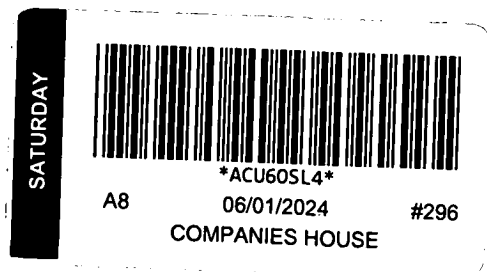


The Bridge Academy, Hackney

Annual Report and Financial Statements

31 August 2023

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



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Reference and administrative information

Directors and Trustees

Mr N Wright (Chair from 1 Sept 2022)
Mr R W J Hardie (Vice-Chair)
Ms C Tyson (Vice-Chair)
Mr C Brown
Ms S Craner (resigned 20 Jan 2023)
Ms Z Evans
Mr E Ifi
Mr P Jones (resigned 31 Jul 2023)
Mr N Khinda
Mr W Lawson Turnbull
Ms S Persia
Ms B Refson
Ms S Roberts
Mr M Sales
Mr E Suer

Members

UBS AG
Mr N Wright
Mr P Hatter (appointed 2 Dec 2022)
Ms S James (appointed 2 Dec 2022)
Mr C Parry (appointed 2 Dec 2022)
Mr R W J Hardie (resigned 3 Nov 2022)
Mr C Brown (resigned 3 Nov 2022)
Ms S Craner (resigned 18 Oct 2022)
Ms Z Evans (resigned 19 Oct 2022)
Mr E Ifi (resigned 30 Oct 2022)
Mr P Jones (resigned 18 Oct 2022)
Mr N Khinda (resigned 19 Oct 2022)
Mr W Lawson Turnbull (resigned 19 Oct 2022)
Ms S Persia (resigned 25 Oct 2022)
Ms B Refson (resigned 25 Oct 2022)
Ms S Roberts (resigned 18 Oct 2022)
Mr M Sales (resigned 19 Oct 2022)
Ms C Tyson (resigned 18 Oct 2022)

Reference and administrative information

Senior Leadership Team

Principal	Mr C Brown
Vice Principal	Mr S Alner (appointed 1 Jan 2023)
Vice Principal	Ms E Anglin (appointed 1 Jan 2023)
Vice Principal	Ms K Harris
Vice Principal	Ms A Underwood
Finance and Resources Director	Mr K Robb
Assistant Vice Principal	Ms S Bennet
Assistant Vice Principal	Mr W Gourley
Assistant Vice Principal	Mr D Hickson (resigned 31 August 2023)
Assistant Vice Principal	Ms E Peck
Assistant Vice Principal	Ms S Poole
Assistant Vice Principal	Mr C Samuels
Inclusion Manager	Ms C Stokes

Secretary Mr D C Murray

Registered office Laburnum Street
London
E2 8BA

Company registration number 05195911 (England and Wales)

External Auditor Buzzacott LLP
130 Wood Street
London
EC2V 6DL

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 2023

The Directors of The Bridge Academy, Hackney (the Academy), who are also 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 2023. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The financial statements have been prepared in accordance with the accounting policies set out on pages 36 to 40 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 and amended subsequently are the primary governing documents of the Academy. Revised Memorandum and Articles were adopted effective from 18 October 2022. 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.

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)

Trustees

No trustee received any remuneration from the Academy during the year in respect of their duties as a trustee. Mr C Brown was remunerated in his position as Academy Principal.

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

All new trustees are provided with a copy of the trustee handbook, 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 trustees of the Academy;
- ◆ the committees (Education; Finance and General Purposes; Governor Appointments; HR);
- ◆ the sub-committees (Health and Safety; ICT) and the Responsible Officer; and
- ◆ the Senior Leadership Team (SLT).

Trustees

The Trustees 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 Board of Trustees 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, estates and to consider other general matters not falling within the remit of any other committee.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

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

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

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 Use Games Area in Haggerston Park.

The ICT 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, four Vice Principals, six Assistant Vice Principals, the Inclusion Manager and the Finance and Resources Director. This team manages the Academy at an executive level implementing the vision, strategy and policies laid down by the Trustees 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 Trustees 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.

Directors' report Year to 31 August 2023

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the period	Full-time equivalent employee number
1	1.0

The above trade union official spent 5% of their paid time in the year on trade union facility activities.

Total pay bill:	£8,797,781
Total cost of facility time:	£3,502
Percentage of pay spent on facility time:	0.04%

Hours spent on paid facility time:	0
Hours spent on paid trade union activities:	0
Percentage of total paid facility time hours spent on paid TU activities:	0%

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 1,111. The gender balance at the Academy is 54% boys and 46% girls.

BACKGROUND AND VISION (continued)

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 6% of students have an Education, Health and Care Plan (EHCP). This is roughly three times the national average. In Year 7, 16 students (9% of the cohort) have an EHCP.

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 ask all staff to make the following behaviour commitments every day:

- ◆ I will work hard
- ◆ I will demonstrate integrity
- ◆ I will act with kindness
- ◆ I will strive for excellence

THE BRIDGE ACADEMY STRATEGIC PLAN

The Bridge Academy Strategic plan 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. We 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 special educational needs (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 in Teach Like a Champion (TLaC), and script our most common teacher-student interactions and practice 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 treat PSHE with the same high level of respect as any other subject. The 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, and we therefore timetable our co-curricular curriculum during the academy day so that all students can access it fully.

THE BRIDGE ACADEMY STRATEGIC PLAN (continued)

2. Outstanding Personal Development (continued)

In addition, at Bridge every child learns a musical instrument, takes part in a wide range of other activities and will visit a range of culturally significant institutions, including art galleries and the theatre. These experiences are carefully linked to the academic curriculum to maximise their impact.

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

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. Bridge delivers an outstanding progression programme which gains a national profile for excellence, including gaining 100% compliance with all of the Gatsby benchmarks. The partnership with UBS enables Bridge to deliver something truly unique and transformative both for its students 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. We believe that every student deserves the best possible education, to prepare 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 design every aspect of our approach around the most vulnerable student, ensure that every teacher is an expert teacher of SEN and 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.

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 that a happy workforce is a productive workforce. Staff well-being is never off the agenda at Bridge; a senior member of staff has responsibility for this area and there is representation at Board of Trustees 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 never ask teachers to do anything that does not directly impact on the quality of education for our students and we constantly review our processes and practices.

THE BRIDGE ACADEMY STRATEGIC PLAN (continued)

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

The well-being of our students is equally important. The foundation of this is excellent teacher-student professional relationships throughout the Academy, which we develop through the best practice approaches discussed above. To support this, we offer an exceptional level of pastoral support, including for those students 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 and expert input help is needed. The combination of Place2Be and our in-house counselling service means that this is an area of practice 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 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 and work together with local stakeholders to create a sense of belonging and empowerment from those sections of the community that currently feel.

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 the partnership should be a model 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 improve academic attainment. It works with partners on student well-being at Bridge and in primary schools, and 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. The UBS interventions have a positive impact on students' aspirations and achievements and the development of character, skills and knowledge within and outside the qualifications framework. Every Bridge student feels the impact of the partnership during the school year.

THE BRIDGE ACADEMY STRATEGIC PLAN (continued)

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. 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 and other children in challenging circumstances deserve these opportunities to change their futures.

STRATEGIC REPORT

Achievements

Key Stage 4 (KS4)

- ◆ Basics at 4+: 76%
- ◆ Basics at 5+: 56%
- ◆ Disadvantaged students Basics at 4+: 68%
- ◆ Disadvantaged students Basics at 5+: 44+
- ◆ EBacc at 4+: 41%
- ◆ Attainment 8: 5.24
- ◆ Projected Progress 8 score: +0.49

Key Stage 5 (KS5)

- ◆ A/A*: 18%
- ◆ A*- B: 45%
- ◆ A*- C: 72%
- ◆ A*- E: 99%

Fundraising

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

Response to COVID-19

The effect of Covid-19 on the operation of the Academy during the year was minimal. Good hygiene and ventilation practice was followed and staff and student attendance, as far as can be ascertained, was not significantly affected.

Plans for the future

Our priorities for this year are:

- ◆ Returning student attendance to pre-pandemic levels
- ◆ Further improving our Level 2 and 3 outcomes
- ◆ Ensuring that our curriculum implementation is consistently excellent
- ◆ Ensuring that student culture is 'beyond outstanding'
- ◆ Further developing our personal development offer to increase the level of student choice
- ◆ Putting in place the preparations for an outstanding Additionally Resourced Provision in September 2024

Directors' report Year to 31 August 2023

Operational and financial review

The majority of the Academy's income in the year ended 31 August 2023 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.

Once depreciation is removed from the income and expenditure account, the Academy made a small surplus in the year in unrestricted funds, despite significant capital investment. General restricted funds were reduced as funds were applied to the purposes for which they were given.

The balance sheet remains strong, with cash remaining at a high level. An in-year deficit has been budgeted for the coming year but will be met without the need to reduce for reserves below their target range.

Further narrative is provided within the Financial Review below.

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.

Risks related to the Academy's estate were monitored and managed through the year, including through the Health & Safety and Finance & General Purposes Committees. Reference was made to the DfE publication Good Estate Management for Schools to help ensure compliance with relevant legislation and standards.

STRATEGIC REPORT (continued)

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.
- ♦ The risk that income, specifically from the DfE, fails to keep up with increasing costs. The Academy has significant reserves above the target figure and trustees monitor the situation closely. Cost savings could be made if income was to reduce significantly.

Financial review

Financial report for the year

During the year ended 31 August 2023 the surplus for the year (excluding movements in the fixed asset fund and the LGPS defined benefit pension liability) was a deficit of £50,128 (2022 – surplus of £223,461) (see note 23). This arose from a range of operational costs and incomes.

The Academy's operational funds carried forward at 31 August 2023 were £1,268,063 (2022 – £1,318,191), excluding capital funds which were represented by fixed assets with a book value of £31,186,872 (2022 – £31,980,284).

The Academy's net assets (i.e. total reserves) at 31 August 2023 were £32,486,833 (2022 – £33,298,475) comprising £31,293,092 (2022 – £32,125,265) of restricted funds, designated funds of £Nil (2022 – £1,837) and £1,193,741 (2022 – £1,171,373) of unrestricted general funds. At 31 August 2023 the Academy held cash balances of £1,583,720 (2022 – £1,514,523).

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.

Directors' report Year to 31 August 2023

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 (of £1,193,741), 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.

The surplus on the pension fund at 31 August 2023 was £1,039,000 (2022 – surplus of £139,000), which relates to the Academy's share of the obligations under the Local Government Pension Scheme (LGPS). For the accounts purposes this surplus is capped at £nil.

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 may chose to 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 2023

STRATEGIC REPORT (continued)

AUDITOR

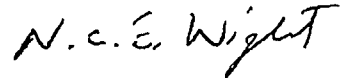
In so far as the Directors are aware:

- ♦ 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:



Chris Brown
Director



Nick Wright
Director

Approved by the Directors on: 23/11/23

Governance statement Year to 31 August 2023

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
Mr C Brown	5	5
Ms S Craner	1	2
Ms Z Evans	3	5
Mr R W J Hardie	5	5
Ms E Ifi	5	5
Mr P Jones	4	5
Mr N Khinda	4	5
Mr W Lawson Turnbull	5	5
Ms S Persia	3	5
Ms B Refson	4	5
Ms S Roberts	4	5
Mr M Sales	3	5
Mr E Suer	5	5
Ms C Tyson	5	5
Mr N C E Wright	5	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 statement Year to 31 August 2023

Conflicts of interest

Trustees provide an annual declaration confirming any interest they may have that could result in a conflict of interests. They are asked to provide updates whenever this changes.

If any item of business on the agenda of a Trustees' meeting may prove a conflict, the Governor concerned is asked to excuse themselves. The list of Trustees' interests is reviewed along with the agenda of each Board of Trustees meeting.

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 Trustee Appointments Committee as part of its role and trustees are satisfied that current governance arrangements serve the Trust well.

Following a review by the Trust's solicitors, Stone King, a new memorandum and articles along with a new funding agreement were agreed with the ESFA and adopted during the year.

Finance and General Purposes Committee

The Finance and General Purposes (F&GP) Committee is a committee of the main Board of Trustees. 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 estates.

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

Director / Committee member	Number of meetings attended	Out of a possible
Mr W Lawson Turnbull (Chair)	4	4
Mr C Brown	4	4
Ms S Craner	2	2
Mr R W J Hardie	3	4
Mr E Suer	4	4
Mr N Wright	4	4

Governance statement Year to 31 August 2023

Review of value for money

During the year:

- ♦ reorganisation of two departments and consequent redundancies have led to reduced staffing costs
- ♦ A new broadband and IT services supplier was appointed resulting in significant savings
- ♦ A review was undertaken of future estates related costs. An action plan is now being drafted for repair and replacement of estates assets

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, as well as estates safety and management, achieved in return for the taxpayer resources received. The actions 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 ensuring the curriculum is designed as cost effectively as possible.

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 2023 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 2023 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 2023

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 role 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 2022/23 the RO's work focussed on three areas:

- ◆ A review of a sample of transactions forming the accounting records to ensure the recording and control system is appropriate and that it is being followed
- ◆ A review of how VAT is accounted for within the Academy to ensure it is compliance with the relevant legislation, that VAT recovery is maximised and that VAT is correctly accounted for

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

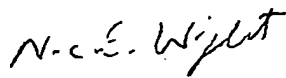
Governance statement Year to 31 August 2023

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:



N Wright
(Chair of Directors)

Approved on: 23/11/23



C Brown
(Principal and Accounting Officer)

Statement on regularity, propriety and compliance Year to 31 August 2023

As Accounting Officer of The Bridge Academy, Hackney I have considered my responsibility to notify the Academy's Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, including for estates safety and management, 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 Academy Trust Handbook 2022 including responsibilities for estates safety and management.

I confirm that I and the Academy's Board of Trustees 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 Academy Trust 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 Board of Trustees and the ESFA.



C Brown
Accounting Officer

Date: 23/11/23

Statement of Directors' responsibilities Year to 31 August 2023

The Directors (who are also the Trustees 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 FRS 102 and the Academies Accounts Direction 2022 to 2023;
- ♦ 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 and signed on its behalf by:

N.C.E. Wright

N Wright
Chair of Directors

Date: 27/11/23

Independent auditor's report 31 August 2023

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 2023 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 FRS 102) and the Academies Accounts Direction 2022 to 2023.

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 2023 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 FRS 102 and Academies Accounts Direction 2022 to 2023.

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.

Independent auditor's report 31 August 2023

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 and Financial Statements 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
- ♦ we have not received all the information and explanations we require for our audit.

Independent auditor's report 31 August 2023

Responsibilities of Directors

As explained more fully in the statement of Directors' responsibilities, 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 director 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 FRS 102, the Academies Accounts Direction 2022 to 2023, the Academy Trust Handbook 2022, and the Academy Trust's funding agreement with the ESFA as well as legislation pertaining to safeguarding in the UK;

Independent auditor's report 31 August 2023

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 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;
- ◆ reviewed 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 as to actual and potential litigation and claims;
- ◆ reviewing any available correspondence with Ofsted, ESFA and HMRC; and
- ◆ 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.

Independent auditor's report 31 August 2023

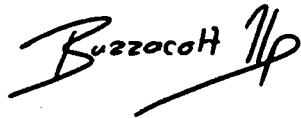
Auditor's responsibilities for the audit of the financial statements (continued)

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. 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.

A handwritten signature in black ink that reads "Buzzacott LLP". The signature is stylized, with the "B" being large and the "LLP" written in a more compact, cursive style.

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

Date: 7 December 2023

Independent reporting accountant's report on regularity 31 August 2023

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 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023 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 2022 to 31 August 2023 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 31 July 2023 and the Academy Trust Handbook, extant from 1 September 2022, 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 2022 to 2023. 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 2022 to 31 August 2023 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 2023

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 2022 to 31 August 2023 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

Date: 7 December 2023

Statement of financial activities Year to 31 August 2023

(including income and expenditure account and statement of total recognised gains and losses)

	Notes	Un- restricted funds £	Restricted funds			2023 Total funds £	2022 Total funds £
			General Annual Grant £	Other £	Capital £		
Income from:							
Donations and capital grants	2	388	—	456,182	69,765	526,335	690,333
Charitable activities							
· Funding for the Academy's educational operations	4	228,952	10,957,379	—	—	11,186,331	10,435,985
Investments	3	42,931	—	—	—	42,931	5,337
Total income		<u>272,271</u>	<u>10,957,379</u>	<u>456,182</u>	<u>69,765</u>	<u>11,755,597</u>	<u>11,131,655</u>
Expenditure on:							
Charitable activities							
· Academy's educational operations		2,226	11,504,533	221,366	1,032,114	12,760,239	12,915,577
Total expenditure	5	<u>2,226</u>	<u>11,504,533</u>	<u>221,366</u>	<u>1,032,114</u>	<u>12,760,239</u>	<u>12,915,577</u>
Net income (expenditure) before transfers		270,045	(547,154)	234,816	(962,349)	(1,004,642)	(1,783,922)
Transfers between funds	16	(249,514)	354,154	(305,475)	200,835	—	—
Net income (expenditure)		<u>20,531</u>	<u>(193,000)</u>	<u>(70,659)</u>	<u>(761,514)</u>	<u>(1,004,642)</u>	<u>(1,783,922)</u>
Other recognised gains and losses							
· Actuarial gain on defined benefit pension schemes	21	—	193,000	—	—	193,000	5,820,000
Net movement in funds	23	<u>20,531</u>	<u>—</u>	<u>(70,659)</u>	<u>(761,514)</u>	<u>(811,642)</u>	<u>4,036,078</u>
Reconciliation of funds							
Funds brought forward at 1 September 2022		1,173,210	—	144,981	31,980,284	33,298,475	29,262,397
Funds carried forward at 31 August 2023		<u>1,193,741</u>	<u>—</u>	<u>74,322</u>	<u>31,218,770</u>	<u>32,486,833</u>	<u>33,298,475</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 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Intangible fixed assets	12		—		15,815
Tangible fixed assets	13		<u>31,186,872</u>		<u>31,964,469</u>
			<u>31,186,872</u>		<u>31,980,284</u>
Current assets					
Debtors	14	433,874		469,330	
Cash at bank and in hand		<u>1,583,720</u>		<u>1,514,523</u>	
		<u>2,017,594</u>		<u>1,983,853</u>	
Creditors: amounts falling due within one year	15	<u>(717,633)</u>		<u>(665,662)</u>	
Net current assets			<u>1,299,961</u>		<u>1,318,191</u>
Net assets excluding pension liability			<u>32,486,833</u>		<u>33,298,475</u>
Pension scheme liability	21		<u>—</u>		<u>—</u>
Total net assets			<u>32,486,833</u>		<u>33,298,475</u>
The funds of the Academy:					
Restricted funds					
. General Annual Grant	16		<u>—</u>		<u>—</u>
. Pension reserve	16		<u>—</u>		<u>—</u>
			<u>—</u>		<u>—</u>
. Capital	16		<u>31,218,770</u>		<u>31,980,284</u>
. Other restricted funds	16		<u>74,322</u>		<u>144,981</u>
			<u>31,293,092</u>		<u>32,125,265</u>
Unrestricted funds					
. General fund	16		<u>1,193,741</u>		<u>1,171,373</u>
. Designated funds	16		<u>—</u>		<u>1,837</u>
			<u>1,193,741</u>		<u>1,173,210</u>
Total funds			<u>32,486,833</u>		<u>33,298,475</u>

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

N.C.E. Wright

N Wright
Chair

Approved on: 23/11/23

Statement of cash flows Year to 31 August 2023

		2023 £	2022 £
Net cash flows from operating activities			
Net cash provided by operating activities	A	227,102	270,611
Cash flows from investing activities			
	B	(157,905)	(131,104)
Change in cash and cash equivalents in the year		69,197	139,507
Reconciliation of net cash flow to movement in net funds:			
Cash and cash equivalents at 1 September 2022		1,514,523	1,375,016
Cash and cash equivalents at 31 August 2023	C	1,583,720	1,514,523
A Reconciliation of expenditure to net cash flow from operating activities			
		2023 £	2022 £
Net expenditure for the year (as per the statement of financial activities)		(1,004,642)	(1,783,921)
Adjusted for:			
Amortisation (note 12)		12,734	14,558
Depreciation (note 13)		1,019,380	996,458
Capital grants from DfE and other capital income		(69,765)	(68,192)
Interest receivable (note 3)		(42,931)	(5,337)
Loss on disposal of fixed assets		31,898	—
Defined benefit scheme service cost adjustment (note 21)		195,000	664,000
Defined benefit finance cost adjustment (note 21)		(2,000)	537,000
Decrease / (increase) in debtors		35,457	(87,771)
Increase in creditors		51,971	3,816
Net cash provided by operating activities		227,102	270,611
B Cash flows from investing activities			
		2023 £	2022 £
Interest received		42,931	5,337
Purchase of tangible fixed assets		(270,601)	(204,633)
Capital grants from DfE		69,765	68,192
Net cash used in by investing activities		(157,905)	(131,104)
C Analysis of cash and cash equivalents			
		2023 £	2022 £
Cash at bank and in hand		1,583,720	1,514,523
Total cash and cash equivalents		1,583,720	1,514,523

Statement of cash flows Year to 31 August 2023

D Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	Other non-cash changes £	At 31 August 2023 £
Cash at bank	1,514,523	69,197	—	1,583,720
Total	1,514,523	69,197	—	1,583,720

Principal accounting policies 31 August 2023

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 2022 to 2023 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.

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.

Principal accounting policies 31 August 2023

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.

Principal accounting policies 31 August 2023

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 £10,000 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.

Principal accounting policies 31 August 2023

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.

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.

Principal accounting policies 31 August 2023

Pensions benefits (continued)

Where the scheme is estimated to be in a surplus position, under the reporting provisions of FRS 102, the Academy is only able to recognise the surplus as to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan. As the Academy does not anticipate being able to recover the surplus in the aforementioned manner, the surplus is not recognised on the balance sheet, and a corresponding adjustment is made within other recognised gains and losses on the statement of financial activities (as an actuarial loss) to bring the net LGPS position to £nil on the balance sheet.

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.

- ◆ 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.

Notes to the financial statements 31 August 2023

1 General Annual Grant (GAG)

Under the funding agreement with the Secretary of State, the Academy was not subject to limits at 31 August 2023 on the amount of GAG that could be carried forward from one year to the next.

2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
Charitable donations	388	456,182	456,570	622,141
Donated fixed assets	—	—	—	44,150
Capital grants	—	69,765	69,765	24,042
	388	525,947	526,335	690,333

	Unrestricted funds £	Restricted funds £	2022 Total funds £
Charitable donations	—	622,141	622,141
Donated fixed assets	—	44,150	44,150
Capital grants	—	24,042	24,042
	—	690,333	690,333

3 Income from investments

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
2023 Total funds: Bank interest receivable	42,931	—	42,931	5,337
2022 Total funds: Bank interest receivable	5,337	—	5,337	

Notes to the financial statements 31 August 2023

4 Funding for the Academy's educational operations

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
Education and Skills Funding Agency (ESFA) grants				
General Annual Grant (GAG) (note 1)	—	9,802,608	9,802,608	9,209,397
Other DfE/ ESFA grants				
· Pupil premium	—	514,834	514,834	508,594
· Other grants	—	—	—	(2,973)
	<u>—</u>	<u>10,317,442</u>	<u>10,317,442</u>	<u>9,715,018</u>
Other government grants				
· Local Authority EHCP income	—	498,729	498,729	340,663
	<u>—</u>	<u>498,729</u>	<u>498,729</u>	<u>340,663</u>
COVID-19 additional funding (DfE/ESFA)				
Catch-up premium	—	—	—	68,489
Other DfE/ESFA COVID-19 funding	—	141,208	141,208	105,969
	<u>—</u>	<u>141,208</u>	<u>141,208</u>	<u>174,458</u>
Other educational income				
· Lettings income	54,954	—	54,954	54,554
· Catering income	132,173	—	132,173	115,372
· Other miscellaneous income	41,825	—	41,825	35,920
	<u>228,952</u>	<u>—</u>	<u>228,952</u>	<u>205,846</u>
	<u>228,952</u>	<u>10,957,379</u>	<u>11,186,331</u>	<u>10,435,985</u>

Notes to the financial statements 31 August 2023

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

	Unrestricted funds £	Restricted funds £	2022 Total funds £
Education and Skills Funding Agency (ESFA) grants			
General Annual Grant (GAG) (note 1)	—	9,209,397	9,209,397
Other DfE/ ESFA grants			
· Pupil premium	—	508,594	508,594
· Other grants	—	(2,973)	(2,973)
	—	9,715,018	9,715,018
Other government grants			
· EHCP income	—	340,663	340,663
	—	340,663	340,663
COVID-19 additional funding (DfE/ESFA)			
Catch-up premium	—	68,489	68,489
Other DfE/ESFA COVID-19 funding	—	105,969	105,969
	—	174,458	174,458
Other educational income			
· Lettings income	54,554	—	54,554
· Catering income	115,372	—	115,372
· Other miscellaneous income	35,920	—	35,920
	205,846	—	205,846
	205,846	10,230,139	10,435,985

5 Expenditure

	Staff costs (note 9) £	Non pay expenditure		2023 Total funds £	2022 Total funds £
		Premises £	Other costs £		
Academy's educational operations					
· Direct costs	7,610,089	—	761,310	8,371,399	7,778,698
· Support costs (note 6)	1,812,199	1,691,683	884,958	4,388,840	5,136,878
	9,422,288	1,691,683	1,646,268	12,760,239	12,915,576

	Staff costs (note 9) £	Non pay expenditure		2022 Total funds £
		Premises £	Other costs £	
Academy's educational operations				
· Direct costs	7,222,843	—	555,855	7,778,698
· Support costs (note 6)	2,187,669	1,656,151	756,058	5,136,878
	9,410,512	1,656,151	1,311,913	12,915,576

Notes to the financial statements 31 August 2023

5 Expenditure (continued)

Net expenditure for the year is stated after charging:

	2023 £	2022 £
Operating leases – equipment	15,789	15,789
Depreciation	1,019,380	996,458
Amortisation of intangible fixed assets	12,734	14,558
Fees payable to auditor		
• Audit of financial statements	13,750	11,850
• Other audit services	3,760	2,145
• Non-audit services (and company secretarial)	950	1,275

6 Support costs

	2023 Total funds £	2022 Total funds £
Support staff costs	1,282,199	1,523,669
Support staff costs – pension adjustment	195,000	664,000
Depreciation	1,019,380	996,458
Amortisation	12,734	14,558
Technology costs	198,073	209,112
Premises costs	659,568	645,135
Legal costs	9,094	7,328
Other support costs	982,222	509,751
Other support costs – pension adjustment	(2,000)	537,000
Governance costs (note 7)	32,570	29,867
Total support costs	4,388,840	5,136,878

7 Governance costs

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
2023: Total funds: Professional fees (including audit)	—	32,570	32,570	29,867
2022 Total funds: Professional fees (including audit)	—	29,867	29,867	

Notes to the financial statements 31 August 2023

8 Comparative information

Analysis of income and expenditure in the year ended 31 August 2022 between restricted and unrestricted funds:

			Restricted funds			
	Notes	Un- restricted funds £	General Annual Grant £	Other £	Capital £	2022 Total funds £
Income from:						
Donations and capital grants	2	—	—	622,141	68,192	690,333
Charitable activities						
Academy's educational operations	4	90,474	10,345,511	—	—	10,435,985
Investments	3	5,337	—	—	—	5,337
Total income		95,811	10,345,511	622,141	68,192	11,131,655
Expenditure on:						
Charitable activities						
Academy's educational operations		3,338	11,597,679	303,543	1,011,017	12,915,577
Total expenditure	5	3,338	11,597,679	303,543	1,011,017	12,915,577
Net income (expenditure) before transfers		92,473	(1,252,168)	318,598	(942,825)	(1,783,922)
Transfers between funds	16	76,358	51,168	(263,967)	136,441	—
Net income (expenditure)		168,831	(1,201,000)	54,631	(806,384)	(1,783,922)
Other recognised gains and losses						
Actuarial gain/(loss) on defined benefit pension schemes	21	—	5,820,000	—	—	5,820,000
Net movement in funds	23	168,831	4,619,000	54,631	(806,384)	4,036,078
Reconciliation of funds						
Funds brought forward at 1 September 2021		1,004,379	(4,619,000)	90,350	32,786,668	29,262,397
Funds carried forward at 31 August 2022		1,173,210	—	144,981	31,980,284	33,298,475

Notes to the financial statements 31 August 2023

9 Staff

a) Staff costs

	2023 £	2022 £
Staff costs comprise:		
Wages and salaries	6,840,585	6,502,330
Social security costs	694,649	627,058
Other pension costs (including LGPS adjustments of £335,000 (2022: £664,000))	1,601,088	1,939,467
	9,136,322	9,068,855
Staff restructuring costs (see below)	62,307	61,940
Supply staff costs	223,659	279,717
	9,422,288	9,410,512
	2023 £	2022 £
Staff restructuring costs comprise		
Contractual severance payments	62,307	41,335
Non-contractual severance payments	—	20,605
	62,307	61,940

b) Staff numbers

The average number of persons (including the senior management team) employed by the Academy during the year ended 31 August 2023 (on a headcount basis) was as follows:

	2023 No.	2022 No.
Charitable activities		
Management	13	13
Teaching staff	75	79
Non teaching staff	84	81
Total	172	173

Notes to the financial statements 31 August 2023

9 Staff (continued)

c) *Higher paid staff*

20 employees earned more than £60,000 per annum (including taxable benefits but excluding employers' pension contributions) during the year ended 31 August 2023 (2022 – 17). The total emoluments of these employees were in the following ranges:

	2023 No.	2022 No.
£60,001 - £70,000	14	10
£70,001 - £80,000	4	3
£80,001 - £90,000	1	2
£90,001 - £100,000	1	1
£140,001 - £150,000	1	1

19 of the above employees earning more than £60,000 per annum participated in the Teachers' Pension Scheme. During the year ended 31 August 2023 total pension contributions for these staff members amounted to £313,282 (2021 – 16 employees, £256,221). Two of the above employees were members of the LGPS. During the year ended 31 August 2023 total pension contributions for these staff members amounted to £32,403 (2022 – one employee, £17,038).

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 £1,298,355 (2022 – £1,180,697).

e) *Severance payments*

The academy trust paid one severance payments in the year, disclosed in the following bands:

	2023 No.	2022 No.
0 - £25,000	1	2
£25,001 - £50,000	2	—

f) *Special staff severance payments*

No special severance payments were made in the year or in 2022.

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 Trustees 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:

	2023 £	2022 £
C Brown (Principal and Director)		
Remuneration	140k-145k	140k-145k
Employer's pension contributions	30k-35k	30k-35k
J Lindsey (Staff Governor and Director)		
Remuneration	—	55k-60k
Employer's pension contributions	—	10k-15k

During the period ended 31 August 2023, travel and subsistence expenses totalling £44 were reimbursed or paid directly to one director (2022 – £111 to one director).

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.

Notes to the financial statements 31 August 2023

12 Intangible fixed assets

	Computer software £	Total £
Cost		
At 1 September 2022	53,838	53,838
Disposals	(48,364)	(48,364)
At 31 August 2023	<u>5,474</u>	<u>5,474</u>
Depreciation		
At 1 September 2022	38,023	38,023
Charge in year	12,734	12,734
Disposals	(45,283)	(45,283)
At 31 August 2023	<u>5,474</u>	<u>5,474</u>
Net book value		
At 31 August 2023	—	—
At 31 August 2022	<u>15,815</u>	<u>15,815</u>

13 Tangible fixed assets

	Leasehold land and buildings property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost					
At 1 September 2022	43,693,004	668,483	1,513,784	28,742	45,904,013
Additions	—	—	270,601	—	270,601
Disposals	—	—	(54,600)	—	(54,600)
At 31 August 2023	<u>43,693,004</u>	<u>668,483</u>	<u>1,729,785</u>	<u>28,742</u>	<u>46,120,014</u>
Depreciation					
At 1 September 2022	12,057,156	668,483	1,185,163	28,742	13,939,544
Charge for the year	873,860	—	145,520	—	1,019,380
Disposals	—	—	(25,782)	—	(25,782)
At 31 August 2022	<u>12,931,016</u>	<u>668,483</u>	<u>1,304,901</u>	<u>28,742</u>	<u>14,933,142</u>
Net book values					
At 31 August 2023	<u>30,761,988</u>	<u>—</u>	<u>424,884</u>	<u>—</u>	<u>31,186,872</u>
At 31 August 2022	<u>31,635,848</u>	<u>—</u>	<u>328,621</u>	<u>—</u>	<u>31,964,469</u>

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.

Notes to the financial statements 31 August 2023

14 Debtors

	2023 £	2022 £
Prepayments	131,186	211,259
VAT recoverable	59,106	42,909
Other debtors	243,582	215,163
	433,874	469,331

15 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	148,794	120,495
Accruals and deferred income	223,017	113,062
Taxation and social security	177,084	179,665
ESFA Clawback Creditor	—	85,901
Other creditors	168,738	166,539
	717,633	665,662

Deferred income reconciliation

	2023 £	2022 £
Deferred income at 1 September 2022	37,511	135,356
Released from previous years	(37,511)	(135,356)
Resources deferred in the year	38,160	37,511
Deferred income at 31 August 2023	38,160	37,511

Deferred income at 31 August 2023 related to trips Income paid in advance.

Notes to the financial statements 31 August 2023

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 2022 £	Income £	Expenditure £	Gains, losses and transfers £	At 31 August 2023 £
Restricted general funds					
General Annual Grant (GAG)	—	9,688,180	(10,042,334)	354,154	—
Pupil premium	—	514,834	(514,834)	—	—
Catch-up premium	—	—	—	—	—
Recovery premium	—	141,208	(141,208)	—	—
Pension reserve	—	—	(193,000)	193,000	—
	—	10,344,222	(10,891,376)	547,154	—
Restricted capital funds	31,980,284	69,765	(1,032,114)	200,835	31,218,770
Other restricted funds					
Local authority grants	—	498,729	(498,729)	—	—
Other restricted funds	144,981	570,610	(335,794)	(305,475)	74,322
	144,981	1,069,339	(834,523)	(305,475)	74,322
Total restricted funds	32,125,265	11,483,326	(12,758,013)	442,514	31,293,092
Unrestricted funds					
General funds	1,171,374	271,883	—	(249,516)	1,193,741
Designated funds	1,836	388	(2,226)	2	—
Total unrestricted funds	1,173,210	272,271	(2,226)	(249,514)	1,193,741
Total funds	33,298,475	11,755,597	(12,760,239)	193,000	32,486,833

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 on 31 August 2023. 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.

16 Funds analysis (continued)

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 £200,835 to Restricted Fixed Assets funds represent fixed assets funded from other restricted and unrestricted funds .

Transfers of £354,154 to restricted general funds represent the funds needed to meet the excess of expenditure over income on ESFA funding.

Notes to the financial statements 31 August 2023

16 Funds analysis (continued)

Comparative information

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

	At 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	At 31 August 2022 £
Restricted general funds					
General Annual Grant (GAG)	—	9,209,397	(9,260,565)	51,168	—
Pupil premium	—	508,594	(508,594)	—	—
Catch-up premium	—	68,489	(68,489)	—	—
Other DfE/ESFA COVID-19 funding	—	105,969	(105,969)	—	—
Pension reserve	(4,619,000)	—	(1,201,000)	5,820,000	—
	<u>(4,619,000)</u>	<u>9,892,449</u>	<u>(11,144,617)</u>	<u>5,871,168</u>	<u>—</u>
Restricted capital funds	<u>32,786,668</u>	<u>68,192</u>	<u>(1,011,017)</u>	<u>136,441</u>	<u>31,980,284</u>
Other restricted funds					
Local authority grants	—	453,062	(453,062)	—	—
Other restricted funds	90,350	622,141	(303,544)	(263,966)	144,981
	<u>90,350</u>	<u>1,075,203</u>	<u>(756,606)</u>	<u>(263,966)</u>	<u>144,981</u>
Total restricted funds	<u>28,256,018</u>	<u>11,035,844</u>	<u>(12,912,239)</u>	<u>5,743,642</u>	<u>32,125,264</u>
Unrestricted funds					
General funds	999,139	95,811	—	76,424	1,171,374
Designated funds	5,240	—	(3,338)	(66)	1,836
Total unrestricted funds	<u>1,004,379</u>	<u>95,811</u>	<u>(3,338)</u>	<u>76,358</u>	<u>1,173,210</u>
Total funds	<u>29,262,397</u>	<u>11,131,655</u>	<u>(12,915,577)</u>	<u>5,820,000</u>	<u>33,298,475</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 31 August and 1 September 2021 £	New designations/ utilised £	At 31 August and 1 September 2022 £	New designations/ utilised £	At 31 August 2023 £
UBS donations	5,240	(3,404)	1,836	(1,836)	—

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

Notes to the financial statements 31 August 2023

18 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds			Total 2023 £
		General Annual Grant £	Capital £	Other £	
Fund balances at 31 August 2023 are represented by:					
Tangible fixed assets	—		31,186,872	—	31,186,872
Current assets	1,193,741	717,633	31,898	74,322	2,017,594
Creditors: amounts falling due within one year	—	(717,633)	—	—	(717,633)
Total net assets	1,193,741	—	31,218,770	74,322	32,486,833

Comparative information

	Unrestricted funds £	Restricted funds			Total 2021 £
		General Annual Grant £	Capital £	Other £	
Fund balances at 31 August 2022 are represented by:					
Intangible fixed assets	—	—	15,815	—	15,815
Tangible fixed assets	—	—	31,964,469	—	31,964,469
Current assets	1,173,210	665,662	—	144,981	1,983,853
Creditors: amounts falling due within one year	—	(665,662)	—	—	(665,662)
Total net assets	1,173,210	—	31,980,284	144,981	33,298,475

19 Related party transactions

UBS AG is the sponsor of the Academy. During the year ended 31 August 2023, UBS AG provided donations of £36,167 (2022 – £135,549) and UBS UK Donor Advised Foundation provided donations of £376,679 (2022 – £407,509) 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 Academy Trust Handbook.

The aggregate value of donations made by Directors to the Academy in the year ended 31 August 2023 was £nil (2022 – £nil).

Details pertaining to the remuneration of trustees is provided at note 10 to the financial statements. Other than the aforementioned, there were no further related party transactions during the period of report (2022: no other transactions).

20 Commitments under operating leases

At 31 August 2023, the total of the Academy's future minimum lease payments under non-cancellable operating leases for equipment was as follows:

	2023 £	2022 £
Amounts due within one year	3,863	3,863
Amounts due between two and five years inclusive	—	3,863
	3,863	7,726

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.

Prior to 31 August 2023, the latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2022. A further valuation of the TPS scheme, relating to the period ended 31 March 2020, was published in October 2023.

Contributions amounting to £160,052 were payable to the schemes at 31 August 2023 (2022 – £149,441) 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 actuarial valuation of the TPS which applied during the year ended 31 August 2023 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 latest actuarial TPS valuation results, as at 31 March 2020, were released in October 2023. The valuation result is due to be implemented from 1 April 2023. From this date, employer contribution rates will increase to 28.68% (including a 0.08% administration levy).

The employer's pension costs paid to TPS in the period amounted to £1,000,151 (2022 – £860,668).

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 2023 was £454,000 (2022 – £461,000), of which employer's contributions totalled £336,000 (2022 – £349,000) and employees' contributions totalled £118,000 (2022 – £112,000). The agreed contribution rates for future years are 2023/24 - 21%, 2024/25 – 21.9% for employers (2022 – 20%) and 5.5-12.5% (2022 – 5.5-12.5%) for employees. Contributions amounting to £38,320 were payable to the scheme at 31 August 2023 (2022 £40,473) and are included in creditors.

Notes to the financial statements 31 August 2023

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 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on the GOV.UK website.

21 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS) (continued)

Principal Actuarial Assumptions	At 31 August 2023 %	At 31 August 2022 %
Rate of increase in salaries	3.45	3.35
Rate of increase for pensions in payment / inflation	2.95	3.05
Discount rate for scheme liabilities	5.20	4.25
Inflation assumption (CPI)	2.95	3.05

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 2023	At 31 August 2022
<i>Retiring today</i>		
Males	19.7	21.1
Females	23.4	23.6
<i>Retiring in 20 years</i>		
Males	22.0	22.5
Females	25.5	25.6

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 2023 £'000	At 31 August 2022 £'000
Discount rate (0.1% decrease)	144	162
Salary increase rate (0.1% increase)	5	5
Pension increase rate (0.1% increase)	142	159

21 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS) (continued)

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

	Fair value at 31 August 2023 £'000	Fair value at 31 August 2022 £'000
Equities	3,175	3,336
Bonds	2,076	1,184
Property	733	592
Cash	122	269
Total market value of assets	6,106	5,381
Present value of scheme liabilities (funded)	(5,067)	(5,242)
Surplus in the scheme as determined by the actuarial valuation	1,039	139
Adjustment recognised in actuarial gains to cap the scheme surplus*	(1,039)	(139)
Surplus in the scheme as recognised on the balance sheet	—	—

*As the LGPS surplus is deemed to be irrecoverable, in line with the adopted accounting policy, recognition of the surplus on the balance sheet has been restricted to £nil. An adjustment has been made to the overall actuarial gain for the year to account for this cap.

	2023 £'000	2022 £'000
Amounts recognised in statement of financial activities		
Current and past service cost (net of employee contributions)	(531)	(1,013)
Interest income	238	91
Interest cost	(236)	(173)
Actuarial gain	193	5,820
Total (charged) / credited to the statement of financial activities	(336)	4,7258

Changes in the present value of defined benefit obligations were as follows:	2023 £'000	2022 £'000
At 1 September 2022	5,242	9,922
Current service cost	412	1,013
Past service costs	119	—
Interest cost	236	173
Employee contributions	118	112
Actuarial gain	(1,037)	(5,959)
Benefits paid	(23)	(19)
At 31 August 2023	5,067	5,242

Notes to the financial statements 31 August 2023

21 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS) (continued)

Changes in the fair value of the Academy's share of scheme assets:	2023 £'000	2022 £'000
At 1 September 2022	5,381	5,303
Interest income	238	91
Actuarial gain (loss)	56	(455)
Employer contributions	336	349
Employee contributions	118	112
Benefits paid	(23)	(19)
At 31 August 2023	6,106	5,381

22 Agency arrangements

The Academy distributes 16-19 bursary funds to students as an agent for the ESFA. In the year ended 31 August 2023 the Academy received £33,966 (2022 – £32,023) and disbursed £33,891 (2022 – £32,023) from the fund. An amount of £376 (2022 – £300) 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" deficit for the year was £50,128 (2022 – surplus of £223,461), as reconciled below.

	2023 £	2022 £
Net (decrease) / increase in funds (as per the statement of financial activities)	(811,642)	4,036,078
Add back / (deduct):		
· Depreciation and amortisation	1,032,114	1,011,015
· Pension finance (income) cost adjustment	(2,000)	537,000
· Pension service cost adjustment	195,000	664,000
· Actuarial gains on pension scheme	(193,000)	(5,820,000)
· Purchases of fixed assets funded through capital grants	(69,765)	(68,192)
· Purchases of fixed assets funded through revenue grants	(200,835)	(136,440)
Operating (deficit) / surplus excluding movements in fixed assets and pension scheme adjustments	(50,128)	223,461