

Barton Court Academy Trust
(A company limited by guarantee)

Annual report and financial statements

For the year ended 31 August 2021



Barton Court Academy Trust
(A company limited by guarantee)

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**Reference and administrative details of the academy, its trustees and advisers
for the year ended 31 August 2021**

Members	Dr. W. Speed Dr. M. Ferber Dr. P. Klappa (resigned 31.5.21) Miss. F. Adam (appointed 20.01.20) Mr. D. Rogers (appointed 1.06.21) Mrs. V. Elgar (appointed 06.10.21)
Trustees	Dr. W. Speed, Chair of Trustees (resigned 20.08.21) ^{1,2,3,4,5} Mrs. V. Elgar (resigned 05.10.21) ^{1,2,3,4,5} Ms. K. Cardus, Executive Headteacher ^{1,2,3} Mr. M. Blake ^{1,2} Mrs. P.E. Watts (Chair of Trustees from 21.08.21) ^{1,2,3,4,5} Ms. A. Umaria ^{2,3,5} Mrs. S. Webb (appointed 04.02.21) ^{1,2,3} Mr. R. Waterson (appointed 06.07.21) ^{2,4} Mr. A. Ashfaq (appointed 06.07.21) ² Mrs. C. Crooks (appointed 06.07.21) ^{3,4} Mr. A. Crocker (appointed 01.09.21) ^{1,,4,5} Ms. F. Reizopoulou (appointed 1.09.20, resigned 31.08.21) ^{1,4} ¹ member of the Finance & Premises Committee ² member of the Quality Assurance Committee ³ member of the Personnel Committee ⁴ member of the Audit & Risk Committee ⁵ member of the Pay Committee
Company registered number	07711925
Company name	Barton Court Academy Trust
Principal and registered office	Barton Court Academy Trust Longport Canterbury Kent CT1 1PH
Company Secretary	Mrs. K. Mclean (from 6 October 2021)
Chief Executive Officer	Ms. K. Cardus
Senior Management Teams	Barton Court Grammar School Ms. K. Cardus, Executive Headteacher Mr. J Hopkins, Headteacher Mrs. C. Benard-Grosso, Deputy Headteacher Ms. A. Haley, Deputy Headteacher Mr. O. Mitchell, Assistant Headteacher Ms. S. Smith, Assistant Headteacher (appointed 01.09.20) Mr. A. White Associate Assistant Headteacher (appointed 01.06.21) The Charles Dickens School Ms. K. Cardus, Executive Headteacher Mr. W. Smith, Headteacher Mr. R. Morgan, Senior Deputy Headteacher Mrs. C. Benard-Grosso, BCAT Deputy Headteacher Mrs. K. Harrison, Deputy Headteacher Mr. R. Henderson, Assistant Headteacher Mr. D. Lee, Assistant Headteacher Ms. L. Lebby, Assistant Headteacher

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**Reference and administrative details of the academy, its trustees and advisers
for the year ended 31 August 2021**

Trust Business Management Team	Mrs. T. Swift, Trust Finance & Premises Manager Mr. M. Blake, ICT Strategy & Projects Manager Mrs. R. Light, PA to EHT, Personnel & Marketing Manager
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Independent auditors	UHY Kent LLP t/a UHY Hacker Young Chartered Accountants and Statutory Auditors Thames House Roman Square Sittingbourne Kent ME10 4BJ
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Bankers	Nat West Bank plc 11 The Parade Canterbury Kent CT1 2SQ
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Trustees' report
For the year ended 31 August 2021

The trustees present their annual report together with the financial statements and auditors' report of the Academy Trust for the year ended 31 August 2021.

The Academy Trust operates two secondary academies in East Kent; Barton Court Grammar School, an 11- 19 years coeducational selective school in the heart of Canterbury city centre and The Charles Dickens School, an 11 – 16 years coeducational secondary school in Broadstairs. The two schools have a combined capacity of 2,148 with 2,093 on roll in the October 2020 Census.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust was incorporated on 20 July 2011 as a company limited by guarantee and an exempt charity. The memorandum and articles of association are the primary governing documents of the Academy Trust.

Barton Court Grammar School Academy Trust changed its name to Barton Court Academy Trust (BCAT) upon alteration of its articles on 27 September 2016 in anticipation of becoming a multi-academy trust (MAT). The Charles Dickens School joined BCAT on 1 March 2017 and Barton Court Grammar School is the Lead School of the MAT.

Details of the trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on page 1.

The trustees are also the directors of the Academy Trust for the purposes of company law.

Members' liability

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

Trustees' indemnities

The Academy Trust maintains trustees' and officers' liability insurance which gives appropriate cover for any legal action brought against its trustees. The Academy Trust has also granted indemnities to each of its trustees and other officers to the extent permitted by law.

Qualifying third party indemnity provisions (as defined by section 234 of the Companies Act 2006) were in force during the period and remain in force, in relation to certain losses and liabilities which the trustees or other officers may incur to third parties in the course of acting as trustees or officers of the Academy Trust.

Details of the insurance cover are provided in note 14 to the financial statements.

Method of recruitment and appointment or election of trustees

Under the terms of its Articles, the Academy Trust shall have the following trustees:

- The number of trustees shall be not less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum;
- The Members may appoint up to 7 trustees;
- A minimum of 2 Parent Trustees elected or appointed under Articles 53-56 in the event that no Local Governing Bodies are established under Article 100a or if no provision is made for at least 2 Parent Local Governors on each established Local Governing Body pursuant to Article 101A;
- The total number of staff trustees, including the Executive Headteacher, should not exceed one third of the total number of trustees;
- The Executive Headteacher shall be treated for all purposes as being an ex officio trustee;
- The trustees may appoint up to 3 Co-opted trustees; and
- Trustees are recruited based upon an identified skill set need. Vacancies are advertised with the National Governors Association, Academy Ambassadors, with stakeholders and within the local community as appropriate. Candidates are shortlisted and interviewed and any successful candidate is approved by the BCAT Board of Directors.

The members may not appoint any trustees unless the total number of trustees is less than three, in which case the members may make the appropriate appointments, in accordance with the Articles.

A trustees' term of office is four years (excluding the Executive Headteacher) but a trustee is eligible for re-election at the meeting at which they retire.

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Trustees' report
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Appropriate training is provided to all new trustees, as required.

Policies and procedures adopted for the induction and training of trustees (see below for number of meetings this year)

During the year under review the Directors/Trustees met 4 times and there were 14 additional committee meetings. The training and induction provided for new trustees will depend on their existing experience. Where necessary induction will provide training on charity and educational, legal, financial and safeguarding matters. All new trustees will be given a tour of the school and the chance to meet with staff and students. All trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as trustees in addition to attending safeguarding training. As there are normally only two or three new trustees a period, induction tends to be done informally and is tailored specifically to the individual.

The number of meetings held by Directors/Trustees between 1 September 2020 – 31 August 2021 was as follows:

BCAT Directors	BCAT Finance	BCAT QA	BCAT Personnel	BCAT Pay	BCAT Audit & Risk
5	4	3	3	1	3

Organisational structure

The organisational structure consists of five levels: the trustees, the local Governing Bodies of each school, the Senior Leadership Team within each school (including the extended Senior Leadership Team which includes Subject Directors), the Trust Business Management Team and Middle Leaders. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy Trust by the use of budgets and making major decisions about the direction of the Academy Trust, capital expenditure and senior staff appointments.

The Senior Leadership Teams consist of one Executive Headteacher, and within each School a Headteacher, two Deputy Headteachers, two or three Assistant Headteachers and one Associate Assistant Headteacher. This group oversees the strategic management of each School within the Trust implementing policies and plans set by the Board of Directors/Trustees. As a group the Senior Leadership Team is responsible for the authorisation of spending within agreed budgets and the appointment of staff. The appointment board for posts in the Senior Leadership Team always contains a Trustee and a Governor from the Local Governing Body. Some spending control is devolved to members of the Trust Business Management Team and Middle Management Team within a set budget.

The Trust Business Management Team is responsible for the Finance, Premises, H&S, ICT Strategy, Projects and Marketing of the Trust.

The Middle Management Team includes Curriculum Leaders, Heads of Year and Lead Practitioners. Along with the Senior Management Team, these managers are responsible for the day to day operation of each School within the Trust, in particular organising the teaching staff, support staff, facilities and students.

Arrangements for setting pay and remuneration of key management personnel

The key management personnel of the Academy Trust comprise the trustees and senior leadership team as disclosed on page 1.

The remuneration policy, setting the terms and conditions for the key management personnel, was developed and approved by the Board of Trustees, after taking advice from the Executive Headteacher and following guidance from the relevant professional pay review bodies. Naturally the Executive Headteacher was not involved in setting his/her own remuneration package.

Only staff trustees, including the Executive Headteacher, are remunerated, and these individuals only receive remuneration in respect of services they provide under their contracts of employment, and not in respect of their role as trustees. Specific disclosures concerning staff trustees' remuneration is included in note 13.

The day to day running of the remuneration policy is delegated to the Executive Headteacher and monitored by the Finance and Premises committee. All details for setting pay and remuneration of key management personnel are set out in the pay policy and appraisal policy which are reviewed annually by the Board of Trustees.

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Arrangements for setting pay and remuneration of key management personnel – cont

Remuneration of key management personnel is set at an individual level, and where possible the trustees have taken external professional advice which includes benchmarking, market trends and advice on structuring of incentives. Senior management salaries are linked closely to pay spines, helping trustees conclude that each individual is remunerated at an appropriate level. As such, salaries are linked to factors such as length of service and experience. Total remuneration packages include employer pension contribution rates at specific approved rates.

The Board always bears in mind the charitable status of the academy trust and recognises the fact that the trust receives funding under a funding agreement with the Secretary of State for Education, and therefore ensures the remuneration paid to senior management personnel never exceeds a reasonable amount that provides value for money to the trust. The performance of senior management personnel is reviewed on a regular basis to ensure continuing value for money.

Total remuneration paid to senior management personnel is set out in note 11(e).

Trade union facility time

The Academy Trust did not have any employees who acted as a union official during the relevant period and therefore no Academy Trust time was spent on union facility matters.

Connected organisations, including related parties

Barton Court Grammar School and The Charles Dickens School work closely together within the Trust but also work closely with other local educational providers such as Canterbury Christ Church University, Kent University and local Teaching School hubs to share best practice, enhance the provision of staff training and educational experience of all students within the Trust.

OBJECTIVES AND ACTIVITIES

Objects and aims

The principal object of the academy trust is the operation of Barton Court Grammar School to provide education for pupils of selective ability between the ages of 11 and 19 and the operation of The Charles Dickens School to provide education for pupils between the ages of 11 and 16.

Objective, strategies and activities

The main objectives of the academy trust during the year ended 31 August 2021 are summarised below:

- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care within the context of a global pandemic of covid-19 and the challenges that presents;
- to raise the standard of educational achievement of all pupils;
- to improve the effectiveness of each school within the Academy Trust by keeping the curriculum and organizational structure under continual review;
- to provide value for money for the funds expended;
- to comply with all appropriate statutory and curriculum requirements; and
- to conduct the academy trust's business in accordance with the highest standards of integrity, probity and openness.

The academy trust's main strategy is encompassed in its mission statement which is:

“Barton Court Academy Trust (BCAT) will provide aspirational educational opportunities in all its academies to improve the life chances of its children and young people; delivered through strong partnerships between staff, students and parents that share our core values of excellence and equity.”

Our values:

Achievement
Challenge/Creativity/Confidence
High Aspiration
Independent thinkers
Equality
Valued
Excellence

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Objective, strategies and activities - cont

The Academy Trust produces an annual Strategic Plan, and each school within the Trust, a School Development Plan, which details how it intends to achieve the aims and objectives for the period. The activities provided include:

- The Trustees propose to expand BCAT over the next 3-5 years with the addition of either new provision, sponsorship or converter academies.
- To open an 11-18yrs non-selective Free School, Barton Manor School, on the former Chaucer site in Canterbury, Kent in September 2022 to year 7 students.
- tuition and learning opportunities for all students to attain appropriate academic qualifications.
- training opportunities for all staff, both teaching and support staff.
- a programme of sporting and after school leisure activities for all students.
- a system of after school clubs.
- a careers advisory service to help students obtain employment or move on to higher education.

Public benefit

Barton Court Academy Trust is a state funded Trust comprising of a Grammar School and a non-selective High School and strives to promote and support the advancement of education within East Kent. In setting our objectives and planning our activities the trustees have given careful consideration to the Charity Commission's general guidance on public benefit, but believe that the Academy Trust's educational aims are demonstrably to the public benefit.

The Trust also aims to contribute to the benefit of the wider public wherever possible, and in particular each School raises funds for various local and national charities each year.

Our students volunteer their time for a variety of events and organisations. Their voluntary activities may count as hours towards their Duke of Edinburgh scheme or may support applications for further work or study. During the academic year 2020 – 21 volunteer work has been limited due to the global pandemic but students have still managed to fund raise within the school environment. In recent years, the events and organisations have included:

- **Charities:** Cancer Research UK, British Legion Poppy Appeal, Porchlight, Marie Curie Cancer Care, Make a Wish Foundation, Kent Air Ambulance, Pilgrims Hospice, MacMillan Cancer Research, Help for Heroes, RAF Benevolent Fund, Kent Dogs for the Blind, Comic Relief, Movember.
- **First aid and medical care:** British Red Cross Peer Education, Headway, Pilgrim's Hospice, Queen Elizabeth the Queen Mother Hospital (A&E department), St John Ambulance, St Martin's Hospital, Strode Park, and veterinary practices.
- **Sporting organisations:** British Rhythmic Gymnastics Team, Canterbury Golf Club, City of Canterbury Swimming Club, Great Britain Ultimate Frisbee Team, Heme Bay Sailing Club, and Kent County Cricket Club.
- **Cultural events and organisations:** Anifest, Beaney Art Museum and Library, Canterbury Festival, Diamond Jubilee Charity Gala, Horsebridge Arts and Community Centre, Model United Nations Conference, and the Royal Court Theatre.
- **Working with children and young people:** Beavers, Brownies, Cubs, Duke of Edinburgh Award, Girl Guides, Kent Youth Council, Language Leaders Award, Messy Church, and Scouts. Additionally, our students have assisted in a wide range of local primary, infant and nursery schools, and in youth clubs.
- **Other organisations:** CCCU, Chatham Historic Dockyard, Kent County Council, Mid-Kent College, and UKC.

Equal opportunities

The trustees recognise that equal opportunities should be an integral part of good practice within the workplace. The Academy Trust aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

Disabled persons

Ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to all areas of the Academy Trust's buildings except the 3 History classrooms at Barton Court. Lifts enable wheelchair access to the majority of the first floor areas. The Charles Dickens School has Visually Impaired Unit and the school is adapted to support this facility and its students. The policy of the Academy Trust is to support recruitment and retention of students and employees with disabilities. The Academy Trust does this by adapting the physical environment, by making support resources available and through training and career development.

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STRATEGIC REPORT

Achievements and performance

The trustees were very pleased with the main academic achievements which can be summarised as follows:

- Barton Court Grammar School was inspected by Ofsted in February 2020 and was graded as "Good" with many outstanding features in areas such as: "Leadership & Management", "Behaviour & Attitudes" and "Personal Development";
- Barton Court Grammar School was reaccredited as an "Advanced Thinking School" by Exeter University in February 2021;
- Barton Court Grammar School Year 13: 71% of all grades at A level were at A*/B, 89% at A*-C, and 99.6% at A*-E;
- Barton Court Grammar School Year 11: 46% of grades at GCSE were at 9 – 7 (A**/A*/A); 98% of students passed both their English and Mathematics GCSE; 97% of students achieved five plus 9 – 4 (A** - C), including English and Mathematics; The A8 score was 66.0, 90% passed the EBACC and the EBACC APS was 6.27.
- The Charles Dickens Schools was inspected by Ofsted in July 2019 and came out of special measures. The school was graded as "Requires Improvement" with "Good" Leadership & Management. Safeguarding was highlighted as a strength.
- The Charles Dickens School Year 11: 9.8% of grades at GCSE were 9 – 7 (A**/A*/A); 47% of students passed both their English and Mathematics GCSE and 44% of students achieved five plus 9 – 4 (A** - C), including English and Mathematics. The A8 score was 38.1; 12.3% passed the EBACC; the EBACC APS was 3.09

Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the Academy 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.

Key performance indicators

The trustees consider that the following are key performance indicators for the Academy Trust:

- Barton Court Grammar School to aim for "Outstanding" status by Ofsted in the next inspection;
- Barton Court Grammar School to maintain Advanced Thinking School Status accredited by Exeter University;
- Barton Court Grammar School to continue to maintain the excellent standards set in terms of pupil attainment and progress so that all students achieve their best and make either the expected progress or more than expected progress at the end of KS4 and KS5; This will be measured by positive P8 score at GCSE and positive Value Added Score at KS5;
- The Charles Dickens School joined BCAT on 1 March 2017 and is supported by the Lead School, Barton Court, to ensure that all students make either expected or more than expected progress at the end of KS4 and this will be measured by a positive P8 score. Success will also be measured by the School achieving a "Good" status by Ofsted by 2022 and an "Outstanding" status by Ofsted by 2025;
- Percentage of income received from ESFA spent on teaching staff to be 65% or less;
- Percentage of income received from ESFA spent on total staff costs to be 85% or less;
- Pupils numbers (leading directly to ESFA funding level), each school within the Trust to recruit into Y7 at PAN (Published Admission Number); and
- General financial stability – aim for expenditure to match income each year. The 5 year financial plan to ensure all schools within the Trust remain financially viable

The trustees have been pleased that expectations for all key performance indicators with respect to income and expenditure, pupil numbers and general financial stability, have been successfully met during the year for Barton Court Grammar School. The Trustees and Leadership were disappointed to lose the Ofsted "Outstanding" status in February 2020, just before the national lockdown due to the pandemic in March 2020, under the new challenging Ofsted framework introduced in September 2019 but the school is making good progress towards its goal of achieving outstanding status once again from Ofsted in the future. Good progress is being made towards the long term KPIs with respect to The Charles Dickens School and an Ofsted Inspection is expected in the academic year 2021 - 22.

Impact of COVID-19 virus

In preparation for full school re-opening in September 2020 the BCAT Risk Assessment was updated again following government guidance and consultation with staff, parents, governors, trustees and unions. Each school prepared a re-opening plan and prepared the site depending on their site layout to ensure we were fully prepared for full re-opening whilst maintaining a COVID secure environment to minimize the risk to all staff and students.

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As a consequence of the COVID-19 virus and the 2nd national lockdown between January 2021 and March 2021 both schools closed for all students except those who were vulnerable and children of key workers. Both schools remained open to these groups during term time with staff working on a rota system between school and at home. Both schools set up Covid-19 test site within the school in early January 2021, with Barton Court using its school hall and The Charles Dickens School its Theatre. Staff and volunteers were trained and the testing sites were used in lockdown 2 to make sure all students and staff who were using the site were regularly tested and when students returned in March both schools were well prepared to test all students and staff as per government guidance.

Marquees were rented for students in both schools so they could remain outside as much as possible during break periods in year group zones and be protected from the weather. Microsoft Teams which was implemented in April 2020 in the first lockdown was used very effectively to provide remote education to all students which included nearly 100% live lessons. DfE laptops and Dongles were issued to students who needed devices to access learning from home and Free School Meal students were sent parcels of stationary and school meal vouchers. Both schools had enhanced cleaning schedules and employed additional staff to ensure this occurred to a very high standard. Students were trained to hand sanitize and clean their desk and chair with anti-bac wipes at the start of each lesson. Face masks were introduced in November 2020 and as a consequence of strict measures cases were kept to a minimum.

Fundraising activities by students unfortunately were suspended as were lettings to the Schools during lockdown 2 which reduced income slightly. We continued to pay all staff on full pay, no staff were furloughed and we honored our contracts with our 3rd party providers such as cleaning and counselling services. Our catering providers are an independent company who chose to furlough their staff with no financial impact upon the Trust.

Additional costs to the Trust due to the Covid-19 virus amounted to £106,378.60 which included:

- a) Costs for extra cleaning service (staffing), marquees, PPE, extra cleaning equipment, anti-bacterial hand sanitiser, foggers and COVID-19 signage
- b) Costs associated with the mass testing centres on each site (staffing stationary, hygienic waste)

Income received to support the mass testing centres was £91,638 which left an overall liability to the Trust of £14,740.60.

Income to the Trust for Educational catch-up was £149,920 and the costs to date for educational catch up are £26,748.62 leaving income to be spent on educational catch up in the academic year 2021- 22 of £123,171.38.

During the first lockdown both schools donated their new minibuses to the NHS for use, in addition to lockers and science goggles. The Barton Court Grammar School DT department made face visors for the NHS, Police and Prison Service as well as for all staff across the Trust in preparation for full re-opening in September 2020. This extra support was not required in the national lockdown period between January and March 2021.

FINANCIAL REVIEW

Most of the Academy Trust's recurrent income is obtained from the ESFA in the form of grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2021 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities ("SoFA"). Core grant income has been supplemented by capital funding and various other self-generated income streams.

Total income for the year was £13.0m up on £11.9m in the previous year. The primary reasons for the increase was the rise in core General Annual Grant funding from £9.9m to £10.9m.

As noted in the 'Impact of Covid-19' section above the trust has also received Covid-19 specific income, although this has been countered by a decline in other funding with income from educational visits down following the cancellation of these trips. Associated costs fell similarly so the net impact of the loss of this income has been minimal.

The incoming resources for the year have not been sufficient to cover total resources expended of £13.3m (2020: £12.7m) resulting in net expenditure for the year of £262k (2020: £761k), as shown on the SoFA. The overall net movement in funds, after actuarial movements on the Local Government defined benefit pension scheme ("LGPS"), was a reduction of £890k (2020: £1.1m). It is important to note that this overall movement in funds does not reflect the meaningful operational result and includes movements that do not relate to day-to-day running of the trust's academies.

The increase in revenue funds during the year was £490k (2020: £394k). This is reconciled from the total movement in funds per the SoFA, adding back movements on tangible fixed assets and the LGPS defined benefit pension liability, in the table below. The 'operational' surplus prior to revenue to capital transfers is also shown:

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	2021 (£000s)	2020 (£000s)
Overall net movement in funds for the year per SoFA	(851)	(1,075)
<u>Add:</u>		
Decrease attributable to fixed asset fund	270	782
LGPS actuarial loss	589	314
LGPS service and interest costs	482	373
Total movement in-year on revenue funds	490	394
Revenue to capital transfers	504	22
Operational surplus on revenue funds prior to capital contribution	994	416

At 31 August 2021, the net book value of fixed assets was £26.7m and movements in tangible fixed assets are shown in note 15 to the financial statements. During the year the assets were used almost exclusively for providing education and the associated support services to the pupils of the trust's academies, the only exceptions to this being limited letting of the premises to local community groups.

Financial position

The multi-academy trust held fund balances at 31 August 2021 of £24.8m (2020: £25.7m). These funds included restricted fixed asset funds of £26.7m (2020: £26.9m) and revenue reserves of £2.7m (2020: £2.2m) split across restricted and unrestricted funds as shown in note 18.

The only fund in deficit was the LGPS pension reserve of £4.6m (2020: £3.5m). The increase in this reserve during the year has arisen because of the £589k actuarial loss that occurred in the financial year, along with the other pension current service and finance costs which total £482k. The increase in the year and the deficit carried at the balance sheet date is not a concern and does not mean that an immediate liability crystallises. It can be described as an accounting deficit which has no direct effect on the employer contribution rate paid by the school, which is determined using longer-term funding assumptions. These contribution rates are reviewed every three years in consultation with the scheme's administrators, and current employer contributions due by the multi-academy trust are fixed until 1 April 2023.

Reserves policy

Barton Court Academy Trust (BCAT) has established a Reserves Policy to protect its activities by providing financial buffers against an unpredictable environment and to make sufficient provision for future cash flow requirements and capital investment. The policy also provides the framework for future strategic planning and decision-making. The development of an effective reserves policy will restrict the impact of any risk upon the continuing operations of the Trust. The policy and the establishment of reserve targets is based upon an annual assessment of the internal and external operating environment and takes account of the Academies Handbook and guidance from the Charity Commission.

The trustees review the reserve levels of the trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The trustees will always try to match income with expenditure in the current year (set and manage a balanced budget), will only carry forward reserves that it considers necessary and will have a clear plan for how it will be used to benefit the pupils.

The trustees have determined that the appropriate level of revenue reserves should be no less than 3 % of GAG income (excluding bursary funds), amounting to approximately £326k. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grant income and to provide a cushion to deal with unexpected emergencies such as urgent maintenance or long term sickness where unforeseen costs are incurred.

As noted in the financial position section above the Academy Trust had sufficient reserves as at 31 August 2021 to meet this target. Most of the restricted funds relate to core General Annual Grant funding which will be used for the main educational operations.

The trustees will continue to monitor the level of reserves to ensure that they are maintained at the required level. In the event that they are partly used the trust will strive to rebuild free reserves up to the level needed.

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Investment Policy

Barton Court Academy Trust Investment Policy ensures that funds within the Trust, are used only in accordance with the law, its articles of association, its funding agreement and the Academies Handbook. The Trust's funds are used in a way that commands broad public support; Value for money (economy, efficiency and effectiveness) is achieved; Trustees/Directors fulfil their duties and responsibilities as charitable trustees and company directors.

When considering whether to make an investment, Trustees/Directors will:

- Act within their powers to invest, as set out in our articles of association
- Exercise caution in all investments, reducing risk and ensuring that the trust acts with the utmost integrity
- Take investment advice from a professional adviser, as appropriate
- Ensure that exposure to investment products is tightly controlled so that security of funds takes precedence over revenue maximisation
- Ensure that all investment decisions are in the best interests of the trust and command broad public support

If Investments are made, the Trust only invest funds in low risk and easily-accessible accounts. Funds will be placed in bank accounts with a withdrawal notice of no more than 12 weeks. Risk is managed through diversification of investments, ensuring that the security of funds takes precedence over revenue maximization. Funds will only be placed with banking institutions that are regulated by the Financial Conduct Authority and with good credit ratings.

BCAT have no investments at this time.

Financial and risk management objectives and policies

The Academy Trust does not use complex financial instruments. It manages its activities using cash and various items such as trade debtors and trade creditors that arise directly from its operations.

The main financial risks that the Academy Trust is exposed to are liquidity risk and cash flow interest rate risk, as explained below.

- *Liquidity risk* - The trust manages its cash resources, including sufficient working capital, so that all its operating needs are met without the need for short-term borrowing.
- *Interest rate risk* - the trust earns interest on cash deposits. With interest rates currently low, the trustees will consider action to increase the income from these deposits, provided it does not jeopardise the liquidity or security of the trust's assets.
- *Credit risk* arises from the possibility that amounts owed to the trust will not be repaid. The trust does not undertake credit activities so it is only exposed to credit risk as it arises from normal business. Credit risk is managed through the use of approved banks and the prompt collection of amounts due.

Principal risks and uncertainties

The main risks that the Trust is exposed to are summarised below. For each of these risks the probability, impact and seriousness have been considered together with appropriate action and avoidance plans:

- *Strategic and Reputational* - This covers unfavourable Ofsted reports, risk of uncontrollable events and insufficient demand for academy service. Competition from other schools with similar objects and little scope for differentiation. Also includes the capacity of existing buildings to deliver teaching and learning to students.
- *Finance risk* - The risk of the Trust not operating within its budget and running a deficit. Risks linked to income not increasing at the same rate of inflation (especially for 6th form pupils) over the coming years. There are also risks in connection with the deficit on the Local Government Pension Scheme, although the trustees are comfortable with the current level of employer contributions the Trust is required to pay.

FUNDRAISING

The students in each school, within the Trust, are very keen to fundraise for good causes and charities. Student Voice each year choose, via a school vote, five charities they wish to support, choosing at least one local, one national and one international charity. A small proportion of the fundraising pot goes to the school fund towards items required that can enhance the whole school student environment.

Barton Court Academy Trust
(A company limited by guarantee)

Trustees' report
For the year ended 31 August 2021

All fundraising events take place in school and are open to student and staff only, with only a few events open to the other stakeholders, such as parents. No events are open to the general public. All events are overseen by the Senior Management Team and the Trust Finance Manager to ensure we conform to recognized standards. We don't work with any commercial participants/professional/external fundraisers. All fundraising undertaken during the year was monitored by the Trustees. Any complaints regarding fundraising would be dealt with by the Trust Complaints policy, but to date we have not received any complaints regarding fundraising.

PLANS FOR FUTURE PERIODS

The trustees' main plans for future periods are:

- To expand provision of Barton Court Grammar School Sixth Form to include a wide range of vocational courses, such as Level 3 BTECs, alongside a wide range of academic courses, such as A levels;
- The Trustees propose to expand BCAT over the next 3 -5 years with the addition of either new provision, sponsorship or converter academies;
- To open a 11-18yrs non-selective Free School, Barton Manor School, on the former Chaucer site in Canterbury, Kent in September 2022 to year 7;
- For The Charles Dickens School to achieve at least a "Good" rating by Ofsted by the next Ofsted inspection expected by the end of the academic year 2021-22;
- For Barton Court Grammar School to achieve "Outstanding" status by Ofsted in the next inspection; and
- All schools within the Trust to continue to offer excellent educational provision and pastoral care and support in a safe environment during COVID-19 related challenges. Whether this be keeping students in school as safe as possible whilst running as smoothly as possible or by offering remote education and support during any lockdowns.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The academy trust distributes 16-19 bursary funds to the students as an agent for the ESFA. Details, including any amounts not dispersed by the financial year end, are disclosed in note 28 to the financial statements.

DISCLOSURE OF INFORMATION TO AUDITORS

In so far as the trustees are aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the trustees have taken all the steps 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.

AUDITORS

The auditors, UHY Hacker Young, have indicated their willingness to remain in office, and the audit process will be reviewed in detail and re-appointment of the auditors will be considered following the forthcoming Annual General Meeting.

This report, incorporating the Strategic report, was approved by order of the Board of Trustees, as the company directors and signed on the Board's behalf by:



Mrs. P.E. Watts
Chair of Trustees



Ms. K. Cardus
Executive Headteacher

Date: 6 December 2021

Barton Court Academy Trust
(A company limited by guarantee)

Governance Statement for the Year Ended 31 August 2021

Scope of responsibility

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

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

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. There have been 20 meetings of the Barton Court Academy Trust Committees, including 5 Directors' meetings, plus the Annual General Meeting which included Members and a Members' end of year meeting.

Between 1 September 2020 – 31 August 2021 attendance at meetings was as follows:

Directors/Trustees (BCAT) 1 September 2020 – 31 August 2021	Trustees	Finance & Premises	Quality Assurance	Personnel	Audit & Risk	Pay	Total Excl. AGM/Memb er meetings, Incl invitations
	<i>Meetings attended/Meetings held</i>						
Dr. W Speed	5/5	5/5	3/3	3/3	3/3	1/1	20/20
Mrs. V Elgar	5/5	5/5	3/3	3/3	3/3	1/1	20/20
Mrs.P Watts	5/5	5/5	3/3	3/3	3/3	1/1	20/20
Ms.K Cardus	5/5	5/5	3/3	3/3	3/3 by invitation		19/19
Mr.M Blake	5/5	5/5	3/3				13/13
Ms. A Umaria	4/5	3/5	2/3	1/3	2/3		12/19
Ms. F. Reizopoulos (appointed 01.09.20, resigned 31.08.21)	2/5	3/5					5/10
Mrs. S. Webb (04.02.21)	3/3	2/2	2/2	2/2			9/9
Mr. R. Waterson (appointed 06.07.21)	1/1						1/1
Mr. A Ashfaq (appointed 06.07.21)	1/1						1/1
Mrs. C Crooks (appointed 06.07.21)	1/1						1/1

The establishment of Barton Court Grammar School Academy in August 2011 required the trustees to select, appoint and develop a skilled and balanced governing body.

Changes to the Barton Court Academy Trust Board during the year included Dr. Speed, who had served as Chair of Trustees since September 2014. Mrs. Watts was initially appointed as Interim Chair on 21 August 2021 to replace him, and her appointment was made official and full time at a board meeting in October 2021.

Governance Reviews:

Between September 2016 and December 2016, the Directors/Trustees had conducted a self-evaluation and restructured its committees in preparation of becoming a Multi-Academy Trust and sponsorship of The Charles Dickens School. The structure consists of a Trust Board and Trust Committees as well as Local Governing Bodies in each School with their own committees. These have been set up to monitor the Trust and each school's performance, and to hold it to account, in the main key areas linked to the Ofsted framework and each School Development Plan. Each committee works closely with members of the Senior Leadership Team responsible and accountable for the School's performance within each area. During academic year 2020-2021 the Trust Board and Local Governing Bodies have completed a self-evaluation, 360 Review of the Chair, skills audit and Governor Action Plan. An external governance review is planned for the autumn term in 2021/22.

The Finance Committee is a sub-committee of the main Board of Trustees. Its purpose is to monitor the financial management of the Trust on behalf of the Board of Trustees. During the year the Finance Committee has reviewed the trust's financial policies, implementing new improved finance systems in both schools, and generally monitored budgets and reviewed the five-year plan.

Governance Statement for the Year Ended 31 August 2021

Review of Value for Money

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

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

- Review of the curriculum offer at KS5 (post-16) at Barton Court Grammar School;
- Review of the curriculum offer at both KS3 and KS4 (GCSEs) at The Charles Dickens School;
- Review of the Hospitality, Engineering and ICT classroom provision at The Charles Dickens School to improve the educational provision of vocational courses offered to students to improve engagement, enjoyment and outcomes;
- Review of the ICT Strategy costs to provide economies of scale and better quality provision and best value.

The purpose of the system of internal control

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

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy 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 ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

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

The board of trustees has decided to buy-in an internal audit service from Kreston Reeves to provide on-going assurance throughout the year that the trust's systems and controls are operating effectively as intended. The internal auditor's role includes giving advice on financial and other matters and performing a range of checks on the academy trust's financial and other systems. In particular, the checks carried out in the current period included:

- testing of payroll systems;
- testing of purchase systems;
- testing of accounting systems; and
- testing of income.

Barton Court Academy Trust
(A company limited by guarantee)

Governance Statement for the Year Ended 31 August 2021

On a bi-annual basis, the internal auditor reports to the board of trustees, through the audit committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. Annually an annual summary report is prepared outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress. This academic year, due to Covid restrictions, Kreston Reeves will report once with the second audit scheduled for mid-September 2021. In the first report, all areas received either a full assurance or substantial assurance rating with some minor recommendations, rated low priority, observed. There were no material control issues reported that required remedial action at medium or high priority levels.

Review of effectiveness

As Accounting Officer, the Executive Headteacher, Ms. Cardus 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 external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees and signed on its behalf, by:



Mrs. P.E. Watts
Chair of Trustees



Ms. K. Cardus
Executive Headteacher

Date: 6 December 2021

Barton Court Academy Trust
(A company limited by guarantee)

Statement on Regularity, Propriety and Compliance

As accounting officer of Barton Court Academy Trust I have considered my responsibility to notify the Academy Trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the Academy Trust board of trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the 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.



Ms. K. Cardus
Accounting Officer

Date: 6 December 2021

Barton Court Academy Trust
(A company limited by guarantee)

Statement of trustees' responsibilities
For the year ended 31 August 2021

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

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

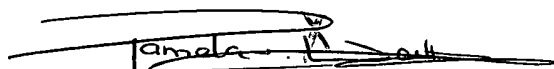
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees and signed on its behalf by:



Mrs. P.E. Watts
Chair of Trustees

Date: 6 December 2021

Independent auditors' Report on the financial statements to the Members of Barton Court Academy Trust

Opinion

We have audited the financial statements of Barton Court Academy Trust (the 'academy 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 related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust'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; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Independent auditors' Report on the financial statements to the Members of Barton Court Academy Trust (continued)

Matters on which we are required to report by exception

In the light of our 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 Strategic report.

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

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

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the 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 Academy Trust or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

How the audit was considered capable of detecting irregularities including fraud

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

- we identified the laws and regulations applicable to the academy trust through discussions with management, and from our commercial knowledge and experience of the academy and wider education sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the academy trust, including the Academies Financial Handbook, Annual Accounts Direction, Charity SORP and the Companies Act 2006;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and
- identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the academy trust's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

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

Independent auditors' Report on the financial statements to the Members of Barton Court Academy Trust (continued)

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reading minutes of meetings of those charged with governance; and
- enquiring of management and representatives of Trustees as to actual and potential litigation and claims.

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

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

Use of our report

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



Allan Hickie BSc FCA (Senior statutory auditor)
for and on behalf of
UHY Kent LLP
Chartered Accountants
Statutory Auditors
Thames House
Roman Square
Sittingbourne
Kent
ME10 4BJ

Date: 13 December 2021

Barton Court Academy Trust
(A company limited by guarantee)

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

In accordance with the terms of our engagement letter dated 5 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 Barton Court Academy Trust during the year 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 Barton Court Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Barton Court Academy 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 Barton Court Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Barton Court Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Barton Court Academy Trust's funding agreement with the Secretary of State for Education dated 19 January 2017 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

We conducted our work in accordance with Technical Release TECH 08/12 AAF issued by the Institute of Chartered Accountants In England and Wales. In accordance with that Technical Release we have carried out the procedures we consider necessary to arrive at our conclusion. Other than those procedures undertaken for the purposes of our audit of the financial statements of Barton Court Academy Trust for the year ended 31 August 2021 which provide evidence on regularity, our work was limited to only those additional procedures necessary to provide limited assurance.

The work undertaken to draw to our conclusion included:

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

Barton Court Academy Trust
(A company limited by guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to Barton Court Academy Trust and the Education & Skills Funding Agency (continued)

Conclusion

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



UHY Kent LLP
Chartered Accountants
Statutory Auditors
Thames House
Roman Square
Sittingbourne
Kent
ME10 4BJ

Date: 13 December 2021

Barton Court Academy Trust
(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 August 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:						
Donations and capital grants	3	2,205	-	119,418	121,623	116,855
Other trading activities	5	14,837	-	-	14,837	30,475
Investments	6	355	-	-	355	6,602
Funding for educational operations	4	37,599	12,848,314	-	12,885,913	11,767,156
Total income		54,996	12,848,314	119,418	13,022,728	11,921,088
Expenditure on:						
Charitable activities	8	15,002	12,376,990	892,936	13,284,928	12,682,408
Total expenditure		15,002	12,376,990	892,936	13,284,928	12,682,408
Net income/(expenditure)		39,994	471,324	(773,518)	(262,200)	(761,320)
Transfers between funds	18	-	(503,760)	503,760	-	-
Net movement in funds before other recognised gains/(losses)		39,994	(32,436)	(269,758)	(262,200)	(761,320)
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	24	-	(589,000)	-	(589,000)	(314,000)
Net movement in funds		39,994	(621,436)	(269,758)	(851,200)	(1,075,320)
Reconciliation of funds:						
Total funds brought forward		1,348,835	(2,632,578)	26,937,116	25,653,373	26,728,693
Net movement in funds		39,994	(621,436)	(269,758)	(851,200)	(1,075,320)
Total funds carried forward	18	1,388,829	(3,254,014)	26,667,358	24,802,173	25,653,373

The Statement of financial activities includes all gains and losses recognised in the year.

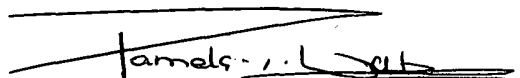
The notes on pages 25 to 48 form part of these financial statements.

Barton Court Academy Trust
(A company limited by guarantee)
Registered number: 07711925

Balance sheet
As at 31 August 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	15	26,667,358	26,915,228
Current assets			
Debtors	16	358,107	269,258
Cash at bank and in hand		3,455,674	2,828,141
		<u>3,813,781</u>	<u>3,097,399</u>
Creditors: amounts falling due within one year	17	(1,093,966)	(845,254)
Net current assets		<u>2,719,815</u>	<u>2,252,145</u>
Total assets less current liabilities		<u>29,387,173</u>	<u>29,167,373</u>
Defined benefit pension scheme liability	24	(4,585,000)	(3,514,000)
Total net assets		<u><u>24,802,173</u></u>	<u><u>25,653,373</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	18	26,667,358	26,937,116
Restricted income funds	18	1,330,986	881,422
		<u>27,998,344</u>	<u>27,818,538</u>
Restricted funds excluding pension liability	18	27,998,344	27,818,538
Pension reserve	18	(4,585,000)	(3,514,000)
Total restricted funds	18	<u>23,413,344</u>	<u>24,304,538</u>
Unrestricted income funds	18	<u>1,388,829</u>	<u>1,348,835</u>
Total funds		<u><u>24,802,173</u></u>	<u><u>25,653,373</u></u>

The financial statements on pages 22 to 48 were approved and authorised for issue by the trustees and are signed on their behalf, by:



Mrs. P.E. Watts
 (Chair of Trustees)



Ms. K. Cardus
 (Executive Headteacher and Accounting Officer)

Date: 6 December 2021

The notes on pages 25 to 48 form part of these financial statements.

Barton Court Academy Trust
(A company limited by guarantee)

Statement of cash flows
For the year ended 31 August 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	20	1,227,662	663,172
Cash flows from investing activities	21	(600,129)	(116,002)
Change in cash and cash equivalents in the year		627,533	547,170
Cash and cash equivalents at the beginning of the year		2,828,141	2,280,971
Cash and cash equivalents at the end of the year	22, 23	<u>3,455,674</u>	<u>2,828,141</u>

The notes on pages 25 to 48 form part of these financial statements

Notes to the financial statements
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), judgments and key sources of estimation uncertainty, is set out below.

1.1 Basis of preparation of financial statements

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102) (March 2018), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 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 Academy Trust 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.

1.3 Income

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

- **Grants**

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

General Annual Grant is recognised in full in the Statement of financial activities in the year for which it is receivable and any abatement in respect of the year 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.

- **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 year it is receivable and to the extent the Academy Trust has provided the goods or services.

- **Donated fixed assets**

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as 'Income from Donations and Capital Grants' 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. During 2020/21 the Academy Trust received ICT equipment from the Government under the free laptop and tablet scheme which has been accounted for this way.

1. Accounting policies (continued)

1.4 Expenditure

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

- **Charitable activities**

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

All expenditure is inclusive of irrecoverable VAT.

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy Trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.6 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 Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.8 Liabilities

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

Notes to the financial statements
For the year ended 31 August 2021

1. Accounting policies (continued)

1.9 Tangible fixed assets

Assets costing £5,000 or more are capitalised. This threshold may be achieved through an individual purchase or a group of purchases where the assets are purchased as part of one purchase order.

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

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

Depreciation is provided on the following bases:

Freehold property	- 2%
Fixtures, fittings and equipment	- 15-25%
Computer equipment	- 33.33% - 50%
Motor vehicles	- 25%

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.

1.10 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 bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

1.11 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

1.12 Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in note 28.

1. Accounting policies (continued)

1.13 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the 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 Department for Education Group.

Investment income, gains and losses are allocated to the appropriate fund.

1.14 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to 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.

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, 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 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

We consider that there has been one key area of judgement in respect of the actuarial assumptions made leading to the closing pension scheme liability:

The "**McCloud/Sargeant judgements**". These employment tribunal cases relate to all public sector pension schemes and not specifically to the academy trust. The cases relates to legal rulings regarding age discrimination arising from public sector pension scheme transitional arrangements. Actuarial evidence suggested that the impact of making an allowance for this judgement would be material and a past service cost adjustment was made, within staff costs, in the trusts 2018/19 financial statements.

Since then a consultation has taken place. Then, on 13 May 2021, the Government issued a ministerial statement which confirms that changes will be made to the LGPS Regulations to compensate members directly affected by the change to career average benefits from 1 April 2014. The Government's intention is that revised regulations will come into force on 1 April 2023, and draft regulations are expected later in 2021.

In July 2021 the actuary has indicated that they do not believe there are any material differences between the approach underlying the estimated allowance and the proposed remedy, and therefore no further subsequent adjustment has been made.

Term Time Only annual leave

Last year disclosures were included about a contingent liability in respect of term time only workers' annual leave. This related to trade unions encouraging their members to collectively make claims against Kent based education employers regarding the calculation of term time only workers' annual leave, following settlements made in other local authorities.

Since gaining academy status the academy trust has been free to set its own pay rates, but in common with most academies the trust has closely followed the local authority scales. The Kent County Council (KCC) 'Kent Scheme' Pay Scales were amended from 1 April 2020 following a change to the way leave for term time only staff is calculated and the trust has followed by altering its own approach.

At the time the 31 August 2020 financial statements were approved last year KCC were resisting making any collective settlement and encouraging individual employer schools and academies to do likewise. The issue has not yet been fully resolved, however KCC have now negotiated a settlement during 2021. Whilst this settlement was made by KCC, and does not directly affect academy trusts, which negotiate in their own right as their own employer, in line with the KCC recommendation and having taken further appropriate advice, the trust has chosen to make the same offer settlement to its affected staff.

The trust has calculated an estimated liability and this has been accrued for and included within creditors and support staff costs. Since KCC have agreed to allow claims from academy trusts for funding towards the cost of addressing the term time only liabilities, a corresponding debtor for the accrued income that the trust expects to claim during 2021/22 has also been included to match against the expenditure. The academy trust therefore expects that making the settlements with affected employees will have no net impact on the trust's financial position.

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Notes to the financial statements
For the year ended 31 August 2021

3. Income from donations and capital grants

	Unrestricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Donations	2,205	-	2,205	12,900
Capital grants	-	119,418	119,418	103,955
	<u>2,205</u>	<u>119,418</u>	<u>121,623</u>	<u>116,855</u>
<i>Analysis of 2020 total by fund</i>	<u>12,900</u>	<u>103,955</u>	<u>116,855</u>	

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Notes to the financial statements
For the year ended 31 August 2021

4. Funding for educational operations

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	As restated Total funds 2020 £
DfE/ESFA grants				
General Annual Grant	-	10,854,113	10,854,113	9,924,871
Other DfE/ESFA grants				
Rates reclaim	-	62,464	62,464	93,454
Pupil Premium	-	504,748	504,748	511,182
Teachers' pay grant	-	146,168	146,168	143,290
Teachers' pension grant	-	411,011	411,011	404,901
Project Development Grant	-	166,783	166,783	120,000
Others	-	41,079	41,079	68,326
	-	-	12,186,366	11,266,024
Other Government grants				
Special educational projects	-	182,861	182,861	168,721
Other local authority grants	-	197,368	197,368	176,035
	-	380,229	380,229	344,756
Other income from educational operations	37,599	40,161	77,760	156,376
Covid-19 additional funding (DfE/ESFA)				
Catch-up Premium	-	149,920	149,920	-
Other DfE/ESFA Covid-19 funding	-	91,638	91,638	-
	-	241,558	241,558	-
	37,599	12,848,314	12,885,913	11,767,156
<i>Analysis of 2020 total by fund</i>	-	11,767,156	11,767,156	

Following the reclassification in the Academies Accounts Direction 2020 to 2021 of some grants received from the Department for Education and ESFA, they are now reported as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

The academy received £150k of funding for catch-up premium to support children and young people to catch up on missed learning caused by coronavirus (Covid-19). Costs incurred in respect of this funding totalled £27k with the remaining £123k to be spent in 2021/22.

Other DfE/ESFA Covid-19 funding of £91,638 relates to grant income provided by the DfE to support schools with the costs associated with the coronavirus National Testing Programme.

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Notes to the financial statements
For the year ended 31 August 2021

5. Income from other trading activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Hire of facilities	10,037	10,037	18,830
Notional apprenticeship levy	4,800	4,800	-
Other trading income	-	-	11,645
	<u>14,837</u>	<u>14,837</u>	<u>30,475</u>
<i>Analysis of 2020 total by fund</i>	<u>30,475</u>	<u>30,475</u>	

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Bank interest	355	355	6,602
	<u>6,602</u>	<u>6,602</u>	
<i>Analysis of 2020 total by fund</i>	<u>6,602</u>	<u>6,602</u>	

7. Expenditure

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	Total 2020 £
Educational operations:					
Direct costs	8,433,332	567,616	1,036,780	10,037,728	9,678,748
Allocated support costs	1,369,780	909,675	967,745	3,247,200	3,003,660
	<u>9,803,112</u>	<u>1,477,291</u>	<u>2,004,525</u>	<u>13,284,928</u>	<u>12,682,408</u>
<i>Analysis of 2020 total</i>	<u>8,959,418</u>	<u>1,519,166</u>	<u>2,203,824</u>	<u>12,682,408</u>	

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Notes to the financial statements
For the year ended 31 August 2021

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Educational operations	15,002	13,269,926	13,284,928	12,682,408
<i>Analysis of 2020 total by fund</i>	2,746	12,679,662	12,682,408	

9. Analysis of expenditure by activities

	Direct costs 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Educational operations	10,037,728	3,247,200	13,284,928	12,682,408
<i>Analysis of 2020 total</i>	9,678,748	3,003,660	12,682,408	

Analysis of support costs

	Total funds 2021 £	Total funds 2020 £
Staff costs	1,369,780	1,178,215
Technology costs	251,863	231,787
Premises costs	909,675	982,407
Other support costs	698,786	577,584
Governance costs	13,357	22,850
Legal costs	3,739	10,817
	3,247,200	3,003,660

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Notes to the financial statements
For the year ended 31 August 2021

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2021	2020
	£	£
Operating lease rentals	41,273	47,669
Depreciation of tangible fixed assets	855,518	909,333
Fees paid to auditors for:		
- audit	10,480	10,170
- other services	3,260	7,290
	<u> </u>	<u> </u>

11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021	2020
	£	£
Wages and salaries	6,948,997	6,390,097
Social security costs	707,330	630,837
Pension costs	1,959,651	1,709,447
	<u> </u>	<u> </u>
	9,615,978	8,730,381
Agency staff costs	239,162	216,974
Staff restructuring costs	4,616	12,063
	<u> </u>	<u> </u>
	9,859,756	8,959,418
	<u> </u>	<u> </u>

Staff restructuring costs comprise:

Severance payments	<u> </u>	<u> </u>
	4,616	12,063

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

Included in staff restructuring costs is a non-statutory/non-contractual severance payment of £1,846 (2020 - £Nil).

Barton Court Academy Trust
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Notes to the financial statements
For the year ended 31 August 2021

11. Staff (continued)

c. Staff numbers

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

	2021 No.	2020 No.
Teachers	111	109
Administration and support	91	81
Management	13	11
	<u>215</u>	<u>201</u>

The average headcount expressed as full-time equivalents was:

	2021 No.	2020 No.
Teachers	104	102
Administration and support	61	59
Management	13	11
	<u>178</u>	<u>172</u>

d. Higher paid staff

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

	2021 No.	2020 No.
In the band £60,001 - £70,000	4	5
In the band £70,001 - £80,000	4	1
In the band £90,001 - £100,000	2	1
In the band £140,001 - £150,000	1	1
	<u>11</u>	<u>8</u>

e. Key management personnel

The key management personnel of the Academy Trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £1,584,172 (2020 - £1,466,557).

Barton Court Academy Trust
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Notes to the financial statements
For the year ended 31 August 2021

12. Central services

The Academy Trust has provided the following central services to its academies during the year:

- Audit and accountancy fees
- Legal and professional fees
- Educational support
- Special Educational Needs Support
- ICT support
- Staff support such as Executive Headteacher, Deputy Head (T&L); Trust SENCO, Trust Finance and Premises Manager, Trust ICT Strategy Manager, Trust Personnel and Marketing Manager, clerks to both Governing Bodies and Trustees
- HR and marketing

The Academy Trust charges for these services on the following basis:

8.05% of total GAG funding less any high needs funding, advanced maths premium funding and the 16-19 bursary grant.

The actual amounts charged during the year were as follows:

	2021 £	2020 £
Barton Court Grammar School	390,239	375,443
The Charles Dickens School	481,093	460,943
Total	871,332	836,386

13. Trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Executive Headteacher and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of Executive Headteacher and staff members under their contracts of employment. The value of trustees' remuneration and other benefits was as follows:

		2021 £	2020 £
Ms. K. Cardus (Executive Headteacher)	Remuneration	145,000 - 150,000	140,000 - 145,000
	Pension contributions paid	35,000 - 40,000	30,000 - 35,000
Mr. M. Blake (Trust ICT Strategy & Projects Manager)	Remuneration	55,000 - 60,000	50,000 - 55,000
	Pension contributions paid	10,000 - 15,000	10,000 - 15,000

During the year ended 31 August 2021, no trustee expenses have been incurred (2020 - £161 was reimbursed to 2 trustees).

14. Trustees' and Officers' insurance

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

Barton Court Academy Trust
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Notes to the financial statements
For the year ended 31 August 2021

15. Tangible fixed assets

	Freehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2020	28,944,432	439,876	1,201,851	55,870	30,642,029
Additions	129,851	110,340	404,875	-	645,066
Disposals	-	-	(62,141)	-	(62,141)
At 31 August 2021	29,074,283	550,216	1,544,585	55,870	31,224,954
Depreciation					
At 1 September 2020	2,499,846	272,001	945,642	9,312	3,726,801
Charge for the year	567,616	81,261	230,093	13,966	892,936
On disposals	-	-	(62,141)	-	(62,141)
At 31 August 2021	3,067,462	353,262	1,113,594	23,278	4,557,596
Net book value					
At 31 August 2021	26,006,821	196,954	430,991	32,592	26,667,358
At 31 August 2020	26,444,586	167,875	256,209	46,558	26,915,228

Included in freehold property is land at valuation of £1,136,591 (2020 - £1,136,591) which is not depreciated.

16. Debtors

	2021 £	2020 £
Trade debtors	5,565	2,300
Recoverable VAT	174,735	131,354
Prepayments and accrued income	177,807	135,604
	358,107	269,258

Barton Court Academy Trust
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Notes to the financial statements
For the year ended 31 August 2021

17. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Trade creditors	540,644	234,208
Other taxation and social security	176,942	154,011
Other creditors	234,362	186,506
Accruals and deferred income	142,018	270,529
	<u>1,093,966</u>	<u>845,254</u>
	2021	2020
	£	£
Deferred income at 1 September 2020	20,323	28,401
Resources deferred during the year	-	20,323
Amounts released from previous periods	(20,323)	(28,401)
	<u>-</u>	<u>20,323</u>

Deferred income in 2020 represents income received in advance for educational trips taking place in the 2020-21 academic year. There was no deferred income as at 31 August 2021.

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Notes to the financial statements
For the year ended 31 August 2021

18. Statement of funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
General fund	1,348,835	54,996	(15,002)	-	-	1,388,829
Restricted general funds						
General Annual Grant (GAG)	654,299	10,854,113	(10,081,011)	(523,264)	-	904,137
Other DfE/ESFA grants	-	1,165,470	(1,191,859)	26,389	-	-
Other government grants	59,738	380,229	(367,945)	(26)	-	71,996
Voluntary fund	123,665	40,161	(43,954)	-	-	119,872
Catch-up premium	-	149,920	(26,749)	-	-	123,171
Other DfE/ESFA Covid-19 funding	-	91,638	(91,638)	-	-	-
Project development grant	43,720	166,783	(91,834)	(6,859)	-	111,810
Pension reserve	(3,514,000)	-	(482,000)	-	(589,000)	(4,585,000)
	<u>(2,632,578)</u>	<u>12,848,314</u>	<u>(12,376,990)</u>	<u>(503,760)</u>	<u>(589,000)</u>	<u>(3,254,014)</u>
Restricted fixed asset funds						
Tangible fixed assets	26,915,228	-	(892,936)	645,066	-	26,667,358
DfE/ESFA capital grants	21,888	119,418	-	(141,306)	-	-
	<u>26,937,116</u>	<u>119,418</u>	<u>(892,936)</u>	<u>503,760</u>	<u>-</u>	<u>26,667,358</u>
Total Restricted funds	<u>24,304,538</u>	<u>12,967,732</u>	<u>(13,269,926)</u>	<u>-</u>	<u>(589,000)</u>	<u>23,413,344</u>
Total funds	<u><u>25,653,373</u></u>	<u><u>13,022,728</u></u>	<u><u>(13,284,928)</u></u>	<u><u>-</u></u>	<u><u>(589,000)</u></u>	<u><u>24,802,173</u></u>

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

General Annual Grant (GAG) must be used for the normal running costs of the academy trust.

The other DfE/ESFA grants fund is used to track core non-GAG grant money received from the DfE/ESFA and connected bodies, including Pupil Premium, teachers' pay grant, teachers' pension grant, rates relief, and free school meals grant. This fund also includes a project development grant paid to cover pre-opening costs incurred in respect of the new Barton Manor Free School, due to open in September 2022 under the trust's management.

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18. Statement of funds (continued)

The Catch-up premium fund tracks additional Covid-related funding provided by the DfE during the year to support children and young people to catch up on missed learning caused by coronavirus.

Other Covid funding relates to mass testing grants, provided by the DfE to support schools with the costs associated with the coronavirus National Testing Programme.

The other government grants fund is used to track grants provided by government departments other than the DfE/ESFA and includes grant received from the Local Authority.

The voluntary fund is used to track school trip income and expenditure.

The project development grant is used to track the grant received to fund the opening of Barton Manor Free School, explained in more detail in the trustees' report.

The pensions reserve is a restricted fund to account for the liability arising under The Local Government Pension Scheme.

The restricted fixed asset funds are carried forward to meet the specific costs of fixed asset projects and to cover the depreciation charges that will be required on these projects going forward and the current fixed assets held. The net transfer to the restricted fixed asset fund of £503,760 comprises total capital expenditure met from revenue reserves.

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

	<i>Balance at 1 September 2019</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 August 2020</i>
	£	£	£	£	£	£
Unrestricted funds						
General fund	1,330,419	78,115	(2,746)	(56,953)	-	1,348,835
Restricted general funds						
General Annual Grant (GAG)	318,331	9,924,872	(9,623,379)	34,475	-	654,299
Other DfE/ESFA grants	27,027	1,340,322	(1,323,629)	-	-	43,720
Other government grants	-	344,756	(285,018)	-	-	59,738
Voluntary fund	160,670	129,068	(166,073)	-	-	123,665
Pension reserve	(2,827,000)	-	(373,000)	-	(314,000)	(3,514,000)
	(2,320,972)	11,739,018	(11,771,099)	34,475	(314,000)	(2,632,578)

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18. Statement of funds (continued)

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2020 £</i>
Restricted fixed asset funds						
Tangible fixed assets	27,635,746	-	(908,563)	188,045	-	26,915,228
DfE/ESFA capital grants	83,500	43,955	-	(105,567)	-	21,888
Other capital funding	-	60,000	-	(60,000)	-	-
	<u>27,719,246</u>	<u>103,955</u>	<u>(908,563)</u>	<u>22,478</u>	<u>-</u>	<u>26,937,116</u>
Total Restricted funds	<u>25,398,274</u>	<u>11,842,973</u>	<u>(12,679,662)</u>	<u>56,953</u>	<u>(314,000)</u>	<u>24,304,538</u>
Total funds	<u>26,728,693</u>	<u>11,921,088</u>	<u>(12,682,408)</u>	<u>-</u>	<u>(314,000)</u>	<u>25,653,373</u>

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

	2021 £	2020 £
Barton Court Grammar School	1,207,766	918,339
The Charles Dickens School	1,303,306	1,153,595
Held centrally	208,743	158,323
Total before fixed asset funds and pension reserve	<u>2,719,815</u>	<u>2,230,257</u>
Restricted fixed asset fund	26,667,358	26,937,116
Pension reserve	(4,585,000)	(3,514,000)
Total	<u>24,802,173</u>	<u>25,653,373</u>

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18. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2021 £	Total 2020 £
Barton Court Grammar School	3,388,913	336,165	240,103	645,021	4,610,202	4,534,390
The Charles Dickens School	4,633,003	390,832	407,073	974,349	6,405,257	6,021,071
LGPS	-	482,000	-	-	482,000	373,000
Central services	468,060	160,783	7,640	258,050	894,533	845,384
Academy Trust	8,489,976	1,369,780	654,816	1,877,420	12,391,992	11,773,845

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	26,667,358	26,667,358
Current assets	1,453,089	2,360,692	-	3,813,781
Creditors due within one year	(64,260)	(1,029,706)	-	(1,093,966)
Provisions for liabilities and charges	-	(4,585,000)	-	(4,585,000)
Total	1,388,829	(3,254,014)	26,667,358	24,802,173

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19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Restricted fixed asset funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	-	-	26,915,228	26,915,228
Current assets	1,452,962	1,622,549	21,888	3,097,399
Creditors due within one year	(104,127)	(741,127)	-	(845,254)
Provisions for liabilities and charges	-	(3,514,000)	-	(3,514,000)
Total	1,348,835	(2,632,578)	26,937,116	25,653,373

20. Reconciliation of net expenditure to net cash flow from operating activities

	2021 £	2020 £
Net expenditure for the year (as per Statement of financial activities)	(262,200)	(761,320)
Adjustments for:		
Depreciation	892,936	908,563
Capital grants from DfE and other capital income	(44,582)	(103,955)
Interest receivable	(355)	(6,602)
Defined benefit pension scheme cost less contributions payable	428,000	323,000
Defined benefit pension scheme finance cost	54,000	50,000
(Increase)/decrease in debtors	(88,849)	86,670
Increase in creditors	248,712	166,816
Net cash provided by operating activities	1,227,662	663,172

21. Cash flows from investing activities

	2021 £	2020 £
Interest receivable	355	6,602
Purchase of tangible fixed assets	(645,066)	(226,559)
Capital grants from DfE Group	44,582	43,955
Capital funding received from sponsors and others	-	60,000
Net cash used in investing activities	(600,129)	(116,002)

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For the year ended 31 August 2021

22. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand and at bank	3,455,674	2,828,141

23. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	2,828,141	627,533	3,455,674

24. Pension commitments

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 Kent County Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £174,212 were payable to the schemes at 31 August 2021 (2020 - £148,517) 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 full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 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.

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24. Pension commitments (continued)

The employer's pension costs paid to TPS in the year amounted to £1,181,000 (2020 - £1,069,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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 £383,000 (2020 - £350,000), of which employer's contributions totalled £294,000 (2020 - £268,000) and employees' contributions totalled £ 89,000 (2020 - £82,000). The agreed contribution rates for future years are 21 per cent for employers, increasing to 22.5 per cent from 1 April 2022, and 5.5 to 12.5 per cent for employees.

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

Principal actuarial assumptions

	2021 %	2020 %
Rate of increase in salaries	3.90	3.25
Rate of increase for pensions in payment/inflation	2.90	2.25
Discount rate for scheme liabilities	1.65	1.60
Inflation assumption (CPI)	2.90	2.25

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

	2021 Years	2020 Years
<i>Retiring today</i>		
Males	21.6	21.8
Females	23.6	23.8
<i>Retiring in 20 years</i>		
Males	22.9	23.2
Females	25.1	25.2

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24. Pension commitments (continued)

Sensitivity analysis

	2021	2020
	£000	£000
Discount rate +0.1%	(239)	(185)
Discount rate -0.1%	246	191
Mortality assumption - 1 year increase	355	251
Mortality assumption - 1 year decrease	(341)	(243)
CPI rate +0.1%	217	167
CPI rate -0.1%	(211)	(163)

Share of scheme assets

The Academy Trust's share of the assets in the scheme was:

	2021	2020
	£	£
Equities	2,890,000	2,233,000
Gilts	25,000	23,000
Corporate bonds	613,000	445,000
Property	454,000	379,000
Cash and other liquid assets	126,000	105,000
Investment funds	307,000	262,000
Total market value of assets	4,415,000	3,447,000

The actual return on scheme assets was £526,000 (2020 - £249,000).

The amounts recognised in the Statement of financial activities are as follows:

	2021	2020
	£	£
Current service cost	(720,000)	(589,000)
Interest income	59,000	62,000
Interest cost	(113,000)	(112,000)
Administrative expenses	(2,000)	(2,000)
Total amount recognised in the Statement of financial activities	(776,000)	(641,000)

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24. Pension commitments (continued)

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

	2021 £	2020 £
At 1 September	6,961,000	6,005,000
Current service cost	720,000	589,000
Interest cost	113,000	112,000
Employee contributions	89,000	82,000
Actuarial losses	1,056,000	197,000
Benefits paid	61,000	(24,000)
At 31 August	<u>9,000,000</u>	<u>6,961,000</u>

Changes in the fair value of the Academy Trust's share of scheme assets were as follows:

	2021 £	2020 £
At 1 September	3,447,000	3,178,000
Interest income	59,000	62,000
Actuarial gains/(losses)	467,000	(117,000)
Employer contributions	294,000	268,000
Employee contributions	89,000	82,000
Benefits paid	61,000	(24,000)
Administration expenses	(2,000)	(2,000)
At 31 August	<u>4,415,000</u>	<u>3,447,000</u>

25. Operating lease commitments

At 31 August 2021 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	46,250	47,519
Later than 1 year and not later than 5 years	50,198	92,372
Later than 5 years	180,568	182,140
	<u>277,016</u>	<u>322,031</u>

26. Members' liability

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

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 Academies Financial Handbook, 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:

Expenditure Related Party Transaction

The husband of Ms. A. Haley, a member of the trust's executive and senior leadership team, is employed by the academy trust as a teacher. The appointment was made in open competition and Mrs. A. Haley was not involved in the decision-making process regarding appointment. Mrs. A. Haley's husband is paid within the normal pay scale for his role and receives no special treatment as a result of his relationship to a member of the senior leadership team.

28. Agency arrangements

The academy trust distributes 16-19 bursary funds to the students as an agent of the ESFA. During the year ended 31 August 2020, the trust received £20,509 and disbursed £5,330 from the fund. £46,137 of undistributed funds are included in other creditors as at 31 August 2021.

29. Controlling party

The academy trust is run by the senior management team on a day to day basis. Strategic decisions are made by the trustees. There is no ultimate controlling party.