Development: **BDAT People** [www.bdat-people.org](http://www.bdat-people.org) pulling together our people offer on one website.

Our people focussed activity is now paying dividends for BDAT and our schools. Staff retention was high in 2020-21 with around 14% turnover in staff across all schools.

Staff recruitment is also strong, and we start the new academic with a full cohort of staff. Applications to work for BDAT have improved in both quality and quantity.

### Summary

In summary as we reflect on the legacy of the last 12 months and realising we are entering into the final year of our three year **"Growth To Great"** organisational strategy, BDAT as a Trust is in a strong place:

- Our financial and governance structures have remained robust and strong supporting our schools' operations successfully through the pandemic, seeing an improvement in Trust budget surpluses.
- Schools have remained safe, steady, and compliant with rapidly changing policy and legislation requirements throughout the pandemic.
- Schools stayed open for our most vulnerable children and the children of critical workers throughout the year, whilst reaching out more widely than ever before to support our communities through the pandemic crisis through food parcels and home learning packs and resources.
- Our home and remote learning and teaching offer quickly improved, and our new digital investment ensures improved equity of access to quality teaching for all 9,000 BDAT students.
- Schools continued to drive and improve their education offer. Work on curriculum continued at pace and a Trust wide review into the inclusivity of our curriculum is underway to ensure a broad and balanced learning diet for all students.





## Trustees' Report (continued)

### Strategic Report (continued)

And perhaps most importantly strong and articulate student voice has shaped our work and where we will go next.

In Spring 2021, BDAT was proud to be part of the **Bradford Schools Pandemic Recovery Summit** – an inspirational gathering where young people from across our city came together to talk about a manifesto for change. This manifesto was later presented to the Citizens UK Mayoral Assembly and outlined what we need to do collectively as civic partners across the city to make sure our students are not victims or a legacy of the of the "Covid-19 generation".

Collectively the voices of these inspirational young adults will help shape the aspirations of BDAT in the next stage of our Trust education journey. We look forward to working with them to turn their words into action.





18 months anxiety and depression we have gone through in 12m (Student)

Our struggle is that we will tackle these issues but we will not be able to solve with you and by your actions (Adult)

The school will be there all the way forward with resources and support through the pandemic (Student)

Make it clear we are not a victim of the pandemic (Student)

The school will be there all the way forward with resources and support through the pandemic (Adult)

Be a good example to the world and the school (Adult)

The school is not a victim of the pandemic (Student)

### OUR MANIFESTO

On Thursday 25th March 2021, student delegates from eighteen secondary schools educating 20,000 young people met online to discuss their pandemic experience. A Panel of five adults whose work directly affects the lives of young people responded to the delegates during the Summit and pledged support for a strong pandemic recovery in Bradford. Thirty other adults that work with young people in Bradford and beyond also attended to bear witness to the testimony provided by young people. The Summit conclusions form this Manifesto that will become the foundation for young peoples' voice on this issue and others in the years to come.

- 1 Listen to our voice before you form policy because we know what effect that policy will have.
- 2 Make mental health support for young people a priority in schools and in the community too. Explain how we can access it and act quickly.
- 3 Know that we suffer the effects of racism in the City we love. Help us to eradicate racism in Bradford.
- 4 Hear us when we say it's not all about lost learning, we've lost social, cultural and sporting opportunities too. We must make up for this.
- 5 Always tell us what you are doing, how and why. And remember to listen.
- 6 Make clear your plans to help us make up for lost learning and opportunities. We don't feel well enough prepared for further education and employment, we've missed volunteering opportunities, educational trips and lots more.
- 7 We are not all the same but we all want the same chances. Help us to eradicate the effects of disadvantage and poverty in Bradford. This begins with simple stuff like making sure every family has food security, heat, the best uniform, school supplies, and technology.
- 8 Let's not lose the benefits we've gained during the Pandemic from learning at home, making better use of technology and the sense of community togetherness.
- 9 Listen to us before you decide how to help us with the uncertainty surrounding exams and assessments this year and next. Please also remember our teachers who have worked so hard to help us.
- 10 Make this the beginning of a brighter future for us all, one filled with colour and light.



# Trustees' Report (continued)

## Strategic Report (continued)

### Financial Impact and Governance

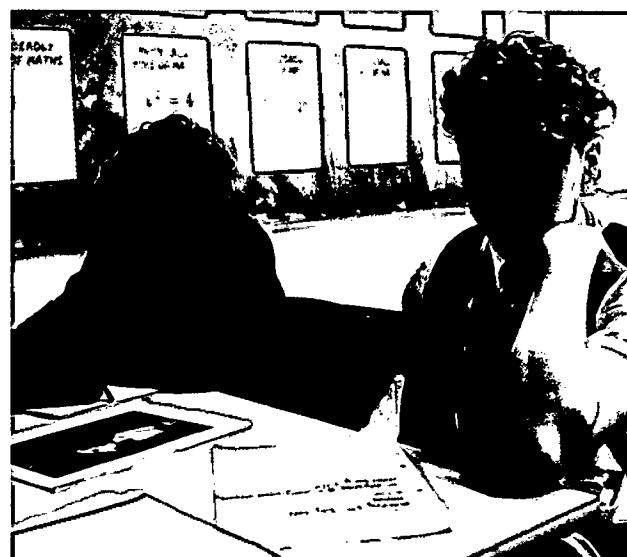
The Board were kept fully apprised of all financial implications of Covid-19 with regular financial reports being included in the monthly management accounts.

- Unlike the previous year with Covid-19 where most financial issues were retrospective, 2020 – 2021 was more co-ordinated with financial grants, both from educational sources and other local government sources.
- The main local government source of funding support was the "Covid Job Retention Scheme" which was to support companies from making staff redundant.
- The Trust was not eligible for these grants due to the size of its private income streams and all schools managed to support staff by re-allocating duties where possible.

The "Covid-19 catch up grant" was a significant grant to have students recover their lost education throughout the pandemic. The Trust set up an additional Trustee committee to ensure this funding was directed to support those areas where education intervention was most required and to ensure funding was robustly accounted for. The emphasis of the spend was based on the Educational Endowment Foundation research and prioritised three specific areas of impact.

- **Teaching**
- **Targeted Support**
- **Wider Strategies**

Another area that continued to impact schools was attendance in school, due to high numbers of positive Covid-19 cases, which caused bubbles and groups of students to self-isolate and transfer to remote learning. Mass testing programmes were established in secondary schools which helped manage the situation with regular and targeted testing. Funds were made available to reimburse schools for any costs incurred in setting up mass testing stations.



The government donated laptops to schools which supported the school's own programmes of support of remote learning.

Finally, secondary schools were offered an opportunity to run a funded summer school programme to support their students and three of our four secondary schools ran successful summer schools including the arts, sports, and academia.

Income from Breakfast clubs and facility hire were impacted for a second year but were very similar to 2019 – 2020 numbers. School trips generally did not take place until late on in the summer term and even then, were very local in origin.

# Trustees' Report (continued)

## Strategic Report (continued)

A full reconciliation of Covid-19 grants and Covid-19 expenditure was presented to the Trustees in the Management accounts which fully assessed the covid-related financial impact on the Trust. The Board and the Local Governing Bodies have been kept fully informed about the impact of Covid-19 on their reserves.

The analysis detailed the additional Covid-19 funding that the Trust received over the academic year, these funds included the Covid Catch-up Premium, Mass Testing grant, Exceptional costs grant and Summer School grants. These grants helped to support the schools during the pandemic. During the pandemic there were several income streams that were significantly reduced due to the lockdowns, the staff during this period continued to be paid and several schools in the primary sector were financially impacted.

The schools during the pandemic switched to remote learning, this naturally saved the day-to-day costs of running a school and was particularly evident in the secondary phase. The management accounts continued to report the movement Covid-19 related cost but equally identified savings which occurred through non-appointment of staff.

As a Trust we have closed with a healthy reserve this year, although we are acutely aware that there are delayed capital expenditures which are due to take place in the Autumn term.

The Trustees have agreed a three-year balanced budget with additional scrutiny on those schools that have a deficit reserve. Deficit recovery plans have been agreed have been agreed to recover these positions.

We do not currently believe the pension liability will be affected by the financial and operational impact of the virus although this has been included within the Trust risk log, which is scrutinised by both the Board and Audit Committee. This remains regularly under review.





## Trustees' Report (continued)

### Strategic Report (continued)

Our biggest risk currently is a loss of staffing due to Covid-19 and other unrelated sickness and the historic profile of our inherited ICT estate being inappropriate for delivering high quality blended learning.

To date, as noted above, staffing levels remain good and the Trust is prioritising investment in ICT upgrades to ensure parity across sites and equity of access.

The Trust has had a positive year in respect of bringing three of our schools out of a deficit position, this was ahead of the planned recovery and will allow schools to concentrate on the educational provision for 2021-2022.

The Trust has reviewed its position on GAG-pooling and has decided not to GAG pool. This is due to the autonomy that BDAT gives to each school to manage its own budget subject to a 3-year balanced position. This has led to the Trust's reserve policy being enhanced so that large unrestricted reserves can be used to support the wider school improvement plan.



# Trustees' Report (continued)

## Strategic Report (continued)

### Streamlined Energy and Carbon Reporting (SECR)

The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) came into force on 1 April 2019. It requires large companies which consume (in the UK) more than 40,000 kWh of energy in a reporting period to include energy and carbon information. BDAT meets these criteria and therefore reports its findings.

Energy consumption used to calculate emissions (kWh)	2020-21	2019-20
Gas	7,033,366	6,530,628
Electricity Standard	1,258,418	2,863,175
Electricity Renewable	1,242,886	-
Transport Fuel	28,841	39,219

Scope Energy Source		Emissions Tonnes (CO <sub>2</sub> e)	Emissions Tonnes (CO <sub>2</sub> e)
		2020-2021	2019-2020
<b>1</b>	Gas	1,293.23	1,200.79
	Oil	-	-
	Academy Vehicles	5.25	7.25
<b>2</b>	Electricity - Standard	293.39	667.52
	Electricity - Renewables/Nuclear	-	-
<b>3</b>	Staff mileage in year on Academy Business	3.25	4.31
	Total Emissions	1,595.11	1,879.87
Intensity ratio		<b>0.18</b>	<b>0.21</b>

<b>Intensity measurement</b>	The chosen intensity measurement ratio is total gross emissions in metric tonnes CO <sub>2</sub> per pupil, the recommended ratio for the sector.
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#### Quantification & reporting methodology

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

Action	
Three key measures taken to improve energy efficiency	<b>1</b> We are working with our Energy broker to move our supplies to renewable energy sources
	<b>2</b> We are looking to move all our servers to the cloud by September 2021
	<b>3</b> The Trust are working with the Ashden Charity to use best practice and drive carbon emissions to zero by 2030

# Trustees' Report (continued)

## Strategic Report (continued)

### Key Financial Performance Indicators

The Trust has fulfilled its key financial performance indicators this year which included:

- Managing the Trust's budget and the relating situation in terms of financial soundness.
- Building and growing a reserve fund through the exploration of economies of scale and efficiencies to allow the Trust to develop central operations capacity and school improvement capacity. This has been successful and has enabled the Trust to grow to a core team of twenty and invest in significant additional school improvement support.
- The Trust has also worked to improve central financial, operational and risk management processes to enable more effective management of the business. Strict budgetary controls are in place and performance is managed against budgets.
- The Trust has increased the scrutiny throughout 2020-2021 with monthly management accounts including matrices, Covid-19 reports, and digital strategy progress reports.



#### BDAT Matrices

Staffing	2020-21	2019-20
Spend on Staff % of Total Expenditure	73.70%	72.89%
Non-Staff Expenditure		
Other Expenditure % of Total Expenditure	26.30%	27.11%
Income		
ESFA Funding as % of Total Income	82.70%	80.92%
Total Income Per Pupil	£6,948	£6,615



# **Trustees' Report** (continued)

## **Strategic Report** (continued)

### **Going Concern**

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

There continues to be uncertainties, including Covid-19, when budgeting, with several pay factors also unknown at the time of budgetary approval. BDAT Trustees also take a prudent and risk averse position in assuming funding before it is confirmed to be available. Trustees are fully aware of all assumptions that have taken place during the production of the Trust and Academy budgets. Unfunded pay rises and teacher pension increases continue to squeeze the budgets and make it increasingly difficult to forward plan with certainty. The Trustees have approved three-year balanced budgets within these assumptions.

### **Employees and Disabled Persons**

As of 1 September 2021 the Trust employs 1,366 staff. We are an equal and equitable opportunity employer across all roles within the Trust.

The Trust has an updated Inclusion Strategy reviewing all aspects of inclusion and have the following objectives:

- For employees and governors to understand the Trust's responsibility surrounding equality and diversity, and to be aware of current legislation.
- To review the profile of our staffing and governance workforce to ensure it better reflects the communities we serve.
- To promote cultural understanding, awareness, and tolerance of different religious beliefs between different ethnic groups within our academy communities.
- To actively close gaps in attainment and achievement between students for all groups; especially those eligible for Pupil Premium, those with SEND needs, Looked After Children and those from minority ethnic groups.
- To review and revise the curriculum at all Key Stages so that it represents the diverse culture of society and encourages tolerance and respect.
- To monitor the incidence of the use of racist, sexist, and homophobic language by students in our academies.
- To promote mental health awareness and develop appropriate interventions.

## Trustees' Report (continued)

### Strategic Report (continued)

Any new employee to the Trust has access to an Induction programme which is relevant to their role.

**The Induction process includes:**

- Providing the individual with information about what support and assistance is available to help them in their role and identifying and agreeing what reasonable adjustments will be made.
- Acknowledging that individual needs may change over time and that any adjustments will be reviewed regularly.

New employees who are disabled may also have particular needs which need to be accommodated for. These needs are discussed during the normal induction programme to ensure a welcoming environment e.g., hearing loop for induction talks, accessible venues for induction activities and alternative methods of presenting information.

In addition to this, line managers have a responsibility to ensure that disabled staff are treated fairly and have the same opportunities at work as non-disabled colleagues.

**We ensure that  
disabled staff are  
treated fairly and  
have the same  
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disabled  
colleagues.**



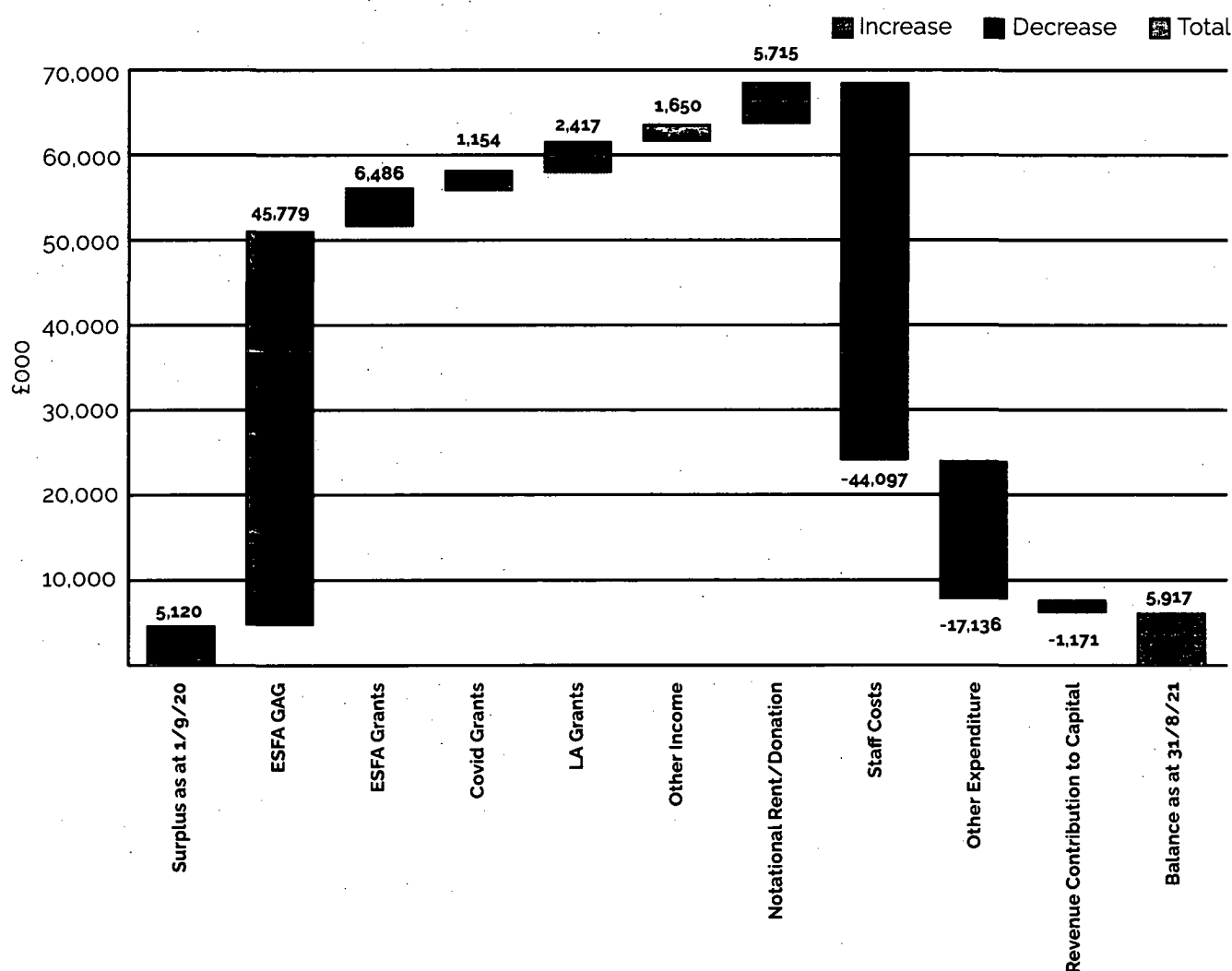
# Trustees' Report (continued)

## Strategic Report (continued)

### Financial Review

The majority of the Trust's income is obtained from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the period 1 September 2020 to 31 August 2021 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

**Income and Expenditure in 2020/21 – reconciliation of revenue reserves**



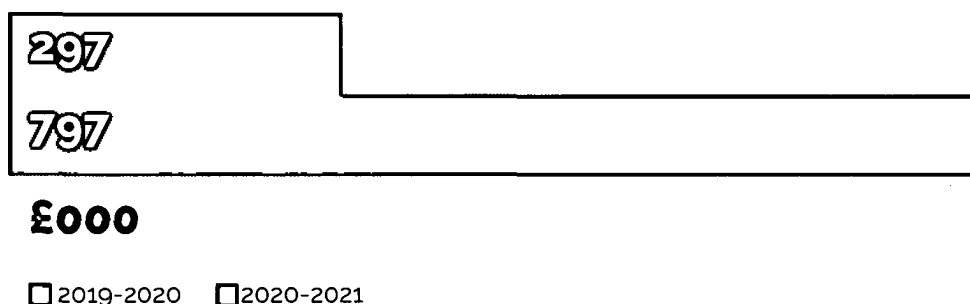
The chart above reconciles the opening and closing revenue reserves position for the period 1 September 2020 to 31 August 2021 with the Trust closing position having unrestricted revenue reserves of £4,289k and restricted revenue reserves £1,628k.

# Trustees' Report (continued)

## Strategic Report (continued)

The Trust also receives grants for fixed assets through DFC (Devolved Formula Capital), and SCA (School Condition Allocation) from the Education Skills and Funding Agency. These grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

### Revenue In-Year Surplus



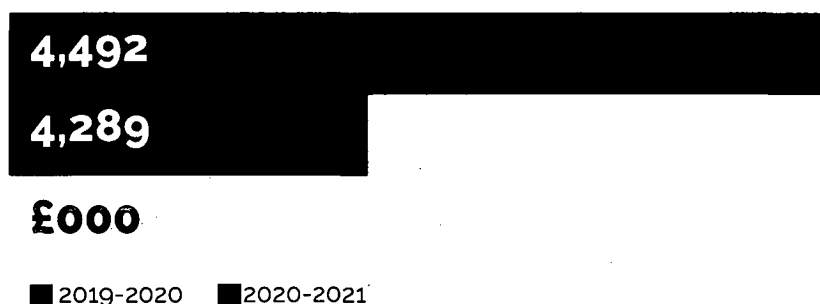
During the period 1 September 2020 to 31 August 2021: the Trust had an in-year revenue surplus of £797k (2020: £297k) and cumulative unrestricted revenue reserves of £4,289k (2020: £4,492k).



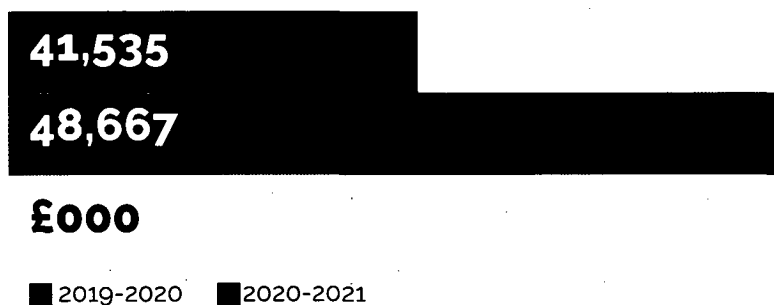
# Trustees' Report (continued)

## Strategic Report (continued)

### Cumulative Unrestricted Revenue Surplus



### Restricted Funds



The restricted funds chart shows £48,667k (2020: 41,535k) during the period ended 31 August 2021.

As at 31 August 2021, the net book value of fixed assets was £45,330k (2020: £39,564k) and movements in tangible fixed assets shown on (note 12 ) to the financial statements. The assets were used exclusively for providing education and the associated support services to the students of the Academy. The fixed assets of the Trust were stated in line with the policy of the National Society for the Church of England and the Leeds Diocesan Board of Education where only Local Authority land and buildings are recognised as fixed assets. The Diocese land and buildings are available for education use and should be treated much like an operating lease. The assets of Buttershaw Business & Enterprise College Academy are under a PFI contract and therefore have no asset value.

# Trustees' Report (continued)

## Strategic Report (continued)

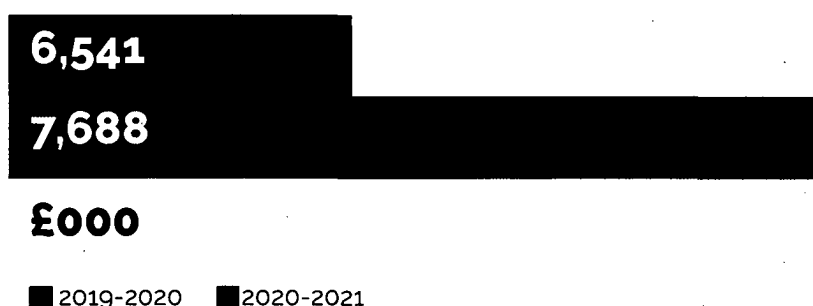
The Board delegate authority, through the Scheme of Delegation, over the day-to-day financial management of each academy to the local governing body and the headteacher. Budgets are approved by the Board and actual outcomes are reviewed on a regular basis. The headteacher ensures that funds are targeted for particular pupils and spent on appropriate resources.

### Reserves Policy

All reserves are reviewed by the Trust on a regular basis and an appropriate range of options will be considered. These might include releasing the funds into the revenue budget in furtherance of the Trust's objectives, assigning funds to appropriate designated reserves as may be determined by the Trust, or investing the funds to generate further income to allow expansion of the Trust's work. The Trust has a responsibility to hold reserves that mitigate potential risks against short-term reductions in funding and/or income which would financially impact the cash flow of the Trust. The level of reserves that the Trust will aspire to hold will be between one and two months of the Trust's expenditure (Range - £3m - £6m). The current value of unrestricted reserves is £4,289k (2020 - £4,492k).

The movement of funds to and from the reserves identified (other than movements from restricted to unrestricted) above will be at the discretion of the Trust where delegated authority has been provided by the Board of Trustees, subject to the restrictions which will remain attached to restricted funds (revenue and capital) and their use. The movement of funds from restricted to unrestricted must be subject to obtaining appropriate consent from the original donor of the funds.

### Net Current Assets



The Trust holds net current assets of £7,688k (2020: £6,541k) at the present time and this is listed on the balance sheet. The Trust held fund balances at 31 August 2021 of £22,424k (2020: £19,795k) comprising £47,039k (2020: £40,907k) of restricted fixed asset funds with an additional restricted revenue fund of £1,628k for the Mary Evason legacy fund (£41k) and restricted revenue reserves. The Local Government defined benefit pension reserve is in deficit as at 31 August 2021 in the sum of £30,532k (2020: £26,232k).



# Trustees' Report (continued)

## Strategic Report (continued)

This does not have an immediate cash flow impact but may result in increased contributions in future years. Parliament has agreed that the request of the Secretary of State for Education, to guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department of Education.

### Investment Policy

The investment objectives of the Trust are to:

- achieve a long-term real rate of return, net of inflation, to provide a source of capital to meet beneficiary and operational needs without subjecting the fund to large disinvestment that could impact the ability of the fund to meet future long-term financial commitments.
- provide an income to the Trust to help maintain its operational effectiveness in the short term.

The policy states that all investments must be ethical and in line with the Trust ethos. There are several investment sectors that the Trust would not invest in e.g.) gambling and alcohol. However, a full return approach will take precedence, allowing the Trust to focus on investments providing optimal performance in terms of overall return rather than investments which would provide the right balance of capital and income return. The protection of present and future beneficiaries will be a key responsibility of the Trust.

Surplus income should only be invested if there is no requirement to spend the money within 24 months of the investment. All investments are communicated to the Finance and Resources Committee and currently there are no investments.

### Principal Risks and Uncertainties

The Trustees strive to improve the levels of performance of its students at all levels. The focus continues this year on keeping children and staff safe while continuing to provide a remote based education or on-site education depending on national or local guidance and local circumstances. There has been pressure on all funds to provide an education but also an extra responsibility for maintaining free school meals for the most vulnerable pupils. All the academies remained open to support key workers and vulnerable pupils whilst maintaining coronavirus restrictions.

The most significant financial risk is for those academies that have substantial generated private income streams that ceased due to the Covid-19 pandemic and all academies closing to the majority of pupils. The cost pressures of the unfunded pay rise for both teachers and support staff add increased pressure on already squeezed budgets.

The Board regularly reviews the Trust risk log and in 2020-2021 has regularly reviewed the impact of external influences on its growth plan and strategic priorities. The Board gave particular attention to the risk assessments when re-opening schools, ensuring that Covid-19 risk assessments were up to date with the latest guidance.

# Trustees' Report (continued)

## Strategic Report (continued)

### Risk Management

The Trust has a formal risk management programme, which operates across the central Trust office and all our academies. The Trustees have assessed the major risks to which the organisation may be exposed, in particular those relating to teaching, provision of facilities, and other operational areas of the Trust, including finance. The Trustees have implemented a number of systems to assess the risks that the Trust and academies face, especially in the operational areas such as teaching, health and safety and academy trips and in relation to the controls of finances. They have introduced systems including operational procedures (e.g., vetting of new staff and visitors, supervision on academy grounds) and internal financial controls in order to minimise risk. Where significant financial risk still remains, Trustees have ensured they have adequate insurance cover. The Trust has a system of internal financial controls which it continuously strives to improve.

### Financial and Risk Management Objectives and Policies

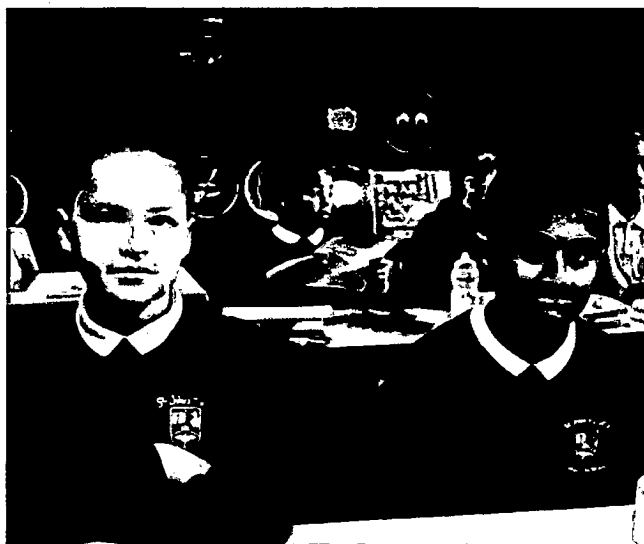
The future financial and risk management objectives for the Trust include ensuring that the impact from the current tightening of funding in the public sector is fully taken into consideration when decisions about future spending are taken.

### Fundraising

Low level fundraising activities have taken place during the year on a voluntary basis and the Trust does not currently work with professional fundraisers. The funds raised through such fundraising activities are to support external charities. A few examples of school led fundraising events are non-uniform days and coffee mornings although due to Covid-19 restrictions there was very little fundraising in 2020-2021

### Funds Held as Custodian Trustee on Behalf of Others

The Trust has concluded its administration of the Behaviour Attendance and Collaborative Support fund (BAC) for fifteen secondary schools in Bradford. The BAC's is used to manage challenging behaviour and attendance across fifteen secondary schools in Bradford. This alternative provision is managed through an agency agreement mechanism where the finance staff of the Trust administer the funds. The Trust ensured that a robust handover of funds was maintained with the formation of a new company and appropriate constitution and banking conditions implemented before transferring the funds and ceasing to act as custodian.





# Trustees' Report (continued)

## Plans for Future Period

### From Growth to Great and Beyond

2021-2022 brings us in to the third year of our three year **"Growth to Great"** strategy – a strategy which saw the Trust pause growth and seek on consolidating and reviewing our processes and practices to make sure we were a strong, robust and stable Multi-Academy Trust. For the last two years we have focussed on being **financially viable, operationally strong and an employer and schools of choice**. We want to be a unequivocally strong, dependable well respected Trust. Our focus for 2021-2022 will be to continue this work and we have published a detailed one-year operational plan on where we will look to focus our efforts and how we will measure our success: <https://www.bdat-academies.org/trust-development/>

In 2021-2022 we will also begin to look again to **slow and measured growth**. We will reopen conversations with additional partner schools from across Bradford who would benefit from being part of BDAT and add value to our family.

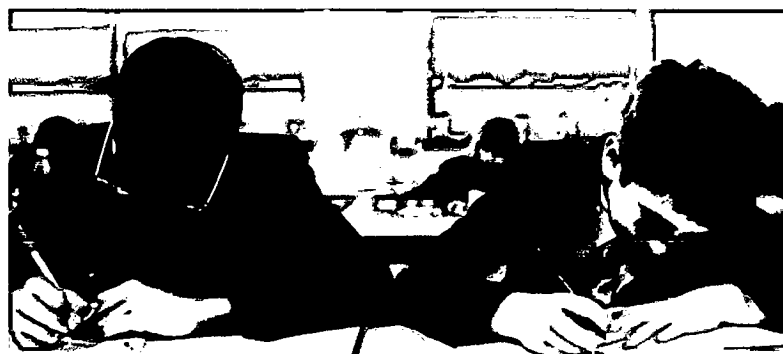
Covid-19 has demonstrated the power and positives of being part of a family of schools and it now feels the right time for growth. Growth will also support the DfE direction to encourage all schools to join strong Trusts and the published academisation policy set out by the Leeds Diocesan Board of Education in Sept 2021

A big focus of 2021-2022 will be ensuring we have returned to business as usual as set out in our **"Reconnecting Pure Accountability"** framework (Sept 2021). <https://www.bdat-academies.org/wp-content/uploads/2021/02/Pure-Accountability-in-2020-and-Beyond-Final-Feb-2021.pdf>. Our innovative accountability framework will be relaunched in September 2021 reconnecting what we can now measure as we learn to live alongside the pandemic and to reflect on what we want to keep as success measures for our schools.

The framework recognises that the old traditional accountability measures will quickly return but that doesn't mean our newer wider framework on measuring impact is not just as important.

"Reconnecting Pure Accountability" harnesses the best of pre-, during- and post- pandemic in a living and evolving framework designed to deliver meaningful impact for our students and staff. In this document we look to mix the old measures with the new, drawing in our distinctiveness as a value led MAT. We also look to identify where we can begin to measure trends in improvement as we adapt again to another new normal and where we might look to identify further accountability and impact trends in the future.

**We will reopen conversations with additional partner schools from across Bradford who would benefit from being part of BDAT and add value to our family**



# Trustees' Report (continued)

## Plans for Future Period (continued)

### Inclusion Matters

A final and important key priority for 2021-2022 will be **Inclusion**. Covid-19 was not the only story to hit the press and profoundly mark our lives in the last academic year. All of us were affected by the tragic circumstances surrounding the death of George Floyd and the spotlight it put on both the unintentional and intentionally systematic racism which runs through modern society. It is a stark reminder of the inequity and bias which affects all of us, and all of our students, to different extents and in different ways in every-day life.

In our Student Pandemic Recovery Summit in Spring 2021, the issue was highlighted closer to home as our own students talked about the discrimination and divides, they observed and worried about on a daily basis in areas like racism, socio-economic disadvantage and child poverty.

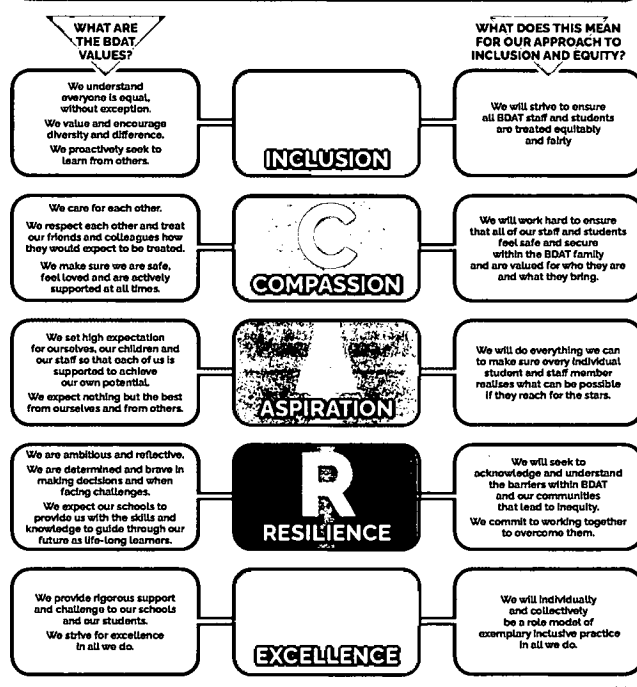
This has prompted BDAT to reconsider the importance, effectiveness, and sustainability of how we tackle issues like racism

This year we will lead a Trust wide consultation to ensure we understand what we mean by inclusion and to look at what we can do differently centred around the Trust values "ICARE". We will launch this consultation at our first all staff conference in October 2021 themed "**Celebrating Diversity and Difference**".



## INCLUSION MATTERS

**'We are not all the same but we all want the same chances'**  
Bradford Student Summit 2021



Our ambition will be to turn words in to action for our students, our staff and our communities as we bring together the rich tapestry of the BDAT family of schools to ensure every one of our students grows up excited to be unique, special, and different.

# Trustees' Report (continued)

## Auditor

Saffery Champness LLP have indicated their willingness to continue in office.

### Statement as to disclosure of information to the auditor

The Trustees have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. 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 is approved by order of the Board of Trustees and the Strategic Report (included therein) is approved by the Board of Governors in their capacity as Directors at a meeting on the 16 December 2021 and signed on its behalf:

*Tessa Mason*

**Mrs Theresa Mason**

Chair of Trustees



# Governance Statement

## Scope of Responsibility

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

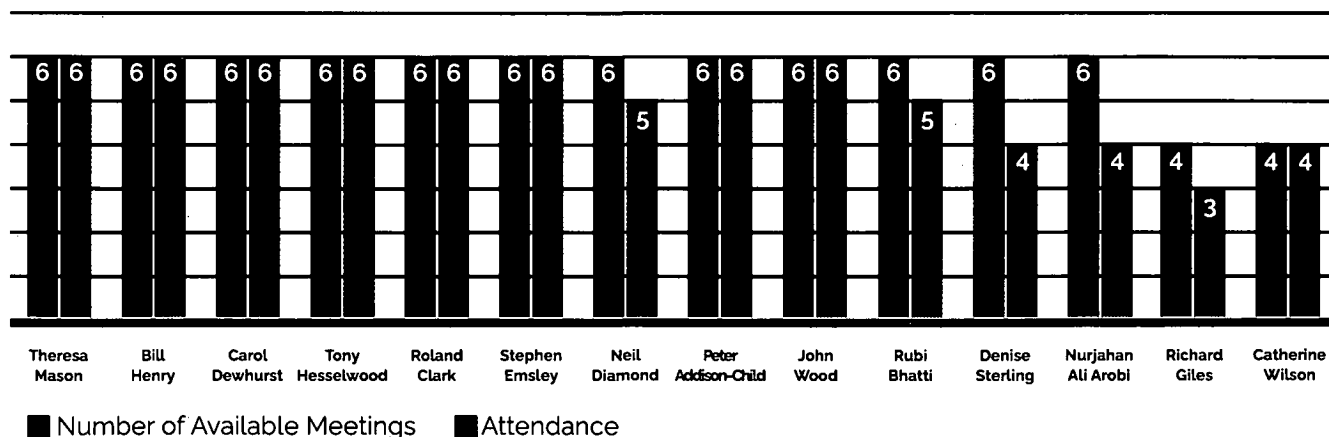
The Board of Trustees' has delegated the day-to-day responsibility to the Chief Executive Officer as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned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

Financial matters are dealt with by the Finance & Resources Committee, consisting of Board and staff members who are responsible for ensuring internal controls are implemented and that risks are kept under review. The Audit Committee reviews compliance and procedural matters of the external audit and meets three times a year.

## Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees had planned an initial six meetings between 1 September 2020 and 31 August 2021. Attendance during the year at meetings of the governing body was as follows:

### Board Trustee Attendance



# Governance Statement (continued)

There were four Trustees and one member appointment during the year.

1. Mrs Catherine Wilson - 22 October 2020
2. Mr Richard Giles - 18 March 2021
3. Mr Andrew Truby - 30 September 2021
4. Mrs Alison Grant - 30 September 2021
5. Mrs Marilyn Banister (Member) - 22 July 2021

There were one trustee and one member resignations during the year:

1. Alison Grant - 17 September 2020 (stepped down and reappointed)
2. Very Reverend Jerry Lepine (Member) - 22 July 2021

Each academy has its own Local Governing Body which has delegated powers as defined in the Scheme of Delegation. The Trustees believe the current governance structure is appropriate to the size of the Trust and acknowledge that this will be developed over time as the number of academies in the Trust increases. We conduct an annual Trust audit and governance review in each of our academies to look at effectiveness, priorities, skills gaps and areas for development.

## Board Sub-Committee Structure and Attendance

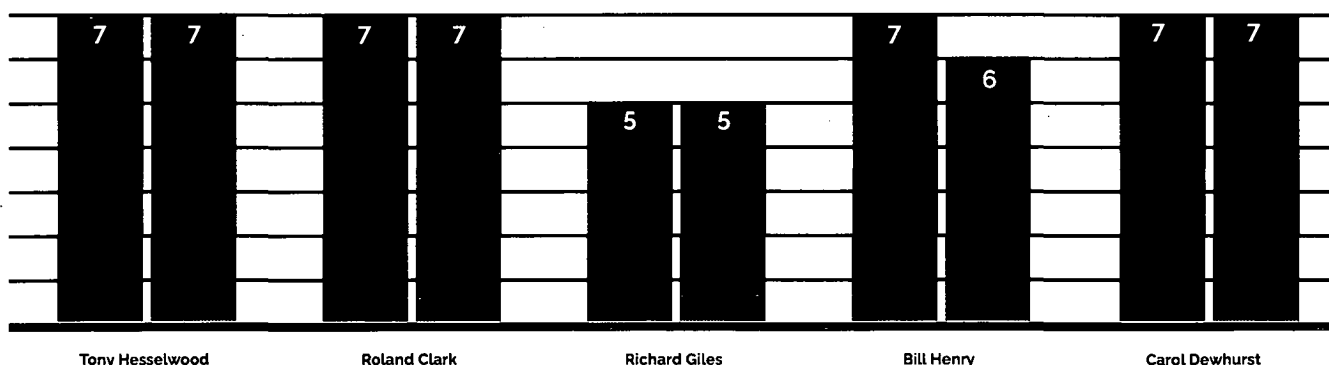
The BDAT Board operates 7 sub-committees. The structure is highlighted on page 12 of this report and these are:

Finance and Resources Committee	Secondary Committee
Primary Committee	Audit Committee
Digital Committee	Covid Committee
Remuneration Committee	

### The Finance and Resources Committee (FARC) purpose is:

- Evaluate the financial performance of the organisation and ensure finance resources are used appropriately and in accordance with the objectives of the organisation.
- Ensure that appropriate advice and recommendations are made to the Board to ensure the ongoing viability of the organisation occurs.

### Finance & Resources - Trustee Attendance



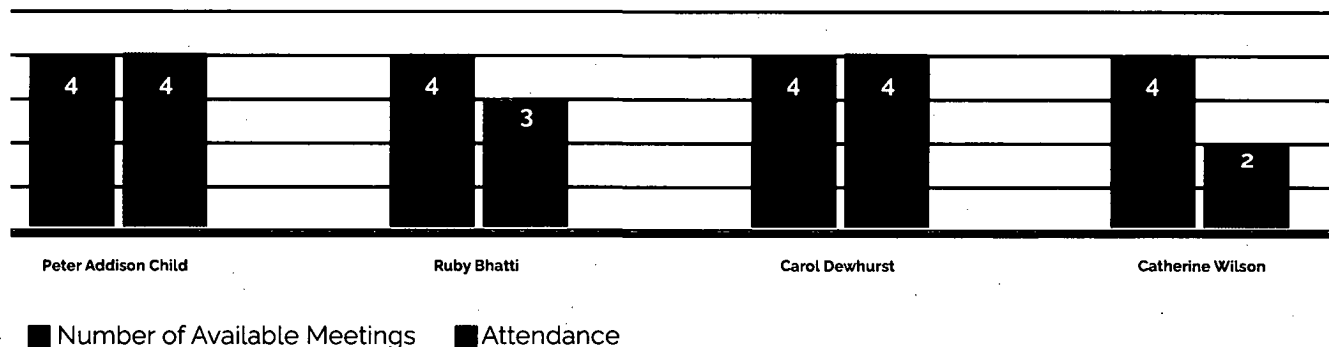
■ Number of Available Meetings ■ Attendance

# Governance Statement (continued)

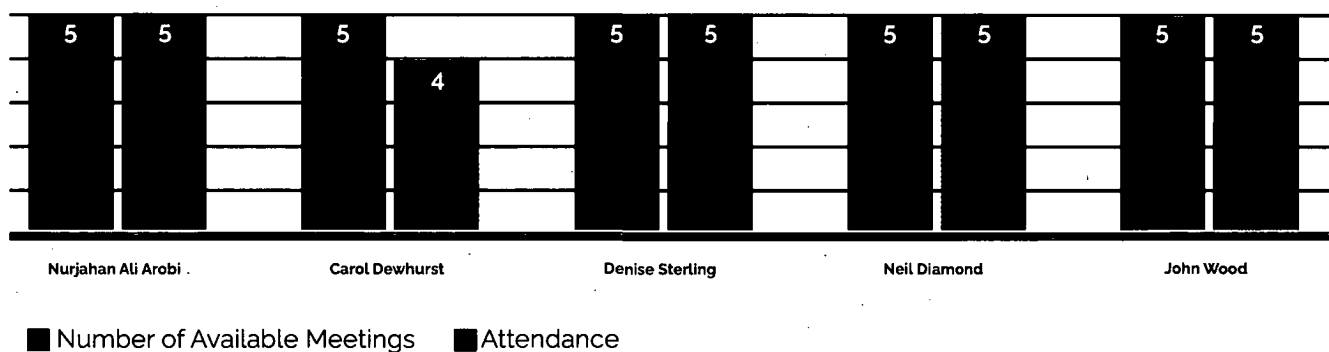
## The Primary and Secondary Committees

The Primary and Secondary Committees purposes are responsible are responsible for ensuring that standards across the MAT, especially in regards to pupils and learning, are set, achieved and maintained.

### Primary Committee- Trustee Attendance



### Secondary Committee- Trustee Attendance

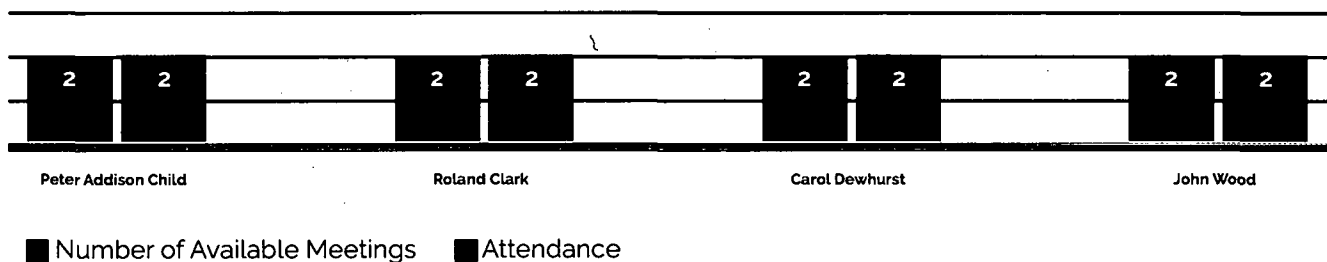


# Governance Statement (continued)

## The Covid-19 Committee and Digital Strategy Committee

- To oversee the spending of the ring-fenced Covid-19 catch-up premium and that school plans are based on the research from the Education Endowment Federation across the 3 strategies of teaching, targeted support and wider strategies
- Ensure that funds are being spent appropriately and are having an impact on teaching and learning.

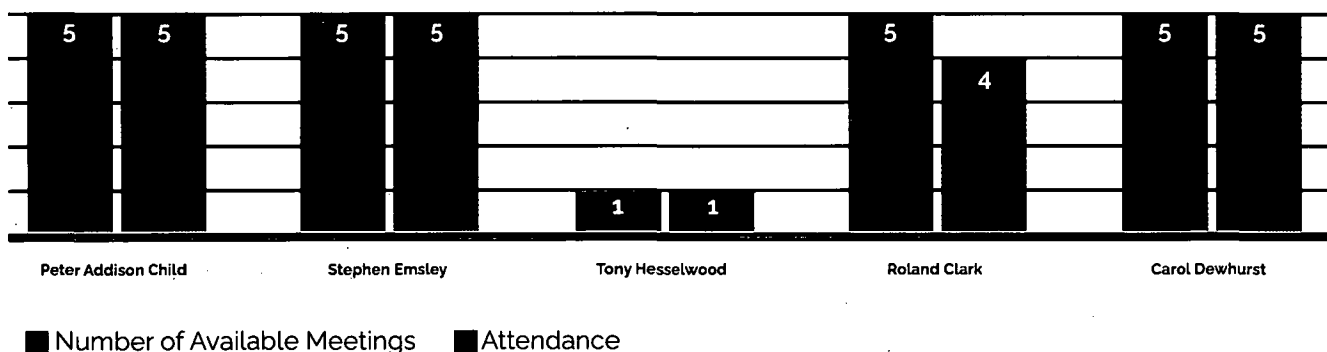
### Covid 19 Committee- Trustee Attendance



## Digital Strategy Committee purpose is

- To oversee the development and implementation of the digital strategy within the organisation and ensure financial, physical and human resources are used appropriately and in accordance with the objectives of the organisation.
- Ensure that appropriate advice and recommendations are made to the Board to ensure the ongoing viability of the project.
- To provide Trustee voice to decision making and risk management

### Digital Strategy Committee- Trustee Attendance



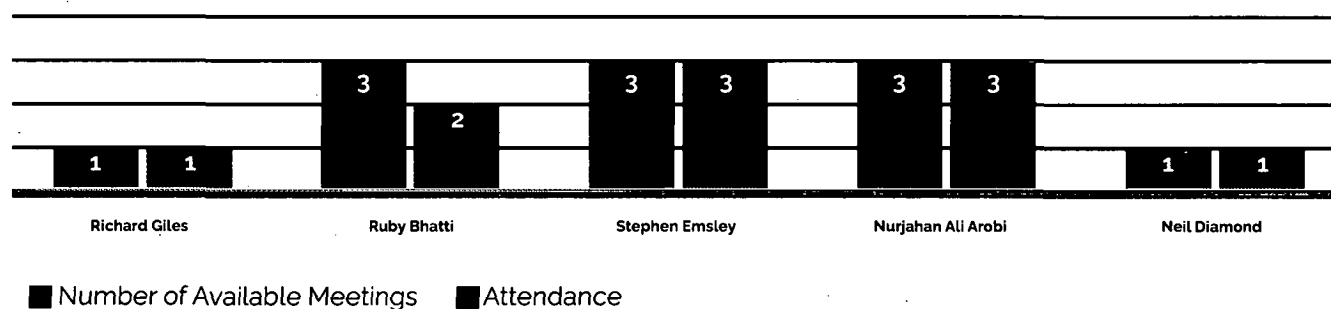
# Governance Statement (continued)

## The Audit Committee

The Audit Committee has a new Chair, Mr Stephen Emsley (Trustee). This committee is commissioned to meet three times a year, from 1 September 2020 to 31 August 2021.

The purpose of the Audit Committee is to advise on the adequacy of financial and other controls and risk management arrangements in the trust, and it must also direct a programme of internal scrutiny and consider the results and quality of any external audit.

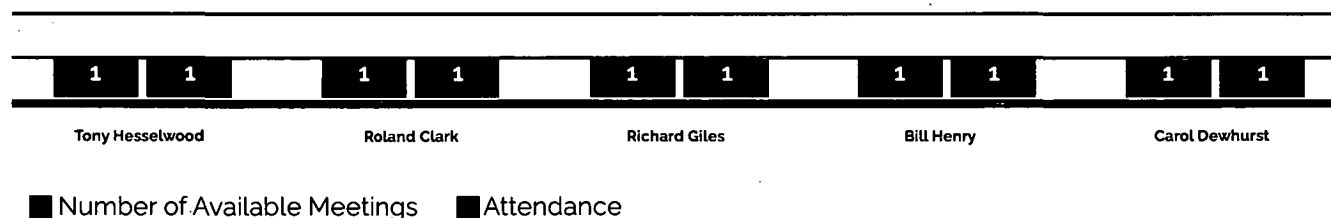
### Audit Committee- Trustee Attendance



## The Remuneration Committee

The Remuneration Committee met once during the year and its purpose is oversight of BDAT's remuneration levels, and to approve any pay awards for the Trust central staff and Headteachers' on the basis of recommendation by the CEO.

### Remuneration Committee- Trustee Attendance







# Governance Statement (continued)

## Review of Value for Money

As Accounting Officer, the Chief Executive Officer 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 available.

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

- Deploying a Covid-19 focused agile strategy whilst maintaining core business and education working groups via remote meetings. This has had a financial benefit and an environmental one.
- Group purchasing of Digital hardware devices both gave the Trust economies of scale in purchasing but also took workload away from academies. It also ensures we can guarantee on equitable and quality level of remote learning for our students.
- Group purchasing of online training platforms for staff. This gave a standard approach to training across the Trust as well as economies of scale and will be further demonstrated next year through a Trust wide digital strategy.
- Further LED lighting projects continue across schools that long term will reduce energy costs.
- Emergency Executive Team Covid-19 meetings and communications to senior leaders. This has taken workload away from academies and given them direction in the Covid-19 strategies within their own academies.

## The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and mitigate the impact should they be realised, efficiently, effectively, and economically. The system of internal control has been in place in Bradford Diocesan Academies Trust for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

## Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that has been in place for the period 1 September 2020 and 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 Audit committee approves an internal scrutiny plan and monitors progress throughout the year to produce a year-end report.



# Governance Statement (continued)

## The Risk and Control Framework

The Trust's system of internal financial control is based on a risk and control 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 within an annual budget and periodic financial reports, which are reviewed and agreed by the Board of Trustees.
- Regular reviews by the Finance and Resources 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.
- Testing of the payroll and the bank reconciliations.
- Clearly defined purchasing (asset purchase or capital investment) guidelines.
- Delegation of authority and segregation of duties.
- Identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and agreed the following terms of reference:

- The Audit Committee met three times during the year 1 September 2020 to 31 August 2021 and considers all aspects of internal scrutiny as well as the external auditor's report and recommendations.

In 2020-2021 there was an independent peer review for internal financial scrutiny with the Beckfoot Trust. This was carried out by senior finance staff of a neighbouring Trust with a reciprocal arrangement with Bradford Diocesan Academies Trust finance staff. The Chief Financial Officer of each Trust ensured that the process was managed and reported in an effective and timely manner. This year's internal scrutiny had a focus on procurement and fixed asset processes. The reports were presented to the Local Governing Bodies and a consolidated point-based report was presented to the Audit Committee. A remedial action plan was produced to ensure that corrective actions were planned and followed up. Further internal independent scrutiny was undertaken by external providers such as Navigate, Fusion and B11 Education in the following areas: human resources, safeguarding, health and safety compliance and education.

The Chief Financial Officer's role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. The Chief Financial Officer will report to the Board of Trustees, through the Audit Committee, on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

# Governance Statement (continued)

## Review of Effectiveness

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

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Audit Committee 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 Trustees on 16 December 2021 and signed on its behalf by:



**Mrs Theresa Mason**

Chair of Trustees



**Ms Carol Dewhurst OBE**

Accounting Officer

## Statement on Regularity, Propriety and Compliance

As Accounting Officer of Bradford Diocesan Academies Trust, I have considered my responsibility to notify the Trust governing body and the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with Education and Skills Funding Agency terms and conditions of funding, under the funding agreement in place between the Trust and the Secretary of State for Education. As my part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

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

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

[illegible]

**Ms Carol Dewhurst OBE**

Accounting Officer

16 December 2021

# Statement of Trustees' Responsibilities

## Year ended 31 August 2021

The Trustees of Bradford Diocesan Academies Trust are also the directors of the charitable company for the purposes of company law; are responsible for preparing the Trustees' Report (including the Strategic Report) and the financial statements in accordance with the Annual Accounts Direction issued by the Education & 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 in 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 conforms to the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA/DfE have been applied for the purposes intended.

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

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



**Mrs Theresa Mason**  
Chair of Trustees

# Independent Auditor's Report on the Financial Statements to the Members of the Bradford Diocesan Academies Trust

## Opinion

We have audited the financial statements of Bradford Diocesan Academies Trust for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the cash flow statements and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the charitable company's state of 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 Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 issued by the Education and Skills Funding Agency (ESFA).

## Basis for opinion

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





# **Independent Auditor's Report on the Financial Statements to the Members of the Bradford Diocesan Academies Trust** (continued)

## **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 charitable company'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.

## **Other information**

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

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.

## **Opinions on other matters prescribed by the Companies Act 2006**

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

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

# **Independent Auditor's Report on the Financial Statements to the Members of the Bradford Diocesan Academies Trust** (continued)

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

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

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

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

## **Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement set out on [page 44], the trustees (who are also directors of the charitable company 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative to do so.



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

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.



# Independent Auditor's Report on the Financial Statements to the Members of the Bradford Diocesan Academies Trust (continued)

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

## Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, guidance issued by the Charity Commission for England and Wales and guidance issued by the Education and Skills Funding Agency.

## Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities, including the Education and Skills Funding Agency and the Department for Education to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.


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

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

# Independent Auditor's Report on the Financial Statements to the Members of the Bradford Diocesan Academies Trust (continued)

## Use of our report

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

A handwritten signature in black ink, appearing to read 'Jonathan Davis', followed by a dotted line.

**Jonathan Davis** (Senior Statutory Auditor)

for and on behalf of

**SAFFERY CHAMPNESS LLP,**

Statutory Auditor

Mitre House,

North Park Road,

Harrogate, HG1 5RX

23 December 2021

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006



## **Independent Reporting Accountants' Assurance Report on Regularity to Bradford Diocesan Academies Trust to Bradford Diocesan Academies Trust and the Education and Skills Funding Agency**

In accordance with the terms of our engagement letter dated 13 September 2021 and further to the requirements of the Education 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 Bradford Diocesan Academies Trust during the period 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 Bradford Diocesan Academies Trust and Education and Skills Funding Agency in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Bradford Diocesan Academies Trust and Education and Skills Funding Agency 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 Bradford Diocesan Academies Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of Bradford Diocesan Academies Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Bradford Diocesan Academies Trust's funding agreement with the Secretary of State for Education dated October 2012 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 period 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 Academies Accounts Direction 2020 to 2021 issued by Education and Skills Funding Agency. 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.

# **Independent Reporting Accountants' Assurance Report on Regularity to Bradford Diocesan Academies Trust to Bradford Diocesan Academies Trust and the Education and Skills Funding Agency (continued)**

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

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

The work undertaken to draw our conclusion includes:

- An assessment of the risk of material irregularity and impropriety across the Academy Trust's activities;
- Evaluation of the processes and controls established and maintained in respect of regularity, propriety and compliance of the use of public funds through observation and testing of the arrangements in place and enquiry of the Accounting Officer;
- Consideration and corroboration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance; and
- Limited testing on a sample basis of income and expenditure for the areas identified as high risk.

## **Conclusion**

In the course of our work, except for the matter listed below, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 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.

A handwritten signature in black ink, appearing to read 'Jonathan Davis', followed by a horizontal line.

**Jonathan Davis** (Reporting Accountant)

for and on behalf of  
**SAFFERY CHAMPNESS LLP,**  
Mitre House,  
North Park Road,  
Harrogate, HG1 5RX  
23 December 2021



# Statement of Financial Activities for year ended 31 August 2021

(including Income and Expenditure Account)

		Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	2020/21 Total	2019/20 Total
	Note	£000	£000	£000	£000	£000
<b>Income and endowments from:</b>						
Donations and capital grants	2.6	-	5,715	6,638	12,353	7,177
Transfer from Local Authority on Conversion	2	-	-	-	-	-
Charitable activities:						
Funding for the Trust's educational operations	3	-	55,836	-	55,836	52,186
Other trading activities	4	1,650	-	-	1,650	2,219
<b>Total</b>		1,650	61,551	6,638	69,839	61,582
<b>Expenditure on:</b>						
Raising Funds	5	-	-	-	-	3
Charitable activities:						
Academy Trust educational operations	7	633	64,533	1,677	66,843	63,156
<b>Total</b>		633	64,533	1,677	66,843	63,156
<b>Net income / (expenditure)</b>		1,017	(2,982)	4,961	2,996	(1,577)
<b>Transfers between funds</b>	17	(1,220)	49	1,171	-	-
<b>Other recognised gains /(losses):</b>						
Actuarial (losses) on defined benefit pension schemes	27	-	(367)	-	(367)	(5,550)
<b>Net movement in funds</b>		(203)	(3,300)	6,132	2,629	(7,127)
<b>Reconciliation of funds</b>						
Total funds brought forward		4,492	(25,604)	40,907	19,795	26,922
<b>Total funds carried forward</b>		4,289	(28,904)	47,039	22,424	19,795

All activities in the current and prior year relate to continuing operations.

# Balance Sheet

## as at 31 August 2021

		2020/21	2020/21	2019/20	2019/20
	Notes	£000	£000	£000	£000
<b>Fixed assets</b>					
Tangible assets	12		45,330		39,564

<b>Current assets</b>					
Stock	13	-		2	
Debtors	14	1,571		1,698	
Cash at bank and in hand	24	9,425		8,216	
		10,996		9,916	

<b>Liabilities</b>					
Creditors: Amounts falling due within one year	15	(3,308)		(3,375)	
<b>Net current assets</b>			7,688		6,541

<b>Total assets less current liabilities</b>			53,018		46,105
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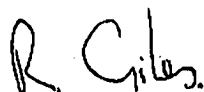
Creditors: Amounts falling due after more than one year	16		(62)		(78)
<b>Net assets excluding pension liability</b>			52,956		46,027

Defined benefit pension scheme liability	27		(30,532)		(26,232)
<b>Total assets</b>			22,424		19,795

<b>Funds of the Trust:</b>					
<b>Restricted funds</b>					
Fixed asset fund	17	47,039		40,907	
Restricted income fund	17	1,628		628	
Pension reserve	17	(30,532)		(26,232)	
<b>Total restricted funds</b>			18,135		15,303

<b>Unrestricted income funds</b>	17		4,289		4,492
<b>Total funds</b>			22,424		19,795

The financial statements on pages 61-92 were approved by the Trustees, and authorised for issue on 16 December 2021 and are signed on their behalf by:



Mr Richard Giles  
Trustee



## Statement of Cash Flow for year ended 31 August 2021

	Notes	2020	2019
		£000	£000
Cash flows from operating activities			
Net cash (used in) provided by operating activities	21	7,185	9
Cash flows from investing activities	22	(5,977)	(98)
Cash flows from financial activities	23	1	24
Change in cash and cash equivalents in the reporting period		1,209	(65)
Cash and cash equivalents at 1 September 2020		8,216	8,281
Cash and cash equivalents at the 31 August 2021	24	9,425	8,216



# Notes to Financial Statements for year ended 31 August 2021

## Note 1: Statement of Accounting Policies

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

### Basis of Preparation

The financial statements of the Trust, which is a public benefit entity under FRS102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102), 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 (FRS102) (Charities SORP (FRS102)), the Academies Accounts Direction 2020 to 2021 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006.

The Trust meets the definition of the public benefit entity under FRS102.

### Going Concern

The Trustees assess whether the use of going concern is appropriate i.e., whether there are any material uncertainties, including Covid-19, related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the 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.

### 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 performance-related conditions there is no 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 period is deducted from income and recognised as a liability.

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

### Sponsorship Income

Sponsorship income provided to the Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there is no performance-related conditions), where the receipt is probable, and it can be measured reliably.

### Donations

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

### Other Income

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

### Donated goods, facilities and services

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

### Transfer on Conversion

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



# Notes to Financial Statements

## for year ended 31 August 2021 (continued)

### Note 1 (continued)

#### Donated fixed assets (excluding Transfers on conversion into the Trust)

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

#### Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not contributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and the depreciation charges allocated on the portion of the asset's use.

#### Expenditure on Raising Funds

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

#### Charitable Activities

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

#### 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 the restricted fixed asset fund in the Statement of Financial Activities

and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life on the basis a full years' depreciation. Separate items within capital projects costs are assessed for depreciation on an individual basis. The depreciation rates are as follows:

Long Leasehold Buildings.....	50 Years
Leasehold Improvements .....	5 or 50 Years
Plant & Machinery.....	5 Years
Fixtures & Fittings.....	5 Years
Motor Vehicles .....	5 Years
ICT Hardware .....	3 Years
Assets under Construction .....	see note below

Leasehold Improvement depreciation are identified by project being either structural which is depreciated over 50 years or internal improvements which are depreciated over 5 years. Assets under construction are included in the cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings. A review for impairment of a fixed asset is carried out if the 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.

#### Land and Buildings

Where the land and buildings are made available to the Trust under the Church Supplemental Agreement they are recognised on similar terms to an operating lease. Such agreements give the Trustees of the premises the right to give notice (2 or 7 years) and in effect make a donation committed to the remainder of the notice period. These donations made by the site Trustees are recognised on a time basis relative to the period for which a notional rent is recognised. Rent is estimated at 7% of the value of the land and buildings, being a reasonable estimate of the return required by a commercial landlord.

The land and buildings held under the Local Authority are held under a 125-year lease and are recognised as a fixed asset.

# Notes to Financial Statements

## for year ended 31 August 2021 (continued)

### Note 1 (continued)

#### 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.

#### Provisions

Provisions are recognised when the Trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

#### Leased Assets

Rentals under operating leases are charged on an accrual's basis over the term of the lease.

#### Investments

The Trust will invest funds that are not required for immediate working capital within a 24-month period. These investments will be at low-risk categories however yielding the greatest returns. The investments will meet the Trust's ethical standards. The Trust currently manages a 32-day savings account which is not considered to be an investment but good treasury management. The current position is that all funds are held in cash and bank (note 24).

#### Financial Instruments

The Trust only holds basic financial instruments as defined in FRS102. The financial assets and financial liabilities of the Trust and their measurement basis are the follows:

- **Financial assets** – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in (note 14). 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 financial instruments, and are measured at amortised cost as detailed (note 15). Taxation and social security are not included in the financial instrument's disclosure definition. Deferred income is not deemed to be a financial liability, as cash settlements has already taken place and there is not an obligation to deliver services rather than cash or other financial instrument.

#### Stock

Unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

#### 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.

#### Pensions Benefits

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

#### Teacher Pension Scheme

The TPS is an unfunded scheme and the 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 the 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. As stated in (note 27), the TPS is a multi-employer scheme with no underlying assets 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.

# Notes to Financial Statements for year ended 31 August 2021 (continued)

## **Note 1 (continued)**

### **Local Government Pension Scheme**

The LGPS is a funded 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.

### **Church of England Funded Pension Scheme (CEFPS)**

A new funded scheme started from 1 January 1998 to provide benefits in respect of service from that date. It is called the Church of England Funded Pensions Scheme (CEFPS) and is an occupational pension scheme set up under trust. The cost of CEFPS benefits is met by the various church bodies and other organisations which participate on behalf of their employees and office holders. Contributions are paid to the Board as Trustee of CEFPS by the participating organisations. Member contributions are not required unless through voluntary contributions.

### **Fund Accounting**

Unrestricted 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 Funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education and Skills Funding Agency and the Department for Education.

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

### **Critical accounting estimates and areas of judgement**

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

### **Critical accounting estimates and assumptions**

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in (note 27) will impact the carrying amount of the pension's 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.

### **Critical areas of judgement**

The Trust has to comply with Diocesan rules around accounting for land within its financial statements. There is consideration on whether there is a two or seven year right to use the land of a property of Diocesan ownership.

# Notes to Financial Statements for year ended 31 August 2021 (continued)

## Note 2. Donations and capital grants

			2020/21	2019/20
	Unrestricted Funds	Restricted Funds	Total	Total
	£000	£000	£000	£000
Transfer on Conversion	-	-	-	-
Notional Donation in respect of rent	-	5,715	5,715	5,715
Capital Grants	-	1,441	1,441	1,380
Donations	-	5,197	5,197	82
	-	12,353	12,353	7,177

## Note 3. Funding for the Trust's Educational Operations

			2020/21	2019/20
	Unrestricted Funds	Restricted Funds	Total	Total
	£000	£000	£000	£000
<b>DfE / ESFA grants</b>				
General Annual Grant (GAG)	-	45,779	45,779	43,404
Other DfE/ESFA grants				
Pupil Premium	-	3,285	3,285	3,193
Teacher Employer Contribution	-	1,528	1,528	1,522
Teacher Pay Grant	-	541	541	539
UIFSM	-	458	458	474
PE & Sports Grant	-	244	244	240
Rates Reclaim	-	226	226	229
Others	-	204	204	229
Other DfE Grants	-	-	-	-
	-	52,265	52,265	49,830
<b>Other Government grants</b>	-			
Local authority grants	-	1,595	1,595	1,644
Special educational needs	-	822	822	644
<b>COVID-19 additional funding (DfE/ESFA)</b>				
Catch-up premium	-	670	670	-
Other Coronavirus funding	-	484	484	69
<b>COVID-19 additional funding (non-DfE/ESFA)</b>				
Other COVID-19 funding	-	-	-	-
		55,836	55,836	52,186

The Trust had Covid catch-up premium of £670k and covid-related funding of £484k which included Mass Testing, Free School Meal funding and summer school funding. The Trust was not eligible for the coronavirus job retention scheme.

# Notes to Financial Statements

## for year ended 31 August 2021 (continued)

### Note 4. Other trading activities

			2020/21	2019/20
	Unrestricted Funds	Restricted Funds	Total	Total
	£000	£000	£000	£000
Catering	708	-	708	798
Other Income	323	-	323	399
Breakfast/Clubs	138	-	138	136
Pupil/ITT Income	132	-	132	166
Facilities Hire	99	-	99	128
Other Grants	67	-	67	88
Insurance Refunds/Claims	52	-	52	92
Income from other charitable activities	48	-	48	50
Trips	42	-	42	234
Trading with Other Trusts	41	-	41	128
	1,650	-	1,650	2,219

All the income identified in Note 4 is classed as unrestricted funds

### Note 5. Expenditure

	Non Pay Expenditure			2020/21	2019/20
	Staff Costs	Premises	Other	Total	Total
	£000	£000	£000	£000	£000
Expenditure on raising funds:					
Allocated support costs	-	-	-	-	3
<b>Trust's educational operations:</b>					
Direct costs	37,099	-	3,534	40,633	39,762
Allocated support costs	10,931	11,309	3,970	26,210	23,394
	48,030	11,309	7,504	66,843	63,159
Net Income/(expenditure) for the period includes:				2020/21	2019/20
				£000	£000
Operating lease rentals				7,244	7,247
Depreciation				1,677	1,631
Fees payable to auditor for:					
- Audit				29	29
- Other services				8	9
Indemnity Insurance				1	5
Trustee Reimbursed Expenses				-	2

# Notes to Financial Statements

## for year ended 31 August 2021 (continued)

### Note 6. Analysis of grants

			2020/21	2019/20
	Unrestricted Funds	Restricted Funds	Total	Total
Improvements to diocesan property occupied by the Trust	£000	£000	£000	£000
	100	-	100	-
	100	-	100	-

### Note 7. Charitable Activities

	2020/21	2019/20
Total	Total	
£000	£000	
Direct costs - educational operations	40,633	39,762
Support costs - educational operations	26,210	23,394
	66,843	63,156

		2020/21	2019/20
Analysis of support costs	Educational Operations	Total	Total
	£000	£000	£000
Support staff costs	10,931	10,931	8,226
Depreciation	1,677	1,677	1,631
Technology costs	398	398	588
Premises costs	9,729	9,716	9,723
Other support costs	3,451	3,451	3,186
Governance costs	37	37	40
Total support costs	26,210	26,210	23,394

# Notes to Financial Statements

## for year ended 31 August 2021 (continued)

### Note 8. Staff

	2020/21	2019/20
<b>a. Staff costs</b>		
Staff costs during the period were:	<b>Total</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>
Wages and salaries	33,139	31,754
Social security costs	3,274	3,088
Pension Costs	10,421	8,859
	46,834	43,701
Agency Staff Costs	1,073	1,135
Staff restructuring costs	123	12
	48,030	44,848
Staff restructuring costs comprise:		
Redundancy payments	79	10
Severance payments	22	2
Other restructuring costs	22	-
	123	12

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

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling 2021: £22,571 (2020: £2,000). Individually, the payments were: £9,119, £7,413, £3,080, £2,000 and £959.

#### c. Staff numbers

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

	2020/21	2019/20
	<b>No.</b>	<b>No.</b>
Teachers	454	452
Administration and support	815	843
Management	97	97
	1,366	1,392

# Notes to Financial Statements

## for year ended 31 August 2021 (continued)

### Note 8. Staff (continued)

#### d Higher paid staff

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

	2020/21	2019/20
	No.	No.
£60,001 - £70,000	21	23
£70,001 - £80,000	11	9
£80,001 - £90,000	3	3
£90,001 - £100,000	1	-
£100,001 - £110,000	2	2
£110,001 - £120,000	3	2

Thirty-seven of the forty-one above employees participated in the Teachers' Pension Scheme compared with 2020 thirty-six of forty participated in the Teachers' Pension Scheme.

There were four employees in the Local Government Pension Scheme.

#### e Key management personnel

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 3.

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 £693,412 (2020: £597,477).



# Notes to Financial Statements for year ended 31 August 2021 (continued)

## Note 9. Related Party Transactions - 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 she provides undertaking the role of Chief Executive Officer under her contract of employment, and not in respect of her role as a Trustee.

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

**Ms Carol Dewhurst** (Chief Executive Officer and Trustee):

Remuneration: **£110,000 - £120,000** (2020: £100,000 - £110,000)

Employer's pension contributions paid **£15,000 - £20,000** (2020: £15,000 - £20,000)

During the period ended 31 August 2021, travel and subsistence expenses totalling £309 (including the Chief Executive Officer) were reimbursed paid directly to 1 Trustee £309 (2020: £2,323 to 4 Trustees).

## Note 10. Trustees' and Officers' Insurance

In accordance with normal commercial practice the Trust has purchased Trust insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust's business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the period 1 September 2020 to 31 August 2021 was £366 (2020: £2,800). The cost of this insurance is included in the total insurance cost.

## Note 11. Central Services

The Trust has provided business and education services to its academies during the year for the following service:

- Education Quality Assurance
- Budget Management Software
- Education Data management software
- Health & Safety Compliance Software
- Professional Governance Support
- Risk Management Software & Support
- Finance Support including Statutory Accounts
- Human Resources Support
- Financial Systems & licensing
- Conversion Support and TUPE
- Payroll & Pension Services
- Internal & External Audit
- Apprenticeship Levy & Management
- Policy Compliance
- Insurance
- Estates Management
- Safeguarding Quality Assurance
- Training Senior Leaders and Governors

# Notes to Financial Statements for year ended 31 August 2021 (continued)

## Note 11. Central Services (continued)

The Trust retention slice for these services was 4.5% of GAG income.  
These services are reviewed at least annually to reflect school needs.

The actual amounts charged during the year were as follows:	2020/21	2019/20
	£000	£000
Academy At St James	64	59
Belle Vue Girls' Academy	302	301
Bradford Forster Academy	294	257
Buttershaw Business & Enterprise College Academy	407	382
Christ Church C of E Academy	44	44
Clayton St John C of E Primary Academy	75	70
Cullingworth Primary School	55	53
East Morton C of E Primary School	39	38
Immanuel College	350	329
Oxenhope C of E Primary School	39	34
Shipley C of E Primary School	39	41
St Johns C of E Primary School	85	82
St Oswalds C of E Primary Academy	85	84
St Philips C of E Primary School	45	43
Westminster C of E Primary Academy	114	117
Woodlands C of E Primary Academy	25	23
Wycliffe C of E Primary School	60	57
	<b>2,122</b>	<b>2,014</b>

An additional 2% is charged for all schools that are sponsored until they achieve an Ofsted 'Good' rating and is allocated for targeted support for school improvement.

	£000	£000
Academy At St James	28	26
Buttershaw Business & Enterprise College Academy	181	170
Clayton St John C of E Primary Academy	33	31
Shipley C of E Primary School	18	18
Westminster C of E Primary Academy	51	52
Wycliffe C of E Primary School	27	25
	<b>338</b>	<b>322</b>
Total	<b>2,460</b>	<b>2,336</b>

# Notes to Financial Statements

## for year ended 31 August 2021 (continued)

### Note 12. Tangible Fixed Assets

	Leasehold Land and Buildings	Leasehold Improvements	Assets Under Construction	Plant and Machinery	Furniture and Equipment	Computer Hardware	Motor Vehicle	Total
	£000	£000	£000	£000	£000	£000	£000	£000
<b>Cost</b>								
At 1 September 2020	37,062	2,228	160	546	2,974	2,265	55	45,290
Additions	4,875	845	578	216	286	643	-	7,443
Transfer Donated Asset	-	-	-	-	-	-	-	-
At 31 August 2021	41,937	3,073	738	762	3,260	2,908	55	52,733
<b>Depreciation</b>								
At 1 September 2020	1,991	143	-	77	1,801	1,713	1	5,726
Charged in year	743	123	-	112	435	253	11	1,677
At 31 August 2021	2,734	266	-	189	2,236	1,966	12	7,403
<b>Net book values</b>								
At 31 August 2020	35,071	2,085	160	469	1,173	552	54	39,564
At 31 August 2021	39,203	2,807	738	573	1,024	942	43	45,330

Where the land and buildings are made available to the Trust under a Church Supplemental Agreement they are recognised as being occupied on similar terms as an operating lease. Such agreements give the Trustees of the premises the right to give notice (2 or 7 years) and in effect make a donation committed for the remainder of the notice period. These donations by the site Trustees are recognised on a time basis relative to the period for which a notional rent is recognised. Rent is estimated at 7% of the value of the land and buildings, being a reasonable estimate of the return required by a commercial landlord.

The land and buildings that twelve of the academies operate from are the properties held in the Trust by the Leeds Diocesan Board of Finance and will operate under the above policy. There were no additional academies that joined the Trust during 2020/2021.

The land and buildings held under the Local Authority are held under a 125-year lease. These academies are listed below:

- Belle Vue Girls' Academy
- Bradford Forster Academy
- Cullingworth Village Primary School
- St Philips Church of England Primary Academy
- All Playing Fields

The Trust currently has one PFI academy. – Buttershaw Business and Enterprise College Academy. This is shown as an operating lease as the risks and rewards of ownership as deemed to be that of the contractor.

# Notes to Financial Statements

## for year ended 31 August 2021 (continued)

### Note 13. Stock

	2020/21	2019/20
	£000	£000
Catering Stock	-	2
<b>Total</b>	-	2

### Note 14. Debtors

	2020/21	2019/20
	£000	£000
Trade debtors	25	33
VAT recoverable	307	340
Other Debtors	6	6
Prepayments and accrued income	1,233	1,319
<b>Total</b>	<b>1,571</b>	<b>1,698</b>

### Note 15. Creditors: Amounts Falling due within one year

	2020/21	2019/20
	£000	£000
Trade creditors	1,483	823
Other taxation and social security	775	729
Other ESFA creditors	73	56
Other creditors including salix	1	728
Accruals and deferred income	976	1,039
<b>Total</b>	<b>3,308</b>	<b>3,375</b>

Deferred Income	2020/21	2019/20
	£000	£000
Deferred income at 1 September 2020	476	494
Released from previous years	(476)	(494)
Resources deferred in the year	480	476
Deferred Income at 31 August 2021	480	476

Deferred income is for grants that are for period ending March 2022 and trips income.

### Note 16. Creditors: Amounts Falling due in greater than one year

	2020/21	2019/20
	£000	£000
Salix Loan	62	78
<b>Total</b>	<b>62</b>	<b>78</b>

Included in creditors are four original loans of £30k, £29k, £23k and £13k from Salix which are interest free and are repayable between 2026 and 2028.

# Notes to Financial Statements

## for year ended 31 August 2021 (continued)

### Note 17. Funds

	Balance at 1 Sept 2020	Income	Expenditure	Gains Losses & Transfers	Balance at 31 August 2021
	£000	£000	£000	£000	£000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	45,779	(44,901)	636	<b>1,514</b>
Pupil Premium	587	3,285	(3,242)	(587)	<b>43</b>
Teacher Pension Employer Grant	-	1,530	(1,530)	-	-
Teacher Pay Grant	-	539	(539)	-	-
UIFSM	-	458	(458)	-	-
PE & Sports Grant	-	244	(244)	-	-
Rates Reclaim	-	226	(226)	-	-
Other ESFA Grants	-	204	(204)	-	-
Covid Catch-up Premium	-	670	(640)	-	<b>30</b>
Other Covid Grants	-	484	(484)	-	-
Mary Evason Trust	41	-	-	-	<b>41</b>
Donations	-	5,715	(5,715)	-	-
LA Grants	-	2,417	(2,417)	-	-
Pension reserve	(26,232)	-	(3,933)	(367)	<b>(30,532)</b>
	(25,604)	61,551	(64,533)	(318)	<b>(28,904)</b>
<b>Restricted fixed asset funds</b>					
DfE/ESFA capital grants	4,289	1,441	(176)	(49)	<b>5,505</b>
Local Authority Capital Sponsorship	12,868	4,875	(528)	-	<b>17,215</b>
Private Capital Donation	251	322	(10)	-	<b>563</b>
Capital Expenditure from GAG	2,435	-	(99)	1,220	<b>3,556</b>
Transfer on conversion	21,064	-	(864)	-	<b>20,200</b>
	40,907	6,638	(1,677)	1,171	<b>47,039</b>
<b>Total restricted funds</b>	<b>15,303</b>	<b>68,189</b>	<b>(66,210)</b>	<b>853</b>	<b>18,135</b>
<b>Total unrestricted funds</b>	<b>4,492</b>	<b>1,650</b>	<b>(633)</b>	<b>(1,220)</b>	<b>4,289</b>
<b>Total funds</b>	<b>19,795</b>	<b>69,839</b>	<b>(66,843)</b>	<b>(367)</b>	<b>22,424</b>

# Notes to Financial Statements for year ended 31 August 2021 (continued)

## Note 17. Funds (continued)

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

### General Annual Grant (GAG)

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

### Pupil Premium Grants

The pupil premium grant are funds from the ESFA and relate to all academies for additional support for disadvantaged students.

### Teacher Pension Employer Contribution/ Teacher Pay Grant

The funds relate to supporting funding through large increases in pensions costs for teachers and in teacher pay.

### UIFSM (Universal Infant Free School Meals)

These funds relate to providing FSM to our youngest pupils and relates to the primary sector only.

### PE & Sports Grant

These funds relate to supporting the physical well-being of the primary sector pupils.

### Rates Reclaim

These funds relate to the re-imbursement of rates' costs that are for the educational premises.

### Covid-19 Grants

The Covid-19 funds relate to catch-up funds, Mass Testing, Summer schools, exceptional costs reimbursement.

### Other Annual Grants

The funds relate to other ESFA/DfE grants received to carry out objectives of the academies.

### Start Up Grants

Funds provided by ESFA/Local Authority for pre-opening costs.

### School Improvement

This fund relates to the improvement grants received for each academy. The terms of the grant state this must be spent within 6 years of receipt on academy improvement projects.

### Mary Evason Trust

This is a legacy fund that was inherited when Belle Vue Girls' Academy joined the Trust and is to be used for foreign travel.



# Notes to Financial Statements

## for year ended 31 August 2021 (continued)

### Note 17. Funds (continued)

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

	Balance at 1 Sept 2019	Income	Expenditure	Gains Losses & Transfers	Balance at 31 August 2020
	£000	£000	£000	£000	£000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	43,404	(43,404)	-	-
Other Annual Grants	-	14,497	(13,910)	-	587
Start Up Grant	-	-	-	-	-
School Improvement	-	-	-	-	-
Mary Evason Trust	41	-	-	-	41
Pension reserve	(17,823)	-	(2,859)	(5,550)	(26,232)
	(17,782)	57,901	(60,173)	(5,550)	(25,604)
<b>Restricted fixed asset funds</b>					
DfE/ESFA capital grants	3,031	1,380	(122)	-	4,289
Local Authority Capital Sponsorship	13,408	-	(540)	-	12,868
Private Capital Donation	176	82	(7)	-	251
Capital Expenditure from GAG	1,946	-	(78)	567	2,435
Transfer on conversion	21,948	-	(884)	-	21,064
	40,509	1,462	(1,631)	567	40,907
<b>Total restricted funds</b>	<b>22,727</b>	<b>59,363</b>	<b>(61,804)</b>	<b>(4,983)</b>	<b>15,303</b>
<b>Total unrestricted funds</b>	<b>4,195</b>	<b>2,219</b>	<b>(1,355)</b>	<b>(567)</b>	<b>4,492</b>
<b>Total funds</b>	<b>26,922</b>	<b>61,582</b>	<b>(63,159)</b>	<b>(5,550)</b>	<b>19,795</b>

# Notes to Financial Statements

## for year ended 31 August 2021 (continued)

### Note 17. Funds (continued)

#### Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:	2020/21	2019/20
	£000	£000
Academy At St James	(50)	8
Belle Vue Girls' Academy	1,203	1,252
Bradford Forster Academy	2,132	1,416
Buttershaw Business & Enterprise College Academy	357	92
Christ Church C of E Academy	52	6
Clayton St John C of E Primary Academy	24	(93)
Cullingworth Primary School	134	67
East Morton C of E Primary School	157	125
Immanuel College	494	471
Oxenhope C of E Primary School	(32)	(10)
Shipley C of E Primary School	4	(42)
St Johns C of E Primary School	76	91
St Oswalds C of E Primary Academy	345	401
St Philips C of E Primary School	77	52
Westminster C of E Primary Academy	489	392
Woodlands C of E Primary Academy	4	(15)
Wycliffe C of E Primary School	(9)	14
Mary Evason Trust (BVG)	41	41
Central services (LGPS Reserve)	-	375
Central services	419	477
<b>Total before fixed assets and pension reserve</b>	<b>5,917</b>	<b>5,120</b>
Restricted fixed asset fund	47,039	40,907
Pension reserve	(30,532)	(26,232)
<b>Total</b>	<b>22,424</b>	<b>19,795</b>

Oxenhope C of E Primary School, Wycliffe C of E Primary School, and the Academy at St James have deficit positions due to lost non-core income streams from the Covid-19 pandemic and restructure costs.

Woodlands C of E Primary Academy, Clayton St John C of E Primary Academy, Shipley C of E Primary School have recovered the deficit positions through robust budgeting.

All school budgets continue to be monitored closely by the Trust.



# Notes to Financial Statements

## for year ended 31 August 2021 (continued)

### Note 17. Funds (continued)

#### Analysis of academies by cost

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

	Teaching & Educational Support Staff Costs	Other Support Staff Costs	Educational Supplies	Other Costs Excluding Depreciation	2020/21 Total	2019/20 Total
	£000	£000	£000	£000	£000	£000
Academy At St James	1,448	123	127	258	1,956	1,836
Belle Vue Girls' Academy	5,100	1,151	544	525	7,320	7,142
Bradford Forster Academy	3,958	952	596	951	6,457	5,775
Buttershaw Business & Enterprise College Academy	5,821	1,002	806	2,255	9,884	9,416
Christ Church C of E Academy	844	102	66	196	1,208	1,223
Clayton St John C of E Primary Academy	1,422	250	131	160	1,963	1,855
Cullingworth Primary School	953	167	74	161	1,355	1,336
East Morton C of E Primary School	705	109	68	92	974	1,013
Immanuel College	6,025	1,091	908	898	8,922	8,325
Oxenhope C of E Primary School	614	101	56	140	911	866
Shipley C of E Primary School	744	98	95	189	1,126	1,129
St Johns C of E Primary School	1,660	245	149	293	2,347	2,424
St Oswalds C of E Primary Academy	1,668	231	249	253	2,401	2,187
St Philips C of E Primary School	789	140	60	163	1,152	1,232
Westminster C of E Primary Academy	2,067	291	298	358	3,014	2,888
Woodlands C of E Primary Academy	454	49	44	83	630	606
Wycliffe C of E Primary School	1,082	143	114	248	1,587	1,427
Central Services	672	4,686	222	6,379	11,959	10,848
<b>Academy Trust</b>	<b>36,026</b>	<b>10,931</b>	<b>4,607</b>	<b>13,602</b>	<b>65,166</b>	<b>61,528</b>

Central Services – Other Support Staff Costs includes £3.6m of SOFA LGPS cost.

# Notes to Financial Statements

## for year ended 31 August 2021 (continued)

### Note 18. Analysis of net assets between funds

Fund balances at 31 August 2021 are represented by:

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds
	£000	£000	£000	£000
Tangible fixed assets	-	-	45,330	45,330
Current assets	4,289	4,998	1,709	10,996
Current liabilities	-	(3,308)	-	(3,308)
Current liabilities > 1 Year	-	(62)	-	(62)
Pension scheme liability	-	(30,532)	-	(30,532)
<b>Total net assets</b>	<b>4,289</b>	<b>(28,904)</b>	<b>47,039</b>	<b>22,424</b>

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

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds
	£000	£000	£000	£000
Tangible fixed assets	-	-	39,564	39,564
Current assets	4,492	4,081	1,343	9,916
Current liabilities	-	(3,375)	-	(3,375)
Current liabilities > 1 Year	-	(78)	-	(78)
Pension scheme liability	-	(26,232)	-	(26,232)
<b>Total net assets</b>	<b>4,492</b>	<b>(25,604)</b>	<b>40,907</b>	<b>19,795</b>

### Note 19. Capital commitments

	2020/21	2019/20
	£000	£000
Contracted for, but not provided in the financial statements	1,216	336

There are two projects that commenced during 2020/21 and these are the Bradford Forster 3-storey extension which will be completed in early 2022 and the digital strategy which is providing a trust-wide cloud-based IT solution providing equity to all our staff and students, this was 50% complete at the 31 August 2021.

# Notes to Financial Statements

## for year ended 31 August 2021 (continued)

### Note 20. Commitments under operating leases

#### Operating Leases

At 31 August 2021 the total of the Trust's future minimum lease payments under non-cancellable operating leases was as follows:

- Buttershaw Business & Enterprise College who converted September 2016 had a PFI arrangement which commenced in 2008 through Integrated Bradford (Amey) for a 25-year period. The services covered are for site management, cleaning services, ground maintenance, health & safety, energy and utilities, caretaking, policy and strategy, partnerships and resources.

	2020/21	2019/20
	£000	£000
Amounts due within one year	1,529	1,532
Amounts due between one and five years	5,792	5,863
Amounts due after five years	9,892	11,305
<b>Total</b>	<b>17,213</b>	<b>18,700</b>

#### Non-cancellable contracts

At 31 August 2021 the Trust was treating its right to use the land and buildings made available by The Leeds Diocesan Board of Finance, as being similar to an operating lease (as per the Tangible Fixed Assets policy). The Trust was also recognising a related rental charge on the same basis. Amounts receivable and payable under this non-cancellable agreement was:

	2020/21	2019/20
	£000	£000
Amounts due within one year	5,715	5,715
Amounts due between one and five years	6,215	6,215
<b>Total</b>	<b>11,930</b>	<b>11,930</b>

# Notes to Financial Statements

## for year ended 31 August 2021 (continued)

### Note 21. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2020/21	2019/20
	£000	£000
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	2,996	(1,577)
<b>Adjusted for:</b>		
Depreciation charges (note 12)	1,677	1,631
Capital grants from DfE and other capital income (note 22)	(1,441)	(1,380)
Interest receivable	-	(20)
Defined benefit pension scheme obligation inherited	-	-
Defined benefit pension scheme cost less contributions payable (note 27)	3,475	2,418
Defined benefit pension scheme finance cost (note 27)	432	326
(Increase)/decrease in stocks	2	3
(Increase)/decrease in debtors	127	(275)
Increase/(decrease) in creditors	(83)	(1,117)
<b>Net cash provided by / (used in) Operating Activities</b>	<b>7,185</b>	<b>9</b>

### Note 22. Cash flows from investing activities

	2020/21	2019/20
	£000	£000
Dividends, interest and rents from investments	-	-
Purchase of tangible fixed assets	(7,443)	(1,482)
Capital grants from DfE/ESFA	1,441	1,380
Capital grants from sponsors and others	25	5
<b>Net cash provided by / (used in) investing activities</b>	<b>(5,977)</b>	<b>(97)</b>

### Note 23. Cash flows from financing activities

	2020/21	2019/20
	£000	£000
Repayments of borrowing - Salix	(12)	(7)
Cash Inflows from new borrowing	13	31
<b>Net cash provided by / (used in) financing activities</b>	<b>1</b>	<b>24</b>

### Note 24. Analysis cash and cash equivalents

	2020/21	2019/20
	£000	£000
Cash in hand and at bank	9,425	8,216
<b>Total cash and cash equivalents</b>	<b>9,425</b>	<b>8,216</b>

# Notes to Financial Statements

## for year ended 31 August 2021 (continued)

### Note 25. Analysis of changes in net debt

	At 1 September 2020	Cash Flows	Acquisition/ Disposal of Subsidiaries	New Finance Leases	Other Non- Cash Changes	At 31 August 2021
	£000	£000	£000	£000	£000	£000
Cash	8,216	1,209	-	-	-	9,425
Cash equivalents	-	-	-	-	-	-
Overdraft facility repayable on demand	-	-	-	-	-	-
Loans falling due within one year	-	-	-	-	-	-
Loans falling due after more than one year	79	(12)	-	-	-	67
Finance lease obligations	-	-	-	-	-	-
<b>Total</b>	<b>79</b>	<b>(12)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>67</b>

### Note 26. Members' Liability

Each member of the Trust 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.

### Note 27. Pension and similar obligations

The Trust's employees belong to two principal pension schemes with a third pension scheme available to clergy members. 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 West Yorkshire Pension Fund. There is a third pension scheme the Clergy Pension Scheme which is for employed clergy within the Trust. All three are multi-employer defined benefit pension schemes. The latest actuarial valuation of the TPS related to the period ended 31 March 2019 and the LGPS 31 March 2019.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year in, regards to the Teacher Pension Scheme and the West Yorkshire Pension Scheme.

Contributions amounting to £4,000 were payable to the Clergy Pension Scheme at the 31 August 2021 (2019/20: £1,000) and are included in creditors.

#### Teachers' Pension Scheme

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

# Notes to Financial Statements for year ended 31 August 2021 (continued)

## **Note 27. Pension and similar obligations (continued)**

### **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 level 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 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 the 1 April 2023.

The employer's pension costs paid to the TPS in the period amounted to £4,797k (2020: £4,514k)

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

Under the definitions set out in FRS102, 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 a separate Trustee-administered funds earned up to 31 March 2014 being linked to final salary. Benefits after 31 March 2014 are based on a Career Average Revalued Earnings scheme. Details of the benefits earned over the period covered by the disclosure are set out in the Local Government Pension Scheme Regulations 2013 (as amended) and the Local Government Pension Scheme (transitional Provisions, Savings and Amendment) regulations 2014 (as amended).

### **Funding/Governance Arrangements of the LGPS**

The funded nature of the LGPS requires participating employers and employees to pay contributions into the fund, calculated at a level intended to balance the pension liabilities with investment assets. Information on the framework for calculating contributions to be paid is set out in the "Local Government Pension Scheme Regulations 2013" and the funds' Funding Strategy Statement. The last actuarial valuation was at 31 March 2019 and the contributions to be paid until 31 March 2023 resulting from that valuation are set out in the Fund's Rates and Adjustment Certificate.

The Fund's administering authority, City of Bradford Metropolitan District Council, is responsible for the governance of the fund.

# Notes to Financial Statements

## for year ended 31 August 2021 (continued)

### Note 27. Pension and similar obligations (continued)

#### Assets

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

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

#### Risks Associated with the fund in relation to accounting

##### Asset Volatility

The liabilities used for accounting purposes are calculated using a discount rate set with reference to a corporate bond yields at the accounting date. If assets underperform this yield will create a deficit in the accounts. The fund holds a significant proportion of growth assets which, while expected to outperform corporate bonds in the long term, creates volatility and risk in the short term in relation to the accounting figures.

##### Changes in Bond Yield

A decrease in corporate bond yields will increase the value placed on the liabilities for accounting purposes although this will be marginally offset by the increase in the assets as a result (to the extent the fund invests in corporate bonds).

##### Inflation Risks

The majority of pension liabilities are linked to either pay or price inflation. Higher inflation expectations will lead to a higher liability value. The assets are not perfectly correlated with inflation meaning that an increase in inflation will increase the deficit.

##### Life Expectancy

The majority of the funds obligations are to provide benefits for the life of the member following retirement, so increases in life expectancy will result in an increase in the liabilities.

##### Exiting Employers

Employers which leave the fund (or their guarantor) may have to make an exit payment to meet any shortfall in assets against their pension liabilities. If the employer (or guarantor) is not able to meet this exit payment the liability may in certain circumstances fall on other employers in the fund. Further, the assets at exit in respect of "orphan liabilities" may, in retrospect, not be sufficient to meet the liabilities. This risk may fall on other employers. "Orphan Liabilities" are currently a small proportion of the overall liabilities in the fund.

##### Summary

The total contributions made for year ended 31 August 2021 was £2,345k (2019: £2,082k), of which employer's contributions totaled £1,689k (2020: £1,486k), and employees' contributions totaled £657k (2020: £596k). The agreed contributions rates for future years are between 15.3% and 16.5% for employers and between 5.5% and 12.5% for employees.

# Notes to Financial Statements

## for year ended 31 August 2021 (continued)

### Note 27. Pension and similar obligations (continued)

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

#### McCloud Judgement.

In December 2018, the McCloud judgement found that the transitional protection arrangements put in place for the firefighters' and judges' pension schemes were age discriminatory.

A new calculation has been undertaken for all employers including those who accounted for McCloud in 2019. The calculations are based upon the employer's membership data provided for the actuarial valuation as at 31 March 2019. The cost allows for the detailed age profile, proportion of males and females, and the proportion of pre 2012 joiners of the employer at the 2019 valuation.

#### The Clergy Pension Scheme

This is non-contributable scheme for employees and a fixed monthly employer charge. The total contributions made for year ended 31 August 2021 was £10k (2020: £5k), of which employer's contributions £10k (2020: £5k).

#### Principal Actuarial Assumptions

	2020/21	2019/20
Rate of increase in salaries	3.85%	3.45%
Rate of increase for pensions in payment/inflation	2.60%	2.20%
Discount rate for scheme liabilities	1.70%	1.70%
Inflation assumption (CPI)	2.60%	2.20%

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

	2020/21	2019/20
Retiring today		
Males	21.9	21.8
Females	24.7	24.6
Retiring in 20 years		
Males	22.6	22.5
Females	25.8	25.7



# Notes to Financial Statements for year ended 31 August 2021 (continued)

## Note 27. Pension and similar obligations (continued)

### Sensitivity Analysis

	2020/21	2019/20
	£000	£000
Discount rate +0.1%	64,417	52,285
Discount rate -0.1%	67,923	55,130
Mortality assumption - 1 year increase	63,624	51,748
Mortality assumption - 1 year decrease	68,650	55,614
CPI rate +0.1%	66,402	53,896
CPI rate -0.1%	65,872	53,466

### The Trust's share of the assets in the scheme were:

	2020/21	2019/20
	£000	£000
Equities	28,556	21,355
Property	1,353	1,180
Government bonds	2,848	2,663
Corporate bonds	1,567	1,372
Cash	783	467
Other	498	412
<b>Total market value of assets</b>	<b>35,605</b>	<b>27,449</b>

The actual return on scheme assets was £6,476,000 (2020: £151,000).

### Amounts recognised in the statement of financial activities

	2020/21	2019/20
	£000	£000
Current service cost (net of employee contributions)	(5,188)	(3,909)
Net interest cost	(432)	(326)
Past service cost	-	(3)
<b>Total amount recognised in the SOFA</b>	<b>(5,620)</b>	<b>(4,238)</b>

The actual return on scheme assets was £6,476,000 (2020: £151,000).

# Notes to Financial Statements

## for year ended 31 August 2021 (continued)

### Note 27. Pension and similar obligations (continued)

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

	2020/21	2019/20
	£000	£000
At 1 September	53,681	43,763
Current service cost	5,188	3,909
Interest cost	913	832
Employee contributions	652	547
Actuarial loss	6,362	5,195
Benefits paid	(659)	(568)
Past service cost	-	3
Acquisitions	-	-
At 31 August	66,137	53,681

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

	2020/21	2019/20
	£000	£000
At 1 September	27,449	25,940
Interest income	481	506
Actuarial gain	5,995	(355)
Employer contributions	1,687	1,379
Employee contributions	652	547
Benefits paid	(659)	(568)
Acquisitions	-	-
At 31 August	35,605	27,449

# Notes to Financial Statements

## for year ended 31 August 2021 (continued)

### Note 28. 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 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 Education and Skills Funding Agency of all transactions made on or after the 1 April 2019 and obtaining their approval where required, and with the Trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period.

#### **Expenditure Related Party Transaction**

##### **Leeds Diocesan Board of Finance**

- The Trust purchased the services of the diocese for religious training and contracted services totalling £29k of which non-exempt element was £nil (2020: £4k). The religious character services of £29k been removed from the total as per the Academies Accounts Direction exemption.
- The related party is the Leeds Diocesan Board of Finance with our Trustees and members being associated.
- This is below the £20,000 threshold and therefore ESFA approval was not required.

##### **Dixons Academies Charitable Trust**

- The Trust purchased staff training and development services from the Dixons Academies Charitable Trust. The services procured between 1 September 2020 to 31 August 2021 were £4k (2020: £1k).
- The related party is Mrs R Bhatti OBE who is a Trustee of both Bradford Diocesan Academies Trust and Dixons Academies Charitable Trust.
- This is below the £20,000 threshold and therefore ESFA approval was not required.

##### **Chrysalis Consultancy Ltd**

- The Trust purchased wellbeing services for staff at Woodlands Church of England Primary and St Johns CE Primary from the Chrysalis Consultancy Ltd. The services procured between 1 September 2020 to 31 August 2021 were £2k (2020: £nil).
- The related party is Mrs C Proud who is the headteacher of Bradford Forster Academy who is the wife of the owner of Chrysalis Consultancy.
- This is below the £20,000 threshold and therefore ESFA approval was not required.

##### **Inn Churches Charity**

- Westminster Church of England Primary works with the local community and Inn Churches charity to support the school-based families, this is in conjunction with the Community Hub that Westminster Church of England Primary coordinates. The services procured between 1 September 2020 to 31 August 2021 were £1k (2020: £nil).
- The related party is Canon R Clark who is a Trustee of Bradford Diocesan Academies Trust and is the chair of Inn Churches.
- This is below the £20,000 threshold and therefore ESFA approval was not required.

#### **Income Related Party Transaction**

There were no related party transactions in relation to income.



# Notes to Financial Statements

## for year ended 31 August 2021 (continued)

### Note 29. Agency Arrangements

The Trust distributes 16-19 Bursary funds to students as an agent of the ESFA. In the accounting period the Trust received £104k (2020: £79k) and distributed: £60k (2020 – £113k). An amount of £73k (2020: £54k) has been carried forward into the 2021 figures, relating to undistributed bursary funds. These funds relate to:

	2020/21	2019/20
	£000	£000
Belle Vue Girls' Academy	73	54
	73	54

### Note 30. Events after the end of the reporting period

The Trust continues to roll out its new digital investment into a single IT cloud-based platform for all schools. The overall cost of the digital strategy is £5m

Bradford Forster Academy are currently building a 3-storey extension to provide additional educational capacity including an "Alternative Provision"

The support staff were due an annual pay rise on 1 April 2021 and to date this has not been agreed with the Local Government Associations and the unions. Once this is agreed it will be back paid to 1 April 2021.