

BMAT Education

(a company limited by guarantee)

Annual report and financial statements for the year ended 31 August 2023

Company Registration No. 07843166 (England and Wales)

WEDNESDAY



ACUVV7VU

A3

17/01/2024

#150

COMPANIES HOUSE



Contents

	PAGE
Reference and administrative details	1-2
Trustees' Report (including Strategic Report)	3-17
Governance Statement	18-22
Statement on regularity, propriety and compliance	23
Statement of trustees' responsibilities	24
Independent auditor's report on the financial statements	25-28
Independent reporting accountant's report on regularity	29-30
Consolidated statement of financial activities incorporating I&E Account	31-32
Consolidated balance sheet	33-34
Trust balance sheet	35-36
Consolidated statement of cash flows	37
Notes to the financial statements	38-72



Schools,
teachers and
pupils freed
to succeed.

Reference and administrative details

Reference and administrative details

MEMBERS

Ms F Griffith

Mr N Tesseyman

Mr P Bogle

The Chelmsford Diocesan Board of Education

TRUSTEES

Mr P Drayton
(Chair of Trustees)

Ms H C Mills CBE
(CEO & Accounting Officer)

Mr J Cooke
(Vice Chair of Trustees)

Ms J Coton (resigned 22 Sept 2022)

Mr R Bristow (resigned 30 Sept 2022)

Prof R Sanders

Mr M Collier

Mr P Bogle

Ms E Kirby (resigned 27 Feb 2023)

Mr N Brann

Ms V Marrow

Mr K Gaurav (appointed 01 Oct 2023)

SENIOR MANAGEMENT TEAM

Ms H C Mills CBE
(CEO & Accounting Officer)

Mr J Blaney
Deputy CEO (Ag)

Mrs S Laing
Assistant CEO

Mr N Trevallion
Chief Finance & Operations Officer

Mr M Solomonides
Director of SEND

Ms N Carroll
Director of Pupil Welfare

Mrs S Freeman
Director of HR

Mr N Stirrat
Exec Leader (Reading & Vocabulary)
Executive Headteacher, CSA

COMPANY SECRETARIAT

Mr N Trevallion
Company Secretary

Mr D M Laird FCG
Dep Company Secretary



Schools,
teachers and
pupils freed
to succeed.

Reference and administrative details (cont'd)

COMPANY REGISTRATION NO

07843166

PRINCIPAL ADDRESS & REGISTERED OFFICE	INDEPENDENT AUDITORS
Burnt Mill Academy First Avenue Harlow, Essex England CM20 2NR	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
BANKERS	SOLICITORS
Lloyds Bank 25 East Gate Harlow Essex CM20 1LD Barclays Bank plc Stanhope Gate 46 Park Lane Mayfair London W1Y 3LB	Browne Jacobson LLP 15 th Floor 6 Bevis Marks London EC3A 7BA



Schools,
teachers and
pupils freed
to succeed.

Trustees' Report

(including Strategic Report)
for the year ended 31 August 2023

Trustees' Report

The Trustees present their annual reports together with the financial statements and the auditor's report, and it's subsidiary, of the charitable company for the year 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a Trustees' report, and a Directors' report and a Strategic report under company law.

Within this year the Trust operated 12 academies (7 secondaries and 5 primaries) across Essex and East London. These academies had a combined pupil admission number (PAN) of 7,724 and had a roll of 6,922 in the school census in spring 2023 (an increase of 304 (4.6%) on 2021-22).

Structure, governance and management

a. Constitution

The Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Trust.

The Trustees are also the Directors of the charitable company for the purposes of company law, as well as fulfilling their obligations as Trustees for the charitable activities of BMAT Education. Details of the Trustees who served during the year, and up to the date these accounts are approved, are included in the Reference and Administrative details on page 1. Within this Report the term Trustee or Director refers to a member of the Trust Board and the term Governor to a member of a Local Governing Board (LGB).

b. Members' liability

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

c. Trustees' and Officers' indemnities

In accordance with normal commercial practice, the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £5,000,000 on any one claim, as shown in note 14 to the accounts.

d. Method of recruitment and appointment or election of Trustees

The arrangements are as set out in the Articles in 50B. 'The Members may appoint Directors through such process as they may determine'.

Trustees are appointed for a fixed term. The term of office for any Trustee shall be four years, save that this time limit shall not apply to the Chief Executive Officer (if appointed). Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-appointed or re-elected. The Chief Executive Officer (CEO) is an ex officio member of the Trust Board. Other Trustees are elected to office or appointed if there are insufficient candidates offering themselves for election. The Articles of Association make provision for Members to appoint the number of Trustees as determined by the Articles. Additional Trustees may also be appointed in line with the Trust Articles of Association. The Chief Executive Officer (CEO) is also appointed in line with the said articles.

Structure, governance and management (continued)

e. Policies and procedures adopted for the induction and training of Trustees

Following appointment, all new Trustees receive an introduction to their role from the Chair, the Chief Executive Officer (CEO) and the Trust's Head of Governance & Secretary to Trustees. This introduction includes the opportunity for tours to school sites and to meet members of the academy's senior leadership teams. The Trust's Head of Governance ensures that new Trustees receive sufficient support and information to enable them to discharge their role.

f. Organisational structure

The governance of the Trust is defined in the Memorandum and Articles of Association, together with the Funding Agreement with the Department of Education.

The Trustees are responsible for the general control and management of the Trust. The Trustees give their time freely and receive no remuneration or other financial benefits in their roles as Trustees, other than the Chief Executive Officer, who also serves as a Trustee. The Trust Board meets on at least 6 occasions per year, and its sub committees at least 3 times per year. The Trust Board is responsible for the strategic direction of the Trust and is responsible for setting strategic policy, adopting an annual plan and budget, monitoring the Trust by the use of those budgets, and making major decisions about the direction of The Trust, capital expenditure and senior staff appointments. Local Governing Boards (LGBs) are responsible for implementing and monitoring trust policies linked to Quality of Education, Safeguarding, Behaviour, and attitudes to Learning & Personal Development.

The Executive Management Team (EMT) holds the leaders of academies to account and is supported by Local Governing Boards, who perform local oversight of academic standards on behalf of the Trust Board. Each Headteacher and/or Head of School is responsible for the day-to-day operation of their Academy, in particular organising staff, resources and students. Headteachers in consultation with the responsible Deputy CEO (Acting) & Assistant CEO are responsible for the authorisation of spending within agreed budgets and for the appointment of staff subject to vetting and safeguarding recruitment processes.

The Trustees established an Audit, Risk & People Management Committee (formerly Operational Risk & People Management Committee) that meets termly to ensure the independent checking of controls, systems, transactions, and risks. The Trust has delegated some decision making to additional Trustee committees, as set out in their respective Terms of Reference. The Trust has a clear scheme of delegation regarding the delegation of these decisions; this also details the decisions that have been delegated to management to ensure the day-to-day operational capacity of the Trust.

The Trust, as a multi-academy trust (MAT), has a central team to support its academies in relation to the development and maintenance of educational standards, school improvement, safeguarding and business operations.

The Chief Executive Officer is the Accounting Officer.

Subsidiary company

The Trust has one wholly owned subsidiary company – **Your Community Sports & Leisure Limited**. The purpose and activity of the company are described in the notes to the financial statements.

Structure, governance and management (continued)**g. Arrangements for setting pay and remuneration of key management personnel**

Key management personnel includes those staff to whom the Trustees have delegated significant authority and responsibility in the day-to-day running of the Trust.

Pay and remuneration of key management personnel is decided by a variety of contributory factors, such as the academy group size, Individual School Range, the pay scales for each role and the level of experience of each staff member. In addition, pay levels may be affected by nationally agreed pay awards, and the ability to recruit and retain in post, all of which are in accordance with the Trust's appointment and pay policies.

All amendments to key management's pay and remuneration are approved by the by the Trust Board.

h. Equal opportunities policy

The Trustees recognise that equal opportunities must be an integral part of good practice within the workplace and as such, the Trust has established 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. Development works to academy buildings to improve staff and student accessibility are carried out where identified, such as lifts, ramps, toilets, and door access to enable wheelchair access to all main areas of the academy buildings where possible.

The policy of the Trust is to support the employment of disabled persons both in recruitment and by retention of employees who become disabled whilst in its employment, as well as generally through training and career development. The Trust regularly reviews its policy on equality, diversity, and inclusion.

i. Employee involvement and employment of the disabled

The Trust recently conducted its trust-wide staff survey during 2022-23. Areas and key themes have been identified, and work therefore continues to focus on these areas of improvement going forward. The Trust encourages staff contribution at all levels and close collaboration between the academies. Middle and senior leaders also meet regularly to share knowledge and best practice. Furthermore, the Trust provides internal and external professional development support. Good progress has been made in this area in relation to teaching staff development, training, and succession planning. Continued staff training and development will be an area of focus in 2023-24, with new and improved training platforms now in place.

In terms of recruitment, all new staff are inducted, and teachers take part in training before the start of, and during, the school year. The Trust also works in close collaboration with trade union partners representing its employees through the Joint Consultation Committee, which meets on a regular basis.

Applications for employment by disabled persons are given full and fair consideration for all vacancies in accordance with their particular aptitude and abilities. In the event of employees becoming disabled, every effort is made to retrain them in order that their employment within the Trust may continue.

Structure, governance and management (continued)**j. Trade Union Facility Time**

The Trade Union (Facility Time Publication Requirements) Regulations 2017 require relevant public sector employers to publish specified information related to facility time provided to trade union officials. The Trust gathers data from the representatives and academies annually in order to calculate and publish the summary data on the Government site.

The cost of the facility time is set by the relevant Local Authority (LA) and can vary from £1,500 to £10,000 according to school size and location. Academies receive an allowance as part of their funding to cover these costs in their delegated budgets. As part of the Trade Union Recognition agreement, the Trust have signed up to supporting the contribution to maintain good working relationships with the Trade Unions to ensure that staff are able to access representation when required.

BMAT Education continues to work closely with trade unions, holding JCC meetings at least twice a year. There were no trade union representatives or associated costs in the year.

k. Connected organisations and related parties

The Trust does not have a formal sponsor.

Owing to the nature of the Trust's operations and the composition of the Trust Board being drawn from local public and private sector organisations, it is inevitable that from time-to-time transactions will take place with organisations in which a Trustee may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations, its Handling of Conflicts of Interest & Related Parties Transactions Procedures and industry established practices. Any transaction where the Trustee may have a pecuniary interest is only undertaken in accordance with the 'at cost' principle described in the statutory Academy Trust Handbook.

The Trust cooperated with the various organisations during the academic year in pursuit of its charitable activities.

Objectives and Activities

Objects and Aims

The principal objects and aims of BMAT Education are as an education charity, which operates a number of academies (7 secondaries and 5 primaries), within the Essex and East London region, providing free education and care for pupils of different abilities within its local community between the ages of 3 and 18.

Objectives, strategies and activities

What were BMAT Education's goals during 2022-2023 academic year?

During the 2022-23 academic year, the Trust worked assiduously towards achieving the following goals:

- Strengthening the outcomes and provision for the disadvantaged pupils, including those with special educational needs and/or disabilities.
- Implementing an ambitious curriculum, including personal development.
- Strengthening safeguarding and welfare systems.
- Recruiting, developing, supporting, and retaining staff in all departments.
- Investing in the workplace environment.
- Ensuring financial security of the Trust.

How were these goals achieved?

The Trust measured its success in achieving its set goals through:

- External reviews of its safeguarding systems and procedures which found that they are robust, well understood and embedded throughout the Trust, and that there is a culture of vigilance across all schools.
- Improving the outcomes for our disadvantaged pupils in both primary and secondary. There is now a clear strategy to address any weaknesses in provision for these pupils.
- All schools having a well sequenced curriculum and a clear strategy for improving any weak implementation of the curriculum.
- Implementation of HR and People Management Strategy and Performance management systems
- Investment in IT for the changing curriculum and for disadvantaged and high needs children, including access to IT at home.
- Ensuring a robust 10-year capital plan is in place, showing a forward view of ongoing investment and maintenance within the Trust.
- Developing and embedding a recruitment, retention and development strategy for the Trust.
- Achieving a balanced financial position within the year, and maintaining a 3 year rolling review to ensure the Trust's ongoing financial sustainability.

Mission, purposes, values and aims

BMAT Education's mission is to operate a community of schools which focus on providing a high quality education for all. With this in mind, the Trust continues to work towards making its schools places of aspiration, where individuals matter and confidence flourishes so that achievement for all is outstanding.

One of its biggest strengths is the shared sense of purpose and values. These play a key factor in attracting and retaining great people throughout BMAT Education.

The Trust remains focused on transforming the performance of its schools through both specialist and targeted academy-level support and investment, and central approaches aimed at improving standards for all. In recent years, there has been an increased focus on the quality of teaching and curriculum. Schools are steadily improving over time and the focus on the most vulnerable pupils is beginning to pay off in terms of improved outcomes for these pupils.

The Trust aims to accelerate the pace of its improvement programme across the Trust, this is covered under 'plans for future periods on page 17'.

Vision

It is the vision of the Trust to continue working together through smashing the barriers that prevent its pupils from becoming confident, high achieving and independent individuals.

Values

The Trust's values are particularly important, and are lived through the day-to-day operations and activities, which make the greatest difference in and out the classroom.

The Trust is committed to living out the following values through:

Remaining fervent in expecting excellence of its teachers and more from our children in their behaviours, relationships, and academic outcomes

Taking courageous actions

Being courageous enough to making tough decisions, doing what is right – even if it is not popular.

Setting high expectations

Remaining fervent in expecting excellence of our teachers and more from our children in their behaviours, relationships, and academic outcomes

Building and maintaining servant leadership

Treating each other as peers, not as superiors and choosing to adopt a leadership style that asks: *'How can I help you?'*

Public Benefit

The Trustees confirm that they have complied with the duty set out in Section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

The Trustees believe that by working towards the objects and aims of the Trust as detailed above, they have been serving to the benefit of the pupils and wider public.



Schools,
teachers and
pupils freed
to succeed.

Strategic Report

Chief Executive Officer's Statement

Through the academic year 2022-23 the Trust's 12 academies have seen improvements in the education they are providing for our pupils.

Primary Outcomes 2022 – 2023

EYFS Good Level of Development (GLD) – the 2023 national GLD data will be released on 30th November. All BMAT Education primary schools outperformed the 2022 national GLD average of 65% in 2023, with the exception of Little Parndon Academy (45%). Pupils eligible for PP funding in all BMAT Education primaries also outperformed the 2022 national GLD average of 65% for ALL PUPILS (with the exception of Little Parndon Academy). This indicates BMAT Education is providing a secure foundation for disadvantaged learners.

Phonics Screening – All BMAT Education schools outperformed the 2023 phonics screening national average of 77% with the exception of Little Parndon Academy (55%). The highest results were at Cooks Spinney Academy (90%) and Magna Carta Academy (87%) where Read Write Inc has been in place the longest. Disadvantaged pupils also performed best at Cooks Spinney Academy (80%). Magna Carta Academy had no PP eligible pupils in Yr 1. We predict future phonics improvement in the other BMAT Education primary schools as this programme becomes more embedded, especially for disadvantaged pupils. In 2023, 71% of PP eligible pupils in BMAT Education primaries passed the phonics screening vs. just 54% the previous year. This is further evidence of the strong foundations for learning being provided by BMAT Education to disadvantaged children.

KS1 SATs – All BMAT Education primary schools outperformed the 2023 national KS1 average of 68% for reading, with the exception of Freshwaters Academy (63%). All BMAT Education primary schools were above the 2023 national KS1 average of 70% for mathematics with the exception of Cooks Spinney Academy (66%) and Freshwaters Academy (61%). 2023 was the final year of compulsory KS1 SATs – these tests have now become optional.

KS2 SATs – All BMAT Education primary schools outperformed the 2023 national KS2 average of 73% for reading with the exception of Little Parndon Academy (61%) and Cooks Spinney Academy (60%). All BMAT Education primary schools were above the 2023 national KS2 average of 71% for writing with the exception of Freshwaters Academy (67%) and Little Parndon Academy (55%). All BMAT Education primary schools outperformed the 2023 national KS2 average of 73% for mathematics with the exception of Magna Carta Academy (67%), Cooks Spinney Academy (70%) and Little Parndon Academy (57%). 43% of all PP eligible children made the expected standard in RWM vs. 37% the previous year. However, there is still work to do to close the gap vs. non-disadvantaged (62%). The Primary Heads' meetings this year have focussed on improving KS2 SATS outcomes for disadvantaged pupils by sharing good practice and reviewing the delivery of additional tuition.

Secondary Outcomes 2022 – 2023

This is the second set of results since the pupils have returned from the pandemic. The grade boundaries are more or less in line with those of 2019, so as an executive we decided to compare this year's data with the results of 2019. There are two exceptions, BMAT STEM Academy as there is no available data as in 2019 we only had pupils in Year 10 and Mark Hall Academy which was not part of the Trust in 2019.














Some useful national contextual information:

Strategic Report (continued)





- Grade 5+ pass rate is 54.4%. As a Trust we have always highlighted the grade 5 and above pass rate, which is considered a "strong" pass because it is how we are judged in league tables. Nationally the grade 5 pass rate has dropped from 60.3%. This is still slightly above the 53.5% in 2019.
- The proportion of pupil's achieving top grades (7 to 9, which is equivalent to A* / A) are down by 17% this year. 22.4% of grades were 7 and above, compared to 27% last year. It is now closer to the 21.8% from 2019. The proportion of the top grade 9s has seen a bigger drop, of 26%.
- The grade 5 pass rate for English was 55%, compared to 61% in 2022 and 53% in 2019.
- The grade 5 pass rate for maths was 52%, down from 57% in 2022 but up on slightly on 51% per cent in 2019.

School Achievements

There have been many recognised achievements this year at school level.

	<p>Freshwaters Primary Academy was successfully awarded Artsmark Gold in recognition of all they do to develop creative young people.</p> <div style="text-align: right;">   <p>Artsmark Gold Award Awarded by Arts Council England</p> </div>
	<p>Little Parndon Primary Academy achieved a Young Carers Silver Award for all the support they provide to the pupils.</p> <div style="text-align: right;">  </div>
	<p>We are delighted that both Magna Carta Primary Academy and Roydon Primary Academy achieved Silver Sports Award for PE.</p> <div style="text-align: right;">  </div>
	<p>Cooks Spinney Primary Academy was inspected and the HMI and judged the school to be so improved that it could be judged outstanding in its next inspection.</p> <div style="text-align: right;">  </div>
	<p>Our SENCO at Mark Hall Academy won Pearson Teacher of the Year Award for Teacher of Special Educational Needs.</p> <div style="text-align: right;">  </div>
	<p>Epping St John's Church of England School received UNESCO Accreditation.</p> <div style="text-align: right;">  <p>United Nations Educational, Scientific and Cultural Organization</p> </div>

Strategic Report (continued)

	<p>Our Executive head of English at Burnt Mill Academy won the Harlow Teacher of the Year award and one of our pupils received the Harlow Educational Award for Remarkable Demonstration of Compassion and Kindness.</p> <p style="text-align: right;">  Harlow Council <i>Working together for Harlow</i> </p>
	<p>BMAT STEM Academy was inspected for the first time since joining the Trust and was judged to be GOOD in all categories.</p> <p style="text-align: right;">  Ofsted <i>Good Provider</i> </p>

Key performance indicators

The Trustees use certain high-level key performance indicators to monitor the overall financial position of the Trust. These key performance indicators for the past three years have been as follows:

	Target KPIs	2022	2021	2020	2019	2018
Staff costs/(funding for educational operations + trading income)	□80%	75.1%	80%	81.70%	76.40%	79.10%
Net current assets	£20m	£7.1m	£25.5m	£16.2m	£12.1m	£12.0m
Income funds/funding for educational operations	3–5%	4.01%	6.10%	3.60%	3.10%	3.80%

Staff costs remain within the target range, and net current assets remain at an appropriate level. In line with our reserves policy, our target funds/funding ratio is 3–5%. This may fluctuate within or above these limits as we balance the need for financial sustainability with investing in school improvement and optimising outcomes for our pupils and students.

Going Concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future, and there are no material uncertainties about the Trust's ability to continue as a going concern, with external funding continuing to be received in line with expectations. Thus, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements. 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.

In making their assessment, Trustees have considered budgets and forward planning reports and taken into consideration the wider effects of the UK economy and the current impact of rising inflation and prices on the Trusts operations and reserves. The Trustees confirm that the assessment remains appropriate based on the strong cash and net asset position which enables it to meet its liabilities as they fall due.

Financial and risk management objectives and policies

The Trust's exposure to financial risks is minimal, as the principal financial instruments which it deals with are cash balances, which are held at a main UK corporate bank, and are therefore considered to be low risk. Trade and other debtors are minimal.

Strategic Report (continued)

Financial review

The principal source of funding for the Trust is the General Annual Grant (GAG) and other grants that it receives from the Education and Skills Funding Agency (ESFA). For the year ended 31 August 2023, the Trust received £47,776,000 of GAG and other ESFA income. A high percentage of this income is spent on wages and salaries and support costs to deliver the Trust's primary objective of the provision of education.

Unrestricted income in year was £2,328,000 from trading activities. The Trust brought forward from 2021/22, £1,320,000 restricted funds (excluding the pension reserve) and £2,433,000 unrestricted funding. The carry forward for 2022/23 is £1,249,000 restricted funding and £2,843,000 unrestricted funding. Total funds held at 31 August 2023 are £88,670,000. The restricted fixed asset fund represents the net book value of fixed assets owned by the Trust, as well as any unspent grants for capital purposes. On 31 August 2022 the value of this fund was £113,772,000.

In August 2023, the Trust was advised by the DfE that there were structural concerns around the Sir Fredrick Gibberd school building, the building needed to be vacated immediately, and was no longer fit for use. As a result, the Trust has accounted for the impairment of the full value of the fixed asset and any related fixtures and fittings.

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Trust is recognising a pension scheme asset of £356,000 from the Essex Pension Fund. This gain is in line with other pension schemes in the sectors and expectation after the market volatility and global events that occurred in the prior year.

Reserves Policy

The Trustees have determined that the appropriate level of free reserves retained as a minimum should be equivalent to four weeks average payroll costs, currently 4% of recurring revenue income. The reason for this is to provide sufficient working capital to cover delays between spending and receipts of grants and to provide a cushion to deal with any unexpected costs. The Trust has exceeded the minimum level of reserves, and are currently at a healthy level at 7.9% of recurring income at 31 August 2023, with the in-year revenue surplus further adding to the total prior year reserve levels. The Trustees will continue to review the reserve levels annually and agree an appropriate use of unrestricted and designated funds for strategic development, school improvement, capital, and other operational investment on a sustainable basis. The review will encompass the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves.

The utilisation of these designated funds would reduce the total free reserves by 1.9% to 6.4%, the Trustees continue to review and scrutinise the Trust annual budget plans to ensure a sustainable forward financial plan.

Material Investments Policy

The cash balance of the Trust has been very healthy all year, ending the year at £10,180,000. A proportion of this cash is held against specific projects and therefore not generally available to meet normal recurring expenditure.

The Trustees do not consider the investment of surplus funds as a primary activity, rather as good stewardship and as and when circumstances allow. During the year the Trust placed surplus cash in a combination of fixed term deposit and instant access accounts, looking to maximise the benefit of the rising interest rate environment, whilst ensuring any investments strategy remains low risk.

Strategic Report (continued)

Principal risks and uncertainties

The Trust works with the Trustees in maintaining a central risk register identifying the major risks, to which each academy is exposed, and identifying actions and procedures to mitigate those risks. The Trust has also implemented further independent Internal Scrutiny reporting for the wider operational management requirements, following the ESFA framework and the Academy Trust Handbook. The risk register and internal scrutiny reports are issued, approved, and monitored by the Trust Board via the Operational Risk & People Management Committee, with a formal review of the process undertaken on an annual basis.

The internal control systems and the exposure to identified risks are monitored on behalf of the Trustees at each OR&PMC meeting. The principal risks facing the Trust are outlined below; those facing the academies at an operational level are addressed by its systems and by internal financial and other control. The Trust and each Academy have continued to strengthen their risk management processes throughout the year. All risks are assessed at the appropriate Trust Board committees. Each risk owner within the Executive identifies the top three risks on a termly basis and reports these to the trust board, via the Operational Risk & People Management Committee.

The Trustees report that the Trust's financial and internal controls conform to guidelines issued by ESFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

As a group of 'academy' schools, the level of financial risk is low. Cash flows can be reliably forecast, monitored, and reported. Staff costs make up the majority of expenditure and are relatively stable with reasonable contingencies in place to cover staff absence and maternity. Transitional interim costs and support for leadership and wider strategic aims are included and viable for the new academic year.

The Trustees assessed the principal risks facing the Trust as follows:

1. Data breach and consequences, through GDPR breaches or cyber-attack.
2. Increase in mental health problems for pupils, parents and staff, increasing need for pupil and staff welfare and well-being.
3. Increase in extreme behaviour within the Trust and the wider environment.
4. Recruitment and retention of Teaching Staff within the Trust to be able to lead and deliver the new curriculum in core subjects, with increasing numbers leaving the profession.

Streamlined Energy and Carbon Reporting (SECR)

BMAT Education, as an academy trust, must consider all the energy from gas, electricity, and transport fuel usage in the UK that they are responsible for. We consider mileage used on company vehicles and direct staff mileage claims, not mileage allowances.

In completing the streamlined energy and carbon report, the Trust produces an energy intensity ratio. The chosen intensity measurement ratio is total gross emissions in metric tons CO₂e per pupil; this is the chosen method of reporting in this sector.

Strategic Report (continued)

BMAT's energy intensity ratio is 0.17. This is a decrease of 0.11 on 21/22, which is a direct result of actions taken by the Trust and its staff to reduce energy usage where possible.

To achieve this low intensity ratio BMAT had the following actions in place in 22/23:

1. The Trust has procured all its electricity from EDF on their Green Tariff; it entered into a further three-year contract with EDF in 2022.
2. It reduced the opening hours of school buildings to reduce energy consumption across the Trust.
3. The Trust's programme to install smart meters across all sites to improve our understanding of energy consumption was completed.
4. The Trust's analysed energy data and implemented measures to reduce energy consumption by encouraging staff to go 'paperless' and placed restrictions on multi-function device printers to minimise printing costs.
5. The Trust adjusted IT equipment to operate on low power/ stand-by when not in use.
6. It installed blinds across the estate to reduce solar gain and reduce air conditioning/climate cooling costs.
7. Gas ovens were replaced with modern electric appliances across the estate.

Additional actions being taken to further improve energy efficiency:

8. One of the Trust's schools, Roydon Primary Academy, is a pilot school in the Department for Education's decarbonisation scheme, and plans are in place to install a Ground Source Heat Pump together with other energy efficiency measures.
9. Burnt Mill Academy is a participant school on the Schools Rebuilding Programme, and the new build will be net-zero carbon.
10. The Trust undertook an energy audit undertaken across all schools and has a programme of works in place to implement energy efficiency measures e.g. LED lighting, solar PV and modern energy efficient boilers.

Streamlined Energy and Carbon Reporting**UK Greenhouse gas emissions and energy use data for 1 September 2022 to 31 August 2023**

Energy consumption used to calculate emissions (kWh)	9,386,596
Gas [kWh]	5,765,204
Oil [kWh]	0
LPG [kWh]	0
Electricity [kWh]	0
Electricity Renewables [kWh]	3,603,491
Transport Fuel [kWh]	16,730
Scope 1 emissions in metric tonnes CO₂e	1,170.59
Gas consumption	1,166.07
Oil consumption	0.00
LPG consumption	0.00
Owned transport – mini-buses	4.52

Scope 2 emissions in metric tonnes CO₂e	0.00
Purchased electricity	0.00
Purchased electricity renewables	0.00
Scope 3 emissions in metric tonnes CO₂e	0.00
Business travel in employee-owned vehicles [petrol / diesel]	0.00
Business travel in employee-owned vehicles [electric]	0.00
Total gross emissions in metric tonnes CO₂e	1,170.59
Total number of students within the trust	6,755.00
Intensity ratio Tonnes CO₂e per pupil	0.17

Quantification and Reporting Methodology: -

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2022 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

1. Smart meters have been installed across all sites to improve our understanding of energy consumption.
2. We have analysed our energy data and identified areas where reductions in usage can be made, whilst ensuring any impact on the students or the operation of the Trust is minimised.
3. The majority of the trust estate has now been upgraded to LED lighting. Work has taken place at Royal Docks Academy and Epping St John's Church of England School over the summer, and Burnt Mill Academy will follow with the new build, with the aim of reducing energy consumption by over 20%.
4. We are currently installing and piloting PV panels on the roof of one of the Trusts academies, with the aim of reducing energy consumption by over 20%.
5. The Trust is currently researching the possibility of installing solar thermal panels to the roofs of the Trust's academies.
6. The Trust is in the process of moving all of its servers to the Cloud.
7. There will be an energy audit on our academies, to understand actions we can take to reduce our carbon footprint.
8. There is a five-year plan in place to upgrade all our boilers, saving over 15% on our gas consumption.
9. The Trust procures all electricity from EDF on their Green Tariff.
10. This year the Trust has set up a Green Committee to help to drive the green agenda throughout the Trust.

Strategic Report (continued)

Section 172 Statement

In accordance with Section 172 of the Companies Act 2006, the Trustees/Directors (who form our Trust Board) complied with their duty to promote the success of BMAT Education through their approval of the 5-year Combined Strategy (as well as our Growth Strategy) and on-going review of performance against this. All decisions are made in line with BMAT Education's integrated strategic and financial plan, with the long-term interests of the charity and its stakeholders in mind. Culture, employee welfare and engagement are important to the Trustees.

As a Trust, we already support flexible working practices, we have improved our communication with staff in recent years and are about to embark on a review of our staff wellbeing programme. Trustees understand the importance of maintaining productive relationships amongst stakeholders, underlined by a strong sense of purpose. Members of the Executive Management Team (EMT), and local Senior and Middle Leaders proactively collaborate with a variety of stakeholders within the education sector to share knowledge and learnings as appropriate. High standards of business conduct are always maintained. The Trust holds regular meetings with suppliers and engages with them through different procurement processes to ensure good working relationships are developed and sustained.

Trustees are mindful of BMAT Education's impact on the community and environment. Our communities, social action and enrichment sit at the heart of everything we do, and this is reflected in our curriculum. Environment matters form part of this work and one of our goals is achieving green flag status across all of our schools, we will use our lessons learnt to help others. As a registered charity, we are committed to making the biggest difference to all of our pupils, inside and outside the classroom. BMAT Education's reputation and business conduct are paramount to its future success and ability to deliver value to its various stakeholders.

BMAT Education has an experienced Trust Board, who are responsible for ensuring that corporate governance best practice is followed, supported by the Operational Risk & People Management Committee, Finance Committee, Governance Committee and Standards Committee. During 2022/23 academic year, the Trust Board reconstituted its Finance Committee to have delegated responsibility over property and estate management affairs and was renamed **'Finance & Resources Committee'**. The Operational Risk & People Management Committee was also renamed to the **'Audit, Risk & People Management Committee'**. The respective terms of reference for each Committee were updated to reflect the changes.

Plans for future periods

BMAT Education continues to consider growth opportunities which are consistent with its growth strategy, subject to an assessment of the long-term financial sustainability of any such opportunity and the capacity to deliver its educational objectives.

A growth strategy is in place which focuses on:

1. Internal growth – ensuring all schools are full to capacity.
2. Exploring opportunities for schools to join if they are in the areas that provide strong, deep collaborations with schools already in the Trust.

Strategic Report (continued)

The Trustees continue to monitor the BMAT 3-year Strategic Plan, which sets out the Trust's ambitions and future plans. This sets out BMAT's priorities for development, to ensure the support is provided to the twelve schools, and sets overarching targets in areas like attainment and pupil attendance within a realistic delivery programme. These strategic plans are reviewed annually, and include the following:

- Teacher development of the ambitious curriculum at BMAT.
- Recruiting, developing, supporting and retaining staff across the entire Trust.
- Increasing the number of pupils on roll in BMAT Education schools.
- Continuing to strengthen the outcomes for the most disadvantaged pupils.
- Continuing to build a strong and successful SEND resource provision for secondary pupils with SEND needs.
- Development of the estate to ensure that all pupils are educated in premises fit for the 21st century.
- Continuing to strengthen and embed safeguarding and welfare systems.

Funds held as custodian trustee on behalf of others

The Trust does not act as custodian trustee on behalf of any others.

Auditor

Crowe U.K. LLP indicated their willingness to be reappointed for another term and appropriate arrangements will be put in place for them to be reappointed as auditors in the Trust's Annual General Meeting held on **15 January 2024**.

Statement as to disclosure of information to auditor

The Trustees have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The Trustees' Report is approved by order of the Trust Board, and the Strategic Report (included therein) is approved by the Trustees in their capacity as the directors at a meeting held on **12 December 2023** and the report is signed on its behalf by:



Mr P Drayton
Chair of Trustees

Governance Statement

Scope of Responsibility

As Trustees, we acknowledge that we have overall responsibility for ensuring that BMAT Education 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 Trust Board has delegated the day-to-day responsibility to the Chief Executive Officer (CEO) 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 BMAT Education and the Secretary of State for Education. They are also responsible for reporting to the Trust Board any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities.

The Members of the Academy Trust have formally met twice during the year (including for the Annual General Meeting). Attendance during the year at meetings was as follows:

MEMBERS	ATTENDANCE	NOTES
Ms F Griffith	2 meetings of 2 (incl. AGM)	
Mr N Tesseyman	2 meetings of 2 (incl. AGM)	
Chelmsford Diocesan Board of Education	1 meeting of 2 (incl. AGM)	Designated CDET Representative attends meeting.
Mr P Bogle	None	

The Trust Board met has formally 5 times during the year (excluding strategy sessions). Attendance during the year at meetings was as follows:

TRUSTEES	ATTENDANCE	NOTES
Mr P Drayton	5 meetings of 5	
Ms H C Mills CBE	5 meetings of 5	
Mr J Cooke	4 meetings of 5	
Prof R Sanders	5 meetings of 5	

Mr M Collier	5 meetings of 5	
Mr P Bogle	4 meetings of 5	
Ms E Kirby	3 meetings of 3	Resigned 27 February 2023
Ms J Coton	1 meeting of 1	Resigned 26 September 2022
Mr Rod Bristow	N/A	Term expired 30 September 2022
Mr N Brann	4 meeting of 5	
Ms V Marrow	5 meeting of 5	
Mr K Gaurav	N/A	Appointed 1 October 2023

Finance Committee

The Finance Committee met 3 times during 2022/23.

COMMITTEE MEMBERS	ATTENDANCE	NOTES
Mr N Brann	3 meeting of 3	Chair of Finance Committee
Mr P Drayton	1 meeting of 1	Attending as Chair of Trustees
Ms H C Mills CBE	3 meetings of 3	
Mr K Knight	3 meetings of 3	Voting Member of the Committee
Mr P Bogle	1 meeting of 1	
Ms V Marrow	1 meeting of 1	
Mr K Gaurav	1 meeting of 1	Attending as an observer

Operational Risk & People Management Committee

The Operational Risk & People Management Committee met 3 times during 2022/23. This Committee was renamed to Audit, Risk & People Management Committee from 01 September 2023.

COMMITTEE MEMBERS	ATTENDANCE	NOTES
Mr J Cooke	3 meetings of 3	Chair of Committee
Mr P Drayton	3 meetings of 3	Attending as Chair of Trustees
Ms H C Mills CBE	3 meetings of 3	Attending as CEO & Accounting Officer
Mr P Bogle	3 meetings of 3	
Mr T Harrison	3 meetings of 3	Voting Member of the Committee

Mr M Dumast	2 meetings of 3	Voting Member of the Committee
Ms V Marrow	3 meetings of 3	

Governance Committee

The Governance Committee had 2 scheduled meetings in 2022/23.

COMMITTEE MEMBERS	ATTENDANCE	NOTES
Mr P Drayton	2 meetings of 2	Chair of Committee
Ms H C Mills CBE	2 meetings of 2	
Prof R Sanders	2 meetings of 2	
Ms V Marrow	2 meetings of 2	
Mrs M Burges	2 meetings of 2	LGB Representative (Secondary)
Mr C Laws	1 meeting of 2	LGB Representative (Primary)

Standards Committee

The Standards Committee met 3 times during 2022/23.

COMMITTEE MEMBERS	ATTENDANCE	NOTES
Mr P Drayton	3 meetings of 3	Chair of Committee
Ms H C Mills CBE	3 meetings of 3	
Mr R Bristow	1 meeting of 1	
Mr M Collier	3 meetings of 3	
Ms J Coton	1 meeting of 1	
Dr J Quaye	3 meetings of 3	Voting Member of the Committee
Mr A Overton	3 meetings of 3	Voting Member of the Committee
Mr J Cooke	1 meeting of 1	
Prof R Sanders	1 meeting of 1	
Mr P Bogle	1 meeting of 1	
Ms V Marrow	1 meeting of 1	

Review of Value for Money

As Accounting Officer, the Chief Executive Officer has responsibility for ensuring that the Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for 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 Trust Board where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer has delivered improved value for money during the year by:

- Trust wide procurement being achieved and a preferred supplier identified for curriculum and administration supplies.
- Trust wide move to more cost effective 'in-house' catering provision and shared services across schools.
- Continued Trust wide work on establishing preferred suppliers for facilities and estates.
- Continued Trust wide managed service efficiencies and economies of scale for Finance, IT and GDPR, Facilities and Estates and HR.

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 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 BMAT Education for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the Annual Report and financial statements.

Capacity to Handle Risk

The Trust Board has reviewed the management of risk and has established a separate Operational Risk & People Management Committee, with enhanced terms of reference to review and monitor operating, financial and compliance risks and controls that have been implemented to mitigate those risks (including people management).

The Trust Board is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks, with the completion of risk registers and increased internal scrutiny for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the Annual Report and financial statements.

This has been with reference to the ESFA guidance on the areas of Internal Scrutiny identified and published, and this process is regularly reviewed by the Trust Board.

The Risk and Control Framework

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

- Comprehensive budgeting and monitoring systems, with an annual budget and periodic financial reports which are reviewed and agreed by the finance committee and the Trust Board.
- Regular reviews by the Finance Committee and Trust Board of reports which indicate financial performance

measured 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.
- Review and Update of the Scheme of Delegation and Sub-Committee Terms of Reference.
- Establishment of an Operational Risk and People Management Committee, covering the areas of Internal Scrutiny for all operational matters, Identification, and management of risks.
- Buy-in of an internal audit service from Kreston Reeves LLP.
- Independent internal audits carried out for the Trust and academies in the year, giving advice on financial and wider operational matters, performing a range of checks including the Trust's financial systems and compliance, HR Systems and Compliance, Health and Safety and Premises Compliance, Information and GDPR Compliance.

Through the schedule of internal audit work, no material control issues were identified.

Review of Effectiveness

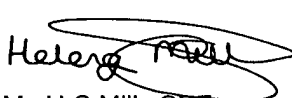
As Accounting Officer, the Chief Executive Officer has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- The work of the internal Auditors;
- The work of the external Auditors;
- Financial management and governance self-assessment process;
- The work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework;
- The work of the sub-committees to the Trust Board.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance & Resources and Operational Risk & People Management Committees (renamed from 01 September 2023 as Audit, Risk & People Management Committee) and a plan to address any weaknesses and ensure continuous improvement of the system is in place.

Approved by the Trust Board on **12 December 2023** and signed, by:


Mr P Drayton
Chair of Trustees

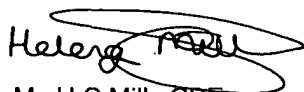

Ms H C Mills CBE
Accounting Officer

Statement on regularity, propriety and compliance

As Accounting Officer of BMAT Education I have considered my responsibility to notify the academy Trust Board 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 Academy Trust Handbook 2022.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academy Trust Handbook 2022.

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


Ms H C Mills CBE
Accounting Officer

Date: 12 December 2023

Statement of Trustees Responsibilities (for the year ended 31 August 2023)

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 Annual Accounts Direction issued by the Education & 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 2022-2023;
- 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 assume 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 to the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA and the DfE have been applied for the purposes intended.

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

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


Mr P Drayton
Chair of Trustees

BMAT EDUCATION
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF BMAT EDUCATION

Opinion

We have audited the financial statements of BMAT Education (the 'Trust') for the year ended 31 August 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Trust Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the Parent 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.

BMAT EDUCATION
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF BMAT EDUCATION (CONTINUED)

Other information

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

We have nothing to report in this regard.

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.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

BMAT EDUCATION
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF BMAT
EDUCATION (CONTINUED)**

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Academies Financial Handbook 2022 and the Academies Accounts Direction 2022 to 2023. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The key laws and regulations we considered in this context were General Data Protection Regulation, health and safety legislation, Ofsted and employee legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquire of the Trustees and other management and inspection of regulatory and legal correspondence, if any. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing and completeness of income recognition and the override of controls by management.

Our audit procedures to respond to these risks included enquiries of management and the Board about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, sample testing on income recognised in the accounts, reviewing accounting estimates for biases, reviewing regulatory correspondence with the ESFA, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

BMAT EDUCATION
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF BMAT
EDUCATION (CONTINUED)**

Use of our report

This report is made solely to the charitable 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 charitable Trust's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Vincent Marke (Senior statutory auditor)

for and on behalf of

Crowe U.K. LLP

Statutory Auditor

55 Ludgate Hill

London

EC4M 7JW

Date:

BMAT EDUCATION
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BMAT
EDUCATION AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 5 August 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by BMAT Education during the year 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of BMAT Education's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of BMAT Education's funding agreement with the Secretary of State for Education dated 1 December 2011 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2022 to 2023. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting 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 Trust's income and expenditure.

The work undertaken to draw to our conclusion includes a review of the design and implementation of the Academy's internal controls and review processes on regularity, supported by detailed tests on samples of costs incurred by the academy and specific transactions identified from our review.

BMAT EDUCATION
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BMAT
EDUCATION 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 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant
Crowe U.K. LLP

Statutory Auditor

Date:

BMAT EDUCATION
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023**

		Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
	Note					
Income from:						
Donations and capital grants	3	-	522	2,831	3,353	2,888
Other trading activities	5	2,328	-	-	2,328	1,602
Investments	6	32	-	-	32	1
Charitable activities	4	-	47,776	-	47,776	43,586
Total income		2,360	48,298	2,831	53,489	48,077
Expenditure on:						
Raising funds		2,006	-	-	2,006	1,500
Charitable activities:	8					
Trust educational operations		-	48,541	4,324	52,865	51,205
Impairment of fixed assets		-	-	28,165	28,165	-
Total expenditure		2,006	48,541	32,489	83,036	52,705
Net income/(expenditure)		354	(243)	(29,658)	(29,547)	(4,628)
Transfers between funds	21	-	(108)	108	-	-
Net movement in funds before other recognised gains/(losses)		354	(351)	(29,550)	(29,547)	(4,628)
Other recognised gains/(losses):						
Losses on revaluation of fixed assets		-	-	-	-	(711)
Actuarial gains on defined benefit pension schemes	28	-	3,889	-	3,889	19,252
Net movement in funds		354	3,538	(29,550)	(25,658)	13,913

BMAT EDUCATION
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT) (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

	Unrestricted funds	Restricted funds	Restricted fixed asset funds	Total funds	Total funds
	2023	2023	2023	2023	2022
Note	£000	£000	£000	£000	£000
Reconciliation of funds:					
Total funds brought forward	2,490	(1,933)	113,772	114,329	100,416
Net movement in funds	354	3,538	(29,550)	(25,658)	13,913
Total funds carried forward	2,844	1,605	84,222	88,671	114,329

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 38 to 72 form part of these financial statements.

BMAT EDUCATION
(A company limited by guarantee)
REGISTERED NUMBER: 07843166

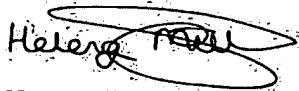
CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £000	2022 £000
Fixed assets			
Tangible assets	16	82,786	111,293
Current assets			
Debtors	17	3,489	3,682
Investments	18	7,000	-
Bank and cash balances		3,180	8,565
		<u>13,669</u>	<u>12,247</u>
Creditors: amounts falling due within one year	19	(6,517)	(4,305)
Net current assets		<u>7,152</u>	<u>7,942</u>
Total assets less current liabilities		<u>89,938</u>	<u>119,235</u>
Creditors: amounts falling due after more than one year	20	(1,623)	(1,653)
Net assets excluding pension asset / liability		<u>88,315</u>	<u>117,582</u>
Defined benefit pension scheme asset / liability	28	356	(3,253)
Total net assets		<u><u>88,671</u></u>	<u><u>114,329</u></u>
Funds of the Trust			
Restricted funds:			
Fixed asset funds	21	84,222	113,772
Restricted income funds	21	1,249	1,320
Restricted funds excluding pension liability / asset	21	<u>85,471</u>	<u>115,092</u>
Pension reserve	21	356	(3,253)
Total restricted funds	21	<u>85,827</u>	<u>111,839</u>
Unrestricted income funds	21	<u>2,844</u>	<u>2,490</u>
Total funds		<u><u>88,671</u></u>	<u><u>114,329</u></u>

BMAT EDUCATION
(A company limited by guarantee)
REGISTERED NUMBER: 07843166

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

The financial statements on pages 31 to 72 were approved by the Trustees, and authorised for issue on and are signed on their behalf, by:



Ms H Mills CBE
Chief Executive Officer

Date: 12 December 2023

The notes on pages 38 to 72 form part of these financial statements.

BMAT EDUCATION
(A company limited by guarantee)
REGISTERED NUMBER: 07843166

TRUST BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £000	2022 £000
Fixed assets			
Tangible assets	16	82,782	111,288
Current assets			
Debtors	17	3,902	3,756
Investments	18	7,000	-
Cash at bank and in hand		2,744	8,347
		<u>13,646</u>	<u>12,103</u>
Creditors: amounts falling due within one year	19	(6,491)	(4,213)
Net current assets		<u>7,155</u>	<u>7,890</u>
Total assets less current liabilities		<u>89,937</u>	<u>119,178</u>
Creditors: amounts falling due after more than one year	20	(1,623)	(1,653)
Net assets excluding pension asset / liability		<u>88,314</u>	<u>117,525</u>
Defined benefit pension scheme asset / liability	28	356	(3,253)
Total net assets		<u><u>88,670</u></u>	<u><u>114,272</u></u>
Funds of the Trust			
Restricted funds:			
Fixed asset funds	21	84,222	113,772
Restricted income funds	21	1,249	1,320
Restricted funds excluding pension asset / liability	21	<u>85,471</u>	<u>115,092</u>
Pension reserve	21	356	(3,253)
Total restricted funds	21	<u>85,827</u>	<u>111,839</u>
Unrestricted income funds	21	<u>2,843</u>	<u>2,433</u>
Total funds		<u><u>88,670</u></u>	<u><u>114,272</u></u>

The Trust's net movement in funds for the year was £(25,603) (2022 - £13,857).

BMAT EDUCATION
(A company limited by guarantee)
REGISTERED NUMBER: 07843166

TRUST BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

The financial statements on pages 31 to 72 were approved by the Trustees, and authorised for issue on
and are signed on their behalf, by:


Ms H Mills CBE

Date: 12 December 2023

The notes on pages 38 to 72 form part of these financial statements.

BMAT EDUCATION
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £000	2022 £000
Cash flows from operating activities			
Net cash provided by operating activities	23	2,814	1,417
Cash flows from investing activities	24	(1,199)	293
Change in cash and cash equivalents in the year		1,615	1,710
Cash and cash equivalents at the beginning of the year		8,565	6,855
Cash and cash equivalents at the end of the year	25, 26	<u>10,180</u>	<u>8,565</u>

The notes on pages 38 to 72 form part of these financial statements

BMAT EDUCATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies

The Trust is a private company limited by guarantee, incorporated in England (company number: 07843166). The address of the registered office and principal place of operation are detailed on page 1. The Members of the company are the Trustees as named on page 1. In the event of the Trust being wound up, the liability in respect of the guarantee is limited to £10 per member of the Trust.

On 17 October 2019 the Trust changed its name from Burnt Mill Academy Trust to BMAT Education.

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

1.1 Basis of preparation of financial statements

The financial statements of the Group, 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), 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 2019 (FRS 102)), the Academies Accounts Direction 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Trust and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Trust has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

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 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. Having considered the current impact of rising prices and inflation on the Trust's operations and the wider effects of the Global pandemic, the Trustees have concluded that the Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the 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.

BMAT EDUCATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.3 Income

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

- **Grants**

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

- **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.

Donated Fixed Assets

Donated Fixed Assets are measured and brought in at their fair value. Where this is not available the assets are valued and brought in at the cost the Trust would have paid for those assets. Once brought in, the donated assets are depreciated in line with the Trust's accounting policy.

- **Other income**

Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent the goods have been provided or on completion of the service.

BMAT EDUCATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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.

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Taxation

The 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 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.

BMAT EDUCATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.6 Tangible fixed assets

The Trust occupies land and the buildings at Epping St John's Church of England School provided to it by the Diocesan Trustees under a license (also referred to as a Church Supplemental Agreement) which contains a three-year notice period. Having considered the fact that the Trust occupies the land and buildings by a license that transfers to it no rights or control over the site, save that of occupying it at the will of the Diocesan Trustees under the agreement, the Diocesan Trustees have concluded that the value of the land and buildings occupied by the Trust will not be recognised or valued within the fixed assets.

The deemed expenditure of renting the premises for a year is put through the accounts and an equal and opposite donation from the Diocese is included in income.

All assets costing more than £2,000 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Consolidated 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 Consolidated 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	- 22-38 years straight line
Long term leasehold buildings	- 22-38 years straight line
Long term leasehold land	- over the term of the lease
Furniture and fixtures	- 5 - 10 years straight line
Computer equipment	- 5 - 10 years straight line
Motor vehicles	- 10 years straight line

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 Consolidated Statement of Financial Activities.

Transfer of existing academies into the academy trust:

Where assets and liabilities are received on the transfer of an existing academy into the academy trust, the transferred net assets are measured at fair value and recognised in the balance sheet at the point when risks and rewards of ownership pass to the academy trust. An equal amount of income is recognised for the transfer of an existing academy into the academy trust within donations and capital grant income to the net assets acquired.

BMAT EDUCATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.7 Investments

Investments represents cash held on deposits that are available on demand, these are included on the balance sheet as a current asset.

1.8 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.

1.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.10 Liabilities and provisions

Liabilities and provisions 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 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. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.11 Financial instruments

The Group only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Group 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 17. Prepayments are not financial instruments. Amounts due to the 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 notes 19 and 20. 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 Trust's wholly owned subsidiary are held at face value less any impairment.

1.12 Operating leases

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight-line basis over the lease term.

BMAT EDUCATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.13 Pensions

Retirement benefits to employees of the Group 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 Group 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 Group 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 Consolidated 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.

1.14 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Group 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.

BMAT EDUCATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

2. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

The 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 28, 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 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

At 31 August 2023 the Essex Pension Fund and London Borough of Newham Pension Fund are showing a combined net pension asset of £356,000. The Trustees have considered the ability of BMAT to recover this amount through future reduction in contributions and have made the judgement that this amount is recoverable in the future. Further information around the pension schemes is given in Note 28.

The asset values are reported using estimated asset allocations prepared by the scheme Actuary. The asset value is calculated at each triennial valuation. Thereafter it is rolled forward to accounting dates using investment returns, contributions received and benefits paid out. During each annual reporting period between triennial valuations, asset returns are estimated using 11 months of market experience and one month of extrapolation being assumed.

BMAT EDUCATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

3. Income from donations and capital grants

	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000
Right to occupy	522	-	522
Capital grants	-	2,831	2,831
Total 2023	522	2,831	3,353

	<i>Restricted funds 2022 £000</i>	<i>Restricted fixed asset funds 2022 £000</i>	<i>Total funds 2022 £000</i>
Right to occupy	522	-	522
Capital grants	-	2,366	2,366
<i>Total 2022</i>	<i>522</i>	<i>2,366</i>	<i>2,888</i>

BMAT EDUCATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

4. Funding for the Trust's educational operations

	Restricted funds 2023 £000	Total funds 2023 £000
Funding for the Academy's educational operations		
DfE/ESFA grants		
General Annual Grant (GAG)	40,104	40,104
Other DfE/ESFA grants		
Other DfE Group grants	3,324	3,324
Start Up grants	1,551	1,551
Special educational projects	490	490
Local Authority grants	2,307	2,307
Total 2023	47,776	47,776

	<i>Restricted funds 2022 £000</i>	<i>Total funds 2022 £000</i>
Funding for the Academy's educational operations		
DfE/ESFA grants		
General Annual Grant (GAG)	37,423	37,423
Other DfE/ESFA grants		
Other DfE Group grants	3,108	3,108
Start Up grants	543	543
Special educational projects	377	377
Local Authority grants	2,135	2,135
	43,586	43,586
<i>Total 2022</i>	43,586	43,586

BMAT EDUCATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

5. Income from other trading activities

	Unrestricted funds 2023 £000	Total funds 2023 £000
Catering Income	1,123	1,123
Other Income	942	942
Trip Income	263	263
Total 2023	2,328	2,328
	<i>Unrestricted funds 2022 £000</i>	<i>Total funds 2022 £000</i>
Rental Income	1	1
Catering Income	914	914
Other Income	541	541
Trip Income	146	146
<i>Total 2022</i>	<i>1,602</i>	<i>1,602</i>

6. Investment income

	Unrestricted funds 2023 £000	Total funds 2023 £000
Bank interest	32	32
	<i>Unrestricted funds 2022 £000</i>	<i>Total funds 2022 £000</i>
Bank interest	1	1

BMAT EDUCATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

7. Expenditure

	Staff Costs 2023 £000	Premises 2023 £000	Other 2023 £000	Total 2023 £000
Expenditure on fundraising trading activities:				
Direct costs	256	91	1,659	2,006
Funding for the Academy's educational operations:				
Direct costs	29,422	-	310	29,732
Allocated support costs	8,045	5,565	9,524	23,134
Impairment of fixed assets				
Impairment (refer to note 16)	-	-	28,165	28,165
	37,723	5,656	39,658	83,037
	Staff Costs 2022 £000	Premises 2022 £000	Other 2022 £000	Total 2022 £000
Expenditure on fundraising trading activities:				
Direct costs	201	63	1,236	1,500
Funding for the Academy's educational operations:				
Direct costs	27,344	-	539	27,883
Allocated support costs	9,795	4,303	9,224	23,322
	37,340	4,366	10,999	52,705

BMAT EDUCATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

8. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2023 £000	Total funds 2023 £000
Academy's educational operations	52,865	52,865
Impairment of fixed assets (refer to note 16)	28,165	28,165
	<u>81,030</u>	<u>81,030</u>
	<i>Restricted funds 2022 £000</i>	<i>Total funds 2022 £000</i>
Academy's educational operations	<u>51,205</u>	<u>51,205</u>

9. Analysis of expenditure by activities

	Activities undertaken directly 2023 £000	Support costs 2023 £000	Total funds 2023 £000
Direct costs - educational operations	29,732	23,134	52,866
Impairment of fixed assets (refer to note 16)	-	28,165	28,165
	<u>29,732</u>	<u>51,299</u>	<u>81,030</u>
	<i>Activities undertaken directly 2022 £000</i>	<i>Support costs 2022 £000</i>	<i>Total funds 2022 £000</i>
Direct costs - educational operations	<u>27,883</u>	<u>23,322</u>	<u>51,205</u>

BMAT EDUCATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2023 £000	<i>Total funds 2022 £000</i>
Staff costs	6,901	8,874
Other staff costs	553	386
Depreciation	3,514	4,695
Technology costs	572	546
Premises costs	5,565	4,303
Other support costs	4,704	3,551
Agency costs	1,325	967
Impairment of fixed assets (refer to note 16)	28,165	-
	<u>51,299</u>	<u>23,322</u>

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023 £000	<i>2022 £000</i>
Operating lease rentals	62	62
Depreciation of tangible fixed assets	3,514	4,695
Fees paid to auditor for:		
- audit	38	33
- other services	11	19
	<u>3,595</u>	<u>4,746</u>

BMAT EDUCATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

11. Staff

a. Staff costs

Staff costs during the year were as follows:

	Group 2023 £000	<i>Group 2022 £000</i>	Academy 2023 £000	<i>Academy 2022 £000</i>
Wages and salaries	26,856	25,082	26,649	24,925
Social security costs	2,869	2,669	2,855	2,656
Pension costs	5,971	7,582	5,936	7,551
	35,696	35,333	35,440	35,132
Agency staff costs	2,208	2,007	2,208	2,007
	37,904	37,340	37,648	37,139

Staff restructuring costs comprise:

	Group 2023 £000	<i>Group 2022 £000</i>	Academy 2023 £000	<i>Academy 2022 £000</i>
Redundancy payments	24	115	24	115
	24	115	24	115

b. Severance payments

The Group paid 5 severance payments in the year (2022 - 4), disclosed in the following bands:

	Group 2023 No.	<i>Group 2022 No.</i>
£0 - £25,000	2	6
£25,001 - £50,000	3	1

c. Special staff severance payments

Included in staff restructuring costs are redundancy payments totalling £24,019 (2022: £115,454). At the year end no amounts remained outstanding (2022: £nil).

BMAT EDUCATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

11. Staff (continued)

d. Staff numbers

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

	Group 2023 No.	Group 2022 No.	Academy 2023 No.	Academy 2022 No.
Teachers	375	406	375	406
Administration and support	357	375	357	375
Management	4	8	4	8
	736	789	736	789

e. Higher paid staff

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

	Group 2023 No.	Group 2022 No.
In the band £60,001 - £70,000	44	31
In the band £70,001 - £80,000	22	14
In the band £80,001 - £90,000	5	5
In the band £90,001 - £100,000	6	3
In the band £100,001 - £110,000	-	2
In the band £110,001 - £120,000	2	2
In the band £120,001 - £130,000	1	-
In the band £140,001 - £150,000	-	1
In the band £150,001 - £160,000	1	-

f. Key management personnel

The key management personnel of the 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 Trust was £689,844 (2022 £1,129,654). The number of staff that formed the key management personnel was 4 (2022: 8). Included in the above are employer pension contributions of £119,079 (2022: £146,618) and employer national insurance contributions of £64,529 (2022: £88,010).

BMAT EDUCATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

12. Central services

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

- Executive Leadership Team
- Legal, Governance and Trust Administration
- Marketing and PR

The Group charges for these services on the following basis:

Flat percentage of recurring GAG income at 3.90%.

The actual amounts charged during the year were as follows:

	2023	2022
	£000	£000
Burnt Mill Academy	256	267
Cooks Spinney Academy	78	74
Freshwater Academy	74	73
Little Parndon Academy	72	72
Roydon Academy	33	34
Forest Hall Academy	120	121
Magna Carta	33	30
Epping St John's	216	215
Royal Docks Academy	263	280
STEM	43	42
Sir Frederick Gibberd	153	110
Mark Hall Academy	173	177
Total	1,514	1,495

The Trust also operates full centrally managed shared services for the functions below charged for each academy as outlined below.

Flat percentage of recurring GAG income as outlined below:

- Financial Management: 2.30%
- Educational Directors and Student Welfare: 1.90%
- IT and Data Management: 3.00%

BMAT EDUCATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

13. Trustees' remuneration and expenses

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

		2023	2022
		£000	£000
Ms H Mills CBE, Chief Executive	Remuneration	155 - 160	145 - 150
	Pension contributions paid	35 - 40	30 - 35

During the year ended 31 August 2023, no Trustees received reimbursement for their role as Trustee (2022 - £nil). During the year ended 31 August 2023, expenses totalling £NIL were reimbursed or paid directly (2022 - £NIL).

14. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Group has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2023 was £176,077 (2022 - £147,885). The cost of this insurance is included in the total insurance cost.

15. Other finance income

	2023	2022
	£000	£000
Interest income on pension scheme assets	887	312
Interest on pension scheme liabilities	(998)	(635)
	(111)	(323)

BMAT EDUCATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

16. Tangible fixed assets

Group

	Freehold property £000	Long-term leasehold property £000	Furniture and equipment £000	Computer equipment £000	Total £000
Cost or valuation					
At 1 September 2022	54,065	70,275	5,462	2,712	132,514
Additions	1,136	2,221	284	378	4,019
Disposals	-	(68)	(331)	(439)	(838)
Impairment charge	-	(29,884)	-	-	(29,884)
At 31 August 2023	55,201	42,544	5,415	2,651	105,811
Depreciation					
At 1 September 2022	11,442	6,955	1,434	1,390	21,221
Charge for the year	1,131	1,813	560	379	3,883
On disposals	-	(13)	(48)	(299)	(360)
Impairment charge	-	(1,720)	-	-	(1,720)
At 31 August 2023	12,573	7,035	1,946	1,470	23,024
Net book value					
At 31 August 2023	42,628	35,509	3,469	1,181	82,787
At 31 August 2022	42,623	63,320	4,028	1,322	111,293

BMAT EDUCATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

16. Tangible fixed assets (continued)

Academy

	Freehold property £000	Long-term leasehold property £000	Furniture and equipment £000	Computer equipment £000	Total £000
Cost or valuation					
At 1 September 2022	54,065	70,275	5,457	2,712	132,509
Additions	1,136	2,221	284	378	4,019
Disposals	-	(68)	(331)	(439)	(838)
Impairment charge	-	(29,884)	-	-	(29,884)
At 31 August 2023	55,201	42,544	5,410	2,651	105,806
Depreciation					
At 1 September 2022	11,442	6,955	1,434	1,390	21,221
Charge for the year	1,131	1,813	560	379	3,883
On disposals	-	(13)	(48)	(299)	(360)
Impairment charge	-	(1,720)	-	-	(1,720)
At 31 August 2023	12,573	7,035	1,946	1,470	23,024
Net book value					
At 31 August 2023	42,628	35,509	3,464	1,181	82,782
At 31 August 2022	42,623	63,320	4,023	1,322	111,288

During the year it was identified that there was an issue with SFG which resulted in an impairment of the full value of the asset and any relevant fixtures and fittings. See further details included in the trustees report (Page 13).

BMAT EDUCATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

17. Debtors

	Group 2023 £000	<i>Group 2022 £000</i>	Academy 2023 £000	<i>Academy 2022 £000</i>
Due after more than one year				
Other debtors	1,565	1,565	1,565	1,565
	<u>1,565</u>	<u>1,565</u>	<u>1,565</u>	<u>1,565</u>
Due within one year				
Trade debtors	13	16	4	4
Amounts owed by group undertakings	-	-	438	88
Other debtors	274	88	260	88
Prepayments and accrued income	1,183	1,118	1,181	1,116
Tax recoverable	454	895	454	895
	<u>3,489</u>	<u>3,682</u>	<u>3,902</u>	<u>3,756</u>

18. Current asset investments

	Group 2023 £000	<i>Group 2022 £000</i>	Academy 2023 £000	<i>Academy 2022 £000</i>
Unlisted investments (liquid)	7,000	-	7,000	-

BMAT EDUCATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

19. Creditors: Amounts falling due within one year

	Group 2023 £000	Group 2022 £000	Academy 2023 £000	Academy 2022 £000
Salix loan	30	30	30	30
Trade creditors	2,313	1,050	2,302	1,040
Other taxation and social security	667	646	667	646
Other creditors	1,121	772	1,122	772
Accruals and deferred income	2,386	1,807	2,370	1,725
	6,517	4,305	6,491	4,213

	Group 2023 £000	Group 2022 £000	Academy 2023 £000	Academy 2022 £000
Deferred income				
Deferred income at 1 September 2022	843	471	843	471
Resources deferred during the year	639	843	639	843
Amounts released from previous periods	(843)	(471)	(843)	(471)
	639	843	639	843

20. Creditors: Amounts falling due after more than one year

	Group 2023 £000	Group 2022 £000	Academy 2023 £000	Academy 2022 £000
Salix loan	58	88	58	88
Accruals and deferred income	1,565	1,565	1,565	1,565
	1,623	1,653	1,623	1,653

BMAT EDUCATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

21. Statement of funds

	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2023 £000
Unrestricted funds						
Unrestricted funds - general	2,490	2,360	(2,006)	-	-	2,844
Restricted general funds						
General Annual Grant (GAG)	1,320	40,104	(40,067)	(108)	-	1,249
Other DfE/ESFA	-	5,365	(5,365)	-	-	-
Local Authority Grants	-	2,307	(2,307)	-	-	-
Right to Occupy	-	522	(522)	-	-	-
Pension reserve	(3,253)	-	(280)	-	3,889	356
	(1,933)	48,298	(48,541)	(108)	3,889	1,605
Restricted fixed asset funds						
Fixed Asset Funds	111,293	-	(31,679)	3,172	-	82,786
Capital Grants	2,479	2,831	(810)	(3,064)	-	1,436
	113,772	2,831	(32,489)	108	-	84,222
Total Restricted funds	111,839	51,129	(81,030)	-	3,889	85,827
Total funds	114,329	53,489	(83,036)	-	3,889	88,671

BMAT EDUCATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

21. Statement of funds (continued)

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

General Annual Grant (GAG)

This represents funding from the ESFA to cover the costs of recurrent expenditure.

Start Up Grant

This represents a grant to aid with start up costs for new member Schools to the Trust.

Other DfE/ESFA grants

Other ESFA/DfE grants represent funding from Government agencies to be used for specific purposes.

Local Authority grants

Local Authority grants represent funding from the Local Authority to be used for specific purposes.

Special educational projects

This includes schools direct, absence insurance and Sure Start income.

Other restricted funds

Other restricted funds balance relates to cyclical maintenance funding.

Right to Occupy

This fund represents the rent free occupation of the land and buildings from the Diocese of Chelmsford.

Pension reserve

This fund represents the Trust's share of the deficit of the Local Government Pension Scheme (LGPS) transferred to the Trust on conversion from being a Local Authority school.

Unrestricted - designated

Unrestricted designated funds relate to future fixed asset improvements. The expected timing of expenditure is during 2022/23 academic year.

Restricted fixed asset fund

The restricted fixed asset fund represents the value of fixed assets held in line with the charitable objectives of the Trust. The transfer between funds represents additions purchased through GAG funding. The value of this fund includes the Sir Frederick Gibberd impairment adjustment, please refer to the Fixed asset note (note 16) for details.

Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2023.

BMAT EDUCATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

21. Statement of funds (continued)

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

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2022 £000
Unrestricted funds						
Unrestricted funds - general	2,391	1,604	(1,500)	(5)	-	2,490
Restricted general funds						
General Annual Grant (GAG)	1,083	37,423	(36,778)	(408)	-	1,320
Other DfE/ESFA	-	4,028	(4,028)	-	-	-
Local Authority Grants	-	2,135	(2,135)	-	-	-
Right to Occupy	-	522	(522)	-	-	-
Pension reserve	(19,787)	-	(2,718)	-	19,252	(3,253)
	(18,704)	44,108	(46,181)	(408)	19,252	(1,933)
Restricted fixed asset funds						
Fixed Asset Funds	115,091	-	(4,695)	1,608	(711)	111,293
Capital Grants	1,637	2,366	(329)	(1,195)	-	2,479
	116,728	2,366	(5,024)	413	(711)	113,772
Total Restricted funds	98,024	46,474	(51,205)	5	18,541	111,839
Total funds	100,415	48,078	(52,705)	-	18,541	114,329

BMAT EDUCATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

21. Statement of funds (continued)

Total funds analysis by academy

Fund balances for each academy at 31 August 2023 and 31 August 2022 were zero, hence a breakdown by academy is not included in these accounts.

Total cost analysis by academy

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2023 £000
Burnt Mill Academy	4,224	369	434	540	5,567
Burnt Mill Teaching School	-	-	-	-	-
Cooks Spinney Academy	1,396	134	54	234	1,818
Epping St John's	3,618	296	455	262	4,631
Forest Hall School	2,557	132	158	179	3,026
Freshwaters Academy	1,485	129	63	68	1,745
Little Parndon Academy	1,309	91	57	210	1,667
Central Services	1,412	4,323	643	9,055	15,433
Magna Carta Primary	623	37	42	28	730
Royal Docks School	4,165	378	349	552	5,444
Roydon Academy	629	42	51	36	758
Sir Frederick Gibberd	2,885	226	169	28,445	31,725
BMAT STEM	789	32	119	123	1,063
Burnt Mill Provision	-	-	-	-	-
Cooks Spinney Provision	78	-	7	61	146
Finance	-	-	-	-	-
Magna Carta Provision	87	-	3	3	93
PE grant	2	45	41	8	96
Mark Hall Academy	2,573	607	365	321	3,866
Mark Hall Sports	-	-	-	-	-
Royal Docks Provision	584	1	17	346	948
Lettings	-	-	-	-	-
Trust	28,416	6,842	3,027	40,471	78,756

BMAT EDUCATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

21. Statement of funds (continued)

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

	<i>Teaching and educational support staff costs £000</i>	<i>Other support staff costs £000</i>	<i>Educational supplies £000</i>	<i>Other costs excluding depreciation £000</i>	<i>Total 2022 £000</i>
Burnt Mill Academy	4,360	293	290	487	5,430
Burnt Mill Teaching School	-	-	(1)	-	(1)
Cooks Spinney Academy	1,262	96	42	251	1,651
Epping St John's	3,057	283	327	505	4,172
Forest Hall School	2,331	84	147	231	2,793
Freshwaters Academy	1,342	111	46	176	1,675
Little Parndon Academy	1,273	93	51	88	1,505
Central Services	1,392	4,422	570	6,706	13,090
Magna Carta Primary	505	37	22	59	623
Royal Docks School	4,159	382	261	487	5,289
Roydon Academy	574	49	30	20	673
Sir Frederick Gibberd	1,847	117	114	110	2,188
BMAT STEM	571	20	63	165	819
Burnt Mill Provision	150	1	4	-	155
Cooks Spinney Provision	101	-	-	40	141
PE Grant	82	-	-	2	84
Finance	-	17	17	13	47
Mark Hall Academy	2,606	574	237	244	3,661
Mark Hall Sports	-	-	-	2	2
Royal Docks Provision	535	2	30	214	781
Lettings	-	200	3	178	381
Trust	26,147	6,781	2,253	9,978	45,159

BMAT EDUCATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

22. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000
Tangible fixed assets	-	-	82,786	82,786
Debtors due after more than one year	-	1,565	-	1,565
Current assets	2,844	7,824	1,436	12,104
Creditors due within one year	-	(6,517)	-	(6,517)
Creditors due in more than one year	-	(1,623)	-	(1,623)
Provisions for liabilities and charges	-	356	-	356
Total	2,844	1,605	84,222	88,671

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000
Tangible fixed assets	-	-	111,293	111,293
Debtors due after more than one year	-	1,565	-	1,565
Current assets	8,448	(245)	2,479	10,682
Creditors due within one year	(4,305)	-	-	(4,305)
Creditors due in more than one year	(1,653)	-	-	(1,653)
Provisions for liabilities and charges	-	(3,253)	-	(3,253)
Total	2,490	(1,933)	113,772	114,329

BMAT EDUCATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

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

	2023 £000	2022 £000
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(29,547)	(4,628)
Adjustments for:		
Depreciation	3,883	4,695
Capital grants from DfE and other capital income	(2,831)	(2,421)
Interest receivable	(32)	(1)
Defined benefit pension scheme cost less contributions payable	280	323
Defined benefit pension scheme finance cost	-	2,395
Decrease/(increase) in debtors	193	(260)
Increase in creditors	2,182	793
Net (loss)/gain on assets and liabilities from local authority on conversion	521	521
Impairment (see note 16)	28,165	-
Net cash provided by operating activities	2,814	1,417

24. Cash flows from investing activities

	Group 2023 £000	Group 2022 £000
Interest recieved	32	1
Purchase of tangible fixed assets	(4,019)	(1,608)
Proceeds from the sale of tangible fixed assets	478	-
Capital grants from DfE Group	2,831	2,421
Donated assets from DfE	(521)	(521)
Net cash (used in)/provided by investing activities	(1,199)	293

BMAT EDUCATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

25. Analysis of cash and cash equivalents

	Group 2023 £000	<i>Group 2022 £000</i>
Cash in hand and at bank	10,180	8,565
Total cash and cash equivalents	10,180	<i>8,565</i>

26. Analysis of changes in net debt

	At 1 September 2022 £000	Cash flows £000	At 31 August 2023 £000
Cash at bank and in hand	8,565	(5,385)	3,180
Liquid investments	-	7,000	7,000
	8,565	1,615	10,180

27. Capital commitments

	Group 2023 £000	<i>Group 2022 £000</i>
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	559	216

BMAT EDUCATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

28. Pension commitments

The 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 two Essex County Council and London Borough of Newham. 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.

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £3,927,000 (2022: £3,533,000) and at the year-end £469,000 (2022 - £415,000) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the Valuation Report, which was published in October 2023.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation have valued the 'greater value' benefits for groups of relevant members.

The valuation confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6% from 1 April 2024. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

The next valuation result is due to be implemented from 1 April 2024.

BMAT EDUCATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

28. Pension commitments (continued)

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 2023 was £2,355,000 (2022 - £2,001,000), of which employer's contributions totalled £1,884,000 (2022 - £1,598,000) and employees' contributions totalled £471,000 (2022 - £403,000). The agreed contribution rates for future years are 25 per cent for employers and 5.5-12.5 percent for employees.

As described in note 1.13 the LGPS obligation relates to the employees of the Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Trust at the balance sheet date.

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

Essex County Council

	2023	2022
	%	%
Rate of increase in salaries	3.85	3.95
Rate of increase for pensions in payment/inflation	2.85	2.95
Discount rate for scheme liabilities	5.3	4.25
Inflation assumption (CPI)	2.85	2.95

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

	2023	2022
	Years	Years
<i>Retiring today</i>		
Males	20.7	21.0
Females	23.2	23.5
<i>Retiring in 20 years</i>		
Males	22.0	22.3
Females	24.6	24.9

BMAT EDUCATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

28. Pension commitments (continued)

London Borough of Newham

	2023	2022
	%	%
Rate of increase in salaries	3.90	4.00
Rate of increase for pensions in payment/inflation	2.90	3.00
Discount rate for scheme liabilities	5.35	4.25
Inflation assumption (CPI)	2.90	3.00

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

	2023	2022
	Years	Years
<i>Retiring today</i>		
Males	19.6	21.4
Females	23.0	24.1
<i>Retiring in 20 years</i>		
Males	21.0	23.0
Females	24.5	25.7

Sensitivity analysis

	2023	2022
	£000	£000
Discount rate +0.1%	(413)	(557)
Discount rate -0.1%	425	572
Mortality assumption - 1 year increase	623	672
Mortality assumption - 1 year decrease	(606)	(653)
CPI rate +0.1%	423	549
CPI rate -0.1%	(411)	(536)
Salary adjustment +0.1%	11	-
Salary adjustment -0.1%	(11)	-

BMAT EDUCATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

28. Pension commitments (continued)

Share of scheme assets

The Group's share of the assets in the scheme was:

	At 31 August 2023 £000	At 31 August 2022 £000
Equities	13,165	11,217
Gilts	254	514
Corporate bonds	362	762
Property	1,824	2,053
Cash and other liquid assets	665	652
Other managed funds	2,751	1,713
Alternative assets	3,467	2,911
Total market value of assets	22,488	19,822

The actual return on scheme assets was £881,000 (2022 - £154,000).

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

	2023 £000	2022 £000
Current service cost	2,053	3,993
Interest income	887	312
Interest cost	(986)	(626)
Administrative expenses	12	9
Total amount recognised in the Consolidated Statement of Financial Activities	1,966	3,688

BMAT EDUCATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

28. Pension commitments (continued)

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

	2023	2022
	£000	£000
At 1 September	23,172	38,005
Change in financial assumption	(5,840)	(20,971)
Change in demographic assumptions	(554)	(671)
Interest cost	986	626
Employee contributions	471	403
Benefits paid	(237)	(445)
Past service costs	-	13
Current service cost	2,003	-
Experience loss/(gain) on defined benefit obligations	2,178	3,980
Settlements out (Ridge Creast)	-	2,232
At 31 August	22,179	23,172

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

	2023	2022
	£000	£000
At 1 September	19,869	18,168
Actuarial gain / (loss)	(321)	-
Interest income	887	312
Benefits paid	(237)	(445)
Return on assets	(6)	(158)
	1,884	1,598
	471	403
Admin costs	(12)	(9)
At 31 August	22,535	19,869

BMAT EDUCATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

29. Operating lease commitments

At 31 August 2023 the Group and the Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2023 £000	<i>Group 2022 £000</i>	Academy 2023 £000	<i>Academy 2022 £000</i>
Not later than 1 year	76	87	76	87
Later than 1 year and not later than 5 years	46	63	46	63
Later than 5 years	2	-	2	-
	<u>124</u>	<u>150</u>	<u>124</u>	<u>150</u>

30. Related party transactions

Owing to the nature of the 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 Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

The daughter of CEO H Mills CBE is employed by the Trust on a contract approved by the Trustees. Her remuneration is in line with the standard payscales for the role undertaken and her employment contract is subject to normal terms and conditions.

The spouse of one Director and one member of the Senior Management Team are employed by the Trust on a contract approved by Trustees. Their remuneration is in line with the standard payscales for the role undertaken and their employment contract is subject to normal terms and conditions.

31. Agency arrangements

The Academy Trust acts as an agent in distributing 16-19 bursary funds from EFA. Payments received from EFA 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 Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities.

The Academy Trust distributes 16-19 bursary funds to students as an agent for EFA. In the accounting period ending 31 August 2023 the Trust received £32,872 (2022: £26,306) and disbursed £16,055 (2022: £16,848) from the fund. An amount of £15,858 (2022: £15,172) is included in other creditors relating to undistributed funds that is repayable to the ESFA.