

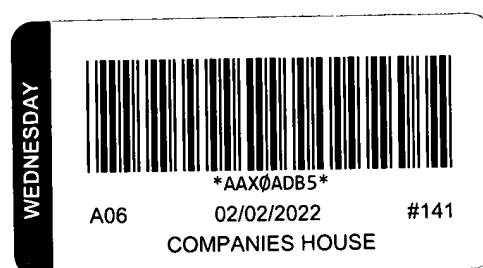
University of Brighton Academies Trust

(A Company Limited by Guarantee)

Annual Report and Financial Statements

Year ended 31 August 2021

Company Registration Number: 7185046 (England and Wales)



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Reference and Administrative Details

Members:	University of Brighton Jill Elizabeth Gray (until 31 August 2021) Professor Christopher Pole William Goodwin (from 25 January 2021) James Stuart (from 25 January 2021) Jenny Wingate (from 25 January 2021)
Trustees:	Siobhan Denning (Vice Chair) Jill Elizabeth Gray Lorraine Harrison Chris McFadden Jeremy Nurse Professor Christopher Pole (Chair) Dr John Smith (Chief Executive and Accounting Officer) Miles Smith Janey Walker Paul Whiteing Andrew Wilson
Company Secretary:	Samantha Coates
Executive Management Team: Chief Executive Executive Director of Strategy Executive Director of School Improvement Executive Director of Finance and Operations	Dr John Smith Samantha Coates Dylan Davies Tom Scully
Company Name:	University of Brighton Academies Trust
Principal and Registered Office:	Multi-Academy Trust Office University of Brighton Exion 27, Crowhurst Road Brighton BN1 8AF
Company Registration Number:	07185046
Independent Auditor:	Azets Audit Services Greytown House 221-227 High Street Orpington Kent BR6 0NZ
Bankers:	Lloyds Bank North Street Brighton BN1 1GL

University of Brighton Academies Trust

Solicitors:

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15th Floor
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Trustees' Report

Introduction

The Trustees present their annual report together with the financial statements and Auditors' Report of the University of Brighton Academies Trust for the year ended 31 August 2021. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The University of Brighton Academies Trust has been established for the purpose of advancing education in the United Kingdom for the public benefit. It is sponsored by the University of Brighton.

The Trust operates fifteen academies in Sussex as follows:

Name	Phase	Academy Route (Date joined)	Characteristic	NOR (Oct 21 census) ¹	Special Facility	Nursery
Hastings						
The Hastings Academy	Secondary	Sponsored (September 2011)	Mainstream with special facility	871	6	-
The Baird Primary Academy	Primary	Sponsored (January 2014)	Mainstream with nursery	383	-	13
Dudley Infant Academy	Infant	Converter (November 2013)	Mainstream	174	-	-
St Leonards						
The St Leonards Academy	Secondary	Sponsored (September 2011)	Mainstream with special facility	1467	18	-
Churchwood Primary Academy	Primary	Converter (September 2014)	Mainstream with nursery and special facility	237	8	36
Hollington Primary Academy	Primary	Converter (September 2014)	Mainstream with nursery	381	-	39
Robsack Wood Primary Academy	Primary	Converter (September 2014)	Mainstream with nursery	476	-	91
Silverdale Primary Academy	Primary	Converter (February 2015)	Mainstream	626	-	-
West St Leonards Primary Academy	Primary	Sponsored (November 2013)	Mainstream with special facility	393	11	-
Brighton & Hove						
Holmbush Primary Academy	Primary	Converter (April 2015)	Mainstream with nursery	210	-	25
Mid Sussex						
Blackthorns Community Primary Academy	Primary	Converter (April 2015)	Mainstream with special facility	209	4	-

¹ The NOR (number on roll) includes pupils in the special facility and nursery

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Lindfield Primary Academy	Primary	Converter (September 2015)	Mainstream	656	-	-
The Burgess Hill Academy	Secondary	Sponsored (September 2016)	Mainstream	1050	-	-
Crawley						
Desmond Anderson Primary Academy	Primary	Converter (February 2017)	Mainstream with special facility and nursery	422	20	21
Pound Hill Infant Academy	Infant	Converter (September 2015)	Mainstream	263	-	-
Total				7837	67	225

Overview of our 2020/21 accounts

The Annual Report and Accounts that follow cover the University of Brighton Academy Trust's 15 academies and its central functions. In order to help readers understand how the financial performance of the Trust compares to prior years, the table below and analysis in this section only looks at underlying figures. In both years, it takes the net operating deficit, and adds back significant non-cash accounting entries (relating to the depreciation of fixed assets and an adjustment to the LGPS pension liability in both years). It is, therefore, a comparison of the financial performance of our 15 academies and their overarching structure, prepared on the same basis, and without the impact of non-cash accounting adjustments which mask underlying performance.

	2020/21		2019/20		Variance	
£'000s	Per Accounts	Underlying	Per Accounts	Underlying	£'000	%
Income						
Grant income	47,039	47,039	43,147	43,147	3,892	9.0%
Other income	1,632	1,632	1,491	1,491	141	9.5%
Donations	432	432	106	106	326	307.5%
	49,103	49,103	44,744	44,744	4,359	9.7%
Expenditure						
Pay	39,677	36,584	37,712	34,857	1,727	5.0%
Premises	4,930	3,898	4,565	3,849	49	1.3%
Other	5,913	5,913	6,865	6,865	(952)	(13.9%)
	50,520	46,395	49,142	45,571	824	1.8%
Net Surplus/(Deficit)	(1,417)	2,708	(4,398)	(827)	3,535	

Key metrics						
Number on Roll*	7,970	7,970	7,775	7,775	195	2.5%
Income/pupil	6.16	6.16	5.75	5.75	0.41	7.1%
Pay cost/pupil	4.98	4.59	4.85	4.48	0.11	2.4%
Non-pay cost/pupil	1.36	1.23	1.47	1.38	(0.15)	(10.6%)

*Note that the number on roll in this table is as at October 2020 and 2019 respectively (since that is the period to which the financial performance relates) and will therefore not reconcile to the table in the "Introduction" section

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On this underlying basis, total grant income has increased by £3.9m (9.8%), from £43.1m to £47.0m. GAG funding increased by £2m, this reflects an increase in pupil numbers of 1.25%, and changes to the overall funding formula for academies (including an increase in AWPU, deprivation and minimum funding guarantee). SCA funding was increased from £0.8m to £1.6m. The Trust also received £615k for COVID related grants and donated laptops to the value of £335k.

Non grant income has increased to £1.6m (£140k increase); the main driver behind this is insurance income received in relation to a claim at The Burgess Hill Academy.

Within this income we have £600k that has been recognised but not yet spent and thus needs to be budgeted for in 2021/22. £216k of this is pupil premium, £192k COVID catch-up premium, and £97k PE sports grant (the remainder is smaller grant income balances).

In total, income is up £4.4m (9.7%), up 7.1% on a per pupil basis, from £5.75k to £6.16k.

Total expenditure (excluding non-cash adjustments) increased £0.8m to £46.4m year on year. This is an overall small decrease in per pupil spend, from £5.86k to £5.82k.

Staff costs increased £1.7m (5%) to £36.6m, primarily as a result of increments and pay awards.

Non-pay costs decreased from £6.9m to £5.9m, largely due to 2019/20 having additional spending approved for buildings maintenance and ICT infrastructure improvements.

As a result, the underlying outturn for the year is a surplus of £2.7m, which is up £3.5m on the prior year. Stripping out the effect of capital programmes, donated laptops, recognised income not spent and the unspent strategic priorities fund, the resulting surplus would have been circa £0.5m.

Structure, Governance and Management

Constitution

The Trust is a company limited by guarantee and an exempt charity. The Memorandum and Articles of Association are the primary governing documents of the Trust. The Trustees are also the Directors of the charitable company for the purposes of Company Law. The University of Brighton is the sponsor of the Trust.

Details of the Trustees who served throughout the year are included in the Reference and Administrative Details section above.

Members' Liability

Each member of the Trust undertakes to contribute to the assets of the Trust 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

Every Trustee is indemnified out of the assets of the Trust against any liability incurred by him/her in that capacity in defending any proceedings, whether criminal or civil, in which judgment is given in favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Trust.

Method of Recruitment and Appointment or Election of Trustees

In accordance with the Trust's Articles of association, the University of Brighton, as sponsor, may appoint up to nine Trustees. The Chief Executive is an ex-officio Trustee. The Board of Trustees may also co-opt additional Trustees to join the Board.

Policies and Procedures Adopted for the Induction and Training of Trustees

The Trust is committed to adopting best practice in all aspects of corporate governance. The current Trustees have been selected on the basis of having experience at Board level in other similar organisations. The Trust has established procedures for the induction and training of new Trustees,

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who may not have the same level of experience. A similar approach is taken to the induction and training of new members of local boards.

Organisational Structure

The Board of Trustees, which meets at least six times a year, is supported by four specialist committees (Education & Standards; Finance & Resources; Risk & Audit; and Remuneration & HR), a Local Board for each academy or group of academies (local board responsibilities include community engagement and pupil wellbeing, including behaviour, attendance and safeguarding) and a formally constituted Chairs' Forum (comprising trustees and local board chairs). These committees normally meet two - three times a year.

Each Local Board includes up to two members who are parents of students/pupils in the academy, who are elected by parent of students/pupils in the academy (in the case of local boards which oversee more than one academy, there is one parent representative from each academy). A further member of each Local Board is a member of staff of the academy, who is elected by staff in the academy.

The Trust is managed by the Chief Executive together with an executive leadership team comprising the Executive Director of Finance and Operations, the Executive Director of School Improvement and the Executive Director of Strategy. The Executive Leadership Team oversees all education provision in the Trust, as well as its professional services (Estates and Facilities Management, Finance, People, ICT, Marketing and Communications, and Governance and Admissions).

Academy leadership is led by a Principal supported by a senior leadership team.

All academy Principals, Heads of Professional Service and the Trust's Executive Team form a Senior Management Team. Members work collaboratively, taking joint responsibility for the outcomes of all of our pupils and for the efficient and effective management of the Trust's resources.

The Trust is a single legal entity which must account separately to the Department for Education in relation to each academy. The Chief Executive is the Trust's Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

The pay and remuneration of key management personnel (members of the Executive Team, Academy Principals and Heads of Professional Services) is in accordance with the Trust's Leadership Pay Policy. The pay of the Chief Executive, Executive Director of Finance and Operations, the Executive Director of School Improvement and the Executive Director of Strategy is determined by the Remuneration and HR Committee of the Board of Trustees.

Trade Union Facilities Time

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations, the Trust publishes information about Trade Union Facilities Time.

The reporting is based on data during a 'relevant period', which is 12 months commencing 1 April. The information below is for the relevant period from 1 April 2020 to 31 March 2021.

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
10	9.68

Percentage of time spent on facility time

Percentage of time	Number of employees who were relevant union officials
0%	9
1%-50%	1

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51%-99%	0
100%	0

NB. One workplace representative spent 0.78% of time performing paid trade union activities although this is reported as 0%. One representative spent 1.3% of time performing paid trade union activities. No other representatives performed any duties in the relevant period.

Percentage of pay bill spent on facility time

Provide the total cost of facility time	£802.41
Provide the total pay bill	£35,006,235
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time / total pay bill) x 100	0.00%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period / total paid facility time hours) x 100	100%
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Related Parties and other Connected Charities and Organisations

The Trust currently has one Related Party, which is the sponsor of the Trust: the University of Brighton. The University is also a Member of the Trust. This related party arrangement involves the following transactions:

- The contract of employment of the Chief Executive was held by the University until May 2021, at which time it was transferred to the Trust.
- The provision of an internal audit service by the University to the Trust
- A range of initial teacher training activity, including a School Direct partnership between the University and the Trust
- Use of some University accommodation as office space for the some of the Trust's professional teams

Each of these are provided 'at cost'.

Engagement with employees (including disabled persons)

The Trust's People department ensures that individual employees are informed about all matters affecting their employment, such as changes to salary and other contractual matters. A new HR and Payroll system was implemented during 2019/20, which incorporates an Employee Self Service element, improving access by employees to their employment information and benefits.

There is a Recognition and Procedural Agreement between the Trust and its main trade unions for support and teaching staff. Local meetings between trade union representatives and academy senior staff are complemented by a Trust Joint Consultation Committee which meets at least three times a year. The Trust and each Union recognise their common interest and joint purpose in furthering the aims and objectives of the Trust and in achieving reasonable solutions to all matters which concern them. This includes:

- Jointly agreeing pay and conditions of employment;
- Good practice with regard to matters of employment and health and safety;
- Effective communication;
- Participation and involvement of staff;
- Effective and prompt resolution of issues and disputes;
- Equal opportunities in employment; and
- Arrangements for discussion of professional issues concerning teaching and learning

The Trust's Strategic Plan is linked with its improvement planning and performance management processes, which enables all staff to contribute to the achievement of the Strategic Plan. This has

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been strengthened through the development of a new Professional Review Scheme (replacing the Trust's former appraisal policies) which is being implemented from September 2021, following a comprehensive training programme for reviewers and reviewees.

The Trust's recruitment policy and practice is that all recruitment and selection decisions are free from unlawful discrimination on the grounds of gender, marital status, religion, nationality, race, colour, ethnic origin, political belief, sexual orientation, age, gender re-assignment or disability. The Trust is registered as 'Disability Confident Committed' and is seeking to gain 'Disability Confident Employer' status as well as Mindful Employer charter mark. The Trust's Equality and Diversity Policy similarly sets out the Trust's commitment to eliminating all forms of discrimination and aims to promote positive attitudes between all people, including those with different abilities.

In January 2021, the Trust's People department invited all staff to participate in a Wellbeing Survey. Over 500 staff responded, providing helpful feedback which is being used to further strengthen wellbeing initiatives, including the appointment of new Wellbeing Champions and Mental Health Ambassadors and the development of wellbeing action plans in each academy.

Engagement with suppliers, customers and others in a business relationship with the Trust

The Trust has a supplier approval process to add new ongoing preferred suppliers to the Trust's finance systems; this means that Trust's Finance department can contact suppliers if there are any key changes to finance practices. For preferred suppliers the Trust has preferential procurement limits.

For larger purchases or services the Trust follows published competitive procurement procedures either through a tender competition through a framework or through a tender by non-advertised supplier to known suppliers – this allows the Trust to establish a close working relationship over 3-5 years supported by contract management and, where relevant, service level agreements.

The Trust's Procurement Procedures and Financial Regulations are published on the Trust's website and available for all existing and prospective suppliers to understand the Trust's systems of financial control and financial management.

New finance systems have been implemented which expedite the raising of purchase orders and payment of invoices, which in turn ensure the timely payment of invoices within 30 day payment terms.

The Trust has a central dedicated finance team which can be contacted by suppliers if there are any queries.

Objectives and Activities

Objects and Aims

The objectives of the Trust as set out in its Articles of Association are specifically restricted to the following: "to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools".

The Trust's overall aim and mission is to work collaboratively to help its pupils and everyone connected to its academies to achieve excellence. The Trust's values are excellence, integrity and innovation.

Objectives, Strategies and Activities

The key features of the Trust's school improvement strategy are based on the Trust's overall vision and the aim to achieve excellence as standard:

- Leading the Trust strategically.
- Improving the workforce.

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- Developing and utilising the best leaders.
- Monitoring and review.
- Additional support to vulnerable academies.
- Links with the School of Education, University of Brighton.
- Improved initial teacher education opportunities.
- Continuing professional development opportunities.
- Research opportunities.

The Trust has a Strategic Plan covering the period 2018-2023, approved by the Board of Trustees, which informs and shapes its work to achieve excellence for its pupils, staff and community. Targets and actions in support of the Strategic Plan are agreed annually by the Board of the Trustees.

A Medium Term Financial Plan was developed alongside the Strategic Plan and is designed as a tool to support effective planning and decision making to ensure i) the longer term financial sustainability of the Trust; and ii) underpin achievement of the strategic priorities and objectives.

The Trust also has a staff Recruitment and Retention Strategy 2018-2023 to complement the Strategic Plan. The strategy is comprised of four themes:

- Staff wellbeing
- Professional development and succession planning
- Recruitment processes
- Marketing

Public Benefit

The Board has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities. In particular, the Trustees considered how planned activities would contribute to the aims and objectives they have set.

The Trust provides benefits to the public through the achievement of its vision, which is as follows:

"We want to help everyone connected to our academies achieve excellence.

- We share a belief that education transforms lives.
- We equip pupils with the skills to fulfil their potential as global citizens.
- Each of our academies has a rich and creative curriculum to ensure that pupils meet their potential and are inspired to continue learning.
- Pupils' experiences are enriched by the University of Brighton's contribution.
- Our academies have a positive impact on their local communities.
- Parents and carers actively engage with their child's learning and pupils understand the positive role they can play in their wider community.
- Our academies support each other to improve by working together."

Strategic Report

Achievements and performance

Due to the Covid 19 pandemic, and in common with other schools and multi academy trusts, 2020/21 was once again an exceptional year for the Trust. The planned actions and targets for 2020/21 were impacted by Covid 19: the decision was taken to defer some planned actions, whilst others have been impacted in other ways. Nevertheless, there were a number of key achievements, which are summarised in the paragraphs below.

Key performance indicators

As indicated above, the Trust has a Strategic Plan 2018-2023, and each year annual targets and actions are agreed by the Board of Trustees. The Strategic Plan is comprised of five priority areas:

Priority 1 – School Improvement

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Due to the Covid 19 pandemic, and in common with all secondary schools, attainment scores in 2020/21 were based on Centre Assessed Grades (or a higher exam-body moderated grade). The provisional scores for the Trust's secondary academies in 2021 (which represent an improvement on the previous year's data) are:

Academy	Attainment 8	% English and Maths awarded grade 4+	% English and Maths awarded grade 5+
The Burgess Hill Academy	51.4 points	77	56
The Hastings Academy	39.9 points	55	39
The St Leonards Academy	40.1 points	53	34

There are no primary datasets for 2020/21 due to the Covid 19 pandemic.

Key achievements during 2020/21 include:

- Remote learning plans developed and published in all 15 academies.
- 73% of secondary students were fully engaged with remote learning during the lockdown period (5+ hours per day).
- 58% of primary pupils were fully engaged with remote learning during the lockdown period
- Continuing development of a well planned and sequenced curriculum in each academy, underpinned by developing expertise.
- Focused leadership of reading, with prominence of reading in strategic work, underpinned by Accelerated Reader and Expert Reader training.
- Many improvements to the Trust's safeguarding practice and monitoring arrangements, confirmed by external reviews undertaken by local authority colleagues.
- Strengthened systems for recording and monitoring Alternative Provision.

School improvement priorities for the 2021/22 year are focused on ensuring all pupils receive a high quality curriculum, through effective teaching, and that these lead to the best possible outcomes for all pupils across the Trust. This includes ensuring that all disadvantaged and vulnerable pupils have access to well considered, planned and delivered cultural capital through their curriculum, and all SEND pupils are taught an ambitious curriculum, and well-planned and delivered appropriate support to achieve their best across the curriculum. Key objectives are for pupils' reading skills and abilities to improve so that they can access the curriculum, learn and be successful at school; and for pupils to be safe and happy in school. Key educational targets for the forthcoming year include:

- There is a measurable increase in benchmark pupil data (ie pupils meeting set curriculum expectations) across the curriculum by the end of 2021/22.
- All progress measures across the Trust improve towards zero or remain above zero at the end of 2021/22 (assuming national curriculum tests occur).
- Gaps between disadvantaged and other pupils diminish during 2021/22.
- Average attendance increases, persistent absence decreases and exclusions decrease during 2021/22.
- 100% of all internal and external Safeguarding Reviews completed in 2021/22 confirm that safeguarding arrangements are effective.

Priority 2 – Strategic Development

Key achievements during 2020/21 include:

- Completion of the final stage of the major change programme in the Trust's Professional Services, with new departmental structures and new systems/ technology implemented, meaning that professional departments are in a much stronger position to provide excellent support to academies and students.
- Completion of a cross-Trust project to identify and optimise the benefits of changes to operational practices arising from the Covid 19 pandemic.

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- Excellent ICT support for remote learning and remote working, supporting the roll out of Office 365 across the Trust.
- Development of a stronger visual identity for the Trust, complemented by improved internal communications
- Continued positive engagement with the Hastings Opportunity Area initiative, including ongoing membership of the Hastings Opportunity Area Strategic Board.
- In support of local authority partnerships and demographic changes in the Trust's communities, additional pupils admitted through 'bulge' classes in Reception Year and Year 7, supported by capital investment.

Key targets for the forthcoming year include:

- The number of Reception Year and Year 7 pupil applications increase, including an increase in the number of first choice preferences
- Pupil mobility reduces during 2021/22
- All Ofsted, RSC and local authority reports/reviews reflect positively on the Trust

Priority 3 - Staffing

The implementation of the Trust's Recruitment and Retention Strategy 2018-2023 continues to progress positively: key achievements during 2020/21 include:

- The roll out of a comprehensive programme of training for over 200 reviewers in support of the Trust's new Professional Review Scheme which better recognises the hard work and commitment of staff by disaggregating pay and performance and which places a strong focus on professional and career development alongside wellbeing (the implementation of the new Professional Review Scheme had been deferred from September 2020 to September 2021 due to Covid 19).
- Continued strengthening of staff wellbeing initiatives, informed by a Staff Wellbeing Survey, including the appointment of a Wellbeing Champion in every academy and department, the appointment of four Mental Health Ambassadors (mental health first aider [adult] trained), and a new Wellbeing Policy.
- Significant reductions in turnover and mental health related sickness absence.
- Development of new Flexible Working and Remote Working policies, and strengthening of commitments within the Trust's family-friendly policies.
- The strengthening of internal communications, including a regular communication to all staff through 'The Scoop' and roll out of the Trust's Intranet

Key targets for the forthcoming year include:

- Staff turnover continues to reduce in 2021/22
- Average number of sickness absence days per staff member reduces during 2021/22
- Staff self-rating of their mental wellbeing increases during 2021/22

Priority 4 - Resources

Key achievements during 2020/21 include:

- Completion of major capital projects at 6 academies
- Implementation of a Curriculum-Led Financial Planning approach, with CLFP measuring driving future financial strategy
- Continuation of a secure financial position, with a strategic priorities budget providing intervention support where needed.

Key targets for the forthcoming year include:

- Maintain a strategic priorities budget equivalent to at least 1% of expenditure
- Increase the percentage of overall revenue budget spent on teaching staff during 2021/22
- Utilise 100% of the 2020/21 School Condition Allocation funding by March 2022

Priority 5 – Governance and Accountability

Key achievements during 2020/21 include:

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- Continued strengthening of governance arrangements: building on the appointment of 4 new Trustees in July 2020, 27 new Local Board members and 3 new Trust Members were appointed during 2020/21.
- Significant development of PowerBi based dashboards, improving the quality and accessibility of management information
- Implementation and further roll out of cross-Trust systems in support of safeguarding and health and safety, including CPOMS, Parago and Meditracker
- Strong monitoring and risk management arrangements

Key targets for the forthcoming year include:

- The majority of Local Boards have approved and are implementing a community / parental engagement strategy
- All new staff in 2021/22 complete required online training on key statutory requirements within two terms of joining the Trust

Key Financial Performance Indicators

The Trust set out a detailed budget at the start of the year, the budget deficit was £1m (SCA catch-up), underlying outturn was £2.7m surplus, a favorable variance of £3.7m.

After adjusting for capital (£0.4m), donated laptops (£0.3m), strategic priorities unspent (£0.9m) and the unspent income (£0.6m) the outturn was £0.5m surplus.

A number of financial indicators and benchmarks are being developed and used to assist Trustees in managing the Trust's financial affairs to ensure efficient operation, liquidity and effective use of resource.

The ratio of staff related expenditure to income was 79% (82% in 2019/20).

Going Concern

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

Promoting the success of the Trust

The key mechanism that the Board of Trustees adopts to ensure the success of the Trust is the aforementioned Strategic Plan 2018-2023, supported by the Trust's Medium Term Financial Plan and Recruitment and Retention Strategy. The Strategic Plan is intended to support the achievement of an agreed set of overarching objectives for the five year period by translating the Trust's vision into strategy and then into action. In summary, the purpose of the Plan is to ensure all pupils receive a high quality curriculum, through effective teaching, and that these lead to the best possible outcomes for all pupils across the Trust.

The Strategic Plan is underpinned by an improvement planning cycle and performance management processes, which are designed to enable all academies, departments, staff and governance volunteers to contribute to the achievement of the Strategic Plan through shared responsibility. Specifically, each academy's and department's annual improvement plan and targets are linked to annual targets and actions in the Strategic Plan, as are each staff member's personal goals.

Other mechanisms adopted to ensure the success of the company include:

- Clear and transparent financial and procurement regulations
- Clear and transparent recruitment policies and procedures, designed to ensure equity and fairness
- A series of Trust-wide policies which are implemented in each academy in the Trust, including:
 - Safeguarding and pupil-related policies
 - Operational policies
 - Staff policies, including a Staff Code of Conduct

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- Information for parents, carers and visitors
 - Data protection policies
- A comprehensive Scheme of Delegation which sets out the responsibilities delegated by the Board of Trustees to its executive leaders and committees. It has been designed to comply with the requirements of the Trust's Articles of Association and Funding Agreements, the Education and Skills Funding Agency's Academy Trust Handbook, Charity Law and the Companies Act 2006.
- A Code of Conduct for Trustees and Committee Members

Financial Review

Financial Position

During the 2020/21 year grant income of £47.4m (2019/20: £43.1m) was received for the achievement of the academies' educational aims and objectives. This was comprised:

- DfE/ESFA Grants are £41.5m, an increase of £2.5m on 2019/20's £39m, these grants include:
 - General Annual Grant funding of £35.7m (2019/20: £33.7m)
 - £2.65 million (2019/20: £2.44m) of Pupil Premium funding for the provision of additional support for disadvantaged students
 - Teacher Pension/Pay grant £1.7m (2019/20 £1.67m)
 - £531k UIFSM (2019/20 £564k), this grant is to support in delivering the legal requirement to offer free school meals to all our reception, year 1 and year 2 pupils
 - £306k (2019/20 £168k) of PE and sports premium funding, to make additional and sustainable improvements to the quality of physical education, physical activity and sport offered in primary academies. A large proportion of this increase due to a deferral from 2019/20.
 - £85k Summer school programme funding, the aim of this funding was to deliver face-to-face summer schools during the 2021 school summer holidays to pupils identified as being most in need of educational recovery and/or wellbeing support
- Other LA grants of £2.8m (2019/20 £2.8m) covering SEN/LAC High Needs top-up, Early Years and other grants (e.g. Hastings Opportunity Area).
- £1,956k (2019/20: £1,168k) of capital funding (mainly SCA) to address priority capital maintenance needs.
- £335k of donated assets, to provide laptops to help disadvantaged children and young people learn at home
- £615k COVID-19 catch-up premium, funding to support children and young people to catch up on missed learning caused by coronavirus

Additional funds of £445k (2019/20: £221k) have been received through insurance claims, the majority of the increase being a claim at The Burgess Hill Academy. Nursery income recovered slightly (£220k vs £153k in 2019/20). Before/After school clubs generated £147k (£175k in 2019/20).

During the year, £50.5m (2019/20: £49.1m) was expended, resulting in an in-year deficit of £1.4m (2019/20: £4.4m).

The reserves position as at 31 August 2021 was £78.8m (31 August 2020: £84.3m).

Local Government Pension Scheme (LGPS) Adjustments (due to FRS102) amounted to a net loss of £7.2m (2019/20: £6.2m), taking our Statutory Provision to £25.1m (2019/20: £17.9m). Pension contributions for 2020/21 are all fully included in the agreed budgets for staffing and this provision does not create an additional cash burden. Parliament has agreed to a guarantee that, in the event of academy closure, outstanding LGPS liabilities will be met by the Department for Education. The guarantee came into force on 18 July 2013.

COVID-19

In 2020-21 the trust has received additional income directly resulting from the COVID pandemic.

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- £615k COVID Catch-up Premium. This funding is to help support our pupils in catching up on the missed learning during the pandemic. The trust allowed academies autonomy to spend this funding, primarily as they know the needs to their pupils the most, provided any spend was within the conditions set forth in the grant.

To date we have spent £379k of this funding. The majority of spend has been on staffing and third party teaching/mentoring resources. Some of the funding went towards IT equipment, books, subscriptions and other learning resources. A small proportion of spend was on other educational supplies. £237k of this funding will be made available for academies in 2021/22.

- £97k for the rollout of Mass Testing in our secondary academies
- £94.5k for Free School Meals Vouchers
- £72k Containment Outbreak Fund. The Contain Outbreak Management Fund (COMF) provides funding to local authorities in England to help reduce the spread of coronavirus and support local public health. East Sussex County Council issued this funding to our East Sussex academies.

This was largely used in covering the excess cost of cleaning.

Through the use of this funding the trust successfully mitigated the increasing costs resulting from the COVID 19 pandemic. There has been no significant impact to the Trust's reserves position as a result of COVID 19, nor do we expect that there will any impact on funds set aside for future commitments.

Reserves Policy

Academies are funded on a monthly basis by Department for Education (DfE) grants and income fairly matches expenditure, with around 76% being spent on teaching and other staffing costs.

The Trust has defined the reserves policy to ensure that sufficient funds are accumulated to enable school buildings to be maintained and equipment and ICT assets renewed when required in the foreseeable future, as well ensuring that there are additional funds for school improvement activity and a general reserve to cover any cash flow requirements. To that end, the Trustees have established that the available reserves (i.e. excluding those reserves which relate to fixed assets and the LGPS pensions scheme) should be set at 21 days of annual gross expenditure (excluding non-cash adjustments). The total value of available reserves for this purpose is £3.8m, which equates to 30.2 days as at 31 August 2021 (2019/20: £2.4m; 19.2 days). However, this does include £600k of grant income recognised but not yet spent plus £190k school fund income that needs to be provided for in 2021/22, adjusting for this would reduce the reserves days to 24, still £380k above target. This will be spent in 21/22 in line with the agreed deficit budget.

Maintaining a level of reserves is essential as the academies have no recourse to any significant income streams other than DfE annual revenue and Multi Academy Trust Capital (School Condition Allocation) Funding.

Accounting for the Local Government Pension Scheme (LGPS) means the accounts recognise a significant pension fund deficit within restricted funds, but this does not mean there is an immediate liability for this amount, rather it reflects the potential for increases in employer pension contributions in future years.

Investment Policy

The Trust does not hold any investments. Cash balances which are not required for day-to-day operations are held within 30-day term deposit accounts for the purposes of income generation. Interest earned in the year amounted to £3k (2019/20: £29k), the movement resulting from a reduction in interest rates.

Principal Risks and Uncertainties

Trustees are of the view that there is an ongoing process for identifying, evaluating and managing the Trust's significant risks. The Board of Trustees is responsible for the Trust's system of internal control and for reviewing its effectiveness. Such a system is designed to manage rather than to eliminate the risk of failure to achieve business objectives and can only provide reasonable assurance against material misstatement or loss. The Trust has developed comprehensive financial and risk

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management policies which are in accordance with the recommendations laid down in the Academy Trust Handbook issued by the Education and Skills Funding Agency and in line with recognised good practice.

The Trust's Risk and Audit Committee ensures that the Trust's operations and activities are underpinned by sound internal financial control and risk management arrangements. The Trust has a formal internal audit function in partnership with the University of Brighton.

The Trust is concerned to maintain and develop the academies within the grant funding available and has therefore established a process of setting annual budgets and operating a system of budget monitoring and control. The Trust's Medium Term Financial Plan informs budgetary decision making.

The Trust's top risks during 2020/21 (as determined by an assessment of impact and likelihood) were:

- Covid 19
- Poor / declining educational standards
- Failure to secure effective leadership and succession planning
- Difficulties in recruiting and retaining high quality staff
- Serious safeguarding incident
- Lack of engagement with organisational culture
- Declining pupil recruitment
- External financial uncertainty
- Serious health and safety incident
- ICT infrastructure failure / cyber security issue / major data security breach
- Condition / design of academy buildings

A comprehensive range of control measures and additional mitigating actions are implemented to minimise the likelihood and impact of these risks. The Trust's risk register is monitored regularly by the Board of Trustees and its Risk and Audit Committee.

Fundraising

Fundraising activity, for example funds raised by Parent Teacher Associations (or similar) or applications for small grants are currently managed locally within academies in the Trust. These funds are used for specific purposes and projects, such as ICT equipment, play equipment, the creation of a forest school area etc. The Trust is considering the development of a more co-ordinated approach in the future.

Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period	1 September 2020 to 31 August 2021	1 September 2019 to 31 August 2020
Energy consumption used to calculate emissions (kWh)	6,990,198	6,210,185
Energy consumption break down (kWh) (optional) • gas, • electricity, • transport fuel	5,224,006 1,178,142 48.050	3,763,702 2,241,510 204,973
Scope 1 emissions in metric tonnes CO ₂ e - Gas consumption - Owned transport – mini-buses - Total scope 1	956.83 1.49 958.32	692.03 6.01 698.04
Scope 2 emissions in metric tonnes CO ₂ e Purchased electricity	364.81	522.59

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Scope 3 emissions in metric tonnes CO2e Business travel in employee owned vehicles	10.17	43.74
Total gross emissions in metric tonnes CO2e	1,330.3	1,264.37
Intensity ratio Tonnes CO2e per pupil	0.17	0.16
	Quantification and Reporting Methodology:- We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting. Intensity measurement The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector. Measures taken to improve energy efficiency We have installed smart meters across all sites and increased video conferencing technology for staff meetings, to reduce the need for travel between sites.	

Plans for Future Periods

The aforementioned Strategic Plan sets out the Trust's key objectives and priorities for the period 2018-2023, supported by the Trust's Medium Term Financial Plan and Recruitment and Retention Strategy. The key objectives to be achieved by 2023 are:

Priority	Overarching objective
School improvement	To achieve appropriately and sustainably resourced school improvement targets, so that all pupils' outcome continually improve.
Strategic development	To build the Trust's reputation within our academies' communities and beyond as a collaborative and innovative values-led provider of exceptional curricula for all pupils
Staffing	To establish the Trust as the employer of choice for existing and potential new employees at all stages of their careers.
Resources	To secure increased investment in school improvement through setting and achieving enhanced financial efficiency targets and pursuing opportunities for income maximisation.
Governance and accountability	To set and achieve outstanding standards of governance, accountability and integrity corporately and individually throughout the organisation.

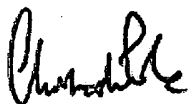
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Auditor

Insofar as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees as the Company Directors on 7 December 2021 and signed on the Board's behalf by:



.....
Professor C Pole
Trustee

Governance Statement

Scope of Responsibility

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

As trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive, as Accounting Officer, for ensuring financial controls conform to the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between the University of Brighton Academies Trust and the Secretary of State for Education. The Chief Executive is 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. The Board of Trustees has formally met six times during the 2020/21 year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Professor Chris Pole (Chair)	6	6
Siobhan Denning	6	6
Liz Gray	5	6
Lorraine Harrison	6	6
Chris McFadden	6	6
Jeremy Nurse	6	6
Dr John Smith (Chief Executive and Accounting Officer)	6	6
Miles Smith	6	6
Janey Walker	5	6
Paul Whiteing	6	6
Andrew Wilson	5	6

Effective oversight of the Trust was maintained through the meetings of the Board of Trustees and is comprehensive committee structure. The Trust's four specialist reporting committees Education & Standards, Finance & Resources, Remuneration & HR and Risk & Audit each met four times. The Chairs' Forum and academy Local Boards also met at least three times during the year.

During the year, the impact of Covid 19 meant that the majority of governance activities were undertaken remotely. Specifically, all Board of Trustee, specialist committee and Chairs' Forum meetings were conducted using Teams, as were the majority of academy Local Board meetings. A positive impact of this has been improved engagement and attendance at meetings, as indicated in the attendance information in the paragraphs below. Electronic access to agendas and papers, with support provided by the Trust's ICT department, has enabled governance volunteers to undertake their roles effectively. It is the intention to continue with at least 50% of meetings being conducted online in the future, to enable this improved attendance to continue.

Covid 19 meant that Trustees were unable to physically visit any of the Trust's academies during the year. A series of 'virtual' visits with presentation, inputs and opportunities for questions from leaders,

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staff and pupils provided insights into the impact of Covid 19 on academies. Academy Local Board memberships include a series of link roles (eg Safeguarding Link); the Trust's School Improvement and Governance departments developed guidance to enable these link members to undertake their roles remotely, primarily through structured online meetings, which provided an effective substitute to face to face visits and monitoring activities. Nevertheless, Trustees and Local Board members are looking forward to a return to face to face meetings and activities in the future.

A major review of the Trust's governance structure was undertaken in 2016/17, and its implementation and effectiveness monitored on an ongoing basis. The annual review of skills and competences has confirmed that at least one Trustee has each of the desired skills and competences needed to support the effective operation of the Board of Trustees. The Trust's Scheme of Delegation is reviewed and updated on an annual basis. The Trust's Members are responsible for overseeing the effectiveness of the trust's governance arrangements; during 2020/21, three new Members were appointed and a range of activities was agreed to enable them to undertake their responsibilities. This includes access to governance information (e.g. minutes) and opportunities to observe Board and Committee meetings. Members are currently considering an external review of governance to be conducted during 2020/21.

The Education and Standards Committee is responsible for monitoring the Trust's School Improvement strategy and the educational performance and standards achieved by each academy in the Trust. It approves and monitors annual targets for each academy. It also oversees attendance, behaviour and safeguarding across the Trust. Attendance during the year at the four meetings of the Education and Standards Committee was as follows:

Committee member	Meetings attended	Out of a possible
Lorraine Harrison (Trustee member) [Chair]	4	4
Siobhan Denning (Trustee member)	4	4
Dr John Smith (Trustee member)	4	4
Rose Durban (Co-opted member)	4	4
Andy Davies (Co-opted member) (from 12 November 2020)	2	3

The Finance and Resources Committee is responsible for monitoring the Trust's financial strategy and the financial performance of the Trust and its academies. It recommends approval of annual budgets and monitors them, along with major capital and asset planning and expenditure. The committee is also responsible for monitoring the Trust's Estates and ICT strategies. It is through this committee that the Board is able to maintain effective oversight of funds. Attendance during the year at the four meetings of the Finance and Resources Committee was as follows:

Committee member	Meetings attended	Out of a possible
Jeremy Nurse (Trustee member) [Chair]	4	4
Liz Gray (Trustee member)	3	4
Dr John Smith (Trustee member)	4	4
Jane Davey (Co-opted member)	4	4
Chris Stansbury (Co-opted member) (from 5 July 2021)	0	0

The Remuneration and HR Committee is responsible for monitoring the Trust's human resources and recruitment strategy and associated HR policies. It appoints senior staff in the Trust and monitors senior staff pay. Attendance during the year at the four meetings of the Remuneration and HR Committee was as follows:

Committee member	Meetings attended	Out of a possible
Liz Gray (Trustee member) [Chair]	4	4
Chris McFadden (Trustee member)	4	4
Andrew Wilson (Trustee member)	3	4
Richard Silander (Co-opted member) (from 14 June 2021)	1	1

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Sharon Sorrell (Co-opted member) (until 1 February 2021)	1	2
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The Risk and Audit Committee is responsible for ensuring that the operation of the Trust is underpinned by sound financial controls and risk management procedures. It appoints and oversees the work of the trust's external auditors and internal audit function. It also monitors Health and Safety across the Trust. Attendance during the year at the four meetings of the Risk and Audit Committee was as follows:

Committee member	Meetings attended	Out of a possible
Andrew Wilson (Trustee member) [Chair]	4	4
Lorraine Harrison (Trustee member)	2	4
Miles Smith (Trustee member)	4	4
Paul Whiteing (Trustee member)	3	4
James Bradley (Co-opted member)	4	4

Review of Value for Money

As Accounting Officer the Chief Executive has responsibility for ensuring that the Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for taxpayer resources received.

The Accounting Officer considers how the Trust's use of resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the Trust has delivered improved value for money during the year by:

- Use of external financial benchmarks, such as the DfE View my financial insights tool and the School resource management self assessment tool to inform budget setting principles
- Use of internal financial and staffing benchmarks, including Curriculum Led Financial Planning metrics, to inform staff structures and budgetary decisions
- Use of centralised budgets for ICT and estates/capital-related expenditure, to maximise efficiencies and savings through co-ordinated procurement of major items
- Completion of the final stage of the major change programme in the Trust's Professional Services, to improve the efficiency and effectiveness of these functions for the Trust
- Completion of the roll out of Office 365 across the Trust, including the use of Teams for online meetings and discussions, supported by a comprehensive training programme, to promote more efficient ways of working and reduce travel time/costs
- In-house management of major capital projects, to reduce expenditure on expensive outsourced contract management
- Continuing to focus on ways to support staff wellbeing, which has reduced mental health related absence and supply costs

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be

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realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Trust throughout the year to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that has been in place throughout the year ending 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The Risk and Control Framework

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- Regular reviews by the Finance 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 guidelines
- Delegation of authority and segregation of duties
- Identification and management of risks

The Board of Trustees has established a specific internal audit function in partnership with the University of Brighton. The internal audit role includes giving advice on financial and other matters and performing a range of checks on the Trust's financial and other systems. The internal audit programme for 2020/21 was agreed by the Risk and Audit Committee and focused on (i) Complaints processes, (ii) Safer recruitment processes, (iii) Payroll, (iv) Admissions processes, (v) Role of Local Boards and (vi) Staff wellbeing. The internal auditor has delivered their schedule of work as planned and confirmed that five of these audits resulted in a reasonable level of assurance, and one resulted in limited assurance. The Risk and Audit Committee monitors the management actions taken to address the recommendations from each audit.

On an annual basis, the internal auditor reports to the Board of Trustees, through the Risk and Audit 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 outcomes of individual internal audits are reported to the Board of Trustees through the Risk and Audit Committee three times a year.

Review of Effectiveness

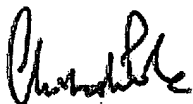
As Accounting Officer, the Chief Executive has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- The work of the internal auditor
- The work of the external auditor
- The work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

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The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Risk and Audit Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the Board of Trustees on 7 December 2021 and signed on its behalf by:



.....
Professor C Pole
Trustee



.....
Dr J Smith
Accounting Officer

Statement on Regularity, Propriety and Compliance

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

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

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



Dr J Smith
Accounting Officer
7th December 2021

Statement of Trustees' Responsibilities

The Trustees (who act as trustees for the University of Brighton Academies Trust and are also the directors of the University of Brighton Academies Trust for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Annual Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the 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 Trust and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- Make judgments and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 transactions and disclose with reasonable accuracy at any time the financial position of the Trust 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 Trust 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 Trust applies financial and other controls, which conform to the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the Board of Trustees on 7 December 2021 and signed on its behalf by:



.....
Professor C Pole
Trustee

Independent Auditor's Report to the Members of University of Brighton Academies Trust

Opinion

We have audited the accounts of The University of Brighton Academies Trust for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021.

Basis for opinion

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

Conclusions relating to going concern

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

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. If,

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based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report, including the incorporated strategic report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts 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 Statement of Trustees' Responsibilities, the Trustees' are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Trustees' are responsible for assessing the 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 charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and

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perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of senior leadership, Trustees and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations including compliance with the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency;
- Performing audit work over the recognition of grant income and the allocation of expenditure to funds;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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 of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

Use of our report

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

Azets Audit Services Limited

Michelle Wilkes FCA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

17 December 2021

Chartered Accountants
Statutory Auditor

Greytown House
221-227 High Street
Orpington
Kent
United Kingdom
BR6 0NZ

Independent Reporting Accountant's Assurance Report on Regularity to University of Brighton Academies Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 02 July 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by University of Brighton Academies Trust during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to University of Brighton Academies Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the University of Brighton Academies 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 University of Brighton Academies Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of University of Brighton Academies Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of University of Brighton Academies Trust's funding agreement with the Secretary of State for Education dated 20 March 2015 and the Academies Financial Handbook, extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2020 to 2021 issued by 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 trust's income and expenditure.

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated

University of Brighton Academies Trust

with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion as well as additional testing based on our assessment of risk of material irregularity.

Conclusion

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

Azets Audit Services Limited

Reporting Accountant

Azets Audit Services
Greytown House
221-227 High Street
Orpington
Kent
BR6 0NZ

Dated: 17 December 2021

University of Brighton Academies Trust

Statement of Financial Activities for the year ended 31 August 2021

Including Income and Expenditure Account

		Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2021	Total 2020
	Note	£000	£000	£000	£000	£000
Income and endowments from:						
Donations and capital grants	3	97	-	2,291	2,388	1,274
Charitable activities:						
Funding for the academy trust's educational operations	4	-	44,977	-	44,977	41,861
Teaching Schools	4,5,28	-	246	-	246	211
Other trading activities	5	1,465	24	-	1,489	1,368
Investments	6	3	-	-	3	29
Total		1,565	45,247	2,291	49,103	44,744
Expenditure on:						
Charitable activities:						
Academy trust educational operations	7	100	47,506	2,695	50,301	48,941
Teaching Schools	7,28	-	219	-	219	201
Total		100	47,725	2,695	50,520	49,142
Net income / (expenditure)		1,465	(2,478)	(404)	(1,417)	(4,398)
Transfers between funds	18	20	(20)	-	-	-
Other recognised gains / (losses):						
Actuarial (losses) / gains on defined benefit pension schemes	18,26	-	(4,130)	-	(4,130)	(3,314)
Net movement in funds		1,485	(6,628)	(404)	(5,547)	(7,712)
Reconciliation of funds						
Total funds brought forward		2,398	(17,887)	99,808	84,319	92,031
Total funds carried forward		3,883	(24,515)	99,404	78,772	84,319

University of Brighton Academies Trust

Statement of Financial Activities for the year ended 31 August 2021

Including Income and Expenditure Account

Comparative year information - Year Ended 31 August 2020

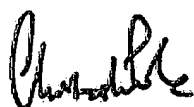
		Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2020
	Note	£000	£000	£000	£000
Income and endowments from:					
Donations and capital grants	3	106	-	1,168	1,274
Charitable activities:					
Funding for the academy trust's educational operations	4	-	41,861	-	41,861
Teaching Schools	4,5,28	-	211	-	211
Other trading activities	5	1,368	-	-	1,368
Investments	6	29	-	-	29
Total		1,503	42,073	1,168	44,744
Expenditure on:					
Charitable activities:					
Academy trust educational operations	7	780	45,786	2,374	48,941
Teaching Schools	7,28	-	201	-	201
Total		780	45,988	2,374	49,142
Net income / (expenditure)		723	(3,915)	(1,206)	(4,398)
Transfers between funds	18	(1,060)	1,060	-	-
Other recognised gains / (losses):					
Actuarial (losses) / gains on defined benefit pension schemes	18,26	-	(3,314)	-	(3,314)
Net movement in funds		(337)	(6,169)	(1,206)	(7,712)
Reconciliation of funds					
Total funds brought forward		2,735	(11,718)	101,014	92,031
Total funds carried forward		2,398	(17,887)	99,808	84,319

University of Brighton Academies Trust

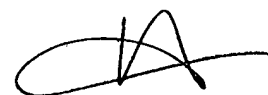
Balance sheet as at 31 August 2021

	Notes	2021 £000	2021 £000	2020 £000	2020 £000
Fixed assets					
Tangible assets	13		97,498		98,162
Current assets					
Stock	14	-	-	-	-
Debtors	15	1,352		1,374	
Cash at bank and in hand	24	9,014		6,894	
		<u>10,366</u>		<u>8,268</u>	
Liabilities					
Creditors: Amounts falling due within one year	16	(3,982)		(4,225)	
Net current assets			<u>6,384</u>		<u>4,043</u>
Total assets less current liabilities			<u>103,882</u>		<u>102,206</u>
Defined benefit pension scheme liability	26		(25,110)		(17,887)
Total net assets			<u>78,772</u>		<u>84,319</u>
Funds of the academy trust:					
Restricted funds					
. Fixed asset fund	18	99,404		99,808	
. Restricted General fund	18	595			
. Pension reserve	18	(25,110)		(17,887)	
Total restricted funds			<u>74,889</u>		<u>81,921</u>
Unrestricted income funds	18		<u>3,883</u>		<u>2,397</u>
Total funds			<u>78,772</u>		<u>84,319</u>

The financial statements on pages 33 - 55 were approved by the trustees, and authorised for issue on 7th December 2021 and are signed on their behalf by:



.....
Professor Christopher Pole
Chair



.....
Dr John Smith
Chief Executive and Accounting Officer

Statement of Cash Flows for the year ended 31 August 2021

	Note	2021 £000	2020 £000
Cash flows from operating activities			
Net cash provided by (used in) operating activities	21	280	(2,689)
Cash flows from investing activities	23	1,959	1,197
Cash flows from financing activities	22	(119)	(119)
Change in cash and cash equivalents in the reporting period		2,120	(1,611)
Cash and cash equivalents at 1 September 2020		6,894	8,505
Cash and cash equivalents at the 31 August 2021	24	9,014	6,894

Notes to the accounts for the year ended 31 August 2021

1. Accounting Policies

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

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 financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

University of Brighton Academies Trust meets the definition of a public benefit entity under FRS 102.

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 charitable 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.

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 receivable

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 period 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 grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

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

University of Brighton Academies Trust

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 'Income from other trading activities'.

Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is 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 are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

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.

Governance costs

These include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management, trustees' meetings and reimbursed expenses.

Tangible fixed assets and depreciation

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Land and buildings	125 years, land is not depreciated
Computer equipment	3-10 years
Fixtures, fittings & equipment	5 years

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.

Liabilities

University of Brighton Academies Trust

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

Leasing commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

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. Prepayments are not financial instruments.

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

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Taxation

The academy 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 benefits

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 and the assets are held separately from those of the academy trust.

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 26, 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 are recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

Fund accounting

University of Brighton Academies Trust

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/donor and include grants from the Education and Skills Funding Agency/Department for Education.

2. Critical accounting estimates and areas of judgement

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

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2017 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation, and the physical condition of the assets. See note 13 for the carrying amount of the property plant and equipment and note 1 for the useful economic lives for each class of assets.

Bad debts

Debtors are regularly reviewed for recoverability, any debts which in the opinion of management are not recoverable are provided for as a specific bad debt.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

University of Brighton Academies Trust

3. Donations and Capital Grants

	Unrestricted Funds £000	Restricted Funds £000	Total 2021 £000	Total 2020 £000
Capital Grants	-	1,956	1,956	1,168
DfE Laptops	-	335	335	-
Donations	97	-	97	106
	97	2,291	2,388	1,274

4. Funding for the Academy Trust's Educational Operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2021 £000	Total 2020 £000
DfE / ESFA grants				
. General Annual Grant (GAG)	-	35,752	35,752	33,716
. Pupil Premium	-	2,652	2,652	2,438
. Teachers Pension Grant	-	1,251	1,251	1,065
. UIFSM	-	531	531	564
. Teachers Pay Grant	-	438	438	605
. PE Sports Grant	-	306	306	168
. Rates Reclaim	-	230	230	230
. Teaching School grants	-	106	106	118
. Summer schools programme	-	85	85	-
. Year 7 Catch Up Grant	-	39	39	34
. Other DfE/ESFA grants	-	202	202	79
	-	41,592	41,592	39,017
Other Government grants				
Local authority grants	-	2,761	2,761	2,777
	-	2,761	2,761	2,777
COVID-19 additional funding (DfE/ESFA)				
. Catch-up premium	-	615	615	-
. Other DfE/ESFA COVID-19 funding	-	115	115	185
	-	730	730	185
	-	45,083	45,083	41,979

The trust received additional COVID related funding for Mass Testing (£98k) and Academies Emergency Support (£17k), which the trust utilised to cover the additional costs associated with each.

The trust received £615k of funding for catch-up premium and costs incurred in respect of this funding totalled £423k, with the remaining £192k to be spent in 2021/22.

Expenditure was split across direct staff costs (31%), agency & staff development (33%) and non-staff costs, such as premises, educational supplies and services and technology (35%).

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the DfE/ESFA, the academy trust's funding for UIFSM, Pupil Premium, Year 7 catch up, PE Sports Grant, Rates Reclaim and Teachers Pay Grant no longer reported under the Other DfE/ESFA grants heading, but as separate lines under DfE/ESFA grants heading. The prior year numbers have been reclassified.

University of Brighton Academies Trust

5. Other Trading activities

	Unrestricted Funds	Restricted Funds	Total 2021	Total 2020
	£000	£000	£000	£000
Insurance	445	-	445	221
Nursery	220	-	220	153
Before/After school clubs	147	-	147	175
Teaching School	-	140	140	93
School to School Support	91	-	91	33
School Trips	88	-	88	191
Hire of facilities	68	-	68	152
Catering income	65	-	65	121
Student/teacher placement	47	-	47	42
Other income	294	24	318	280
	1,465	164	1,629	1,462

6. Investment Income

	Unrestricted Funds	Restricted Funds	Total 2021	Total 2020
	£000	£000	£000	£000
Short term deposits	3	-	3	29
	3	-	3	29

7. Expenditure

	Staff Costs	Non-Pay Premises	Expenditure Other	Total 2021	Total 2020
	£000	£000	£000	£000	£000
Academy's educational operations:					
. Direct costs	28,952	689	3,145	32,786	31,594
. Allocated support costs	10,590	4,241	2,684	17,515	17,347
Teaching Schools					
. Direct costs	106	-	76	182	170
. Allocated support costs	29	-	8	37	31
	39,677	4,930	5,913	50,520	49,142

Net income/(expenditure) for the period includes:

	2021	2020
	£000	£000
Operating lease rentals	199	110
Depreciation	1,032	716
Fees payable to auditor for:		
- audit	40	43
- other services	2	-
Net interest on defined benefit pension liability	295	245

University of Brighton Academies Trust

8. Charitable Activities

	Total	Total
	2021	2020
	£000	£000
Direct costs – educational operations	32,786	31,594
Direct costs – teaching schools	182	170
Support costs – educational operations	17,515	17,347
Support costs – teaching schools	37	31
	50,520	49,142

Analysis of costs	Teaching Schools £000	Educational operations £000	Total 2021 £000	Total 2020 £000
Direct Costs				
Teaching and educational support staff costs	106	28,952	29,058	27,630
Educational supplies and services	47	2,483	2,530	2,181
Depreciation	0	689	689	686
Examination fees	0	191	191	255
Staff development	0	181	181	215
Educational consultancy	29	118	147	378
Other costs	0	172	172	419
Total direct costs	182	32,786	32,968	31,764
Support costs				
Support staff costs	29	10,590	10,619	10,082
Technology costs	0	682	682	926
Recruitment and support	1	133	133	183
Maintenance of premises and equipment	0	2,432	2,432	2,219
Depreciation	0	343	343	30
Cleaning	0	391	391	390
Energy costs	0	416	416	562
Rent and rates	0	263	263	258
Insurance	0	396	396	420
Security and transport	0	68	68	94
Catering	1	896	897	1,240
Finance costs	0	297	297	246
Governance costs	2	163	165	276
Other support costs	4	445	449	451
Total support costs	37	17,515	17,552	17,378

Following a review, the academy trust has reclassified some support costs and have restated the prior year figures.

University of Brighton Academies Trust

9. Staff

a. Staff costs

Staff costs during the period were:

	Total	Total
	2021	2020
	£000	£000
Wages and salaries	27,365	25,964
Social security costs	2,586	2,369
Pension costs	8,696	8,266
	38,647	36,599
Supply staff costs	875	1,019
Key management staff	62	69
Staff restructuring costs	93	25
	39,677	37,712
Staff restructuring costs comprise:		
Redundancy payments	76	7
Severance payments	17	18
	93	25

b. Non statutory/non contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual payments totalling £17k (2020: £18k). Individually, the payments were: £6k and £11k

c. Staff numbers

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

	2021	2020
	No.	No.
Teachers	437	431
Administration and support	712	702
Management	26	26
	1,175	1,159

d Higher paid staff

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

	2021	2020
	No.	No.
£60,001 - £70,000	20	14
£70,001 - £80,000	4	4
£80,001 - £90,000	3	5
£90,001 - £100,000	4	4
£100,001 - £110,000	1	-
	32	27

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e Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 4. 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 £431k (2020: £390k).

The table above has been restated to include reimbursements to The University of Brighton (UoB) for the CEO in 2020 which has added 1 to the £60,001-£70,000 band. The CEO became an employee of The University of Brighton Academies Trust from May 2021.

10. Central Services

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

- Human Resources
- Financial Services
- Estates Management
- Information and Communication Technology
- Marketing and Communications
- Educational Support Services
- Leadership and Governance

As the trust pools its GAG income, there is no specific charge made to individual school budgets for the provision of those services. Instead, they are funded by a proportion of GAG which is retained centrally for this purpose.

11. Related Party Transactions - Trustees' Remuneration and Expenses

Trustees did not receive any payments other than expenses from the academy trust in respect of their role as Trustees. During the year ended 31 August 2021 expenses totalling £0 (2020: £80) were reimbursed to nil trustees (2020: 1 trustees).

12. Trustees' and Officers' Insurance

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £1,000,000 on any one claim. It is not possible to quantify the trustees' and officers' indemnity element from the overall cost of the RPA scheme.

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13. Tangible Fixed Assets

	Land and Buildings £000	Furniture and Equipment £000	Computer Hardware £000	Total £000
Cost				
At 1 September 2020	102,384	1,433	2,943	106,760
Additions	-	33	335	368
At 31 August 2021	102,384	1,466	3,278	107,128
Depreciation				
At 1 September 2020	4,234	1,424	2,940	8,598
Charged in year	689	5	338	1,032
At 31 August 2021	4,923	1,428	3,278	9,630
Net book values				
At 31 August 2020	98,150	9	3	98,162
At 31 August 2021	97,461	37	0	97,498

Land valued at £16,642k is included within land and buildings and is not depreciated.

14. Stock

The trust held no stock at the year ended 31st August 2021.

15. Debtors

	2021 £000	2020 £000
Trade debtors	142	99
VAT recoverable	254	436
Other debtors	708	617
Prepayments and accrued income	248	223
	1,352	1,375

16. Creditors: Amounts Falling due within one year

	2021 £000	2020 £000
Trade creditors	537	615
Other taxation and social security	615	540
Other creditors	895	555
Accruals and deferred income	1,935	2,514
	3,982	4,224

Deferred income

	2021 £000	2020 £000
Deferred income at 1 September 2020	1,149	1,258
Released from previous years	(1,149)	(1,258)
Resources deferred in the year	701	1,149
Deferred Income at 31 August 2021	701	1,149

At the balance sheet date the academy trust was holding funds received in advance for UIFSM, School Condition Allocation, Growth Fund, High Needs Top Up Funding and Early Years Advance for the 2021/22 academic year.

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17. Contingent Liability Disclosure

Pay calculations for term-time only employees:

On the basis of legal advice provided to the Trust, the Trust is awaiting the outcome of the Harpur vs Brazel case (appeal hearing date set for 9th November 2021) before taking any action. The outcome of this appeal, in favour of Brazel, is not yet deemed probable.

18. Funds

	Balance at 1 September 2020 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2021 £000
Restricted general funds					
General Annual Grant (GAG)	-	35,752	(35,752)	-	-
Pupil Premium	-	2,652	(2,436)	-	216
Teachers Pension Grant	-	1,251	(1,251)	-	-
UFSM	-	531	(531)	-	-
Teachers Pay Grant	-	438	(438)	-	-
PE Sports Grant	-	306	(209)	-	97
Rates Reclaim	-	230	(230)	-	-
Teaching School grants	-	246	(246)	-	-
Summer schools programme	-	85	(85)	-	-
Year 7 Catch Up Grant	-	40	(40)	-	-
Other grants/income	-	3,101	(2,991)	(20)	90
C19 - Catch up premium	-	615	(423)	-	192
Pension reserve	(17,887)	0	(3,093)	(4,130)	(25,110)
	(17,887)	45,247	(47,725)	(4,150)	(24,515)
Restricted fixed asset funds					
DfE/ESFA capital grants	1,646	1,956	(1,663)	(33)	1,906
General fixed assets	98,162	335	(1,032)	33	97,498
	99,808	2,291	(2,695)	0	99,404
Total restricted funds	81,921	47,538	(50,420)	(4,150)	74,889
Unrestricted funds					
Unrestricted funds	2,398	1,565	(100)	20	3,883
Total unrestricted funds	2,398	1,565	(100)	20	3,883
Total funds	84,319	49,103	(50,520)	(4,130)	78,772

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

General Annual Grant - Income from the ESFA which is to be used for the normal running costs of the Trust including education and support costs.

Other DfE/ESFA COVID-19 funding - includes grants from the ESFA /DfE in relation to mass testing and FSM additional costs

Other government grants - includes grants from the ESFA e.g. teachers pay and pensions grant. In addition to, grants from LEA mainly for Early Years Education Entitlement (EYEE) for Nursery and High needs funding to fund further support for students with additional needs.

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Restricted Fixed Asset Funds:

DfE/ESFA capital grants - represent amounts received from the ESFA including Devolved formula capital (DFC) grant and MAT School Condition Allocation (SCA). DFC funding can be used for improvements and repairs to buildings and other facilities, including ICT or repairs, refurbishment and minor works in accordance with priorities set by the academies. SCA is specifically to ensure that our academy buildings are kept in good condition and that all children can learn in a safe and effective environment.

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

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2020 £000
Restricted general funds					
General Annual Grant (GAG)	-	33,716	(34,776)	1,060	-
Pupil Premium	-	2,438	(2,438)	-	-
Teachers Pension Grant	-	1,065	(1,065)	-	-
Teachers Pay Grant	-	605	(605)	-	-
UIFSM	-	564	(564)	-	-
Rates Reclaim	-	229	(229)	-	-
PE Sports Grant	-	168	(168)	-	-
Year 7 Catch Up Grant	-	34	(34)	-	-
Other grants	-	3,253	(3,253)	-	-
Pension reserve	(11,718)	-	(2,855)	(3,314)	(17,887)
	(11,718)	42,073	(45,988)	(2,254)	(17,887)
Restricted fixed asset funds					
DfE/EFA capital grants	2,136	1,168	(1,658)	-	1,646
General fixed assets	98,878	-	(716)	-	98,162
	101,014	1,168	(2,374)	-	99,808
Total restricted funds	89,296	43,241	(48,362)	(2,254)	81,921
Unrestricted funds					
Unrestricted funds	2,735	1,503	(780)	(1,060)	2,398
Total unrestricted funds	2,735	1,503	(780)	(1,060)	2,397
Total funds	92,031	44,744	(49,142)	(3,314)	84,319

Analysis of academies by fund balance

Fund balances at 31 August 2021 were allocated as follows:

	Total 2021 £000	Total 2020 £000
Central services	3,883	2,398
Total before fixed assets and pension reserve	3,883	2,398
Restricted fixed asset fund	99,404	99,808
Restricted General fund	595	0
Pension reserve	(25,110)	(17,887)
Total	78,772	84,319

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From the 1st September 2018 the Trust has operated a policy of GAG pooling. As a consequence, there are no separately identifiable reserves at the academy level.

Central Services costs represent 19.7% of Trust total income, or 13.2% excluding depreciation and FRS102 adjustments.

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

	Teaching & Educ Support Staff Costs £000	Other Support Staff Costs £000	Educ Supplies £000	Other Costs (excluding Depn) £000	Total 2021 £000	Total 2020 £000
Baird Primary Academy	1,701	382	94	208	2,386	2,222
Blackthorns Primary Academy	741	206	59	100	1,105	1,061
Churchwood Primary Academy	990	282	54	119	1,446	1,392
Desmond Anderson Primary Academy	1,802	461	44	192	2,499	2,323
Dudley Infant Academy	664	167	53	97	982	904
Hollington Primary Academy	1,476	434	70	188	2,168	2,102
Holmbush Primary Academy	732	233	63	118	1,146	1,040
Lindfield Primary Academy	1,852	367	106	343	2,667	2,432
Pound Hill Infant Academy	883	247	42	151	1,323	1,290
Robsack Wood Primary Academy	1,660	807	130	229	2,827	2,729
Silverdale Primary Academy	2,113	461	95	284	2,954	2,875
West St Leonards Primary Academy	1,522	341	148	217	2,228	2,107
The Burgess Hill Academy	3,246	759	132	426	4,563	4,379
The Hastings Academy	3,657	1,148	341	716	5,863	5,582
The St Leonards Academy	5,797	1,327	589	1,108	8,819	8,374
Central services	225	3,290	130	2,869	6,514	7,612
	29,061	10,912	2,150	7,365	49,488	48,426

19. Analysis of Net Assets between Funds

Fund balances at 31 August 2021 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	97,498	97,498
Current assets	3,883	4,577	1,906	10,366
Liabilities	-	(3,982)	-	(3,982)
Pension scheme liability	-	(25,110)	-	(25,110)
Total net assets	3,883	(24,515)	99,404	78,772

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
Tangible fixed assets	-	-	98,162	98,162
Current assets	2,397	4,224	1,646	8,267
Liabilities	-	(4,224)	-	(4,224)
Pension scheme liability	-	(17,887)	-	(17,887)
Total net assets	2,397	(17,887)	99,808	84,319

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20. Commitments under operating leases

Operating Leases

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

	2021	2020
	£000	£000
Amounts due within one year	39	85
Amounts due between one and five years	50	51
Amounts due after five years	-	2
	89	138

21. Reconciliation of Net Income/(expenditure) to Net Cash Flow from Operating Activities

	2021	2020
	£000	£000
Net income/(expenditure) for the reporting period (per the statement of financial activities)	(1,417)	(4,398)
Adjusted for:		
Depreciation charges (note 13)	1,032	716
Fixed Asset additions (note 13)	(368)	-
Capital grants from DfE and other capital income	(1,956)	(1,168)
Interest receivable (note 5)	(3)	(29)
Defined benefit pension scheme cost less contributions payable (note 26)	2,798	2,610
Defined benefit pension scheme finance cost (note 26)	295	245
(Increase)/decrease in stocks	-	-
(Increase)/decrease in debtors	23	(114)
Increase/(decrease) in creditors	(124)	(550)
Net cash provided by / (used in) Operating Activities	(280)	(2,689)

22. Cash Flows from Financing Activities

	2021	2020
	£000	£000
Repayments of borrowing	(119)	(119)
Cash inflows from new borrowing	-	-
Net cash provided by / (used in) financing activities	(119)	(119)

23. Cash Flows from Investing Activities

	2021	2020
	£000	£000
Dividends, interest and rents from investments	3	29
Capital grants from DfE/EFA	1,956	1,168
Net cash provided by / (used in) investing activities	1,959	1,197

24. Analysis cash and cash equivalents

	At 31 st Aug 2021	At 31 st Aug 2020
	£000	£000
Cash in hand and at bank	4,464	2,346
Notice deposits (less than 3 months)	4,550	4,548
Total cash and cash equivalents	9,014	6,894

25. 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.

26. 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 Sussex County Council Pension Fund and the East Sussex County Council Pension Fund. Both are multi-employer defined benefit pension schemes.

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

Contributions amounting to £665k were payable to the schemes at 31 August 2021 (2020: £434k) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £3,743k (2020: £3,524k).

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 trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee administered funds. The total contribution made for the year ended 31 August 2021 was £2,658k (2020: £2,682k), of which employer's contributions totalled £2,061k (2020: £2,095k) and employees' contributions totalled £597k (2020: £587k). The agreed contribution rates for future years are between 19.5% and 24.7% for employers and between 5.5% and 12.5% for employees.

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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.

Total contributions made	2021	2020
	£000	£000
Employer's contributions	2,061	2,095
Employees' contributions	597	587
Total contributions	2,658	2,682

Principal Actuarial Assumptions	At 31 August 2021	At 31 August 2020
Rate of increase in salaries	2.85% - 3.4%	2.2% - 2.7%
Rate of increase for pensions in payment/inflation	2.9%	2.2%
Discount rate for scheme liabilities	1.7%	1.7%
Inflation assumption (CPI)	2.9%	2.3%
Commutation of pensions to lump sums	50.0%	50.0%

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

	At 31 August 2021	At 31 August 2020
<i>Retiring today</i>		
Males	21.2 - 22.1	21.6 - 22.2
Females	23.7 - 24.4	23.9 - 24.2
<i>Retiring in 20 years</i>		
Males	22.0 - 23.1	22.5 - 23.3
Females	25.1 - 26.1	25.3 - 25.9

Scheme liabilities would have been affected by changes in assumptions as follows:

	2021	2020
	£000	£000
Discount rate -0.1%	1,706	6,545
1 year increase in member life expectancy	2,694	-
Salary rate + 0.1%	126	521
CPI rate +0.1%	1,559	5,921

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

	Fair value at 31 August 2021	Fair value at 31 August 2020
	£000	£000
Equity instruments	26,027	19,072
Debt instruments	8,407	8,149
Property	2,849	2,705
Other Assets	932	1,107

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Total market value of assets	38,215	31,033
Actual return on scheme assets	4,951	3,035

Amounts recognised in the statement of financial activities

	2021	2020
	£000	£000
Current service cost (net of employee contributions)	4,840	4,705
Past service cost	-	-
Interest income	(547)	(506)
Interest cost	842	751
Administration expenses	19	-
Total operating charge	5,154	4,950

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

	2021	2020
	£'000	£'000
At 1 September	48,920	37,406
Current service cost	4,806	4,705
Interest cost	842	751
Employee contributions	597	587
Actuarial (gain)/loss	8,534	5,843
Benefits paid	(408)	(372)
Past service cost	34	-
At 31 August	63,325	48,920

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

	2021	2020
	£'000	£'000
At 1 September	31,033	25,688
Interest income	547	506
Actuarial gain/(loss)	4,404	2,529
Administration Expenses	(19)	-
Employer contributions	2,061	2,095
Employee contributions	597	587
Benefits paid	(408)	(372)
At 31 August	38,215	31,033

27. 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. All transactions involving such organisations are conducted in accordance with the requirements of the AFH, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period.

The University of Brighton is the sponsor of the Trust and provides managerial and administrative support to enable the Trust to achieve its objectives. A member of the Trust's Senior Management Team (Chief Executive)

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has a contract of employment with the University of Brighton to May 2021, and the salary costs re-charged to the Trust were £65k (2020: £69k).

Analysis per category:

	Income £000	Expenditure £000	Net £000
Staff Costs			
Staff salaries	-	(65)	(65)
	0	(65)	(65)
Others			
Sch Direct /Scholarship Fees /Mentorship	25	(2)	23
Internal Audit Services	-	(31)	(31)
	25	(33)	(8)
Total	25	(98)	(73)

Each of these are provided 'at cost' and offer considerable value for money for the Trust.

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28. Teaching Schools Trading Account

	2021 £'000	2021 £'000	2020 £'000	2020 £'000
Income				
Grants	233		207	
Other income	13		5	
		246		211
Expenditure				
Direct costs				
Direct Staff Costs	106		103	
Educational Supplies and Services	36		26	
Staff development	0		13	
Other direct costs	40		29	
Total direct costs	(182)		(172)	
Indirect costs				
Support staff costs	29		22	
Technology costs	0		0	
Maintenance of premises and equipment	0		0	
Security and transport	0		0	
Other support costs	8		7	
Total indirect costs	(37)		(30)	
Total expenditure		(219)		(201)
Surplus/(Deficit) from all sources		27		10
Teaching school balances at 1 September 2020		36		26
Teaching school balances at 31 August 2021		63		36