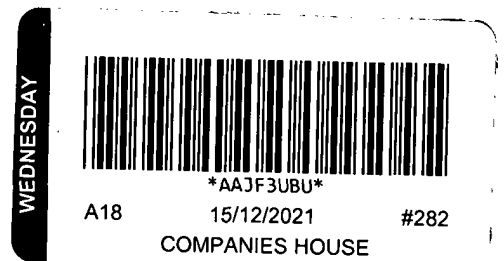


The Bridge Academy, Hackney

Annual Report and Financial Statements

31 August 2021

Company Limited by Guarantee
Registration Number
05195911 (England and Wales)



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Reference and administrative information

Directors and Governing Body

Ms A Coleman (Chair until resigning 31 August 2021)
Mr R W J Hardie (Vice-Chair)
Ms A Barton (Vice-Chair and Chair from 1 September 2021)
Mr C Brown
Ms S Craner
Ms Z Evans
Mr P Graham (resigned 29 September 2021)
Mr P Jones (appointed 19 November 2020)
Mr N Khinda
Mr H Knapman
Ms J Lindsey
Ms S McDonagh
Ms V O'Brien
Ms B Refson
Ms S Roberts (appointed 1 September 2020)
Mr E Suer
Mr N Wright

The members of the Academy are the Academy's Sponsor, UBS AG together with the above named individuals, excluding Mr C Brown and Ms J Lindsey who resigned as members on 28 February 2021.

Senior Management

Principal	Mr C Brown
Vice Principal	Mr P Cassidy
Vice Principal	Ms J Evans (to 31 December 2020)
Vice Principal	Ms K Harris
Vice Principal	Ms A Underwood
Finance and Resources Director	Mr K Robb

Secretary

Mr D C Murray

Registered office

Laburnum Street
London
E2 8BA

Company registration number

05195911 (England and Wales)

Auditor

Buzzacott LLP
130 Wood Street
London
EC2V 6DL

Reference and administrative information

Bankers Barclays Bank plc
1 Churchill Place
London
E14 5HP

Solicitors Stone King LLP
13 Queen Square
Bath
BA1 2HJ

Directors' report Year to 31 August 2021

The Directors of The Bridge Academy, Hackney (the Academy), who are also governors of the Academy and trustees of the Academy for the purposes of charity law, present their statutory report and the audited financial statements for the year ended 31 August 2021. The annual report serves the purposes of both a governors' report and a directors' report under company law.

The financial statements have been prepared in accordance with the accounting policies set out on pages 38 to 43 of the attached financial statements and comply with the Academy's memorandum and articles of association, applicable laws and 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 United Kingdom and Republic of Ireland (FRS 102).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution and principal activities

The Academy is a company limited by guarantee (Company Registration No. 05195911) that was incorporated on 3 August 2004 to develop a new school in Hackney. It is an exempt charity for the purposes of the Charities Act 2011 and its Sponsor is UBS AG. The Academy's Memorandum and Articles of Association and the Funding Agreement dated 21 June 2005 are the primary governing documents of the Academy. Members of the Academy are nominated either by the Secretary of State for Education or the Sponsor of the Academy. The Articles of Association require the members of the company to appoint at least three Directors to be responsible for the affairs and the management of the Academy.

Revised Memorandum and Articles have been submitted to the DfE for approval, which has not been given by the date of publication.

The principal activity of the Academy is to advance, for the public benefit, education in Hackney by establishing, maintaining, managing and developing a secondary school offering a broad curriculum with a strong emphasis on the teaching of Music and Mathematics.

Legal status and members' liability

The Academy is a company limited by guarantee, without share capital, and an exempt charity. Every member of the Academy undertakes to contribute to the assets of the Academy 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.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Directors

The following Directors were in office at 31 August 2021 and served throughout the year, except where shown:

Director	Date of appointment	Term of appointment ends	Appointed by
Ms Annie Coleman (Chair)	19 Mar 2020	31 Aug 2021	Appointed Governor
Mr Richard Hardie	22 Mar 2018	24 Mar 2022	Sponsor Governor (Co Vice Chair)
Ms Anne Barton	19 May 2020	19 May 2024	Appointed Governor (Co Vice Chair and Chair from 1 Sep 2021)
Mr Chris Brown (Principal)	1 Sept 2015	5 Oct 2023	Principal Governor
Ms Sarah Craner	26 Jan 2021	26 Jan 2025	Sponsor Governor
Ms Zoe Evans	1 Oct 2020	1 Oct 2024	Sponsor Governor
Mr Paul Graham	21 Mar 2019	29 Sep 2021	Sponsor Governor
Mr Philip Jones	19 Nov 2020	19 Nov 2024	Parent Governor
Mr Navid Khinda	19 Mar 2020	19 Mar 2024	Sponsor Governor
Mr Henry Knapman	22 Mar 2018	22 Mar 2022	Appointed Governor
Ms Jennifer Lindsey	30 Nov 2017	30 Nov 2021	Staff Governor
Ms Siobhan McDonagh	21 Mar 2019	21 Mar 2023	Sponsor Governor
Ms Vivien O'Brien	22 Mar 2018	22 Mar 2022	Parent Governor
Ms Benita Refson	7 Oct 2018	7 Oct 2022	Community Governor
Ms Sue Roberts	1 Sept 2020	25 June 2024	Appointed Governor
Mr Bert Suer	11 Oct 2020	11 Oct 2024	Sponsor Governor
Mr Nick Wright	21 Nov 2019	21 Nov 2023	Sponsor Governor

No Director received any remuneration from the Academy during the year in respect of their duties as a director. Mr C Brown was remunerated in his position as Academy Principal and Ms J Lindsey in her role as Head of Learning Area.

Appropriate procedures are followed in inducting new Directors, including adhering to relevant requirements in accordance with the Companies Act and children's safeguarding policy.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

All new Directors are provided with a copy of the Governor handbook, Academy prospectus, the Academy strategic and improvement plans, the Self-Evaluation Form (SEF), newsletters and such other documents relevant to their role. They also meet with the Chair and Vice Chair, Principal and the Finance and Resources Director.

Organisational structure

The organisational structure currently consists of four levels:

- ◆ the Governors, who are also Directors of the Academy;
- ◆ the committees (Education; Finance and General Purposes; Governor Appointments; HR);
- ◆ the sub-committees (Health and Safety; ICT Technical) and the Responsible Officer; and
- ◆ the Senior Leadership Team (SLT).

Governors

The Governors are responsible for setting general vision, policy and strategy, adopting an annual improvement plan and budget, monitoring the Academy by use of a self-evaluation process, budgets and reports and making major decisions about the direction of the Academy, substantial capital expenditure and Senior Leadership Team appointments.

The Governing Body has delegated components of its responsibility to the committees and sub-committees; it has also appointed a Responsible Officer who provides an independent oversight of the financial affairs.

Committees

The Education Committee takes decisions on matters relating to the curriculum, academic matters and education provision at the Academy. It is responsible for setting objectives, reviewing the relevant education plans, recommending targets and resources to support the educational plans, operational implementation and monitoring/reporting of progress.

The Finance and General Purposes (F&GP) Committee is responsible for all financial and resource management, all internal and external financial reporting, ensuring an effective internal control environment, legal, premises and to consider other general matters not falling within the remit of any other committee.

The Governor Appointments Committee is responsible for advising on matters relating to the recruitment and appointment of new Governors and for overseeing the necessary arrangements for the election of new Governors.

The HR Committee is responsible for advising Governors on all matters relating to pay and performance of staff, including the Principal and any other HR matters.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Organisational structure

Sub-Committees

The Health and Safety Sub-Committee is responsible for advising the F&GP Committee on matters relating to monitoring all areas of health and safety to ensure compliance with policy, working practices and a safe and appropriate environment for all staff, students and visitors to the main building or the Multi User Games Area in Haggerston Park.

The ICT Technical Sub-Committee is a sub-committee of the F&GP Committee and is responsible for reviewing and assessing the existing ICT provision; assisting the Academy to maximise the impact of technology on the learning environment; proposing improvements and driving for best value throughout.

Senior Leadership Team

The Senior Leadership Team includes the Principal, three Vice Principals, six Assistant Vice Principals, Inclusion Manager and Finance and Resources Director. This team manages the Academy at an executive level implementing the vision, strategy and policies laid down by the Governors and reporting back to them. As a group, the Senior Leadership Team is responsible for the appointment of all staff below the Senior Leadership Team.

Arrangements for setting pay and remuneration of key management personnel

The key management personnel of the Academy comprises the Directors and the Senior Leadership Team as defined above. Pay for the Principal and Senior Leadership Team is decided by the Directors, with reference to performance, capability and market forces.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the period	Full-time equivalent employee number
2	2.0

The above trade union officials spent no paid time in the year on trade union facility activities.

BACKGROUND AND VISION

Background

The Bridge Academy opened in September 2007 in partnership with UBS.

The Bridge Academy is a mixed, non-denominational, all-ability, 11-19 school with specialisms of Mathematics and Music. The Academy is sponsored by UBS. UBS has focused its community activities in the UK on Hackney for over 35 years. Through the Academy, UBS has supported the creation of an exceptional school at the heart of its local community.

The Academy building is award-winning and has been commended for providing students with a welcoming, positive and secure learning environment. The Academy is located in an area of significant social and economic deprivation. All of Hackney's wards are classified as being among the 10% most deprived in the country. The majority of students live in the Haggerston and Hoxton wards. Hackney still has one of the highest eligibility rates for free school meals in London. Crime, particularly gang violence and 'postcode wars' remain a threat to the safety of Hackney residents and total offences are more than the London average. In addition, in Hackney, admissions to hospital for mental health problems are higher than average for England.

48% of students are eligible for free school meals and 61% are eligible for Pupil Premium funding, both of which are well above the national average. Because of this our work to 'close the attainment gap' remains a focus.

The Academy has been consistently over-subscribed. On average, over the last three years, there have been 700 applicants for the 180 places at the Bridge Academy. We currently have seven year groups (7-13) with a roll of 1,109. The gender balance at the Academy is 55% boys and 45% girls.

A large majority of the students are from Black or minority ethnic backgrounds with the largest groups being Black African, Black Caribbean, Turkish and White English. We know there is further work to do to ensure the potential of all ethnic groups is fully realised.

Almost 5% of students have an Education, Health and Care Plan, well over double the national average.

The Academy operates a fair banding system of five bands. We do not select students on the basis of aptitude for our specialisms.

Vision Statement

The Bridge Academy exists to level the playing field, by creating a school which provides a truly excellent education for disadvantaged children in Hackney and is seen as a blueprint for the public and private sectors working together to tackle poverty

Mission and values

The Bridge Academy's mission is to ensure that every student can go on to succeed at University or equivalent, thrive in their chosen field and live a great life. This is achieved in full partnership with UBS, a relationship that is deservedly considered unique, both in the quality and range of activity and the shared ambition for excellence.

In order to turn this highly ambitious mission into reality, at the Bridge Academy we aim for 100% of staff and students to live the following values every day:

Hard work: We do what it takes for as long as it takes. We stay positive and never give up. We never stop trying to get better.

Integrity: We do the right thing, even when no-one is watching. We are always honest and do not make excuses. We take responsibility and do our best every time.

Kindness: We have high standards because we care. We treat others fairly and respectfully. Helping a member of our team is helping ourselves.

The Bridge Academy Strategic Plan

The Bridge Academy Strategic three-year plan from September 2019 to September 2022 is designed to set out the future priorities for our school and will be the benchmark for important decision making.

Priorities:

1. A highly academic curriculum based around powerful knowledge

Our aim is to provide the highest quality teaching and learning for all. The curriculum is both broad and deep: broad, to avoid the narrowing seen in schools anxious about their league-table ranking; and deep, so that students learn to enjoy seeking and acquiring real subject knowledge in the way that selective school students can. Adaptability, critical thinking skills; and the ability to make cross-disciplinary connections are the keys to surviving in a world which is changing faster all the time.

We will do this via a curriculum built upon delivering powerful knowledge. By this we mean:

- ◆ The core knowledge and subject specific skills which are foundational to future success in the subject
- ◆ 'The Canon': The classics of each subject which enable students to access society in a way which would be impossible if they didn't know them
- ◆ The disciplinary knowledge to enable students to critique the Canon.

The Bridge Academy Strategic Plan (continued)

1. A highly academic curriculum based around powerful knowledge (continued)

To enable mastery of this powerful knowledge, we build our curriculum around four key pillars:

Optimal sequencing

The curriculum:

- ◆ Is delivered in an order which maximises students' understanding
- ◆ Gradually increases in complexity, with prior knowledge being built on over time
- ◆ Is designed to ensure retention of key concepts, including through weekly and monthly review.

High-quality delivery

- ◆ Planning of lessons is centralised to ensure quality and alleviate workload concerns.
- ◆ The vast majority of lessons are delivered in line with Rosenshine's *Principles of instruction*. This is the method of delivery which we believe is best for understanding for all students and crucially has a particularly positive understanding on students with SEN.

Meaningful assessment

- ◆ There is absolute clarity about what is being measured and how assessments demonstrate this.
- ◆ The data captured provides information about how well students have learned and what they are being taught which enables individual student/class/curriculum interventions to be put in place as appropriate.
- ◆ A particular focus is placed on retention of powerful knowledge over time.
- ◆ There are clear strategies in place for maximising reliability and ensuring that workload is manageable and proportionate to impact.

Literacy and Oracy

- ◆ All students can read and write fluently
- ◆ Students read widely, often and for pleasure
- ◆ Students have a high level of grammatical control
- ◆ Students are able to represent themselves well verbally, with their peers, with adults and to large groups

The Bridge Academy Strategic Plan (continued)

2. Outstanding Personal Development

At Bridge we believe that character development is best achieved through a combination of a strong, values-based institutional culture, an outstanding Personal, Social and Health Education (PSHE) curriculum and ensuring that students have a wide range of cultural and character-building experiences and opportunities, rather than through being taught in isolation.

Values based culture

At Bridge we are obsessed with ensuring that our student culture is in line with our values (see above). We ask every member of staff to both have exceptionally high expectations for their students and to implement these in a way which demonstrates that they care about them as individuals. To do this we adopt a consistently 'warm/strict' approach, base our approach to developing student culture around the best practice techniques encoded in Teach Like a Champion (TLaC), and script our most common teacher-student interactions and practise these until they are perfect.

Outstanding PSHE curriculum

PSHE is an important part of any child's education; for a school in the challenging context that Bridge faces it is absolutely vital. We commit to treating PSHE with the same high level of respect as any other subject. We will ensure that its curriculum is carefully designed to be both fully in line with the expectations in the National Curriculum and to provide extra focus around topics which are of particular importance to our students (knife crime, for example), and is deliberately sequenced to ensure both that students' understanding develops over time and the long term retention of key topics. Our ongoing training programme means that our teachers' expertise in high-quality delivery of these topics is high, and we continue to supplement this further with sessions delivered by a wide range of expert external bodies so that our students develop a rich and nuanced understanding of these crucial topics.

Cultural Capital and Character

At Bridge we have been strongly influenced by the work of Paul Tough (author of 'How Children Succeed') and believe that attributes which are typically considered 'transferable skills' (being good at teamwork, for example) are in fact the accumulation of character traits (so in the above example, integrity, reliability, empathy, fairness, the ability to work hard etc.).

Whilst some of these areas can and should be part of a broad and balanced academic curriculum, opportunities additional to this will be required to provide sufficient range and depth of experience. We know that for the most vulnerable, after school clubs and voluntary activities can be difficult to access (for example, because there is a financial implication, or where a student is a young carer they are often unable to stay after school), and are often limited in their impact.

The Bridge Academy Strategic Plan (continued)

2. Outstanding Personal Development (continued)

We therefore commit to ensuring that through our co-curricular curriculum, timetabled during the academy day, every child learns a musical instrument and takes part in a wide range of other activities. We also commit to ensuring that every student at Bridge will visit a range of culturally significant institutions, including art galleries and the theatre, and that these experiences will be linked to and designed to enhance and be enhanced by the academic curriculum.

3. Life after Bridge: Progression and the Future of Work

We know that 'real-world' knowledge, including in particular a detailed understanding of career pathways, is a complex and ever-changing topic, which needs to be carefully sequenced, delivered by experts and supported by real-world experiences. We commit to leveraging fully the partnership with UBS in this area to ensure that Bridge delivers an outstanding progression programme which gains a national profile for excellence. This will be based initially around gaining 100% compliance with all of the Gatsby benchmarks, and will be evaluated through a longitudinal study involving Bridge alumni. There is the potential here for Bridge to deliver something truly unique and transformative both for the local community and for the collective understanding of best practice in careers education.

4. Inclusion, well-being and engagement with the local community

Bridge Academy is a fully inclusive school and believe that every student deserves the best possible education, which prepares them as fully as possible to go on and be successful at a good university or equivalent, thrive in their chosen field, and live a great life. Where students are not aligned with this, it is our job to convince them.

In order for this to be possible, we must design every aspect of our approach around the most vulnerable student, ensure that every teacher is an expert teacher of SEN and, because conventional progress measures are rarely effective for SEN students, design clear SEN pathways so that we can both hold ourselves to account for reaching the highest possible standards and effectively review our approach to ensure that it continues to develop and improve.

The Bridge Academy Strategic Plan (continued)

4. Inclusion, well-being and engagement with the local community (continued)

Well-being of staff and students

We believe that teaching should be a job that can be done for the long-term, that it should be possible to maintain a work/life balance and still be an excellent teacher, and in fact that a happy workforce is a productive workforce. We commit to ensuring that staff well-being is never off the agenda at Bridge, and that it will be a standing item in all decision making. We will ensure that a senior member of staff has responsibility for this area, and that there is representation at Governing Body level.

In particular, we know that the primary driver of poor teacher well-being is workload. Teaching is a difficult job with a high level of responsibility; there will be times when teachers have to work hard, particularly in a school in such a challenging context, and we expect all staff to understand this. However, we will ensure that we never ask teachers to do anything that does not directly impact on the quality of education for our students, and we will ensure that we consult widely, that there are formalised opportunities for staff feedback, and that we constantly review our processes and practices.

The well-being of our students is equally important. The foundation of this is excellent teacher-student professional relationships throughout the Academy, which we will develop through the best practice approaches discussed above. To support this, we will offer an exceptional level of pastoral support, including developing approaches for what Tom Sherrington memorably describes as 'pinball kids' – those students, who almost always have had multiple adverse childhood experiences, for whom the normal systems simply do not work. We also understand the importance of our students knowing that they will be listened to, and will provide outstanding opportunities for student leadership and representation.

Of course, no matter how good the day-to-day provision, there will be occasions when it is simply not sufficient; when expert intensive help is needed. The combination of Place2Be and our in-house counselling service means that this is an area in which Bridge is truly exceptional. We will, of course, continue to develop our own practice, and we will also look for opportunities to share our expertise and to improve the level of support available to the wider community. The work that has already begun here with Place2Be is incredibly exciting and deserves to be widely recognised.

Community stakeholder engagement

We have already forged close and symbiotic relationships with our feeder primaries and with a number of other community bodies, including through the Place2Be scheme mentioned above. We will build out on these to create a sense of belonging and empowerment from those sections of the parental and student bodies that currently feel / are disengaged, and will work together with all the relevant stakeholders to maximise the chances of success of these students.

The Bridge Academy Strategic Plan (continued)

4. Inclusion, well-being and engagement with the local community (continued)

Community stakeholder engagement (continued)

The difficult context of the school coupled with the combination of our inclusive approach and our exceptionally high standards creates substantial challenges in achieving these ambitious aims. Unlike other schools, we actively relish these. They are an opportunity for us to demonstrate the centrality of our values. We know that we will not be rewarded for this approach, but that if we are to fulfil our mission statement, it is the only one which we can possibly take.

5. The UBS partnership

Through conscientious attention to governance and the deployment of expert advisers, employee volunteers, and voluntary sector partners, UBS and Bridge together seek and evaluate every opportunity for the Academy to benefit from UBS' immense resources.

UBS believes its role and the partnership should be models and sources of learning for all less advantaged locations where business can make its skills available to teachers and learners. The partnership supports personal development, employability and curriculum initiatives designed to close the cultural and destinations gaps, and to improve academic attainment. It works with partners on student wellbeing, at Bridge and in primary schools, and with some primary schools is increasingly involved in the smoothing of the academic transition path to Year 7.

The student offer at Bridge is significantly and uniquely enhanced by the additionality afforded by UBS. However, UBS ensures that Bridge is not dependent on its contributions of volunteering and cash. The UBS interventions have a positive impact on students' aspirations and achievements and the development of character, skills and knowledge within and outside the qualification framework. Every Bridge student feels the impact of the partnership during the school year.

6. Exporting the model to maximise impact

We will enhance the Bridge brand and reputation and develop the sense of pride in our students and alumni about what the school (and partnership) has achieved through a strategic communications plan. We will continue to act as a 'beacon school' in our strongest areas, supporting other schools locally and nationally; will further increase our social media presence, sharing all that is so amazing about Bridge; and will build out on our relationship with the DfE and Ambition School Leadership so that Bridge is a major player in developing a blueprint for high-quality inclusive teaching and learning and curriculum design nationwide.

The Bridge Academy Strategic Plan (continued)

6. Exporting the model to maximise impact (continued)

But we should be even more ambitious than this. What has been achieved in such a short space of time in Hackney is nothing short of remarkable. Other children in challenging circumstances deserve these opportunities to change their futures. We have proved the power of a school/business partnership and want to build on it: directly by working with primaries, leading to community regeneration and upskilling; indirectly by encouraging others in England to do what we're doing; and ultimately to show the world, for example by exploring an "international MAT" using UBS's global network. This would be a huge positive for students (exchanges), teachers (career opportunities) and UBS staff (volunteering). It chimes well with a post-Brexit "Global Britain" and in conjunction with so much of what is laid out above and takes the Academy and partnership in a more imaginative, ambitious and potentially very impactful direction.

STRATEGIC REPORT

Achievements

KS4

- ◆ 76% of students gained English and Maths GCSE at 4/C+
- ◆ 57% of students gained English and Maths GCSE at 5+ (strong pass)
- ◆ 55% of students gained the EBacc at 4/C+
- ◆ 42% of students gained the EBacc at 5+
- ◆ 89% of all grades were 4+

KS5

- ◆ 40% grades were A*/A
- ◆ 66% grades were A* - B
- ◆ 100% grades were A* - E
- ◆ 82% students gained a place at University, with 37% of these offers to Russell Group Universities. 70% of these students are the first in their families to go to University.

Fundraising

The Academy did not undertake any fundraising activities in the year.

STRATEGIC REPORT (continued)

Plans for the future

Our priorities for future development are: the continued development of our subject curriculums around the concept of 'powerful knowledge'; the continued development of our personal development curriculum, with a particular focus on competitive sport and outdoor education; and further training for staff in the teaching of SEN students so that we can confidently say that every teacher is an expert SEN teacher.

The main factors influencing the trust's financial performance going forward will be the level of funding provided by the ESFA and changes in the level of salaries as determined by government policy. Proposed changes to the funding agreement, leading to funding being based on actual student numbers instead of directors' estimates, are likely to lead to a reduction in ESFA funding from 2023/24.

Operational and financial review

The majority of the Academy's income in the year ended 31 August 2021 was obtained from the Education and Skills Funding Agency (ESFA) in the form of the General Annual Grant (GAG) to enable the operation of the Academy. In accordance with the Charity SORP, such grants and donations received during the year and associated expenses are shown as restricted general funds in the Statement of Financial Activities. The Academy remains dependent on the provision of grants from the ESFA which form the vast majority of our income and are used to meet the key objectives of the trust.

Effects of Covid-19

Covid-19 had a significant effect on the Academy's operations during the year. In the autumn term students were taught in their form group and mixed only with others in their year group. These bubbles contributed to keeping Covid-19 cases at a manageable level for most of the term. The school was closed for January and February as part of the national lockdown, during which time students continued to receive lessons through a mixture of live remote teaching and downloading resources from the school website. An increased number of vulnerable students and those from key worker families attended school in person, compared to the 2020 lockdown. Every student was contacted by teaching and pastoral staff to ensure they were engaging in learning and to check on their wellbeing. Those students eligible for Free School Meals were provided with vouchers for local supermarkets and UBS provided food hampers through a local charity for those families most in need. Staff worked creatively to provide the support and resources needed for students, however the effect on the learning of less engaged students is apparent and plans are being implemented to address this in the current academic year.

Income and expenditure were both reduced in the year as the school cut back to core activities. Income from school meals, lettings and trips was reduced as were associated costs. Utility costs were reduced, but costs of maintaining students in separate bubbles and delivering testing increased. Additional funding has been provided by DfE to cover the costs of testing and additional FSM funding. Overall the cost savings and additional income as a result of Covid were greater than the increased costs and reduction in income. A significant amount provided for catch up tutoring has been deferred in the accounts until 2021/22.

STRATEGIC REPORT (continued)

Once depreciation is removed from the income and expenditure account, the Academy made a healthy surplus in the year, particularly so in unrestricted funds.

The balance sheet remains strong, with cash at a historic high and accounting reserves above target level. A deficit has been budgeted for the coming year and we will take the opportunity to spend surplus funds on improving the heavily used playground space.

Equal opportunities

The Directors recognise the principle of equality, which informs all aspects of the Academy. This includes the Academy's dealings with students, prospective students, staff, prospective staff, parents and other stakeholders. The Academy aims to establish equal opportunity in all areas of its activities, including creating a working environment in which the contribution and needs of all people are valued.

Risk management

The Directors have assessed the major risks to which the Academy is exposed, in particular those relating to specific identified learning requirements, provision of facilities and other operational areas of the Academy, and its finances. The Directors have implemented a number of systems to assess risks that the Academy faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (further details are provided in the Governance Statement) in order to minimise risk. Where significant financial risk still remains they have ensured, wherever possible, adequate insurance cover is in place. The Academy has an effective system of internal financial control and this is explained in more detail in the Governance Statement.

The key risks identified by the Directors are:

- ◆ A failure to achieve good exam results, adversely affecting the outcomes for students, student numbers and funding. This is addressed by a wide range of measures including planning, monitoring, training and constant oversight by the Education Committee and the Directors;
- ◆ Loss of staff/failure to recruit. A recruitment and retention action plan is in place to attract and retain the best staff.
- ◆ Low student numbers, leading to a reduction in funding and loss of economies of scale. Trends in numbers are monitored and contingency plans are in place. Strong links are maintained with local primary schools, our social media presence has been improved and a series of high quality open evenings were held.

STRATEGIC REPORT (continued)

- ♦ The particular risks faced by the Academy in relation to Covid-19 have been assessed and suitable mitigation measures have been put in place to address these, including segregation of year groups, personal hygiene measures, increased ventilation and personal protective equipment. Details are contained in the Covid-19 risk assessment published on the Academy's website. Government guidance will continue to be monitored and recommendations implemented.

Financial review

Financial report for the year

During the year ended 31 August 2021 the surplus for the year (excluding movements in the fixed asset fund and the LGPS defined benefit pension liability) was a surplus of £134,165 (2020 – surplus of £260,731) (see note 23). This arose from a range of operational costs and incomes including Covid related costs and incomes.

The Academy's operational funds carried forward at 31 August 2021 were £1,094,729 (2020 – £960,363), excluding capital funds which were represented by fixed assets with a book value of £32,786,668 (2020 – £33,585,984), and the pension liability of £4,619,000 (2020 – £2,855,000).

The Academy's net assets (i.e. total reserves) at 31 August 2021 were £29,262,397 (2020 – £31,691,347) comprising £28,258,018 (2020 – £30,907,235) of restricted funds, designated funds of £5,240 (2020 – £5,866) and £999,139 (2020 – £778,246) of unrestricted general funds. At 31 August 2021 the Academy held cash balances of £1,375,016 (2020 – £1,182,616).

The Academy's assets are used exclusively for providing education and the associated support services to the students of the Academy and the local community

Reserves policy

The Directors review the reserve levels of the Academy as part of the budget setting process and at the year end. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Directors have set a target level of between £300,000 and £800,000 to be held in free reserves (unrestricted general funds) over a three year period and have determined that the level of free reserves at the year end, while higher than this figure, is appropriate, given the predicted deficit in the coming year. Reserves are held to meet fluctuations and reductions in income, to meet unexpected costs and for investment in infrastructure.

Financial review (continued)

The deficit on the pension fund at 31 August 2021 was £4,619,000 (2020 – deficit of £2,855,000), which relates to the Academy's share of the obligations under the Local Government Pension Scheme (LGPS). Any cash flows as a result of this deficit will occur over a number of years and contributions will be met from future budgets. The position is supported by the Parliamentary Minute that provides for a guarantee by the Department for Education to meet any outstanding LGPS liabilities in the event of an Academy closure. The guarantee came into force on 18 July 2013.

The fixed asset reserve and the fixed assets associated with it relate almost entirely to the school building on Laburnum Street which is occupied on a 125 year lease.

Investment policy

The Directors invest surplus funds; firstly to match the expenditure portfolio of any known commitments, and secondly to generate from socially and ethically responsible investments a sustainable return which can be invested into the Academy over future years. The Academy did not hold any investments in the year.

Going concern

After making appropriate enquiries, the Directors have a reasonable expectation that the Academy has adequate resources to continue in operational existence for at least a period of 12 months from the date of signing the financial statements. 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 principal accounting policies.

Directors' indemnities

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

Directors' report Year to 31 August 2021

AUDITOR

In so far as the Directors are aware:

- ◆ there is no relevant audit information of which the Academy's auditor is unaware; and
- ◆ the Directors 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.

Directors' Report, incorporating a Strategic Report, approved by order of the Board of Directors on and signed on its behalf by:

Anne Barton, Director

C Brown, Director

Approved by the Directors on: 18 November 2021

Governance statement Year to 31 August 2021

Scope of responsibility

As Directors, we acknowledge we have overall responsibility for ensuring that the Academy has an effective and appropriate system of control, financial and otherwise. However such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss. As trustees, we have reviewed and taken into account the guidance in DfE's Governance Handbook and competency framework for governance.

The Directors have delegated the day-to-day responsibility to the Principal, 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 the Academy and the Secretary of State for Education. The Principal is also responsible for reporting to the Directors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Directors' report and in the statement of Directors' responsibilities. The Directors have formally met five times during the year. Attendance during the year at meetings was as follows:

Director	Number of meetings attended	Out of a possible
Ms A Coleman	4	5
Mr R W J Hardie	5	5
Ms A Barton	4	5
Mr C Brown	5	5
Ms S Craner	4	5
Ms Z Evans	5	5
Mr P Graham (appointed 19 November 2020)	4	5
Mr P Jones	4	4
Mr N Khinda	4	5
Mr H Knapman	5	5
Ms J Lindsey	5	5
Ms S McDonagh	5	5
Ms V O'Brien	4	5
Ms B Refson	5	5
Ms S Roberts	4	5
Mr E Suer	5	5
Mr N Wright	3	5

Effective oversight of funds has been maintained by scrutiny of the monthly management accounts circulated to Directors and by the meetings of the Finance & General Purposes Committee.

Governance reviews

The Directors take the governance of the Academy seriously and maintain governance structures that are appropriate to ensuring the affairs of the Academy are well managed.

The sponsor, UBS, and Directors keep the Trust's governance arrangements under constant review and have made new appointments to the Board during the year to strengthen these. The skills, effectiveness, leadership and impact of the Board are reviewed by the Governor Appointments Committee as part of its role and governors are satisfied that current governance arrangements serve the Trust well.

During the year Directors commissioned the Trust's solicitors, Stone King to review the Trust's memorandum and articles to ensure compliance with current requirements. As a result, a new set of articles has been drafted along with a new funding agreement and these have been proposed to the ESFA. Agreement to these has not been received by the date of signing of this report.

Finance and General Purposes Committee

The Finance and General Purposes (F&GP) Committee is a committee of the main Governing Body. It is responsible for:

- ◆ advising the Directors and, when authorised, taking decisions on matters relating to the commitment or allocation of resources;
- ◆ all internal and external financial reporting and accounting, including audit; and
- ◆ supervising legal, risk and premises.

Attendance at F&GP Committee meetings in the year was as follows:

Director / Committee member	Number of meetings attended	Out of a possible
Mr P Graham (Chair)	4	4
Mr A Boyd	4	4
Mr C Brown	4	4
Ms A Coleman	3	4
Ms S Craner	3	4
Mr R W J Hardie	4	4

Review of value for money

During the year :

- ◆ Existing staff were used to conduct Covid testing, instead of bringing in external staff.
- ◆ A new contract for gas and electricity was entered into with prices fixed for three years, shortly before prices increased significantly.
- ◆ Existing staff are used to cover lessons wherever possible, reducing reliance on low skilled external cover.

The main focus for improvement in the future will be to ensure teaching staff are used as efficiently as possible as required by the curriculum plan.

As Accounting Officer, the Principal has responsibility for ensuring that the Academy 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 actions taken during school closure and noted above are in line with the aim of achieving wider positive societal outcomes.

The Accounting Officer considers how the Academy's use of its resources has provided good value for money during the academic year, and reports to the Directors where value for money can be improved, including the use of benchmarking data where available. In this year particular attention has been paid to improving energy efficiency in the building with tighter control of heating, air conditioning and ventilation to reduce waste.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Academy's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place at the Academy for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Directors have reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Directors are of the view that there is an ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Directors.

Governance statement Year to 31 August 2021

The risk and control framework

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

- ◆ comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Directors;
- ◆ regular reviews by the F&GP Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- ◆ setting targets to measure financial and other performance;
- ◆ clearly defined purchasing guidelines for all items, whether capital or revenue;
- ◆ a scheme of delegation of authority and segregation of duties; and
- ◆ identification and management of risks.

The Directors have considered the need for a specific internal audit function and have decided not to appoint an internal auditor. However, the Directors have appointed a Responsible Officer (RO). The RO reports to the Finance & General Purposes Committee. The RO's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. In 2020/21 the RO's work focussed on three areas:

- ◆ Compliance with the Academies Finance Handbook 2020. Each requirement of the handbook was checked and where necessary procedures have been changed to ensure compliance.
- ◆ A review of risk and how it is managed in the Academy, which resulted in a number of recommendations.
- ◆ Funding data review. Data generated by the school which is used by the ESFA to determine funding was audited and found to be accurate.

There were no material findings from the work undertaken.

Review of effectiveness

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

- ◆ the work of the Finance and Resources Director;
- ◆ the work of the Responsible Officer;
- ◆ the work of the external auditor;
- ◆ the School Resource Management Self Assessment process;
- ◆ the financial management and governance self-assessment process; and

Governance statement Year to 31 August 2021

Review of effectiveness (continued)

- ♦ the work of the Senior Leadership Team within the Academy 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 F&GP Committee and ensures continuous improvement of the system is in place.

Approved by order of the Directors and signed on their behalf by:

Anne Barton
(Chair of Directors)
Approved on: 18 November 2021

C Brown
(Principal and Accounting Officer)

Statement on regularity, propriety and compliance Year to 31 August 2021

As Accounting Officer of The Bridge Academy, Hackney I have considered my responsibility to notify the Academy's Governing Body and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the Funding Agreement in place between the Academy and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the Academy's Governing Body are able to identify any material irregular or improper use of funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's Funding Agreement and the Academies Financial Handbook.

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

C Brown
Accounting Officer

Date: 18 November 2021

Statement of Directors' responsibilities Year to 31 August 2021

The Directors (who are also the Governors of the Academy) are responsible for preparing the Directors' report and the financial statements in accordance with the Annual Accounts Requirements issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under company law, the Directors 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 Academy and of its income and expenditure for that period. In preparing these financial statements, the Directors are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Charities' SORP FRS102 and the Academies Accounts Direction 2020 to 2021;
- ◆ make judgments and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Academy will continue in operation.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Academy's transactions and disclose with reasonable accuracy at any time the financial position of the Academy 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 Academy and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The Directors are responsible for the maintenance and integrity of the charity and financial information included on the Academy'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 Board of Directors on 18 November 2021 and signed on its behalf by:

Anne Barton, Chair of Directors

Independent auditor's report to the members of The Bridge Academy, Hackney

Opinion

We have audited the financial statements of The Bridge Academy, Hackney (the 'charitable company') for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law, 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), Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (the Charities SORP FRS102) and the Academies Accounts Direction 2020 to 2021.

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its income and expenditure for the period then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006; and
- ◆ have been prepared in accordance with the Charities SORP FRS102 and Academies Accounts Direction 2020 to 2021.

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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' 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.

Conclusions relating to going concern (continued)

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

Other information

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

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

We have nothing to report in this regard.

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 Directors' report, which also includes the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the Directors' report, which also includes the strategic report, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report including the strategic report.

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

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

Matters on which we are required to report by exception (continued)

- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, the Directors 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 Directors 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 Directors 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 Directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we identified the laws and regulations applicable to the charitable company through discussions with management, and from our knowledge of the academy trust sector;
- ◆ the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit;
- ◆ we considered the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are the Companies Act 2006, the Charities SORP FRS102, the Academies Accounts Direction 2020 to 2021, the Academies Financial Handbook 2020, and the Academy Trust's funding agreement with the ESFA as well as legislation pertaining to safeguarding in the UK;

Auditor's responsibilities for the audit of the financial statements (continued)

- ◆ we understood how the charitable company is complying with those legal and regulatory frameworks by making inquiries to management and those responsible for legal, compliance and governance procedures. We corroborated our inquiries through our review of the minutes of Director's meetings and papers provided to the Directors.
- ◆ we planned and carried out a separate limited assurance engagement in respect of regularity, propriety and compliance in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by the ESFA, as set out in our separate independent reporting accountant's assurance report on regularity.

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

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

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

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions;
- ◆ tested the authorisation of expenditure as part of our substantive testing thereon;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- ◆ used data analytics to identify any significant or unusual transactions and identify the rationale for them.

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

- ◆ agreeing financial statement disclosures to underlying supporting documentation;
- ◆ reviewing the minutes of Directors' meetings;
- ◆ enquiring of management and those charged with governance as to actual and potential litigation and claims;
- ◆ reviewing any available correspondence with Ofsted, ESFA and HMRC; and

Auditor's responsibilities for the audit of the financial statements (continued)

- ♦ the work undertaken in relation to the limited assurance engagement in respect of regularity, propriety and compliance in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by the ESFA, as set out in our separate independent reporting accountant's assurance report on regularity.

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

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

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.



Katharine Patel (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

10 December 2021

Independent reporting accountant's assurance report on regularity to The Bridge Academy, Hackney and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 13 July 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021 we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Bridge Academy, Hackney during the period from 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 The Bridge Academy, Hackney and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Bridge Academy, Hackney and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Bridge Academy, Hackney and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Bridge Academy, Hackney's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of The Bridge Academy, Hackney's funding agreement with the Secretary of State for Education dated 21 June 2005 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 from 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA.

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

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

Independent reporting accountant's report on regularity 31 August 2021

Approach (continued)

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

The work undertaken to draw to our conclusion includes:

- ◆ An assessment of the risk of material irregularity and impropriety across all of the Academy's activities;
- ◆ Further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- ◆ Consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

Conclusion

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



Buzzacott LLP
Chartered Accountants
130 Wood Street
London
EC2V 6DL

10 December 2021

Statement of financial activities Year to 31 August 2021
(including income and expenditure account and statement of total recognised gains and losses)

	Notes	Un- restricted funds £	Restricted funds			2021 Total funds £	2020 Total funds £
			General Annual Grant £	Other £	Capital £		
Income from:							
Donations and capital grants	2	1,123	—	204,000	144,082	349,205	200,909
Charitable activities							
· Funding for the Academy's educational operations	4	283,672	9,502,411	327,620	—	10,113,703	9,913,784
Investments	3	4,340	—	—	—	4,340	7,100
Total income		<u>289,135</u>	<u>9,502,411</u>	<u>531,620</u>	<u>144,082</u>	<u>10,467,248</u>	<u>10,121,793</u>
Expenditure on:							
Charitable activities							
· Academy's educational operations		1,749	10,259,702	381,446	964,301	11,607,198	11,120,420
Total expenditure	5	<u>1,749</u>	<u>10,259,702</u>	<u>381,446</u>	<u>964,301</u>	<u>11,607,198</u>	<u>11,120,420</u>
Net income (expenditure) before transfers		287,386	(757,291)	150,174	(820,219)	(1,139,950)	(998,627)
Transfers between funds	16	(67,119)	282,291	(236,075)	20,903	—	—
Net income (expenditure)		<u>220,267</u>	<u>(475,000)</u>	<u>(85,901)</u>	<u>(799,316)</u>	<u>(1,139,950)</u>	<u>(998,627)</u>
Other recognised gains and losses							
Actuarial (loss)/gain on defined benefit pension schemes	21	—	(1,289,000)	—	—	(1,289,000)	302,000
Net movement in funds	23	<u>220,267</u>	<u>(1,764,000)</u>	<u>(85,901)</u>	<u>(799,316)</u>	<u>(2,428,950)</u>	<u>(696,627)</u>
Reconciliation of funds							
Funds brought forward at 1 September 2020		784,112	(2,855,000)	176,251	33,585,984	31,691,347	32,387,974
Funds carried forward at 31 August 2021		<u>1,004,379</u>	<u>(4,619,000)</u>	<u>90,350</u>	<u>32,786,668</u>	<u>29,262,397</u>	<u>31,691,347</u>

All of the Academy's activities derived from continuing operations during the above two financial periods.

A separate Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the above Statement of Financial Activities.

Balance sheet as at 31 August 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Intangible fixed assets	12		30,373		46,265
Tangible fixed assets	13		32,756,295		33,539,719
			<u>32,786,668</u>		<u>33,585,984</u>
Current assets					
Debtors	14	381,561		519,894	
Cash at bank and in hand		<u>1,375,016</u>		<u>1,182,616</u>	
		1,756,577		1,702,510	
Creditors: amounts falling due within one year	15	(661,848)		(742,147)	
Net current assets			<u>1,094,729</u>		<u>960,362</u>
Net assets excluding pension liability			33,881,397		34,546,347
Pension scheme liability	21		(4,619,000)		(2,855,000)
Total net assets			<u>29,262,397</u>		<u>31,691,347</u>
The funds of the Academy:					
Restricted funds					
. General Annual Grant			—		—
. Pension reserve			(4,619,000)		(2,855,000)
			<u>(4,619,000)</u>		<u>(2,855,000)</u>
. Capital			32,786,668		33,585,984
. Other restricted funds			90,350		176,251
			<u>28,258,018</u>		<u>30,907,235</u>
Unrestricted funds					
. General fund			999,139		778,246
. Designated funds			5,240		5,866
			<u>1,004,379</u>		<u>784,112</u>
Total funds			<u>29,262,397</u>		<u>31,691,347</u>

Approved by the Directors of The Bridge Academy, Hackney, Company Registration Number 05195911 (England and Wales) and signed on their behalf by:

Anne Barton
Chair

Approved on: 18 November 2021

Statement of cash flows Year to 31 August 2021

		2021 £	2020 £
Net cash flows from operating activities			
Net cash provided by operating activities	A	208,963	412,674
Cash flows from investing activities			
	B	(16,563)	(145,210)
Change in cash and cash equivalents in the year		192,400	267,464
Reconciliation of net cash flow to movement in net funds:			
Cash and cash equivalents at 1 September 2020		1,182,616	915,152
Cash and cash equivalents at 31 August 2021	C	1,375,016	1,182,616
A Reconciliation of expenditure to net cash flow from operating activities			
		2021 £	2020 £
Net expenditure for the year (as per the statement of financial activities)		(1,139,950)	(998,627)
Adjusted for:			
Amortisation (note 12)		15,892	7,838
Depreciation (note 13)		948,409	923,258
Capital grants from DfE and other capital income		(144,082)	(23,429)
Interest receivable (note 3)		(4,340)	(7,100)
Defined benefit pension scheme cost less contributions payable (note 21)		423,000	449,000
Defined benefit pension scheme finance cost (note 21)		52,000	55,000
Decrease (increase) in debtors		138,335	(193,059)
(Decrease)/increase in creditors		(80,299)	199,793
Net cash provided by operating activities		208,963	412,674
B Cash flows from investing activities			
		2021 £	2020 £
Interest received		4,340	7,101
Purchase of intangible fixed assets		—	(28,956)
Purchase of tangible fixed assets		(44,385)	(146,783)
Donated fixed assets		(120,000)	—
Capital grants from DfE		23,482	23,429
Net cash used in by investing activities		(16,563)	(145,210)
C Analysis of cash and cash equivalents			
		2021 £	2020 £
Cash at bank and in hand		1,375,016	1,182,616
Total cash and cash equivalents		1,375,016	1,182,616

Statement of cash flows Year to 31 August 2021

D Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	Other non-cash changes £	At 31 August 2021 £
Cash at bank	1,182,616	192,400	—	1,375,016
Total	1,182,616	192,400	—	1,375,016

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 Academy, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Bridge Academy, Hackney meets the definition of a public benefit entity under FRS 102.

Going concern

The Directors assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The Directors 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 Academy has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements. The Directors have made this assessment whilst considering the impact of the Covid-19 pandemic on the day to day activities of the Academy.

Income

All income is recognised when the Academy has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Grants

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

Income (continued)

Grants (continued)

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

Sponsorship income

Sponsorship income provided to the Academy which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Donations

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

Other income

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

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.

Charitable activities

These are costs incurred on the Academy's educational operations, including support costs and costs relating to the governance of the Academy.

All expenditure is stated net of recoverable VAT.

Intangible fixed assets

Intangible assets are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment. Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

- ♦ Computer software 3 years

Tangible fixed assets

Tangible fixed assets are depreciated on a straight line basis over their useful economic life as follows:

- ♦ Building 50 years
- ♦ Boilers, cabling/ducting 15 years
- ♦ Furniture and fittings 10 years
- ♦ Equipment and motor vehicles 5 years
- ♦ Computer equipment 3 years

Assets costing more than £5,000 with an expected useful life exceeding one year are capitalised. Depreciation is charged in the year of disposal or assets, but not in the year of acquisition.

Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy 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.

Leased assets

Rentals under operating leases are charged on a straight line basis over the lease term.

Financial instruments

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

Financial instruments (continued)

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Taxation

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

Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 21, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

Pensions benefits (continued)

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

Fund accounting

The unrestricted general fund represents those monies that are freely available for application towards achieving any charitable purpose that falls within the Academy's charitable objects.

Designated funds comprise those resources which may be used towards meeting the charitable objectives of the academy trust, but which have been set aside out of the general funds and designated for specific purposes by the Directors.

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

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.

The Academy 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.

Critical accounting estimates and areas of judgement (continued)

- ◆ 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 for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability.
- ◆ The estimates of the useful economic lives of tangible fixed assets are as disclosed in the tangible fixed assets accounting policy above.
- ◆ The Directors have estimated the impact of the Covid-19 pandemic on the future income and expenditure flows of the Academy and on its short to medium term financial stability in assessing going concern.

1 General Annual Grant (GAG)

Under the funding agreement with the Secretary of State the Academy was subject to limits at 31 August 2021 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The Academy Trust has not exceeded these limits during the year ended 31 August 2021.

2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Charitable donations	1,123	204,000	205,123	177,480
Donated fixed assets	—	120,600	120,600	—
Capital grants	—	23,482	23,482	23,429
	1,123	348,082	349,205	200,909

	Unrestricted funds £	Restricted funds £	2020 Total funds £
Charitable donations	—	177,480	177,480
Capital grants	—	23,429	23,429
	—	200,909	200,909

3 Income from investments

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
2021 Total funds: Bank interest receivable	4,340	—	4,340	7,100
2020 Total funds: Bank interest receivable	7,100	—	7,100	

4 Funding for the Academy's educational operations

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Education and Skills Funding Agency (ESFA) grants				
General Annual Grant (GAG) (note 1)	—	8,922,791	8,922,791	8,535,251
Other DfE/ ESFA grants				
· Pupil premium	—	508,858	508,858	524,065
· Other grants	—	5,000	5,000	30,732
	<u>—</u>	<u>9,436,649</u>	<u>9,436,649</u>	<u>9,090,048</u>
 Other government grants				
· EHCP income	—	327,620	327,620	250,430
· Other local authority grants	—	—	—	1,612
	<u>—</u>	<u>327,620</u>	<u>327,620</u>	<u>252,042</u>
COVID-19 additional funding (DfE/ESFA)				
Catch-up premium	—	2,391	2,391	—
Other DfE/ESFA COVID-19 funding	—	63,371	63,371	—
	<u>—</u>	<u>65,762</u>	<u>65,762</u>	<u>—</u>
Other educational income				
· Contribution to visits	—	—	—	2,370
· Lettings income	19,924	—	19,924	14,992
· Catering income	88,796	—	88,796	112,191
· Other miscellaneous income	174,952	—	174,952	442,142
	<u>283,672</u>	<u>—</u>	<u>283,762</u>	<u>571,695</u>
	<u>283,672</u>	<u>9,830,031</u>	<u>10,113,703</u>	<u>9,913,785</u>

The Trust received £70,880 of funding for catch-up premium and costs incurred in respect of this funding totalled £2,391, with the remaining £68,489 to be spent in 2021/22.

4 Funding for the Academy's educational operations (continued)

	Unrestricted funds £	Restricted funds £	2020 Total funds £
<i>Education and Skills Funding Agency (ESFA) grants</i>			
General Annual Grant (GAG) (note 1)	—	8,535,251	8,535,251
Other DfE/ESFA grants			
· Pupil premium	—	524,065	524,065
· Other ESFA Grants	—	30,732	30,732
	<u>—</u>	<u>9,090,048</u>	<u>9,090,048</u>
<i>Other government grants</i>			
· EHCP income	—	250,430	250,430
· Other local authority grants	—	1,612	1,612
	<u>—</u>	<u>252,042</u>	<u>252,042</u>
<i>Other educational income</i>			
· Contribution to visits	2,370	—	2,370
· Lettings income	14,992	—	14,992
· Catering income	112,191	—	112,191
· Other miscellaneous income	27,838	414,304	442,142
	<u>157,391</u>	<u>414,304</u>	<u>571,695</u>
	<u>157,391</u>	<u>9,756,394</u>	<u>9,913,785</u>

5 Expenditure

	Staff costs (note 9) £	Non pay expenditure		2021 Total funds £	2020 Total funds £
		Premises £	Other costs £		
Academy's educational operations					
· Direct costs	6,934,045	—	374,872	7,308,917	6,970,487
· Support costs (note 6)	1,929,751	1,636,009	732,521	4,298,281	4,149,933
	<u>8,863,796</u>	<u>1,636,009</u>	<u>1,107,393</u>	<u>11,607,198</u>	<u>11,120,420</u>

	Staff costs (note 9) £	Non pay expenditure		2020 Total funds £
		Premises £	Other costs £	
Academy's educational operations				
· Direct costs	6,553,771	—	416,716	6,970,487
· Support costs (note 6)	1,941,978	667,473	1,540,482	4,149,933
	<u>8,495,749</u>	<u>667,473</u>	<u>1,957,198</u>	<u>11,120,420</u>

5 Expenditure (continued)

Net expenditure for the year is stated after charging:	2021 £	2020 £
Operating leases – equipment	15,789	16,359
Operating leases – land and buildings	—	—
Depreciation	948,409	923,258
Amortisation of intangible fixed assets	15,892	7,838
Fees payable to auditor		
• Audit of financial statements	12,900	11,250
• Other audit services	3,495	3,250
• Non-audit services (payroll and company secretarial)	950	280

6 Support costs

	2021 Total funds £	2020 Total funds £
Support staff costs	1,506,751	1,492,978
Support staff costs – pension adjustment	423,000	449,000
Depreciation	948,409	923,258
Amortisation	15,892	7,838
Technology costs	197,764	158,545
Premises costs	671,708	667,473
Other support costs	453,273	372,922
Other support costs – pension adjustment	52,000	55,000
Governance costs (note 7)	29,484	22,918
Total support costs	4,298,281	4,149,933

7 Governance costs

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
2021: Total funds: Professional fees (including audit)	-	29,484	29,484	22,918
2020 Total funds: Professional fees (including audit)	-	22,918	22,918	

8 Comparative information

Analysis of income and expenditure in the year ended 31 August 2020 between restricted and unrestricted funds:

			Restricted funds			
		Un-restricted funds	General Annual Grant	Other	Capital	2020 Total funds
	Notes	£	£	£	£	£
<i>Income from:</i>						
Donations and capital grants	2	—	—	177,480	23,429	200,909
<i>Charitable activities</i>						
Funding for the Academy's educational operations	4	157,390	9,111,016	645,378	—	9,913,784
Investments	3	7,100	—	—	—	7,100
Total income		164,490	9,111,016	822,858	23,429	10,121,793
<i>Expenditure on:</i>						
<i>Charitable activities</i>						
Academy's educational operations		127,004	9,570,569	491,750	931,097	11,120,420
Total expenditure	5	127,004	9,570,569	491,750	931,097	11,120,420
<i>Net income (expenditure) before transfers</i>						
		37,486	(459,553)	331,108	(907,668)	(998,627)
Transfers between funds	16	156,644	(44,447)	(264,507)	152,310	—
Net income (expenditure)		194,130	(504,000)	66,601	(755,358)	(998,627)
<i>Other recognised gains and losses</i>						
<i>Actuarial gain/(loss) on defined benefit pension schemes</i>						
	21	—	302,000	—	—	302,000
Net movement in funds	23	194,130	(202,000)	66,601	(755,358)	(696,627)
<i>Reconciliation of funds</i>						
Funds brought forward at 1 September 2019		589,982	(2,653,000)	109,650	34,341,342	32,387,974
Funds carried forward at 31 August 2020		784,112	(2,855,000)	176,251	33,585,984	31,691,347

9 Staff

a) Staff costs

	2021 £	2020 £
Staff costs comprise:		
Wages and salaries	6,309,134	6,118,422
Social security costs	622,874	600,800
Other pension costs (including LGPS adjustments of £423,000 (2020: £449,000))	1,666,171	1,618,929
	8,598,179	8,338,151
Staff restructuring costs (see below)	40,993	17,523
Supply staff costs	224,624	157,599
	8,863,796	8,495,749
	2021 £	2020 £
Staff restructuring costs comprise		
Redundancy payments (contractual)	—	12,523
Contractual severance payments	20,922	5,000
Non-Contractual severance payments	20,071	—
	40,993	17,523

b) Staff numbers

The average number of persons (including the senior management team) employed by the Academy during the year ended 31 August 2021 (on a headcount basis) was as follows:

	2021 No.	2020 No.
Charitable activities		
Management	12	11
Teaching staff	76	78
Non teaching staff	77	76
Total	165	165

9 Staff (continued)

c) Higher paid staff

16 employees earned more than £60,000 per annum (including taxable benefits but excluding employers' pension contributions) during the year ended 31 August 2021 (2020 – 14). The total emoluments of these employees were in the following ranges:

	2021 No.	2020 No.
£60,001 - £70,000	11	8
£70,001 - £80,000	1	2
£80,001 - £90,000	2	3
£90,001 - £100,000	1	—
£130,001 - £140,000	1	1

15 of the above employees earning more than £60,000 per annum participated in the Teachers' Pension Scheme. During the year ended 31 August 2021 total pension contributions for these staff members amounted to £258,125 (2020 – 13 employees, £224,232). One of the above employees was a member of the LGPS. During the year ended 31 August 2021 total pension contributions for this staff member amounted to £17,038 (2020 – one employee, £14,486).

d) Key management personnel

The key management personnel of the Academy comprise the Directors and the Senior Leadership Team as defined on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy was £1,184,123 (2020 – £1,065,778).

10 Directors' remuneration and expenses

The Principal and Staff Governor only receive remuneration in respect of the services they provide in undertaking their role as employees of the Academy and not in respect of their services as Governors or Directors. Other Directors did not receive any payments from the Academy in respect of their role as Directors. The value of Directors' remuneration and other benefits was as follows:

	2021 £	2020 £
C Brown (Principal and Director)		
. Remuneration	135k-140k	130k-135k
. Employer's pension contributions	30k-35k	30k-35k
J Lindsey (Staff Governor and Director)		
. Remuneration	60k-65k	60k-65k
. Employer's pension contributions	10k-15k	10k-15k

10 Directors' remuneration and expenses (continued)

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

11 Taxation

The Academy is an exempt charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to exempt charities.

12 Intangible fixed assets

	Computer software £	Total £
Cost		
At 1 September 2020	147,466	147,466
Additions	—	—
At 31 August 2021	147,466	147,466
Depreciation		
At 1 September 2020	101,201	101,201
Charge in year	15,892	15,892
At 31 August 2021	117,093	117,093
Net book value		
At 31 August 2021	30,373	30,373
At 31 August 2020	46,265	46,265

13 Tangible fixed assets

	Leasehold land and buildings property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost					
At 1 September 2020	43,610,276	696,990	1,594,566	28,742	45,930,574
Additions	—	—	164,985	—	164,985
At 31 August 2021	43,610,276	696,990	1,759,551	28,742	46,095,559
Depreciation					
At 1 September 2020	10,312,746	695,370	1,353,997	28,742	12,390,855
Charge for the year	872,205	1,495	74,709	—	948,409
At 31 August 2021	11,184,951	696,865	1,428,706	—	13,339,264
Net book values					
At 31 August 2021	32,425,325	125	330,845	—	32,756,295
At 31 August 2020	33,297,530	1,620	240,569	—	33,539,719

The land on which the Academy is sited is leased from the London Borough of Hackney at a peppercorn rent. The site has not been included in the financial statements as the site is designated for educational purposes only and has no open market value.

The buildings are leased from the London Borough of Hackney on a 125 year lease commencing on 8 August 2010 at a peppercorn rent.

14 Debtors

	2021 £	2020 £
Prepayments	326,522	119,430
VAT recoverable	35,576	31,489
Other debtors	19,464	368,975
	381,561	519,894

15 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	130,410	108,125
Accruals and deferred income	185,447	319,877
Taxation and social security	186,970	164,551
Other creditors	159,021	149,595
	661,848	742,147

15 Creditors: amounts falling due within one year (continued)

Deferred income reconciliation

	2021 £	2020 £
Deferred income at 1 September 2020	240,974	34,214
Released from previous years	(240,974)	(34,214)
Resources deferred in the year	135,356	240,974
Deferred income at 31 August 2021	135,356	240,974

Deferred income at 31 August 2021 related to ESFA funding for National Non Domestic Rates provided in advance by the ESFA of £31,312, funding received from UBS for projects in the coming year of £29,852, balances received from Parents for school meals £1,005, Covid Catchup fund of £68,489 and 16-19 tuition funding of £4,699.

16 Funds analysis

The income funds of the Academy include restricted funds comprising the following unexpended balances of grants held for specific purposes:

	At 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	At 31 August 2021 £
Restricted general funds					
. General Annual Grant (GAG)	—	8,922,791	(9,205,082)	282,291	—
. Pupil premium	—	508,858	(508,858)	—	—
Catch-up premium	—	2,391	(2,391)	—	—
Other DfE/ESFA COVID-19 funding	—	63,371	(63,371)	—	—
. Other ESFA Grants	—	5,000	(5,000)	—	—
. Pension reserve	(2,855,000)	—	(475,000)	(1,289,000)	(4,619,000)
	<u>(2,855,000)</u>	<u>9,502,411</u>	<u>(10,259,702)</u>	<u>(1,006,709)</u>	<u>(4,619,000)</u>
Capital fund	<u>33,585,984</u>	<u>144,082</u>	<u>(964,301)</u>	<u>20,903</u>	<u>32,786,668</u>
Other restricted funds					
. Local authority grants	—	327,620	(327,620)	—	—
. Other restricted funds	176,251	204,000	(53,826)	(236,075)	90,350
	<u>176,251</u>	<u>531,620</u>	<u>(381,446)</u>	<u>(236,075)</u>	<u>90,350</u>
Total restricted funds	<u>30,907,235</u>	<u>10,178,113</u>	<u>(11,605,449)</u>	<u>(1,221,881)</u>	<u>28,252,018</u>
Unrestricted funds					
. General funds	778,246	288,012	—	(67,119)	999,139
. Designated funds	5,866	1,123	(1,749)	—	5,240
Total unrestricted funds	<u>784,112</u>	<u>289,135</u>	<u>(1,749)</u>	<u>(67,119)</u>	<u>1,004,379</u>
Total funds	<u>31,691,347</u>	<u>10,467,248</u>	<u>(11,607,198)</u>	<u>(1,289,000)</u>	<u>29,262,397</u>

16 Funds analysis (continued)

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

General Annual Grant

Under the funding agreement with the Secretary of State, the Academy Trust was subject to a limit on the amount of GAG that it could carry forward at 31 August 2021. Note 1 discloses whether the limit was exceeded.

Restricted general fund

This fund includes ESFA grants for pupil premium, catch up grant and teacher training.

Pension reserve

The pension reserve relates to the Academy's share of the deficit of the London Borough of Hackney Local Government Pension Scheme.

Capital fund

These grants relate to funding received from the ESFA and other sources to carry out works of a capital nature.

Other restricted funds

These funds relate to charitable donations received to carry out works of a capital or revenue nature.

Transfers

Transfers of £20,903 from General Annual Grant to Restricted Fixed Assets funds represent fixed assets funded from GAG.

Transfers of £303,194 from other restricted and unrestricted funds to restricted general funds represent the funds needed to meet the excess of expenditure over income on ESFA funding.

16 Funds analysis (continued)

Comparative information

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

	At 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	At 31 August 2020 £
<i>Restricted general funds</i>					
. General Annual Grant (GAG)	—	8,535,251	(8,490,804)	(44,447)	—
. Pupil premium	—	524,065	(524,065)	—	—
. Other ESFA Grants	—	51,700	(51,700)	—	—
. Pension reserve	(2,653,000)	—	(504,000)	302,000	(2,855,000)
	<u>(2,653,000)</u>	<u>9,111,016</u>	<u>(9,570,569)</u>	<u>257,553</u>	<u>(2,855,000)</u>
<i>Capital fund</i>	<u>34,341,342</u>	<u>23,429</u>	<u>(931,097)</u>	<u>152,310</u>	<u>33,585,984</u>
<i>Other restricted funds</i>					
. Local authority grants	—	252,042	(252,042)	—	—
. Other restricted funds	109,650	570,816	(239,708)	(264,507)	176,251
	<u>109,650</u>	<u>822,858</u>	<u>(491,750)</u>	<u>(264,507)</u>	<u>176,251</u>
<i>Total restricted funds</i>	<u>31,797,992</u>	<u>9,957,303</u>	<u>(10,993,416)</u>	<u>(145,356)</u>	<u>30,907,234</u>
<i>Unrestricted funds</i>					
. General funds	589,734	164,490	(125,622)	156,644	778,246
. Designated funds	7,248	—	(1,382)	—	5,866
<i>Total unrestricted funds</i>	<u>589,982</u>	<u>164,490</u>	<u>(127,004)</u>	<u>156,644</u>	<u>784,112</u>
<i>Total funds</i>	<u>32,387,974</u>	<u>10,121,793</u>	<u>(11,120,420)</u>	<u>302,000</u>	<u>31,691,347</u>

17 Designated funds

The income funds of the Academy include the following designated fund which has been set aside out of unrestricted funds by the Directors for specific purposes:

	At 1 September 2019 £	New designations/ utilised £	At 31 August and 1 September 2020 £	New designations/ utilised £	At 31 August 2021 £
UBS donations	<u>7,247</u>	<u>(1,382)</u>	<u>5,866</u>	<u>(624)</u>	<u>5,240</u>

The above fund consists of unspent donations from UBS AG which have been designated by the Directors for various specific purposes and projects.

18 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds			Total 2021 £
		General Annual Grant £	Capital £	Other £	
Fund balances at 31 August 2021 are represented by:					
Intangible fixed assets	—	—	30,373	—	30,373
Tangible fixed assets	—	—	32,756,295	—	32,756,295
Current assets	1,004,379	661,848	—	90,350	1,756,577
Creditors: amounts falling due within one year	—	(661,848)	—	—	(661,848)
Pension liability	—	(4,619,000)	—	—	(4,619,000)
Total net assets	1,004,379	(4,619,000)	32,786,668	90,350	29,262,397

Comparative information

	Unrestricted funds £	Restricted funds			Total 2020 £
		General Annual Grant £	Capital £	Other £	
Fund balances at 31 August 2020 are represented by:					
Intangible fixed assets	—	—	46,265	—	46,265
Tangible fixed assets	—	—	33,539,719	—	33,539,719
Current assets	784,112	742,147	—	176,251	1,702,510
Creditors: amounts falling due within one year	—	(742,147)	—	—	(742,147)
Pension liability	—	(2,855,000)	—	—	(2,855,000)
Total net assets	784,112	(2,855,000)	33,585,984	176,251	31,691,347

19 Related party transactions

UBS AG is the sponsor of the Academy. During the year ended 31 August 2021, UBS AG provided grant funding of £353,173 (2020 – £432,589) for the role of the UBS-Bridge Relationship Director, Employee Volunteer Manager and Education Volunteer Manager and towards specific projects.

The above transactions were made on an arm's length basis and in entering into the transaction the Academy has complied with the requirements of ESFA's Academies Financial Handbook.

The aggregate value of donations made by Directors to the Academy in the year ended 31 August 2021 was £1,000 (2020 – £7,259).

The Academy Trust conducted the above related party transactions in accordance with the requirements of the Academies Financial Handbook.

20 Commitments under operating leases

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

	2021 £	2020 £
Amounts due within one year	15,789	15,789
Amounts due between two and five years inclusive	—	15,789
	15,789	31,578

21 Pension and similar obligations

The Academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by the London Borough of Hackney. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £150,971 were payable to the schemes at 31 August 2021 (2020 – £147,493) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

21 Pension and similar obligations (continued)

Valuation of the Teachers' Pension Scheme (continued)

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

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

The employer's pension costs paid to TPS in the period amounted to £886,448 (2020 – £993,623).

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

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

Local Government Pension Scheme (LGPS)

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £472,000 (2020 – £427,000), of which employer's contributions totalled £357,000 (2020 – £314,000) and employees' contributions totalled £115,000 (2020 – £113,000). The agreed contribution rates for future years are 20% for employers (2020 - 16.3%) and (5.5-12.5%) (2020 – 5.5-12.5%) for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of an academy 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.

21 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS) (continued)

Principal Actuarial Assumptions	At 31 August 2021	At 31 August 2020
Rate of increase in salaries	3.2%	2.5%
Rate of increase for pensions in payment / inflation	2.9%	2.2%
Discount rate for scheme liabilities	1.65%	1.7%
Inflation assumption (CPI)	2.9%	2.2%
Commutation of pensions to lump sums:		
Pre-2008 service	50%	50%
Post-2008 service	75%	75%

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

	At 31 August 2021	At 31 August 2020
<i>Retiring today</i>		
Males	21.3	21.2
Females	23.8	23.4
<i>Retiring in 20 years</i>		
Males	22.8	22.4
Females	25.8	25.1

The approximate increase in the Academy's overall pension liability as a result of change in the principal actuarial assumptions would be as follows:

	At 31 August 2021 £'000	At 31 August 2020 £'000
Discount rate (0.1% decrease)	309	1,151
Salary increase rate (0.1% increase)	9	37
Pension increase rate (0.1% increase)	296	1,101

The Academy's share of the assets in the scheme were:

	Fair value at 31 August 2021 £'000	Fair value at 31 August 2020 £'000
Equities	3,659	2,709
Bonds	1,114	728
Property	424	404
Cash	106	202
Total market value of assets	5,303	4,043

21 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS) (continued)

The actual return on scheme assets was £800,000 (2020 – £43,000).

Amounts recognised in statement of financial activities	2021 £'000	2020 £'000
Current service cost	(780)	(763)
Past service cost	—	—
Interest income	73	72
Interest cost	(125)	(127)
Actuarial gain/(loss)	(2,016)	302
Total amount recognised in the SOFA	(2,848)	(516)

Changes in the present value of defined benefit obligations were as follows:	2021 £'000	2020 £'000
At 1 September 2020	6,898	6,238
Current service cost	780	763
Past service cost	—	—
Interest cost	125	127
Employee contributions	115	113
Actuarial (gain)/loss	2,016	(331)
Benefits paid	(12)	(12)
At 31 August 2021	9,922	6,898

Changes in the fair value of the Academy's share of scheme assets:	2021 £'000	2020 £'000
At 1 September 2020	4,043	3,585
Interest income	73	72
Actuarial (loss)/gain	727	(29)
Employer contributions	357	314
Employee contributions	115	113
Benefits paid	(12)	(12)
At 31 August 2021	5,303	4,043

22 Agency arrangements

The Academy distributes 16-19 bursary funds to students as an agent for the ESFA. In the year ended 31 August 2021 the Academy received £29,904 (2020 – £23,923) and disbursed £31,341 (2020 – £22,832) from the fund. An amount of £300 (2020 – £1,737) is held relating to undistributed funds is repayable to the ESFA.

23 Reconciliation of net movement in funds to operating surplus excluding movements in fixed assets and pension scheme adjustments

Excluding movements on tangible fixed assets and the defined benefit pension liability, the Academy's "operational" surplus for the year was £134,165 (2020 – surplus of £260,731), as reconciled below.

	2021 £	2020 £
Net movement in funds	(2,428,951)	(696,627)
Add back/(deduct):		
· Depreciation and amortisation	964,301	931,097
· Pension finance costs	52,000	55,000
· Pension adjustment to staff costs	423,000	449,000
· Actuarial losses (gains) on pension scheme	1,289,000	(302,000)
· Purchases of fixed assets funded through capital grants	(144,082)	(23,429)
· Purchases of fixed assets funded through revenue grants	(20,903)	(152,310)
Operating surplus excluding movements in fixed assets and pension scheme adjustments	134,165	260,731