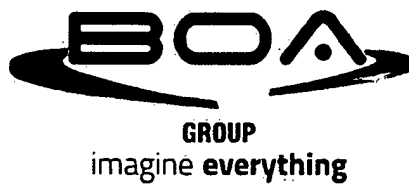


BOA TRUST



BOA TRUST

(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

Registered Number 06832416 (England and Wales)

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BOA TRUST

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BOA Trust

Reference and Administrative Details

Members

The Ormiston Trust		
Birmingham City University		
Birmingham City Council		
Mr	Peter	Murray
Professor	Philip	Thickett
Mr	Steve	Macleod
Ms	Di	Murray

Trustees

* = members of the Finance and Resources Committee

Professor	Philip	Thickett	* Chair, Resigned 4 July 2023
Mr	Gurdip	Bhangoo	
Ms	Hilary	Hodgson	Resigned 4 July 2023
Mr	Nick	Hudson	
Professor	Kevin	Mattinson	* Resigned 26 September 2023
Mr	David	Silber	* Acting Chair, Appointed 26 September 2023 to 17 October 2023
Mr	Jonnie	Turpie	
Mr	Leigh	Yeomans	
Dr	Sarah	Wood	
Mr	Julian	Widdows	Appointed 5 July 2022
Professor	Peter	Francis	Appointed 27 September 2022
Dr	Graham	Sheffield	Chair, Appointed 18 October 2023

Chief Executive Officer and Accounting Officer

Mrs	Katharine	Tague	Appointed 1 September 2022
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Company Secretary

Mr	David	Dovydaitis	Resigned 26 May 2023
Miss	Kate	Wallace	Appointed 5 June 2023

Executive Team:

Ms	Katharine	Tague	Chief Executive Officer, Appointed 1 September 2022
Mr	David	Dovydaitis	Chief Operating Officer (Resigned 26 May 2023)
Mr	Alistair	Chattaway	Principal, Birmingham Ormiston Academy
Mr	Michael	Painter	Principal, BOA Stage and Screen Production Academy
Mr	Paul	Averis	Principal, BOA Digital Technologies Academy

BOA Trust

Company Name	BOA Trust (formerly Birmingham Ormiston Academy until 25 April 2023)
Principal and Registered Office	1 Grosvenor Street Birmingham, B4 7QD
Company Registration Number	06832416 (England and Wales)
Independent Auditor	Cooper Parry Group Limited Cubo Birmingham Two Chamberlain Square Birmingham, B3 3AX
Internal Auditor	Academy Advisory Limited 92 High Street Chasetown Burntwood Staffordshire, WS7 3XG
Bankers	Lloyds Bank PLC 36/38 New Street Birmingham, B2 4LP
Solicitors	Harrison Clark Rickerbys 5 Deansway Worcester, WR1 2JG

BOA Trust

Trustees' Annual Report

The Trustees present their annual report together with the Financial Statements and Auditor's Report of the Academy Trust 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.

During the financial year 2022/23, the Trust operated 3 academies across the Birmingham area which have a combined pupil admission number (PAN) of 1,470 and 1,321 pupils enrolled based on the October 2022 census.

Structure, Governance and Management

Constitution

The BOA Trust is a company limited by guarantee and an exempt charity. The Charitable Company's memorandum and articles of association are the primary governing documents of the Academy Trust. In the 2021/22 academic year the Academy Trust adopted new Articles of Association as a Multi-Academy Trust. Within the Trust there are 3 academies; BOA Creative, Digital and Performing Arts, BOA Stage and Screen Production and BOA Digital which opened in September 2022. In addition, the Trust runs the Old Rep Theatre [BOAT] in Birmingham.

The Trustees are also the Directors of the Charitable Company for the purposes of company law. The Charitable Company is known as BOA Trust.

The Academy Trust has 100% ownership of BOA Trust Theatre (BOAT) Limited, which is a company limited by guarantee.

Details of the Trustees who served throughout the year except as noted are included in the Reference and Administrative Details on page 3.

Members' Liability

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

Trustees' Indemnities

The Academy Trust has opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. The scheme protects Members, Trustees and Local Advisory Body members from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The scheme provides cover up to £10,000,000.

Method of Appointment or Election of Trustees

The Trust shall have the following Trustees, as set out in its Articles of Association and funding agreement:

- Ormiston Trust may appoint up to five trustees.
- Birmingham City University may appoint one trustee.
- Birmingham City Council may appoint one trustee.
- Up to four co-opted trustees.
- Additional or further trustees appointed by the Secretary of State as necessary in special circumstances.

Trustees are appointed for a four-year period, subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

Trustees' Annual Report (Continued)

Method of Appointment or Election of Trustees (continued)

When appointing new Trustees, the Board of Trustees will consider the skills and experience mix of existing Trustees to ensure the Board of Trustees has the necessary skills to contribute fully to BOA Trust's ongoing development.

The Trustees who were in office at 31 August 2023 and served throughout the year, except where shown are listed on page 3.

Policies and Procedures Adopted for the Induction and Training of Trustees

During the year under review the Trustees held five meetings of the full Academy Trust. The training and induction provided for new Trustees will depend on their existing experience. The Trust undertakes an annual skills audit of Trustees and Governors. Where necessary induction will provide training on charity and educational legal and financial matters. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only one or two new Trustees a year, induction tends to be done informally and is tailored specifically to the individual.

Organisational Structure

The Trust Board is responsible for the overall strategic direction of the MAT and for ensuring that statutory duties are met. The board normally meets four times during the year, however during 2022/23 Trustees have formally met five times. The additional meeting was focussed on discussions for the Old Rep Theatre.

The Trust Board is responsible for:

- Setting general policy
- Adopting and monitoring the financial plan and budget
- Monitoring capital expenditure
- Agreeing legal contracts
- Health and Safety
- Executive Staff appointments

The governance structure has been reviewed during the year to reflect that of a MAT and to devolve responsibility and encourage involvement in decision making at all levels.

The Audit and Risk committee has been merged with the Finance & Resources committee in line with the Academies Trust handbook. The School Improvement Standard committee responsibilities at Trust level has been devolved to the Local Governing Bodies, who report back to the Trust Board through the Chairs of the LGB.

Each academy has a Local Governing Body, whose Chair is a trustee and whose responsibility is for:

- The vision, ethos and strategic direction of the academy;
- The quality of education and personal development
- Oversight of the financial performance of the academy in relation to the educational provision and making sure its money is well spent;

The Trust has a clear scheme of delegation, which has been rewritten, which details the decisions that have been delegated to management to ensure the day-to-day operational capacity of the Trust. Each Committee has its own terms of reference detailing the responsibilities discharged to it.

BOA Trust

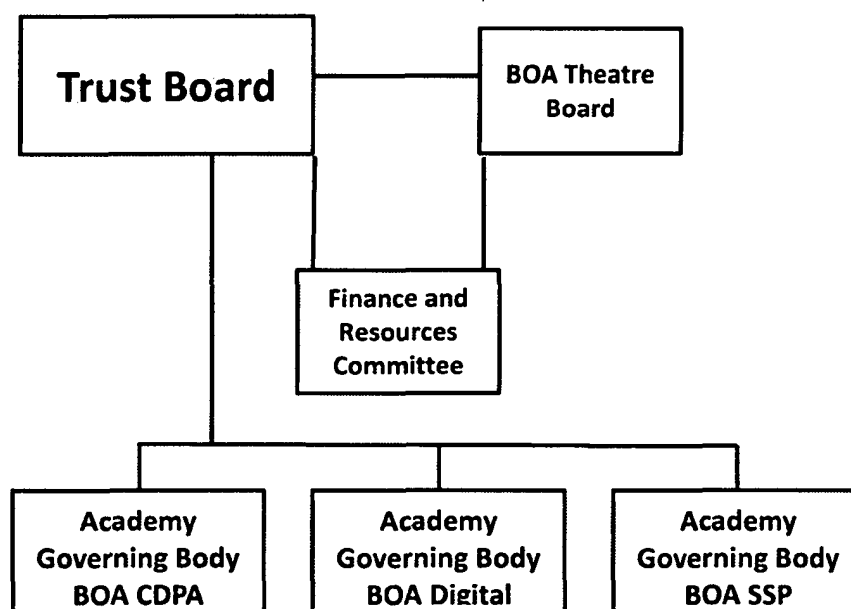
Trustees' Annual Report (Continued)

Organisational Structure (continued)

The Trustees are responsible for the general control and management of the Trust. The Trustees give their time freely and receive no remuneration in their role as Trustees or other financial benefits. The Trustees meet termly and are responsible for all decisions taken in relation to the activities provided by the Trust.

The Trustees have devolved the day-to-day management of the Academy Trust to the Executive Team, which is led by the Chief Executive Officer. The Executive Team comprises the Chief Executive Officer, the Chief Operating Officer, and the individual academy Principals.

The Chief Executive Officer is the Academy Trust's Accounting Officer and has overall responsibility for the day-to-day financial management of the Academy Trust. The Executive Team implements the policies laid down by the Trustees and reports back to them on these and the Academy Trust's overall performance.



Arrangements for setting pay and remuneration of key management personnel

The Chief Executive Officer's appraisal and pay award is conducted by a group of 3 Trustees including the Chair of the Trust. The Chief Executive Officer sets the pay award for all other members of the Executive Team.

Related Parties and other Connected Charities and Organisations

The Members of the charitable company connected to the Trust are:

- The Ormiston Trust
- Birmingham City University
- Birmingham City Council

BOA Trust

Trustees' Annual Report (Continued)

Related Parties and other Connected Charities and Organisations (continued)

The Ormiston Trust is the principal sponsor of BOA Trust. The Ormiston Trust is also the sponsor of Ormiston Academies Trust, which is a completely independent Multi Academy Trust with constituent academies across England. The Chief Executive of Ormiston Academies Trust is a Trustee during the year 2022-23.

Birmingham City University is also a sponsor and member of BOA Trust. Birmingham City Council is a member of the Trust.

Trade Union Facility Time

Relevant union officials

Although BOA Trust meets the threshold of 49 full time equivalent employees during the academic year 2022-23, there were no employees who were relevant union officials during the relevant period and therefore there is no facility time to report.

Objectives and Activities

Objects and Aims

The principal objects and activities of the Academy Trust, as set out in its Articles of Association, are to *advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum with a strong emphasis on, but in no way limited to, digital media and creative and performing arts ("the Academies")*.

In accordance with the articles of association the Charitable Company has adopted a "Scheme of Government" approved by the Secretary of State for Education. The Scheme of Government specifies, amongst other things, the basis for admitting students to the Academy Trust, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the national curriculum with an emphasis on science and technology and their practical applications.

The key aims of the Academy Trust during the year ended 31 August 2023 are summarised below:

- To develop students academically, vocationally, socially and morally.
- To develop independent, co-operative, resilient, responsible, creative young people.
- For every student to achieve their potential.
- To provide a unique and exciting curriculum offer within the creative, digital and performing arts.
- Attract students from a wide range of backgrounds and academic abilities.
- To transition into a Multi Academy Trust.

Objectives, Strategies and Activities

The Academy Trust's main strategy is encompassed in its mission statement which is 'to enable each student to achieve at the highest level possible, in an orderly, caring, friendly community, committed to promoting high standards for all who work here'.

The key priorities for the year are contained in the Academy Trust's Development Plan which is available from the Chief Executive Officer. The key activities of the Academy Trust for the year ended 31 August 2023 were focused as follows:

- To continue to raise standards of achievements.
- To ensure teaching and learning supports introduction and efficacy of curriculum intent and curriculum implementation, accounting for COVID-19 disruption to learning.

Trustees' Annual Report (Continued)

Objectives and Activities (continued)

Objectives, Strategies and Activities (continued)

- To ensure that the process of education is a partnership between the learner, the school and the parents, together with the Trustees, employers and the community.
- To keep the student at the centre of this process and to strive to equalise the opportunities for each student to develop their talents to the fullest extent.
- To provide students with individual, personalised learning plans through a specialist curriculum focused on the creative, digital and performing arts.
- To provide each student with the experience of challenging learning styles that value not only individual thinking, but also the collaborative skills of investigating, discussing and communicating.
- To improve communications and relationships with all stakeholders.
- To embed BOA Digital and BOA Stage and Screen within the MAT and to continue to implement structures appropriate for a MAT.

Public Benefit

The Academy Trust has complied with the duty in Section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission in defining the strategic direction of the Academy Trust. The activities by the Academy Trust to achieve public benefit are set out in the Objectives, Strategies and Activities section above.

Strategic Report

Achievements and Performance

The BOA Group is a growing multi academy trust operating specialist academies and a theatre, working in partnership with the Ormiston Trust and Birmingham City University to offer exciting and unique educational pathways for learners with interests in performing arts and digital technologies. The Group currently operates three academies in Birmingham, each with a unique specialist curriculum.

The BOA Group academies are regional and admit students from across Birmingham, the Black Country (including Dudley, Sandwell, Walsall and Wolverhampton) as well as from Coventry and Solihull. Please see the individual academies websites for further information and admissions policies.

The Group is proud to inspire students to "Imagine Everything" and ensure they leave with the qualifications, technical knowledge and employability skills they require for the next stage of their lives.

During the financial year 2022/23, the Trust's 3 academies had a combined pupil admission number (PAN) of 1,470 and 1,321 pupils enrolled based on the October 2022 census.

BOA Creative, Digital & Performing Arts - a creative and performing arts academy for learners aged 14-19. Opened in September 2011 in a brand new and purpose-built setting with superb facilities for academic, vocational and extra-curricular activities. In May 2022, it was rated good or outstanding in every category by OFSTED and with continual outstanding results, students at BOA Creative have the opportunity to individualise their learning pathway, following performance, production and creativity routes.

Trustees' Annual Report (Continued)

Strategic Report (continued)

Achievements and Performance (continued)

The results in 2023 continue to be outstanding; as the national examinations and grades return to pre COVID pandemic set in 2019.:

Key Stage 4:

- 80% of students achieving 5 or more standard passes at grade 4 including English and Maths
- 60% of students achieving a grade 5 and above in English and Maths [national average 45%]
- Attainment 8 score of 53.6 [national average of 46.2]
- Progress 8 score +0.25 [national average -0.03]

At Post 16:

- 78% of students achieved a DDD or above in their chosen specialism.
- Average point score of 167 for UCAS
- Average A level grade C+

The academy has as impressive alumni with students gaining places at the top vocational institutions or moving immediately into the world of work. Since opening, over 3,000 students have graduated from BOA Trust and have forged successful careers across a diverse mix of industries.

BOA alumni include Brit Award nominees, TV and West End stars and they work across a broad range of roles in the creative sector.

BOA Stage and Screen Production - a production and broadcast technologies academy for learners aged 16-19. Opened in the Jewellery Quarter in 2021, BOA Stage and Screen provides an industry lead curriculum for young people in both existing and emerging production techniques and broadcast technologies. Working in close collaboration with our creative and industry partners to develop and deliver specialist programmes of study, students learn the skills they need to join the very best production houses all over the world. 100% of students completing their studies in the summer of 2023 achieved at least MMM in their chosen BTEC pathway.

BOA Digital Technologies – an academy for 11–18-year-old learners passionate about digital technologies, which opened for the first time in September 2022 and moved into a brand new purposed built building in February 2023. BOA Digital Technologies delivers a specialist education in creative and digital technologies, maximising future opportunities for all students working closely with the industry to ensure that we address the growing demand for digital level skills now and in the future. BOA Digital has over recruited in every cohort so far and will continue to build through to Y13 over the coming years. The first Key Stage 4 results will be available in August 2027.

The Old Rep Theatre - the BOA Group operates the Old Rep Theatre in Birmingham City Centre. In addition to a competitive programme of secular events, students across the group are involved in shows; performing, stage management, set design, front of house, costume and make up, providing the opportunity to work alongside industry experts in a professional setting. The Old Rep Theatre gives students a unique experience to set them apart from others. In December 2022, the Old Rep Theatre produced *Beauty and the Beast* for its annual Christmas run. There are plans to produce *Peter Pan* in December 2023. The lease for the Old Rep Theatre comes to an end in March 2024.

Trustees' Annual Report (Continued)

Going Concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the trust to continue as a going concern. The Trustees make this assessment each year in respect of a period of one year from the date of approval of the financial statements.

The Academy Trust has taken steps in minimising the impact for future periods with the preparation of financial modelling on the latest student number projections to minimise risks and to ensure costs are being minimised.

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

Financial Review

Financial report for the year

The Academy Trust's financial results for the year are summarised in the Statement of Financial Activities on page 30 and its financial position at 31 August 2023 is shown in the Balance Sheet on page 31.

For the year ended 31 August 2023, the Academy Trust's total income (excluding capital grants) was £9,596,000 (2022: £7,640,000) while total expenditure (excluding depreciation and LGPS FRS 102 pension cost charges) was £8,879,000 (2022: £7,716,000), resulting in a net operating surplus for the year of £717,000 (2022: net operating deficit £76,000).

The Academy has net current assets of £1,033,000 (2022: net current assets of £432,000) and a bank balance of £1,680,000 (2022: £1,376,000).

Most of the Academy Trust's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of General Annual Grant (GAG), the use of which is restricted to particular purposes. The grants received during 2022/23 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy Trust also receives grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2019), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

At 31 August 2023 the net book value of fixed assets was £44,805,000 and movements in intangible and tangible fixed assets are shown in Notes 12 and 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the students of the Academy Trust. These funds can only be realised by disposing of the associated tangible fixed assets.

Trustees' Annual Report (Continued)

Financial Review (continued)

Financial report for the year (continued)

Included in the Academy Trust's balance sheet at year end is a defined benefit pension scheme value of £0 (2022: pension scheme liability £904,000), which arises from the Local Government Pension Scheme (LGPS) that is attributable to the trust. The Trustees have noted that the Government has provided a guarantee that in the event of an Academy closure, any outstanding LGPS liabilities would be met by the Department for Education. Further details regarding the value in the LGPS at 31 August 2023 are set out in Note 28 to the financial statements.

Key Performance Indicators

The Trust uses benchmarks or Key performance indicators to evaluate its financial performance and drive budgetary control and monitoring. A key financial performance indicator for the Trust is the level of reserves held at the balance sheet date and, in particular the amount of the unrestricted reserves plus restricted income reserves at year end. At the end of the period the Trust has net current assets of £1,033,000 (2022: net current assets of £432,000).

Staffing costs are another key performance indicator for the Trust and the percentage of total staff costs to total education grant funding (being GAG funding plus other operating educational grants from the ESFA) for the year was 64.4%, while the percentage of staff costs to total costs (excluding depreciation and FRS 102 pension cost charges) was 65.3%.

Trading Subsidiary – Birmingham Ormiston Academy Theatre Limited

The Financial Statements include the consolidation of the subsidiary company, Birmingham Ormiston Academy Theatre Limited (BOAT). BOAT represents the trading arm of the Old Rep Theatre. The Profit and Loss Account of the company for the twelve month period to 31 August 2023 is detailed in Note 14.

Any profits generated by the trading company from activities undertaken each year are donated by way of gift aid donations to the Academy Trust each year. The total gifted profits for the prior financial year, received by the Academy Trust during the year ended 31 August 2023 was £25,217.

For the period ended 31 August 2023, the Turnover of BOAT amounted to £442,000 (2022: £426,000) with an operating loss of £5,000 (2022: profit of £23,000).

Reserves Policy

The Academy Trust reviews the reserve levels of the organisation annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees also take into consideration the future plans of the Academy Trust, the uncertainty over future income streams and other key risks identified during the risk review.

The Academy Trust has determined that the appropriate level of free reserves should be equivalent to 4 weeks expenditure. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The Academy Trust's current level of operating reserves at 31 August 2023 is £1,033,000 (2022: £432,000).

Trustees' Annual Report (Continued)

Investment Policy

The Academy Trust's investment powers are governed by the Articles of Association, which permits the Charitable Company to deposit or invest any funds not immediately required for the furtherance of its Objects. These funds must only be invested after obtaining advice from a financial expert as the Academy Trust considers necessary, after having regard to the suitability of investments and the need for diversification. There are currently no long-term investments made by the Academy Trust.

Risk Management

The Board of Trustees have assessed the major risks to which the charitable company is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy Trust, and its finances. The Trustees have implemented several systems to assess risks that the Academy Trust 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 in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. There is a robust risk register in place, overseen and updated by the Executive Leadership Team and reviewed regularly by trustees and by the Finance and Resources committee. The Chief Executive regularly assesses the accuracy of the Academy Trust's Risk Register.

The Academy Trust's Finance and Resources committee agenda includes a regular item for consideration of risk and control and receives reports thereon from the Internal Auditor; Academy Advisory who provides recommendations for improvement.

Principal Risks and Uncertainties

The Academy Trust has undertaken further work during the year to develop and embed the system of internal control, including financial, operational and risk management which is designed to protect the Charitable Company's assets and reputation. The key risks are considered to be:

- Failure to maintain the financial sustainability of the trust due to not recruiting sufficient student numbers.
- Failure to maintain the positive reputation of the trust within the region due to poor academic outcomes or a poor Ofsted rating.
- Failure to maintain an outstanding teaching and learning experience for all students due to teacher shortages or a lack of skilled and experienced specialist teachers.
- Instability at senior leadership due to the loss or failure to recruit key leadership positions across the Group.
- Heightened risk of fraud, cyber-crime, or other financial irregularity.
- Loss of facilities due to fire, flood or natural disaster resulting in a subsequent failure to deliver world class facilities for students.
- National policy indicates that MATs must be bigger to be sustainable. A failure to expand will result in BOA Group being taken into a larger MAT.
- Increased volume and complexity of safeguarding cases following the Covid-19 pandemic leading to additional burden on staff.
- Ageing equipment at BOA Creative and the Old Rep Theatre resulting in a failure to provide world class learning facilities.

Trustees' Annual Report (Continued)

Principal Risks and Uncertainties (continued)

Finance

The Trustees examine the financial health of the Academy Trust formally every term, reviewing performance against budgets and overall expenditure by means of regular update reports at all full Trustees and Finance and Resources Committee meetings. Management Accounts are prepared monthly and shared with the Chair of the Board of Trustees.

At the balance sheet date 31 August 2023, the Academy Trust reported a pupil number adjustment amounting to £6,000 relating to BOA Digital Technologies Academy, included within creditors. The Academy Trust has agreed to repay these monies to the ESFA over a 3 month period, commencing 1 September 2023.

In 2021/22, the Academy Trust reported a pupil number adjustment amounting to £528,000 relating to BOA Stage and Screen Production Academy which was agreed to be repaid over a 12 month period from 1 September 2022. Repayments to ESFA ended 31 August 2023. There are no other significant liabilities arising from trade creditors or debtors where there would be a significant effect on the Academy Trust's liquidity.

Staffing

The success of the Academy Trust is reliant on the quality of its staff, so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Failures in governance and / or management

The risk in this area arises from the potential failure to effectively manage the Academy Trust's finances, internal controls, compliance with regulations and legislation, statutory returns etc. The Trustees continue to review and ensure appropriate measures are in place to mitigate these risks, which includes those relating to fraud and mismanagement of funds.

Fraud and mismanagement of funds

The Academy Trust has engaged Academy Advisory as internal auditor to perform a program of work aimed at checking and reviewing the financial systems and records as required by the Academy Trust Handbook. All finance staff receive training to keep them up to date with financial practice requirements and to develop their skills in this area.

Good Estates Management and Health and Safety

The Trustees have a responsibility to ensure the trust's estate is safe, well maintained and complies with relevant regulations. As part of the Trust's internal scrutiny programme of works during the year, a review of Estates and Health and Safety was conducted. The recommendations from the audit report have been shared with Trustees and actions have been reviewed and are in the process of being implemented with the recent appointment of an external Health and Safety advisor.

Fundraising

The Academy Trust carries out a limited amount of fundraising, mindful of the communities within which it operates. In the circumstances when fundraising is undertaken, systems and controls are in place to separate and protect funds.

The trust is mindful of its responsibilities under the Charities (Protection and Social Investment) Act 2016 and legal rules, and ensures all activities are agreed and monitored at Executive Team level in compliance with relevant legal rules.

Trustees' Annual Report (Continued)

Funds Held as Custodian Trustee on Behalf of Others

The Academy Trust and its Trustees do not act as Custodian Trustees of any other charity.

The Academy Trust does however hold Post 16 Bursary Funds on behalf of the ESFA, which are distributed to students as required and in line with the terms and conditions of the funds.

Disclosure of Information to Auditors

In so far as the Trustees are aware:

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

Auditor

The auditors, Cooper Parry Group Limited, have indicated their willingness to continue in office and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company Directors, on 12 December 2023 and signed on the board's behalf by:



Dr Graham Sheffield CBE

Chair

BOA Trust

Governance Statement

Scope of Responsibility

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

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

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

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. A formal external Governance review was undertaken during the 2023-23 academic year. The Board undertakes an audit of Trustees' skills to ensure there are no evident gaps of experience and knowledge. The Board of Trustees has a wide range of skills that contribute to the successful governance of the Trust and are satisfied that the current structure in place is appropriate and effective for the Academy Trust.

The board normally meets formally four times during the year however during 2022/23 the Board of Trustees formally met five times with an additional meeting focussed on discussions regarding the Old Rep Theatre.

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

Trustee	Meetings attended	Out of a possible
Gurdip Bhangoo	4	5
Hilary Hodgson	3	5
Nick Hudson	5	5
Kevin Mattinson	3	5
David Silber	5	5
Philip Thickett (Chair)	5	5
Jonnie Turpie	4	5
Sarah Wood	3	5
Leigh Yeomans	2	5
Julian Widdows	3	5
Peter Francis	2	5

Governance Statement (continued)

Governance (continued)

Although the Board of Trustees met less than six times during the year, they have maintained effective financial oversight and governance through the formal work undertaken by the Finance and Resources Committee.

All Trustees and staff are required to complete a Declaration of Interests form annually to manage conflicts of interest. The Trust's Register of Pecuniary interests is updated annually. Each agenda for Finance and Resources Committee and Board meetings includes a standing item for identification of any conflicts of interest or potential conflicts of interest. Any new interests declared are entered onto the Trust's Register of Interests.

Finance and Resources Committee

This Finance and Resources Committee is sub-Committee of the Board of Trustees and met three times during the year. The minutes of these sub-Committee meetings are provided to the full Board of Trustees and the Chair of the sub-Committee reports to each full Board of Trustee meeting on the key matters considered at their meetings and the impact for consideration by the full Board of Trustees.

The Committee has clear Terms of Reference, which is reviewed annually. Members are invited to join the Committee on the basis that they have appropriate skills and experience. Further training is provided as required.

The Finance and Resources Committee receive regular budget monitoring, provided in a consistent format and with explanatory notes, consider and ratify policies, scrutinise the Academy Trust budget forecast, ensure that the Academy Trust complies with agreed policies and procedures and challenge decision makers on spending proposals. The Committee considers the annual reports and financial statements of the Academy Trust, and makes recommendations to the Board, who approve core financial statements and documents. The Committee is serviced by an experienced governance professional.

The Finance and Resources Committee regularly reviews key financial policies and procedures. These include:

- Internal Financial Regulations and Scheme of Delegation
- Pay Policy
- Investments policy
- Disposals and write off policy
- Anti-Corruption policy
- GAG Pooling and Reserves Policy

Attendance at the Finance and Resources Committee meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Kevin Mattinson (Chair of Committee)	2	3
David Silber	1	3
Philip Thickett	2	3
Sarah Wood	2	3

Governance Statement (continued)

Governance (continued)

Finance and Resources Committee (continued)

In 2022/23 the Trust's Audit and Risk Committee, a sub-Committee of the Board of Trustees met once in the Autumn term and then merged with the Finance and Resources committee. Audit and Risk agenda items were included on the agenda at the following termly Finance and Resources committee meetings for discussion and review by Trustees.

Due to the merging of the 2 committees, the Finance and Resources committee now maintains oversight of the Trust's governance, risk management, internal control and value for money framework. It will report its findings annually to the Board of Trustees and the Accounting Officer as a critical element of the Trust's annual reporting requirements.

This includes working with the Internal Auditor (in the 2022/23 financial year this was conducted by Academy Advisory), through an agreed Service Level Agreement.

The Finance and Resources Committee considers the reports of the internal scrutiny reviews and makes recommendations. The Committee ensures that any actions recommended by the Internal Auditor are undertaken by staff. The Committee reviews the effectiveness of internal controls established to ensure that the aims, objectives and key performance targets of the academy are achieved in the most economic, effective and efficient manner.

Review of Value for Money

As Accounting Officer, the Chief Executive Officer has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to educational and wider societal outcomes, as well as estates safety and management, achieved in return for the taxpayer resources received. The Accounting Officer considers how the Academy Trust's use of its resources has provided good value for money during each academic year, and reports to the Trustees where value for money can be improved, including the use of benchmarking data where available.

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

Supporting students to reach their potential

The Academy Trust is committed to providing a high quality distinctive education through a specialist curriculum. The curriculum is designed to offer both vocational and academic courses. Through a guided personalised learning experience, the Academy Trust aims to develop the specific talents, gifts and potential of each student and therefore maximise their life chances.

The Academy Trust has established very secure foundations on which to build for the future. There is a clear sense of direction, vision and ethos. The Academy Trust knows itself well. Roles, responsibilities and expectations are clear. Teaching and learning is good, often outstanding. Students take ownership of their learning and walking the academy gives you a real sense of their motivation and independence as learners.

Robust governance and oversight of Academy Trust's finances

The Board is committed to ensuring that governance of the Academy Trust's financial management is robust. The Board is cognisant of their responsibilities in ensuring that the Academy's resources are managed effectively, to support the objectives in the Academy Trust's Development Plan, whilst considering the long term development of the Academy Trust. The Academy Trust's Board, Executive Team and staff strive for the best possible outcomes for pupils, achieved at reasonable cost.

All Trustees and staff are required to complete a Register of Pecuniary Interests form annually.

Governance Statement (continued)

Review of Value for Money (continued)

Ensuring that the Academy Trust gains good value for money, and effective and efficient use of resources

The Academy Trust takes a prudent approach to expenditure. As nearly 70% of the Academy Trust's budget is spent on staffing, the staffing structure is reviewed annually to ensure that it is fit for purpose and can adapt and respond to support the successful attainment of the objectives within the Academy Trust's development plan. Creative use of human resources demonstrates a commitment to using staff skills effectively, and staff are encouraged to use their particular areas of expertise to benefit pupil outcomes.

The Academy Trust has a high proportion of skilled and experienced support staff, thus ensuring that pupil:staff ratios are maintained at a high level whilst providing value for money. Staff are deployed to provide best value, and temporary changes to permanent contracts are frequently used to meet the needs of the academy. Secondment opportunities are also beneficial in improving retention rates, thus reducing costs. Teachers' performance management and support staff appraisal systems are in place, and HR policies, such as Managing Absence, Whistleblowing and Dignity at Work, are implemented.

In the 2022/23 financial year, the Academy Trust's payroll was maintained by UHY Hacker Young for the period until 28 February 2023 and Orovia Ltd from 1 March 2023. Detailed monthly reconciliations of payroll by the Finance Officer and Group Management Accountant ensure that payments to staff are correct.

The Academy Trust's Internal Financial Regulations is strictly followed by all staff who have financial responsibilities. These regulations set out systems for:

- The accounting system
- Financial planning
- Payroll
- Purchasing
- Income
- Cash management
- Fixed assets
- Insurance

The Regulations also set out responsibilities for staff, including the Chief Executive Officer; Principals; the Chief Operations Officer; Internal Auditor; Group Management Accountant; Finance Officer; and Budget Holders.

All the financial transactions of the Academy Trust are recorded on the Hoge 100 accounting system. Access permissions to Hoge 100 are strictly controlled.

All purchasing follows best value principles. A scheme of delegation is in place, as are separation of duties. Purchases of over £10,000 require three written quotations. All goods and services ordered with a value of over £30,000, or for a series of contracts which in total exceed £30,000 are subject to formal tendering procedures and authorised by the Finance and Resources Committee. Purchases over £156,442 fall under the Government's "Find a Tender" procurement rules. Competitive tendering procedures are detailed in the Internal Financial Regulations. Trustees and staff accept that best value quotes may not be the cheapest as other factors, including workmanship and quality of services, need to be considered.

BOA Trust

Governance Statement (continued)

Review of Value for Money (continued)

During the year ending 31 August 2023, the Academy Trust undertook a procurement exercise, utilising an external energy broker, for the supply of electricity and gas for BOA Digital Technologies as a new school. The Trust also re-negotiated contracts with the external energy broker for gas supply for Birmingham Ormiston Academy and The Old Rep Theatre.

The Academy Trust will continue to strive for value for money in all its future transactions.

Maximising income generation

The Academy Trust has a lettings policy in place and explores opportunities to generate income through the hire of the site. A proactive approach is taken towards preparing funding bids and generating revenue streams in order to maximise income generation.

Reviewing controls and managing risks

The Academy Trust regularly reviews its Risk Management Strategy, Business Continuity Plan and Risk Register. From 1 September 2018, the Academy Trust opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. A Reserves policy is in place, which considers potential risks when calculating the optimum level of reserves held by the Academy.

Estates Management

The Trust takes a serious view of Estates management to ensure efficiency, safe working conditions and value for money across its premises. During 2022/23 there has been a review of the Estates team which has been implemented from 1st September 2023 alongside a review of how Health and Safety is executed across the Trust. A new external H&S advisor has been contracted to the work with the Trust and we are actively investing in all sites, starting with a refresh of IT and Premises.

During the year the Trust has also used an external energy broker to procure for Utility contracts for its new school; BOA Digital technologies. This ensures value for money in obtaining the best prices for gas and electricity. The broker has also been used for re-negotiation of utility contracts that have expired.

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 Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place within the Trust 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 Academy Trust has reviewed the key risks to which it is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Academy Trust is of the view that there is a formal ongoing process for identifying, evaluating and managing its 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 Academy Trust.

Governance Statement (continued)

The Risk and Control framework

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

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

The Board of Trustees has outsourced the internal scrutiny function to a firm of internal auditors, Academy Advisory. Academy Advisory's role includes providing an overall assurance opinion on the Academy Trust's systems and internal controls of agreed areas across the Academy Trust.

During the 2022/23 academic year, the internal scrutiny reviews reported on the following areas:

- Procurement
- Estates including Health and Safety
- Business Continuity and Disaster Recovery

The internal auditor reports to the Board of Trustees, through the Finance and Resources Committee, on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The internal auditor has delivered their program of work during the year ended 31 August 2023 as planned and one significant internal control weaknesses was identified from the work completed in the Estates audit. In response to the internal audit recommendation, the Trust has entered into a contract with an external Health and Safety advisor to review and implement the report recommendations. As the Academy Trust has put a plan in place to action the recommendations of the internal auditor, it is considered there are no other significant internal control weaknesses.

Review of Effectiveness

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

- The work of the internal auditor, Academy Advisory
- The work of the external auditor, Cooper Parry
- The financial management and governance self-assessment process, including the School Resource Management Self-Assessment Tool
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework

BOA Trust

Governance Statement (continued)

As Accounting Officer, the Chief Executive Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Resources Committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 12 December 2023 and signed on its behalf by:



Dr Graham Sheffield CBE

Chair



Mrs Katharine Tague

Accounting Officer

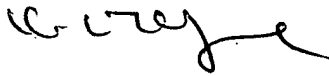
BOA Trust

Statement on Regularity, Propriety and Compliance

As accounting officer of BOA Trust, I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the academy trust and the Secretary of State for Education. 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 trust board of trustees are able to identify any material irregular or improper use of all funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academy Trust Handbook 2022.

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



Mrs K. Tague

Accounting Officer

Date: 12 December 2023

Statement of Trustees' Responsibilities

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

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

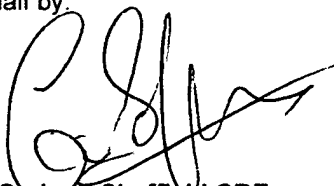
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 12 December 2023 and signed on their behalf by:



Dr Graham Sheffield CBE

Chair

Independent auditor's report to the members of BOA Trust

Opinion

We have audited the financial statements of BOA Trust (the 'parent Academy Trust') and its subsidiary (the 'Group') for the year ended 31 August 2023 which comprise the Consolidated Statement of Financial Activities, the consolidated balance sheet, the parent Academy Trust balance sheet, the consolidated statement of cash flows and the related notes, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Academy Trust's affairs as at 31 August 2023 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011, the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Independent auditor's report to the members of BOA Trust

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the parent Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent Academy Trust or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

Our assessment focussed on key laws and regulations the Group and its parent Academy Trust has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement.

These key laws and regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, the Academy Trust Handbook 2022, the Academies Accounts Direction 2022 to 2023, taxation legislation, data protection, anti-bribery and employment legislation. We are not responsible for preventing irregularities.

Our approach to detecting irregularities included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the Group and its parent Academy Trust and how the Group and its parent Academy Trust are complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;

Independent auditor's report to the members of BOA Trust

- obtaining an understanding of the Group and its parent Academy Trust's control environment and how the Group and its parent Academy Trust have applied relevant control procedures, through discussions with management, consideration of the results of the internal scrutiny function and by performing walkthrough testing over key areas;
- obtaining an understanding of the Group and its parent Academy Trust's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error. Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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



Glen Bott FCA (senior statutory auditor)

for and on behalf of
Cooper Parry Group Limited
Statutory Auditor

Cubo Birmingham
Two Chamberlain Square
Birmingham
B3 3AX

Date 20 December 2023

Independent Reporting Accountant's Assurance Report on Regularity to BOA Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 29 July 2021 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 BOA Trust during the year 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 BOA Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to BOA Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than BOA Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of BOA Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of BOA Trust's funding agreement with the Secretary of State for Education dated 2 March 2010 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 year 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 Accountants of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusions included:

- Reviewing the internal control policies and procedures implemented by the Academy Trust and evaluating their design and effectiveness to understand how the Academy Trust has complied with the framework of authorities, including reviewing the reports on the internal scrutiny work commissioned by the trust in relation to the year;
- Reviewing the minutes of meetings of the Trustees, relevant sub-committees and other evidence made available to us, relevant to our consideration of regularity;
- Enquiries of the Accounting Officer, including reviewing the work undertaken by the Accounting Officer in relation to their Statement on Regularity, Propriety and Compliance; and
- Detailed testing of the income and expenditure of the Academy Trust based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit of the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

Independent Reporting Accountant's Assurance Report on Regularity to BOA Trust and the Education and Skills Funding Agency

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 year 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.

A handwritten signature in black ink that reads "Cooper Parry Group Limited". The signature is written in a cursive, flowing style and is underlined.

Reporting Accountant
Cooper Parry Group Limited
Chartered Accountants

Date: 20 December 2023

BOA Trust

Consolidated Statement of Financial Activities for the Year Ended 31 August 2023 (including Income and Expenditure Account and Statement of Recognised Gains and Losses)

		Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	2022/23 Total £000	2021/22 Total £000 Restated
	Note					
Income and Endowments from:						
Donations and capital grants	2	11	-	19,278	19,289	8,957
Other trading activities	4	573	-	-	573	455
Investments	5	-	-	-	-	-
Charitable activities:						
Funding for the academy trust's educational operations	3	-	9,012	-	9,012	7,129
Total		584	9,012	19,278	28,874	16,541
Expenditure on:						
Charitable activities:						
Academy trust educational operations	7	586	8,391	1,097	10,074	8,718
Total		586	8,391	1,097	10,074	8,718
Net income/(expenditure)		(2)	621	18,181	18,800	7,823
Transfers between funds	18	(12)	(104)	116	-	-
Other recognised gains / (losses):						
Actuarial gains / (losses) on defined benefit pension schemes	18,28	-	1,002	-	1,002	2,332
Net movement in funds		(14)	1,519	18,297	19,802	10,155
Reconciliation of funds						
Total funds brought forward	18	59	(531)	26,508	26,036	15,881
Total funds carried forward		45	988	44,805	45,838	26,036

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

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

BOA Trust

Consolidated Balance Sheet as at 31 August 2023

Company Number: 06832416

	Notes	2023 £000	2023 £000	2022 £000 Restated	2022 £000 Restated
Fixed assets					
Intangible assets	12a		11		16
Tangible assets	13a		44,794		26,492
Investments	14		-		-
Current assets					
Stock	15	3		4	
Debtors	16	342		310	
Cash at bank and in hand		1,680		1,376	
		<u>2,025</u>		<u>1,690</u>	
Liabilities:					
Creditors: Amounts falling due within one year	17	(992)		(1,258)	
Net current assets			<u>1,033</u>		<u>432</u>
Net assets excluding pension asset/(liability)			<u>45,838</u>		<u>26,940</u>
Defined benefit pension scheme asset/(liability)	28		-		(904)
Total net assets			<u>45,838</u>		<u>26,036</u>
Funds of the academy trust:					
Restricted funds					
. Fixed asset fund	18		44,805		26,508
. Restricted income fund	18		988		373
. Pension reserve	18		-		(904)
Total restricted funds			<u>45,793</u>		<u>25,977</u>
Unrestricted income funds	18		45		59
Total funds			<u>45,838</u>		<u>26,036</u>

The financial statements on pages 30 to 57 were approved by the Trustees, and authorised for issue on 12 December 2023 and signed on their behalf by:


Dr Graham Sheffield CBE
 Chair of Trustees

The notes on pages 34 to 57 form part of these financial statements.

BOA Trust

Balance Sheet as at 31 August 2023 (Academy Trust Only) Company Number: 06832416

	Notes	2023 £000	2023 £000	2022 £000 Restated	2022 £000 Restated
Fixed assets					
Intangible assets	12b		11		16
Tangible assets	13b		44,771		26,478
Investments	14		-		-
Current assets					
Stock	15	1		2	
Debtors	16	342		301	
Intercompany Debt		-		3	
Cash at bank and in hand		1,600		1,256	
		<u>1,943</u>		<u>1,562</u>	
Liabilities:					
Creditors: Amounts falling due within one year	17	(896)		(1,157)	
Net current assets			<u>1,047</u>		<u>405</u>
Net assets excluding pension asset / (liability)			<u>45,829</u>		<u>26,899</u>
Defined benefit pension scheme asset/ (liability)	28		-		(904)
Total net assets			<u>45,829</u>		<u>25,995</u>
Funds of the academy trust:					
Restricted funds					
Fixed asset fund	18		44,782		26,494
Restricted income fund	18		988		373
Pension reserve	18		-		(904)
Total restricted funds			<u>45,770</u>		<u>25,963</u>
Unrestricted income funds	18		59		32
Total funds			<u>45,829</u>		<u>25,995</u>

The financial statements on pages 30 to 57 were approved by the Trustees, and authorised for issue on 12 December 2023 and signed on their behalf by:


Dr Graham Sheffield CBE
 Chair of Trustees

The notes on pages 34 to 57 form part of these financial statements.

BOA Trust

Consolidated Cash Flow Statement for the Year Ended 31 August 2023

	Notes	2023 £000	2022 £000
Cash flows from operating activities			
Net cash provided by operating activities	23	420	522
Cash flows from investing activities	24	(116)	(64)
Cash flows from financing activities		-	-
Change in cash and cash equivalents in the reporting period	26	304	458
Reconciliation of net cash flow to movement in net funds			
Cash and cash equivalents at 1 September 2022		1,376	918
Cash and cash equivalents at 31 August 2023	25	1,680	1,376

The notes on pages 34 to 57 form part of these financial statements.

BOA Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

1. Statement of Accounting Policies

Basis of Preparation

The financial statements of the Academy Trust, 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 Statement of Financial Activities as set out on page 30 identifies the identical information as that of the Income and Expenditure Statement. As such, no separate Income and Expenditure Statement has been prepared.

Basis of Consolidation

The consolidated financial statements include the Academy and its subsidiary undertaking. Details of the subsidiary undertaking included are set out in Note 14. Intra-group balances are eliminated on consolidation.

A summary of the principal accounting policies, which have been applied consistently, except where noted, are set out below.

Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

The trustees have considered the impact of increases to costs on the operations and has taken steps in minimising the impact for future periods with the preparation of financial modelling on the latest student number projections to minimise risks. Accordingly, the Academy Trust has a reasonable expectation that it has adequate resources to continue in operational existence for the foreseeable future, and for this reason will continue to adopt the going concern basis in the preparation of its financial statements.

Income

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

• Grants

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

BOA Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

1. Statement of Accounting Policies (continued)

- **Agency arrangements**

The Academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy Trust does not have control over the charitable application of the funds. The Trust can use up to 5% of the allocation towards its own administrative costs and this is recognised in the Statement of Financial Activities. The funds received and paid and any balances held are disclosed in Note 30.

- **Sponsorship income**

Sponsorship income provided to the Academy Trust 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 Trust has provided the goods or services.

- **Donated goods, facilities and services**

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

- **Donated fixed assets**

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

Expenditure

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

- **Expenditure on Raising Funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

BOA Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

1. Statement of Accounting Policies (continued)

Intangible fixed assets

Intangible assets costing £1,000 or more 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:

- Purchased computer software 20.0%
- Intellectual property rights 20.0%

Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. However, where assets costing less than the capitalisation threshold, are purchased collectively to a material overall value then they will be capitalised as a group.

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

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

- | | |
|------------------------------------|-------|
| • Long leasehold building | 2.0% |
| • Leasehold buildings | 20.0% |
| • Leasehold land | 0.80% |
| • Fixtures, fittings and equipment | 12.5% |
| • Computer hardware | 20.0% |

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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

Prior year restatements

The tangible fixed assets opening cost and depreciation have been restated to include the land value for BOA Stage and Screen Production Academy.

The restatement has resulted in an increase to the tangible fixed asset net book value at the start of the year of £2,693,000 with a corresponding increase in the brought forward reserves. The full impact was to the restricted fixed asset reserve.

Leased Assets

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

BOA Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

1. Statement of Accounting Policies (continued)

Financial Instruments

The Academy Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust 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 16. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

Stock

Catering stocks are valued at the lower of cost or net realisable value.

Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the Academy Trust 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 Benefit

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in Note 28, 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 multi-employer scheme, and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income/(expenditure) are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

BOA Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

1. Statement of Accounting Policies (continued)

Pensions Benefit (continued)

Where the present value of the defined benefit obligations at the Balance Sheet date is less than the fair value of scheme assets at that date, the scheme has a surplus. The scheme surplus is recognised as a defined benefit plan asset by the Academy Trust only to the extent that the Academy Trust is able to recover the surplus either through reduced contributions in the future or through refunds from the scheme.

Fund Accounting

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder and include grants from the Education & Skills Funding Agency (ESFA) or the Department for Education.

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in Note 28, will impact the carrying amount of the pension's liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

To the extent that there is a surplus in the Local Government Pension Scheme at the Balance Sheet date, there is significant judgement needed in assessing whether the surplus should be recognised as a pension asset or whether the surplus should be restricted to some level or in total. This assessment will need to consider whether the Academy Trust, as the employer, has an unconditional right to a refund of the surplus in the scheme and whether there is an economic accounting benefit available to the Academy Trust as a contribution reduction, which will also include assessing whether a minimum funding requirement for future service and / or past service exists in the scheme. The impact of these assessments on the extent to which the scheme surplus has been recognised as a pension asset at the Balance Sheet date are set out in note 28.

Critical areas of judgement

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance leases requires the Academy Trust to determine, based on an evaluation of the terms and conditions of the arrangements whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

BOA Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

2. Donations and capital grants	Unrestricted Funds £000	Restricted Funds £000	2022/23 Total £000	2021/22 Total £000 Restated
DfE / ESFA capital grants				
. Devolved Formula Capital allocations	-	31	31	39
. Other DfE / ESFA Capital grants	-	90	90	450
. Donations - Inherited Capital	-	613	613	573
. Donations - Inherited Land and Buildings	-	18,544	18,544	7,839
	-	19,278	19,278	8,901
Private Sponsorship	7	-	7	49
Other donations	4	-	4	7
	11	19,278	19,289	8,957
2021/22 - Restated	56	8,901	8,957	

3. Funding for Academy Trust's educational operations

	Unrestricted Funds £000	Restricted Funds £000	2022/23 Total £000	2021/22 Total £000 Restated
DfE/ESFA revenue grants				
. General Annual Grant (GAG)	-	7,922	7,922	6,094
. Other DfE / ESFA grants	-	176	176	245
. Teachers' Pensions Grant	-	168	168	169
. Pupil Premium	-	93	93	41
. Project Development Grant	-	-	-	141
. Teachers Pay Grant	-	1	1	60
. Start Up Leadership grant	-	312	312	208
. Schools Supplementary grant	-	119	119	39
. Mainstream Schools Additional grant	-	45	45	-
. 16 to 19 tuition funding	-	42	42	36
. National Tutoring Programme grant	-	11	11	1
	-	8,889	8,889	7,034
Other Government grants				
. Local authority grants	-	89	89	43
. Other	-	9	9	10
Covid-19 additional funding (DfE/ESFA)				
. Catch Up Premium	-	-	-	-
. Recovery Premium	-	25	25	6
. Other DfE/ESFA Covid-19 Funding	-	-	-	19
Covid-19 additional funding (non DfE/ESFA)				
. Other Covid-19 Funding	-	-	-	17
	-	123	123	95
	-	9,012	9,012	7,129
2021/22 - Restated	-	7,129	7,129	

BOA Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

3. Funding for Academy Trust's educational operations (continued)

The academy trust received £25k of funding for COVID 19 recovery premium (2022: £6k) and costs incurred in respect of this funding totalled £25k (2022: £6k). In February 2023, an amount of £2k was repaid to ESFA relating to recovery premium income received in 2021/22.

4. Other Trading Activities

	Unrestricted Funds £000	Restricted Funds £000	2022/23 Total £000	2021/22 Total £000
Old Rep Theatre Income	212	-	212	217
Academy trips	86	-	86	14
Income from Trading Activities	207	-	207	206
Sundry income	68	-	68	18
	573	-	573	455
2021/22	455	-	455	

5. Investment Income

	Unrestricted Funds £000	Restricted Funds £000	2022/23 Total £000	2021/22 Total £000
Short term deposits	-	-	-	-

6. Expenditure

	Staff Costs £000	Non Pay Premises £000	Expenditure Other £000	Total 2022/23 £000	Total 2021/22 £000 Restated
Academy's educational operations:					
Direct costs	4,820	303	1,061	6,184	5,275
Allocated support costs	1,082	2,181	627	3,890	3,443
	5,902	2,484	1,688	10,074	8,718

Net income/(expenditure) for the period includes:

	2022/23 £000	2021/22 £000
Operating lease rentals	194	167
Depreciation	1,090	592
(Gain)/loss on disposal of fixed assets	2	-
Amortisation of intangible fixed assets (included within Charitable Activities – Academy trust educational operations)	5	5
Fees payable to auditor for:		
- audit	20	24
- other services	4	1

Included within expenditure are the following transactions:

	Total £	Individual items above £5,000 Amount £	Reason
Fixed Asset losses	2,459	-	-

BOA Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

7. Charitable Activities

	2022/23	2021/22
	£000	£000
Direct costs - educational operations	6,184	5,275
Support costs - educational operations	3,890	3,443
	10,074	8,718
Analysis of support costs		
Support staff costs	1,082	1,282
Depreciation	787	494
Amortisation of intangible fixed assets	5	5
Technology costs	5	5
Premises costs	1,389	967
Legal costs – MAT conversion	-	1
Legal costs - Other	11	17
Other support costs	513	595
Governance costs	98	77
Total support costs	3,890	3,443

8. Staff Costs

a. Staff costs during the period were:

	2022/23	2021/22
	Total	Total
	£000	£000
Wages and salaries	4,365	3,843
Social security costs	455	421
Pension costs	935	1,084
	5,755	5,348
Agency staff costs	147	90
Staff restructuring costs	-	29
	5,902	5,467
Staff restructuring costs comprise:		
Redundancy payments	-	29
Severance payments	-	-
	-	29

b. Non-statutory/non-contractual severance payments

There have been no redundancy/ non-contractual payments in 2022/23 (2022: £28,129 redundancy payments paid to 4 employees).

c. Staff numbers

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

	2022/23	2021/22
	No.	No.
Teachers	62	53
Administration and support	72	39
Management	11	11
	145	103

BOA Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

8. Staff costs (continued)

d. Higher paid staff

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

	2022/23	2021/22
	No.	No.
£60,001 - £70,000	4	4
£70,001 - £80,000	-	1
£80,001 - £90,000	2	1
£90,001 - £100,000	1	-
£120,001 - £130,000	1	-
£140,001 - £150,000	-	1
	8	7

Eight of the above employees participated in the Teachers' Pension Scheme. During the period to 31 August 2023, pension contributions for these staff amounted to £155,000 (2022: £102,000, 6 employees).

e. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 3. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £1,132,885 (2022: £1,118,409).

9. Related Party Transactions - Trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from employment with the academy trust. The Principals and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment.

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

Ms G Cheshire (CEO and Trustee, Resigned 31 August 2022)		
Remuneration	£nil	(2022: £145,000-£150,000)
Employer's pension contributions paid	£nil	(2022: £nil)

During the period ended 31 August 2023, travel and subsistence expenses totalling £4 were reimbursed or paid directly to 1 trustee (2022: £354 to 2 trustees).

Related party transactions involving the trustees are set out in Note 29.

BOA Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

10. Central Services

The academy trust has provided the following Central services to its academies during the year:

- . Leadership, Finance and Admin support
- . Educational support services
- . Audit fees
- . Governance and Human Resources

The academy trust charges for these services on the following basis:

- . A rate of 12.5% of GAG income which is considered to broadly represent the relative size and complexity of the constituent academy.

The actual amounts charged during the year were as follows:

	2022/23 £000	2021/22 £000
Birmingham Ormiston Academy	770	607
BOA Stage and Screen Production Academy	142	-
BOA Digital Technologies Academy	102	-
	<u>1,014</u>	<u>607</u>

11. Trustees and Officers Insurance

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

The cost of this insurance is included in the total insurance cost.

BOA Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

12a. Intangible Fixed Assets - Group

	Group Intellectual Property Rights £000	Group Computer Software £000	Group Total £000
Cost			
At 1 September 2022	25	29	54
Additions	-	-	-
Disposals	-	-	-
At 31 August 2023	25	29	54
Amortisation			
At 1 September 2022	12	26	38
Charged in year	4	1	5
Disposals	-	-	-
At 31 August 2023	16	27	43
Carrying amount			
At 31 August 2023	9	2	11
At 31 August 2022	13	3	16

12b. Intangible Fixed Assets – Trust only

	Trust Intellectual Property Rights £000	Trust Computer Software £000	Trust Total £000
Cost			
At 1 September 2022	25	29	54
Additions	-	-	-
Disposals	-	-	-
At 31 August 2023	25	29	54
Amortisation			
At 1 September 2022	12	26	38
Charged in year	4	1	5
Disposals	-	-	-
At 31 August 2023	16	27	43
Carrying amount			
At 31 August 2023	9	2	11
At 31 August 2022	13	3	16

BOA Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

13a. Tangible Fixed Assets - Group

	Group Leasehold Land and Buildings £000	Group Furniture and Equipment £000	Group Computer Equipment £000	Group Total £000
Cost				
At 1 September 2022 - Restated	30,358	1,688	1,393	33,439
Additions	55	71	111	237
Transfers	-	-	-	-
Inherited assets	18,544	-	613	19,157
Disposals	-	(15)	(109)	(124)
At 31 August 2023	48,957	1,744	2,008	52,709
Depreciation				
At 1 September 2022 - Restated	5,011	1,181	755	6,947
Charged in year	787	77	226	1,090
Disposals	-	(13)	(109)	(122)
At 31 August 2023	5,798	1,245	872	7,915
Net book values				
At 31 August 2023	43,159	499	1,136	44,794
At 31 August 2022 - Restated	25,347	507	638	26,492

13b. Tangible Fixed Assets - Trust only

	Trust Leasehold Land and Buildings £000	Trust Furniture and Equipment £000	Trust Computer Equipment £000	Trust Total £000
Cost				
At 1 September 2022 - Restated	30,358	1,666	1,393	33,417
Additions	55	59	111	225
Transfers	-	-	-	-
Inherited assets	18,544	-	613	19,157
Disposals	-	(15)	(109)	(124)
At 31 August 2023	48,957	1,710	2,008	52,675
Depreciation				
At 1 September 2022 - Restated	5,011	1,173	755	6,939
Charged in year	787	74	226	1,087
Disposals	-	(13)	(109)	(122)
At 31 August 2023	5,798	1,234	872	7,904
Net book values				
At 31 August 2023	43,159	476	1,136	44,771
At 31 August 2022 - Restated	25,347	493	638	26,478

BOA Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

13b. Tangible Fixed Assets - Trust only (continued)

The Academy Trust's transactions relating to land and buildings include:

- . the granting of a leasehold for the site at Barrack Street for £17,569,000 over a term of 125 years.
- . Land for the site at Barrack Street at a cost of £975,000 which has been depreciated over a term of 125 years.
- . A prior year adjustment of £2,700,000 for the cost of the land at Stour Street. The land has been depreciated over a term of 125 years from 1 May 2022.

14. Investments

The following is a summary of the financial statements of Birmingham Ormiston Academy Theatre Limited (company registration number 09160896) for the period to 31 August 2023, which have been included in the consolidated financial statements.

	2022/23 £000	2021/22 £000
Investment in wholly owned subsidiary company at cost	-	-

A summary of the results for the year ended 31 August 2023 and the Balance Sheet position at 31 August 2023 is shown below:

	Total 2022/23 £000	Total 2021/22 £000
Profit and loss account		
Turnover	442	426
Cost of sales	(114)	(130)
Gross profit	328	296
Interest received		
Administrative expenses	(333)	(273)
Profit on ordinary activities after Gift Aid payment	(5)	23
Retained profits brought forward at 1 September	41	50
2021/22 profits gifted to Parent Company	(25)	(32)
Retained profits carried forward at 31 August	11	41
Balance sheet		
Called up share capital	-	-
Net assets	11	41

The audit report for Birmingham Ormiston Academy Theatre Limited for the year ended 31 August 2023 was unqualified.

15. Stock

	Group 2023 £000	Group 2022 £000	Trust 2023 £000	Trust 2022 £000
Catering	3	4	1	2
	3	4	1	2

BOA Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

16. Debtors

	Group 2023 £000	Group 2022 £000	Trust 2023 £000	Trust 2022 £000
Due within one year				
Trade debtors	6	6	6	6
VAT recoverable	52	93	52	92
Prepayments and accrued income	284	211	284	203
	342	310	342	301

17. Creditors: amounts falling due within one year

	Group 2023 £000	Group 2022 £000	Trust 2023 £000	Trust 2022 £000
Trade creditors	160	205	155	191
Other taxation and social security	204	189	204	189
ESFA creditor: Pupil Number adjustment	6	528	6	528
Accruals and deferred income	525	281	418	196
Amount due from subsidiary undertaking	-	-	17	-
Other creditors	97	55	96	53
	992	1,258	896	1,157

Deferred income

	Group 2023 £000	Group 2022 £000	Trust 2023 £000	Trust 2022 £000
Deferred Income at 1 September 2022	687	180	629	89
Released from previous years	(687)	(180)	(629)	(89)
Resources deferred in the year	112	687	30	629
Deferred Income at 31 August 2023	112	687	30	629

Income deferred in the year relates to an ESFA Pupil Number adjustment £6k, ESFA Income received in advance of the 2023/24 academic year £7k, Box Office ticket income for shows and events received in advance at the Old Rep Theatre £79k, Sponsorship income for the Old Rep Theatre £3k, income for school trips received in advance £14k and Local authority grant income £3k.

BOA Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

18. Funds

	Balance at 1 September 2022 £000 Restated	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2023 £000
Restricted general funds					
General Annual Grant (GAG)	373	8,090	(7,371)	(104)	988
Pupil Premium	-	93	(93)	-	-
Catch-up Premium	-	-	-	-	-
Recovery premium	-	25	(25)	-	-
Other DfE/ESFA COVID-19 funding	-	-	-	-	-
Coronavirus Job Retention Scheme Grant	-	-	-	-	-
Other COVID-19 Funding	-	-	-	-	-
Development Grant	-	-	-	-	-
Other DfE/ESFA grants	-	706	(706)	-	-
LEA and other grants	-	98	(98)	-	-
Pension reserve	(904)	-	(98)	1,002	-
	(531)	9,012	(8,391)	898	988
Restricted other funds	-	-	-	-	-
Restricted fixed asset funds					
Transfer on conversion	17,504	-	(449)	(2)	17,053
DfE/ESFA capital grants	489	121	(121)	-	489
Capital expenditure from GAG	162	-	(212)	106	56
Other DFE Capital Grants - Inherited	8,339	19,157	(312)	-	27,184
Other	14	-	(3)	12	23
	26,508	19,278	(1,097)	116	44,805
Total restricted funds	25,977	28,290	(9,488)	1,014	45,793
Unrestricted funds					
Unrestricted funds	59	584	(586)	(12)	45
Total unrestricted funds	59	584	(586)	(12)	45
Total funds	26,036	28,874	(10,074)	1,002	45,838

BOA Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

18. Funds (continued)

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

General Annual Grant (GAG)

The academy trust is not subject to GAG carried forward limits.

The academy trust is carrying a net surplus of £988,000 on restricted general funds (excluding pension reserve).

Restricted Fixed Asset Fund

The amount of Inherited Fixed Assets of £17,053,000 represents the depreciated replacement cost of the predecessor school's land and buildings and the cost of equipment, which transferred to the Academy on 1 September 2012.

The amount of Other DfE Capital Grants inherited of £8,339,000 represents the cost of BOA Stage and Screen Production Academy's land and buildings and equipment, which was transferred to the Academy Trust on 1 May 2022.

The amount of Other DfE Capital Grants inherited of £19,157,000 represents the cost of BOA Digital Technology Academy's land, building and equipment, which was transferred to the Academy Trust on 1 February 2023.

The DfE/ESFA capital grants of £121,000 relates to annual devolved capital £31,000, additional capital funding £47,000 received for Birmingham Ormiston Academy and £43,000 claimed from DfE for BOA Stage and Screen Production and BOA Digital Technologies' IT and FFE.

Gains and Losses

These represent the actuarial gains and losses on the Local Government Pension Scheme.

The gross transfer from the restricted general fund to the restricted fixed asset fund of £104,000 represents the total capital expenditure from the General Annual Grant (GAG) during the year.

BOA Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

18. Funds (continued)

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

	Balance at 1 September 2021 £000 Restated	Income £000 Restated	Expenditure £000 Restated	Gains, losses and transfers £000 Restated	Balance at 31 August 2022 £000 Restated
Restricted general funds					
General Annual Grant (GAG)	539	6,531	(6,633)	(64)	373
Pupil Premium	-	41	(41)	-	-
Catch-up Premium	-	-	-	-	-
Recovery premium	-	6	(6)	-	-
Other DfE/ESFA COVID-19 funding	-	19	(19)	-	-
Coronavirus Job Retention Scheme Grant	-	-	-	-	-
Other COVID-19 Funding	-	17	(17)	-	-
Development Grant	-	141	(141)	-	-
Other DfE/ESFA grants	-	321	(321)	-	-
LEA and other grants	-	53	(53)	-	-
Pension reserve	(2,838)	-	(398)	2,332	(904)
	(2,299)	7,129	(7,629)	2,268	(531)
Restricted other funds	-	-	-	-	-
Restricted fixed asset funds					
Transfer on conversion	17,951	-	(447)	-	17,504
DfE/ESFA capital grants	-	489	-	-	489
Capital expenditure from GAG	179	-	(81)	64	162
Other DfE Capital Grants - Inherited	-	8,412	(73)	-	8,339
Other	17	-	(3)	-	14
	18,147	8,901	(604)	64	26,508
Total restricted funds	15,848	16,030	(8,233)	2,332	25,977
Unrestricted funds					
Unrestricted funds	33	511	(485)	-	59
Total unrestricted funds	33	511	(485)	-	59
Total funds	15,881	16,541	(8,718)	2,332	26,036

BOA Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

19. Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	2022/23 £000	2021/22 £000
BOA Trust	1,033	432
Total before fixed assets and pension reserve	<u>1,033</u>	<u>432</u>
Restricted fixed asset fund	44,805	26,508
Pension reserve	-	(904)
Total funds	<u>45,838</u>	<u>26,036</u>

From 1 September 2021 overall reserves were pooled and held centrally, they are not attributed to individual academies.

Total cost analysis by academy

	Teaching and Education Support staff £000	Other Support staff costs £000	Educational Supplies £000	Other Costs (excluding Depreciation) £000	2022/23 Total £000	2021/22 Total £000
BOA Trust	274	438	14	158	884	770
Birmingham Ormiston Academy	3,053	524	726	1,217	5,520	5,466
BOA Stage and Screen Production Academy	636	110	103	335	1,184	1,079
BOA Digital Technologies Academy	591	106	157	303	1,157	-
Academy Trust Total	<u>4,554</u>	<u>1,178</u>	<u>1,000</u>	<u>2,013</u>	<u>8,745</u>	<u>7,315</u>

BOA Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

20. Analysis of net assets between funds

Fund balances at 31 August 2023 are represented by:

	Unrestricted Funds £000	Restricted General funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Intangible fixed assets	-	-	11	11
Tangible fixed assets	-	-	44,794	44,794
Current assets	45	1,980	-	2,025
Current liabilities	-	(992)	-	(992)
Pension scheme liability	-	-	-	-
Total net assets	45	988	44,805	45,838

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

	Unrestricted Funds £000	Restricted General funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Intangible fixed assets	-	-	16	16
Tangible fixed assets	-	-	26,492	26,492
Current assets	59	1,631	-	1,690
Current liabilities	-	(1,258)	-	(1,258)
Pension scheme liability	-	(904)	-	(904)
Total net assets	59	(531)	26,508	26,036

21. Capital commitments

	2022/23 £000	2021/22 £000
Contracted for, but not provided in the financial statements	-	-

22. Commitments under operating leases

Operating leases

At 31 August 2023 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2022/23 £000	2021/22 £000
Amounts due within one year	55	61
Amounts due between one and five years	51	48
Amounts due after five years	-	-
	106	109

BOA Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

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

	2022/23	2021/22
	£000	£000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	18,800	7,823
Adjusted for:		
Amortisation (note 12)	5	5
Depreciation (note 13)	1,090	599
Loss on disposal of tangible fixed assets	2	-
Donations – inherited fixed assets	(19,157)	(8,412)
Capital grants from DfE and other capital income	(121)	(489)
Defined benefit pension scheme cost less contributions payable (note 28)	58	347
Defined benefit pension scheme finance cost (note 28)	40	51
(Increase)/decrease in stocks	1	(3)
(Increase)/decrease in debtors	(32)	(98)
Increase/(decrease) in creditors	(266)	699
Net cash provided by / (used in) Operating Activities	420	522

24. Cash Flows from Investing Activities

	2022/23	2021/22
	£000	£000
Dividends, interest and rents from investments	-	(10)
Capital grants from DfE and other capital income	121	489
Purchase of tangible fixed assets	(237)	(543)
Net cash provided by / (used in) investing activities	(116)	(64)

25. Analysis of cash and cash equivalents

	2022/23	2021/22
	£000	£000
Cash in hand and at bank	1,680	1,376
Total cash and cash equivalents	1,680	1,376

26. Analysis of changes in net debt

	At 1 September 2022 £000	Cash flows £000	At 31 August 2023 £000
Cash	1,376	304	1,680

27. Members' Liability

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

BOA Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

28. Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS was 31 March 2020 and of the LGPS 31 March 2022.

Contributions amounting to £99,465 were payable to the schemes at 31 August 2023 (2022: £85,503) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2023 as published by HM Treasury. 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 most recent actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Government Actuary's Department on 27 October 2023. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy) from 1 April 2024 (contribution rate to 31 March 2024 is 23.68% as set by the 31 March 2019 valuation).
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million.
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 1.7% above the rate of CPI. The next valuation result is due to be implemented from 1 April 2024.

The total pension costs paid to TPS in the period amounted to £981,000 (2021/22: £830,000) of which employer's contributions totalled £701,000 and employees' contributions totalled £280,000.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions 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 has set out above the information available on the scheme.

BOA Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

28. Pension and similar obligations (continued)

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 £236,000 (2022: £195,000), of which employer's contributions totalled £172,000 (2022: £141,000) and employees' contributions totalled £64,000 (2022: £54,000). The agreed contribution rates for future years are 20.4% per cent for employers and between 5.5 per cent and 12.5 per cent for employees.

In addition to the above contribution rate and figures the Trust agreed to pay an additional contribution each year to reduce the pension funding deficit. The additional payments made to LGPS were £12,136 in the April 21 - March 22 year, increasing to £12,578 in the April 22 - March 23 year and £13,037 in the April 22 - March 23 year. No lump sum deficit payments are due for April 23 - March 26 following the recent LGPS valuation results.

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 GOV.UK.

Principal actuarial assumptions

	2023	2022
Rate of increase in salaries	3.95%	4.05%
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 (in years):

	2023	2022
<i>Retiring today</i>		
Males	20.6	21.2
Females	24.9	23.6
<i>Retiring in 20 years</i>		
Males	21.2	22.9
Females	25.2	25.4

Sensitivity Analysis

	2023 £000	2022 £000
Discount rate -0.1%	59	74
Mortality assumption - 1 year increase	83	116
Salary increase Rate +0.1%	2	4
CPI Rate +0.1%	58	71

BOA Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

28. Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

The Academy Trust's share of the assets and liabilities in the scheme and the expected rates of return were:

	Fair value at 31 August 2023		Fair value at 31 August 2022	
	£000	%	£000	%
Equities	1,669	68%	1,335	67%
Other bonds	515	21%	419	21%
Property	172	7%	159	8%
Cash/liquidity	98	4%	80	4%
Total market value of assets	2,454	100%	1,993	100%

The actual return on the scheme assets was £253,000 (2022: £(60,000)). This excludes the asset ceiling restriction of £390,000 as detailed below.

Amount recognised in the Statement of Financial Activities

	2023 £000	2022 £000
Current service cost	(230)	(504)
Interest income	89	33
Interest cost	(129)	(84)
Total amount recognised in the SOFA	(270)	(555)

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

	2023 £000	2022 £000
At 1 September	2,897	4,697
Current service cost	230	504
Interest cost	129	84
Employee contributions	64	55
Actuarial (gain)/loss	(1,228)	(2,425)
Benefits paid	(28)	(18)
At 31 August	2,064	2,897

BOA Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

28. Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	2023 £000	2022 £000
At 1 September	1,993	1,859
Interest on assets	89	33
Actuarial gains / (losses)	(226)	(93)
Administration Expenses	-	-
Employer contributions	172	157
Employee contributions	64	55
Benefits paid	(28)	(18)
At 31 August	2,064	1,993

Included within Actuarial gains/ (losses) on plan assets of (£226k) is £390k in respect of the restriction determined by the asset ceiling calculations. The total value of the assets recorded under the "Share of scheme assets" detailed above of £2,454,000 has not been decreased in respect of the asset ceiling restriction and represents the rolled forward fair value at 31 August 2023.

29. Related Party Transactions

Owing to the nature of the Academy Trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. The following related party transactions took place in the financial period.

Expenditure Related Party Transactions

Other than 1 trustee's expenses already disclosed in Note 9, there has been one expenditure related party transaction during the year. Catering services amounting to £289 were purchased from M Averis' catering company (2022: £428). M Averis is spouse to Mr P Averis, Principal of BOA Digital Technologies Academy.

Income Related Party Transactions

In 2022/23, the Trust received a donation of £10,000 from Ormiston Trust towards the newly appointed Artistic Director post at the Trust's trading subsidiary; The Old Rep Theatre. As the Artistic Director left post in April 2023, an amount of £3,333 has been carried forward to 2023/24 as a provision for a repayment of a proportion of the donated amount back to Ormiston Trust.

A grant amounting to £64,293 was awarded by Ormiston Trust in partnership with the National Lottery Community to deliver the #WeWill/Murray award Social Action Project between September 2021 and July 2023. During the year £54,005 was received from Ormiston Trust and was spent on the project. An amount of £550 was also received from Ormiston Trust for the #WeWill Project Awards. An amount of £175 has been carried forward to 2023/24 for the purchase of Amazon gift vouchers for students who won awards for the project.

30. Agency Arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2023, the Trust received £212,098 and disbursed £117,750 from the fund. An amount of £94,348 is included in other creditors relating to undistributed funds that is repayable to ESFA.

Comparatives for the accounting period ending 31 August 2022 are £142,144 received, £91,827 disbursed and £52,999 included in other creditors.