

**Company Registration No. 08554393 (England and Wales)**

**BLUE BELL HILL ACADEMY TRUST**

**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED 31 AUGUST 2019**

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# **BLUE BELL HILL ACADEMY TRUST**

## **CONTENTS**

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	<b>Page</b>
Reference and administrative details	1 - 2
Trustees' report	3 - 19
Governance statement	20 - 24
Statement on regularity, propriety and compliance	25
Statement of trustees' responsibilities	26
Independent auditor's report on the accounts	27 - 29
Independent reporting accountant's report on regularity	30 - 31
Statement of financial activities including income and expenditure account	32 - 33
Balance sheet	34
Statement of cash flows	35
Notes to the accounts including accounting policies	36 - 58

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# **BLUE BELL HILL ACADEMY TRUST**

## **REFERENCE AND ADMINISTRATIVE DETAILS**

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### **Members**

J Coles  
G Huckstep (Retired 28 February 2019)  
E Pagliacci  
J Barratt (Appointed 28 February 2019)

### **Trustees**

J Coles (Chair)  
R Edge (Headteacher)  
M Bradbury (Community) (Retired 15 July 2019)  
N Cvijanovic (Parent) (Retired 15 July 2019)  
L Bohlolo (Parent)  
N Strachan (Community) (Retired 15 July 2019)  
V Unwin (Community)  
J Bradley (Community) (Retired 26 September 2019)  
K J Burke (Parent) (Appointed 1 September 2019)  
N Gilzeane-Dakin (Community) (Appointed 1 September 2019)  
A Spencer (Community) (Appointed 26 September 2019)

### **Senior management team**

- Headteacher	R Edge
- Deputy Headteacher	K Holloway
- Director of Business & Communities	N Williams

**Company registration number** 08554393 (England and Wales)

**Registered office** Blue Bell Hill Academy Trust  
Gordon Road  
St Anns  
Nottingham  
NG3 2LE

**Independent auditor** UHY Hacker Young  
14 Park Row  
Nottingham  
NG1 6GR

**Bankers** Lloyds Bank  
Old Market Square  
Nottingham  
NG1 6FD

**BLUE BELL HILL ACADEMY TRUST**

**REFERENCE AND ADMINISTRATIVE DETAILS**

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**Solicitors**

Browne Jacobson  
Mowbray House  
Castle Meadow Road  
Nottingham  
NG2 1BJ

# **BLUE BELL HILL ACADEMY TRUST**

## **TRUSTEES' REPORT**

### **FOR THE YEAR ENDED 31 AUGUST 2019**

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The trustees present their annual report together with the accounts and independent auditor's reports of the charitable company for the period 1 September 2018 to 31 August 2019. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Academy Trust operates Blue Bell Hill Primary and Nursery School. The Academy Trust's principal object and activity has been to manage the school's provision of education to pupils between the ages of 3 and 11.

The words 'trustee' and 'governor' are interchangeable throughout this report.

#### **Structure, governance and management**

##### Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The academy trust is also known as Blue Bell Hill Primary School.

The trustees of Blue Bell Hill Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Blue Bell Hill Academy Trust.

Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

##### 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 he/she is 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 he/she ceases to be a member.

##### Trustees' indemnities

The Academy Trust maintains Governors' and officers' liability insurance which gives appropriate cover for any legal action brought against its Governors. The Academy Trust has also granted indemnities to each of its Governors and other officers to the extent permitted by law. Qualifying third party indemnity provisions (as defined by section 234 of the Companies Act 2006) were in force during the period and remain in force, in relation to certain losses and liabilities which the Governors or other officers may incur to third parties in the course of acting as Governors or officers of the Academy Trust.

##### Principal activities

The Academy Trust took over the operation of Blue Bell Hill primary and Nursery School on the school's conversion to academy status on 1st October 2013. Since then the Academy Trust's principal objective and activity has been to manage the school's provision of education to pupils between the ages of 3 and 11.

## **BLUE BELL HILL ACADEMY TRUST**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2019**

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##### Method of recruitment and appointment or election of trustees

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

- up to 1 Governor
- up to 4 Community Governors
- up to 4 Parent Governors
- up to 3 staff Governors

The Community Governors may be appointed by the Governors provided that they live or work in the community served by the Academy or is a person who, in the opinion of the Governors, is committed to the government and success of the Academy.

A Parent Governor must be a parent of a registered pupil at the Academy at the time when he is elected or appointed.

The number of Parent Governors shall be made up by Parent Governors appointed by the Governors if the number of parents standing for election is less than the number of vacancies.

Any election of Parent Governors which is contested shall be held by secret ballot.

In appointing a Parent Governor the Governors shall appoint a person who is the parent of a registered pupil at the Academy; or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age.

Up to three Staff Governors shall be elected by a ballot of all staff employed under a contract of employment (excluding the Head Teacher). If a Staff Governor ceases to work at the Academy then he shall be deemed to have resigned and shall cease to be a Governor automatically on termination of his work at the Academy. Any election of a Staff Governor which is contested shall be decided by a secret ballot.

The total number of Governors including the Headteacher who are employees of the Company shall not exceed one third of the total number of Governors.

The term of office for any Governor shall be 4 years, save that this time limit shall not apply to the head teacher or any post which is held ex officio. Subject to remaining eligible to be a particular type of Governor, any Governor may be re-appointed or re-elected.

Governors are subject to retirement or re-election at the end of their 4 year term of office unless the eligibility conditions listed above prevail.

##### Policies and procedures adopted for the induction and training of trustees

During the year under review the Full Trustee board met 6 times and there were 4 additional committee meetings. The training and induction provided for new Trustees depends on their previous experience. All new Trustees are given a tour of the school and the chance to meet with staff and students. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. New Trustees attend an Induction course provided by the Local Authority and have access to a full programme of courses which they will choose to attend, based on their role and experience. Trustees are invited to attend any staff training and complete mandatory safeguarding training and health and safety training.

# **BLUE BELL HILL ACADEMY TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2019**

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#### Organisational structure

The organisational structure consists of four levels: the Members, the Trustees, the Senior Leadership Team and the Middle Management Team. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Members provide oversight to the board of trustees.

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

The Senior Leadership Team comprises of the Headteacher, Deputy Headteacher and the Director of Business and Community. These managers control the Academy at an executive level implementing the policies laid down by the Trustees and reporting back to them. As a group the Senior Leadership Team are responsible for the authorisation of spending up to a level delegated to them within agreed budgets and the appointment of staff, although appointment boards for posts always contain a Governor.

The Middle Management Team includes two Assistant Headteachers. Along with the Senior Management Team these managers are responsible for the day to day operation of the Academy, in particular organising the teaching staff, facilities and students.

#### Arrangements for setting pay and remuneration of key management personnel

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

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

Only staff trustees, including the Headteacher, are remunerated, and these individuals only receive remuneration in respect of services they provide under their contracts of employment, and not in respect of their role as trustees.

The day to day running of the remuneration policy is delegated to the Headteacher and monitored by the board of trustees. All details for setting pay and remuneration of key management personnel are set out in the pay policy and appraisal policy which are reviewed annually by the board of trustees.

## **BLUE BELL HILL ACADEMY TRUST**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2019**

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

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

Total remuneration paid to senior management personnel is set out in note 9.

#### Trade union facility time

During the period ended 31 August 2019 the Trust had no official trade union representatives.

#### Risk management

The Governors have assessed the major risks to which the Academy Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy Trust, and its finances. The Governors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to manage risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy Trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

#### Related parties and other connected charities and organisations

Blue Bell Hill Academy is part of Transform Teaching School Alliance.

This year the group has worked together in the following ways:

- We have shared professional development opportunities
- We have supported the Schools Direct programme
- Worked together on school improvement

Blue Bell Hill Academy Trust also has a branch called Blue Bell Hill Family which is primarily responsible for providing family learning opportunities to the school and the wider community. It also enables us to build relationships with local partners i.e. Nottingham City Council, National Ice centre and Experian.



# **BLUE BELL HILL ACADEMY TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2019**

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### **Objectives and activities**

#### Objectives and aims

#### Mission Statement

*Aim High - Respect and Care for Each Other - Celebrate Success*

At Blue Bell Hill we want our school community to enjoy coming to school, be happy and have fun.

We aim high:

- We put everyone's learning at the centre of all we do
- We provide innovative, creative, challenging and high quality teaching
- We provide a rich curriculum that ensures exciting experiences for all
- We teach children to be 'Resourceful', 'Resilient', 'Reciprocal' and 'Reflective'
- We set challenging targets and expect the entire school community to aspire to be the best
- We have high behaviour expectations for all.

We respect and care for each other:

- We encourage and support one another
- We believe that everyone deserves the same respect
- We listen to children, staff, parents and the community
- We ensure people feel safe and cared for
- We expect everyone to use good manners and be polite
- We work in partnership with our families and the community.

We celebrate success:

- We encourage pride in our achievements both in and out of school
- When someone succeeds we are pleased for them
- We share our successes with families and the wider community.

# BLUE BELL HILL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

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### Objectives, strategies and activities

#### Priority 1

**Outcomes for Pupils:** Pupils accelerated progress from baseline will enable them to attain in line with and in some cases exceed the results of other pupils seen nationally. Accelerated progress will be seen in all year groups but will be designed to reach end of key stage goals.

- Teacher assessments are reflected accurately in children's test outcomes and statutory assessments
- More than 90% of pupils will make good or better progress over the year in reading, writing, and maths and all Prime Areas – this will be calculated using a personalized target for each child and at least 4 jumps of progress in Reception and at least 1 jump of progress for every term in Nursery
- At least 60% of children will attain a GLD
- Key Stage 1 test outcomes will show that all groups of children have made accelerated progress
- Boys across school will perform in line with similar groups nationally in all subject areas
- Assessment will be used accurately to pick out the next steps in learning so children can make accelerated progress where necessary so more children reach age related expectations in all key stages.
- A baseline assessment will be carried out successfully with the reception children and this data along with other assessments will lead to a moderated baseline score being recorded within 3 weeks of the children being in school.
- The successful approach to teaching phonics will be embedded and built upon the children continue to attain in line with national.
- The progress data for the pupils in Year 6 will exceed national with attainment being close to the national picture in all areas including for boys and low prior attainers
- The preparation for children taking the tests will be rigorous but stress free.
- A strong staff team will be deployed in year 2/3 to ensure quality first teaching and targeted interventions.
- A SEND provision will be established to better meet specific children's needs and to allow for less disrupted quality first teaching in the classrooms
- Children in receipt of Pupil Premium and SEND funding in each year group will make as much progress as the other children in school and those in the same group nationally – this will be monitored rigorously and the impact of spending will be reviewed each half term.
- Staff will be deployed efficiently so that all children are supported to succeed and there are no disparities seen in outcomes from partner classes.

**Rationale:** The percentage of children attaining a GLD increased by 11% and standards have significantly improved. The school results are still dramatically behind the national average which is to be expected however our progress measures are outstanding. The good practice observed and moderated needs to be built upon so that even more children leave EYFS equipped for Key Stage 1. Girls outperform boys.

Phonics screening check results in Year 1 increased by 15% and were slightly above the national average (11.6% above the national average for disadvantaged pupils) This followed a big piece of work improving phonic teaching across EYFS and Key Stage 1. This good practice and formula needs to be embedded and built upon so we see similar or better results this year.

At year 2 the results were not as good as national so a program needs to be put in place to ensure all children retaking the check have the best chance of becoming fluent readers.

## **BLUE BELL HILL ACADEMY TRUST**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2019**

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Last year's Year 2 cohort had many children with complex special needs and limited funding resulting in too much disruption in teaching. This was accompanied by teaching that required improvement. The key stage 1 results were not in line with national in any area. This was predicted due to the nature of the cohort. However, the results were not good enough as not enough children made accelerated progress from their EYFS baseline. Teaching needs to be of higher quality in Year 2 to allow the children to meet the demands of the rigorous curriculum.

In year 3 disruption needs to be minimised. The teaching needs to be of the highest quality to allow the children to make rapid and sustained progress and high quality interventions need to be in place to close gaps. There was a clear gender gap at the end of Key Stage 1 but this is largely due to the fact that all of our most complex SEND children were boys.

At key stage 2 our children in all performed in line with national in writing and science and above in all other areas. In writing, GPS and science our boys and prior lower attainers did not attain in line with the national figure and work needs to be done to address this.

The school operates its own online assessment tool which we have recently found out will not be supported by the ICT company after this academic year. School will have to transfer over to another company/system and this needs to be as easy as possible for staff and still lead to accurate teacher assessments.

There was lots of development last year and this needs to be fully embedded this year with our own expertise being shared across school and everyone embracing the challenge of the year to be 'the best version of me'.

## **BLUE BELL HILL ACADEMY TRUST**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2019**

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##### **Priority 2**

**Quality of Teaching, Learning and Assessment:** To develop outstanding practice across the school in line with the new National Curriculum and current OFSTED framework. To ensure all onsite visits and off site learning impacts positively on the quality of teaching, learning and assessment.

##### **Success Criteria:**

- There will be a mantra adopted by all staff and children to be 'the best version of me'
- Support programmes are put in place to help new staff be the best that they can be
- SLT devise a series of CPD opportunities to look at what makes the very best teaching
- Over 3 consecutive observations, the quality of teaching and learning, children's work and attitudes and children's progress indicates outstanding teaching
- Pupils will be in line with or exceed their personalized progress measure to ensure more children reach national expectations in both teacher assessments and standardized tests.
- Staff will evaluate their own teaching and learning and set themselves individual improvement plans which will arise through coaching sessions and may be addressed through lesson study
- Marking will be consistent and lead to children knowing their next steps in learning, being challenged and ultimately making progress
- Children will respond to feedback and will know well how to improve their work and will be able to articulate clearly what they have learnt
- Teaching assistants are actively supporting learning during whole class teaching input and will carry out in class interventions with targeted pupils during lessons.
- Pre teaches will continue giving children the best chance to succeed in lessons.
- Reactive intervention will continue for those children needing them
- Booster class will target children in receipt of Pupil Premium and will then be open to other children on a needs base
- Moderation will show that children are making progress, receiving a broad and balanced curriculum and are attaining in line with national expectations
- Larger proportions of children will leave foundation achieving age related expectations
- Staff are confident in delivering a range of strategies in maths ensuring objectives are taught to all pupils at a mastery level
- Core subject leaders will have a better understanding of what is impacting on boy's attainment and strategies will be put in place to address this
- Specific staff are trained to deliver a personalized curriculum to our high profile SEND children, this will include therapeutic play, sensory activities, speech and language etc. This knowledge will be disseminated and the SENDCo will support and monitor its impact across school

**Rationale:** 5 members of teaching staff left at the end of last year and 5 new teachers and 3 new support staff have joined. An experienced teacher in year 5 has moved into year 6 for the first time and there are 2 RQTs teaching year 2 for the first time. Therefore, it is essential we have an excellent induction and support package for these staff to enable them to be the best that they can be.

We have also appointed 5 cover supervisors who are new to role and will be supported throughout the year.

The challenge approach to learning is clearly embedded across school but more work needs to be done to ensure continuity with new staff. The level of challenge is appropriate and there is now opportunity for this to be increased to offer more of a challenge for the highest attaining pupils. More previous lower attaining pupils need to be accessing challenge 2 and in a few cases a more bespoke curriculum needs to be offered to support children with SEND.

## **BLUE BELL HILL ACADEMY TRUST**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2019**

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Subject leaders need to feel confident to lead their subjects and confident that they can demonstrate progress over time in their subject area.

Teaching assistants are very effective in delivering interventions but there are times when they could be supporting teaching and learning more effectively during whole class input sessions and offering more bespoke intervention to individuals during lessons. Staff will be given CPD around coaching as a skill to improving teaching and learning across the school. This will be used as an aid to support with fulfilling teaching and learning development targets.

The school values offering exciting opportunities to children both in school and learning away from the classroom. Staff and the Director of Business and Communities will work together to ensure these opportunities maximize children's learning and embed the learning of the curriculum.

Pupils are becoming more confident to talk about what they have learnt and expressing their next steps in learning. The quality of pupils talk needs to improve, leading to them directing their learning more and them being confident to debate and learn from each other.

The quality of handwriting and spelling is not good enough for many children in key stage 1 and for some children across the rest of the school – this impacts on children being able to be judged as working at the appropriate level.

The children in year 3 did not experience good enough teaching last year and this needs to be addressed through the best quality first teaching, interventions and booster classes.

The teaching across school is good or better – where it is at its best the adults make the most of every minute and use incidental teaching because they have a sound knowledge of every area of the curriculum. This outstanding practice needs to be built upon so that others can learn from the techniques.

We have strong parental engagement and support and we want to continue to work with families so they can support children at home and so other family members can grow and develop alongside their children.

## **BLUE BELL HILL ACADEMY TRUST**

### **TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2019**

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#### **Priority 3**

**Personal Development, Behaviour and Welfare:** To increase the number of children who stay on green. To empower all learners to set foot on a journey to become the very best version of themselves. To minimise waste at lunchtime and promote positive interactions and behaviour in the dining room. To ensure that children with SEND and behaviour issues are getting the best support and staff feel confident to deal with the challenges they face.

To improve provision on the playground to ensure more children are active during breaks and lunchtime

#### **Success Criteria:**

The percentage of children attending a Green Reward continues to rise.

- High profile children make good progress and enjoy coming to school.
- Behaviour 'report' and 'on track' cards lead to improved behaviour for pupils who access them
- Specialist training leads to children who struggle to manage their behaviour getting support to help them with this
- All staff are clear on the behaviour policy and it is used consistently across the school.
- Disruptive behaviour is minimized in lessons and is never shown by more than 10% of pupils
- SEND training is delivered to staff
- The SENCO along with the level 4 TAs embeds a system to ensure SEN and PP funding is robustly tracked and the impact of each can be carefully monitored
- Less food is being thrown away at lunch time and children enjoy the experience of being in the dining room more as behaviour improves
- Childcare is full and provision is monitored and evaluated in line with the OFSTED criteria
- The school site continues to be well managed and maintained when the current site manager retires
- Children know well how to keep themselves safe, in and around school, at home, on social media and in relationships.

#### **Rationale:**

Behaviour during learning time and on the playground, is good or better for over 98% of children – however the dining room continues to be problematic as children struggle to remain seated, eat their lunch and talk quietly, we also have a proportion of children who do not bring a healthy packed lunch. Work needs to be done with the MDS, management team and children to address this issue.

A new SEND unit has been set up to cater for the needs of some of our high-profile children – this needs to ensure their needs are met in a nurturing environment with the ultimate aim of reintegration into their mainstream class or a supported move to specialist provision.

All staff are confident to use a solution circle to address the needs of children in their class who may be finding it difficult to manage their emotions and learning.

There are robust assessments in place to track academic progress but it is harder to show social and emotional progress. A lot of work is put into this area and an effective assessment tool is needed to support this work and to monitor its impact.

The school has operated a childcare provision for the last twelve months. It is well received and the children and parents are happy. More work needs to be done to promote it as there are still places available. There is new afterschool manager who will need supporting to continue to develop the provision. It is essential that this is self-funding and is high quality.

Feedback from our pupil questionnaire pointed to some children feeling reluctant to join in team games on the playground. To help promote a more healthy lifestyle and to offer different ways to exercise the playground needs to be developed further.

**TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Priority 4**

**Effectiveness of Leadership and Management:** Leadership and management in the school will be unified, supportive, invested in self-improvement and where necessary confidential in its approach. It will provide vision and clarity for the next stages of development and will inspire others to be the best version of themselves. Business decisions will need to be made to avoid a negative impact of a proposed decreasing budget.

**Success Criteria:**

- The quality of leadership and management across the school will be seen as inspiring by all the stakeholders. All leaders know what has been successful, they know what improvements need to be made, they know how they will address these improvements and they know what impact their work has had on raising standards.
- Governance of the school is Outstanding and they are proactive in holding leaders to account
- Judgments in the other 3 priority areas are designated as good or better.
- The 'Aim High' of the school mission statement is seen as the driving force of the school's purpose
- Attainment in the core subjects will continue to rise and will start to reflect the national picture in all areas – this will be reflected in statutory assessments
- Leaders have coaches and they use this time to reflect on and improve their leadership abilities.
- Successes are shared by all, and issues are identified and shared by all – there is a coherent team approach to raising standards with no discrepancies being highlighted.
- The board of trustees will be established in their role and will hold school leaders rigorously to account
- SMT and Trustees work relentlessly to cut spending and protect the carry forward to ensure financial stability
- The roof of the school is repaired with the school still maintaining a sustainable budget

**Rationale:**

Over the course of the summer term school invited feedback from a cross section of stakeholders. The review detailed a wide variety of positive views around the leadership team and the running of school but also pointed to several areas of development. All members of the senior leadership have adopted personal targets and joint targets which will benefit the overall leadership of school. A monitoring exercise will take place in the autumn term to evaluate the progress towards each of these areas for development.

Since Spring 1 last year school has been governed by a new Board of Trustees. They have met twice as the full Board and twice as members of smaller committees concerned with Pupils and Standards and Finance, Personnel and Resources. Although school and the Board recognize the journey school is on, the Board of Trustees is still developing and needs further time to embed outstanding practice and appropriate challenge.

School has made a number of changes over the last year and this has had a positive impact on attainment particularly in Phonics and in KS2. More work needs to be done in EYFS and KS1 to continue to improve standards, but this must not be at the expense of improvements in other areas of school. A core focus of the school this year is developing all stakeholders to be the best version of themselves. This aligns with the core value of 'Aim High'. We have a team of middle leaders who have been in post for more than a year; CPD will be offered with a leadership focus to ensure they continue to develop their competencies in this area. In the face of a decreasing budget and increasing expenses, school and the Board of Trustees must work hard to ensure that value for money is sought in all cases.

A recent survey of the school roof has highlighted the need for significant areas to be repaired or replaced. This work will have to be done with or without a successful CIF bid.

## **BLUE BELL HILL ACADEMY TRUST**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2019**

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##### Public benefit

Blue Bell Hill is an Academy converter catering for children aged 3 to 11 and strives to promote and support the advancement of education within the St Anns and Nottingham area. The school provides an extensive programme of educational and recreational activity - all designed to contribute to the overall education of our students in areas such as academic distinction, music, the arts and sport. For example:

- The school works with Nottingham Academy and Into University to provide challenges for high achieving pupils and giving all pupils access to specialist resources.
- We work with the Nottingham Music Service to provide specialist tuition to our year 4 children and to provide all staff with music CPD
- The school has the Gold School Games award for its work it does in promoting and participating in sport at a school and inter-school level. The school also works with the National Ice Centre to provide a skating programme for all the pupils from Reception to Year 6
- The school works alongside Speedo to fund swimming lessons for all children from year 3 upwards who cannot swim 25 meters to ensure they can all swim by the time they leave school.
- Blue Bell Hill runs a Community Ranger Programme which involves the pupils in supporting the wider community and working with local partners including the police and council to improve the local neighbourhood

Wherever possible the school also aims to contribute to the benefit of the wider public, by making available the premises to third parties for the provision of educational and other opportunities. For example:

- The school operates the Learning Zone at the national Ice Centre which provides family learning opportunities for families from across the city. It also provides educational and coaching sessions for pupils from other schools in the city and the county.
- The school hosts a parents and toddler group which is open to the community of St Anns
- Holiday clubs are also run to support with child care during the school holidays

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The Trustees believe that the Academy Trust's aims, together with the activities outlined above, are demonstrably to the public benefit.

##### **Strategic report**

##### **Achievements and performance**

July 2019	Year Group	Reading	Writing	Number	Shape and Space
	Reception	54	54	51	63
		Reading	Writing	Number	Science
	Year 1	53	48	65	57
	Year 2	70	66	71	75
	Year 3	68	50	65	65
	Year 4	60	60	60	77
	Year 5	77	61	66	79
	Year 6	71	64	70	75



# BLUE BELL HILL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Foundation stage reception results	
Attainment	GLD
School (all)	56
School DISADVANTAGED	61
National (2019)	71.8
LA (2019)	67.2

GLD- Good Level of Development    GD- Greater Depth    GDS- Greater Depth Standard

LA- Local Authority    TA- Teacher Assessment    EXS- Expected Standard

GPS- Grammar Punctuation and  
Spelling

Floor Targets/Standards- Minimum standards for attainment and/or progress that the government expects schools to meet

Key Stage 1 results 2019							
Attainment	Phonics Year 1	RWM combined	Reading	Writing	Maths	Science	Phonics year 2
School (all)	82	64.4	69	68	71	73	92
School DISADVANTAGED	82.9	51.7	55	52	59	59	
EXS National	81.9	65	75	69	76	82	91.4
EXS LA	79.3	60.1	69.8	64	71.5	76	88.8
GDS School		11.9	19	15	15		
GDS National		11	25	15	22		
GDS LA		8.5	18.7	11.2	17.1		

# BLUE BELL HILL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

<b>Key Stage 2 SATS results</b>						
<b>Attainment</b>	<b>Reading</b>	<b>Writing</b>	<b>GPS</b>	<b>Maths</b>	<b>RWM combined</b>	<b>Science</b>
EXS School SAT results 2019 (all)	78.3	68.3	83.3	91.7	66.7	76.7
EXS School SAT results 2019 with 4 children removed from result set	84	73	89	91	71	82
EXS School SAT results 2019 DISADVANTAGED	80	70	85	93	70	80
EXS School SAT results 2019 DISADVANTAGED with 4 children removed from result set	82	72	90	92	72	82
EXS National 2019	73	78	78	79	65	83
GDS School SAT results 2019	23.3	26.7	51.7	31.7	13.3	
GDS School SAT results 2019 with 4 children removed from result set	25	29	56	35	13	
GDS National 2019	25	28.5	55	34	14	
Progress Measure	2.17	1.41		3.56		

### Key performance indicators

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

- Pupils numbers (leading directly to the Education and Skills Funding Agency ("EFSA") funding level);
- General financial stability - aim for income to match expenditure each year;
- Percentage of income received from EFSA spent on total staff costs;
- Income per pupil
- Staff costs as a percentage of grant income;
- Staff costs as a percentage of total costs;
- Ofsted inspection results;
- Capital expenditure per pupil;

The Governors have been pleased that expectations for all key performance indicators listed have been successfully met during the period.

### Going concern

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

## **BLUE BELL HILL ACADEMY TRUST**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2019**

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##### **Financial review**

Most of the Academy's recurrent income is obtained from the ESFA in the form of grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the period ended 31 August 2019 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the period ended 31 August 2019, incoming resources totalled £2,872,677 and total expenditure was £2,804,172, creating a surplus of £68,505. When the fixed asset fund and movements on the local government pension scheme are excluded there was a surplus of £171,213 (2018: £177,657).

The combined balance on restricted income funds and unrestricted income funds at 31 August 2019 was £619,022, compared to £560,367 at 31 August 2018.

The movement of £58,655 consists of the in-year surplus of £171,213 and the transfer to the restricted fixed asset fund of £112,558.

At 31 August 2019, the net book value of fixed assets was £2,749,707 and movements in tangible fixed assets are shown in note 12 to the financial statements. During the period the assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

##### **Reserves policy**

The Trustees review the reserve levels of the Academy Trust throughout the year. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of the reserves.

The purpose of the reserves policy for Blue Bell Hill Primary School is to ensure the stability of the Academy's organisational operations, and to protect it so that it has the ability to adjust quickly to financial circumstances, such as large unbudgeted expenditure. It should also give a measure of protection it against the identified risks.

The Academy plans to spend the majority of each year's funding on the needs of the pupils in the school at the time, while setting aside an amount each year for capital projects and replacement of equipment.

The Academy ended the accounting period with £319,471 unrestricted funds carried forward. An amount of this fund will be held as a reserve to protect the Academy from the risks listed on the next page. This figure will be not less than £150,000 (which would pay one month's net salaries).

The Academy may also set aside an additional dedicated reserve, from restricted or unrestricted funds, for a specific purpose, e.g. significant building alterations.

The level of reserves will be reviewed annually to reflect the identified risks and budgetary demands of the Academy.

# **BLUE BELL HILL ACADEMY TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2019**

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### Investment policy

Trustees must be clear about what they aim to achieve through financial investment. They must consider exactly what they want to do, how they intend to do it and what the timescale will be. They must also consider the school's long and short term financial commitments as well as its expected income. They must:

- Know and act within their school's powers to invest.
- Exercise care and skill when making investment decisions.
- Select investments that are right for the school. This means taking account of:
  - How suitable any investment is for the school.
  - The need to diversify investments.
- Take advice from someone experienced in investment matters unless they have good reason for not doing so.
- Follow certain legal requirements if they are going to use someone to manage investments on their behalf.
- Review investments periodically.
- Explain their investment policy in their annual report.

### Principal risks and uncertainties

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

The existence of these financial instruments exposes the Academy Trust to a number of financial risks which are described in more detail below. The main risks arising from the Trust's financial instruments are liquidity risk and cash flow interest rate risk.

Liquidity risk - The Trust manages its cash resources, including sufficient working capital, so that all its operating needs are met without the need for short-term borrowing.

Interest rate risk - the Trust earns interest on cash deposits. With interest rates currently low, the trustees will consider action to increase the income from these deposits, provided it does not jeopardise the liquidity or security of the Trust's assets.

Credit risk arises from the possibility that amounts owed to the Trust will not be repaid. The Trust does not undertake credit activities so it is only exposed to credit risk as it arises from normal business. Credit risk is managed through the use of approved banks and the prompt collection of amounts due.

### Principal risks and uncertainties

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

Operational and reputational - this covers risks to the running of the Academy (including the capacity of staff and buildings to meet the needs of pupils) and its performance in delivering the curriculum.

Financial - covering risks to the Academy Trust's financial position, including revenue streams, cost control and cash management.

The risks to which the Academy Trust is exposed arise both internally and externally. External risks include those in respect of future funding levels, competition, changes to rules and regulations, and the financial position of the staff pension schemes.

## **BLUE BELL HILL ACADEMY TRUST**

### **TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2019**

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#### Disabled employees

The policy of the Academy Trust is to support recruitment and retention of students and employees with disabilities. The Academy Trust does this by adapting the physical environment, by making support resources available

#### Equal opportunities

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

#### **Fundraising**

The Academy undertakes minimal fundraising. This is carried out by the children elected to the School Council and involves making and selling food items; table top sales, making book marks and badges etc. and selling the items to parents and children in the school. The money raised is used to fund projects put forward by the pupils e.g. outside reading area – books and beanbags; climbing wall, outside clock etc.

#### **Plans for future periods**

- To self-evaluate the school according to the new OFSTED framework
- To complete work on new roof
- To ensure stability for school and community in light of significant staffing changes
- To continue the drive in standards so that results are in line with or above national by the time children leave Key Stage 2
- To develop the whole school curriculum so that standards in other areas are of the same high quality as that seen in English and Maths

#### **Funds held as custodian trustee on behalf of others**

The school does not hold any funds on behalf of other parties.

#### **Auditor**

In so far as the trustees are aware:

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

The auditors, UHY Hacker Young, will be proposed for re-appointment at the forthcoming Annual General Meeting.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 12 December 2019 and signed on its behalf by:

J Coles  
Chair



R Edge  
Headteacher



# **BLUE BELL HILL ACADEMY TRUST**

## **GOVERNANCE STATEMENT**

**FOR THE YEAR ENDED 31 AUGUST 2019**

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### **Scope of responsibility**

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

The board of trustees has delegated the day-to-day responsibility to the headteacher (Rebecca Edge), 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 Blue Bell Hill Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

### **Governance**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 6 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of possible</b>
J Coles (Chair)	5	6
R Edge (Headteacher)	5	6
M Bradbury (Community) (Retired 15 July 2019)	5	6
N Cvijanovic (Parent) (Retired 15 July 2019)	3	6
L Bohlolo (Parent)	4	6
N Strachan (Parent) (Retired 15 July 2019)	4	6
V Unwin (Community)	5	6
J Bradley (Community) (Retired 26 September 2019)	5	6
K J Burke (Parent) (Appointed 1 September 2019)	0	0
N Gilzeane-Dakin (Community) (Appointed 1 September 2019)	0	0
A Spencer (Community) (Appointed 26 September 2019)	0	0

### **Pay committee:**

The board of trustees has delegated to this Committee certain statutory functions relative to personnel that will be reviewed annually. Decisions made under delegation are to be reported to the board of trustees.

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of possible</b>
J Coles	2	2
V Unwin	1	2
M Bradbury	2	2

## **BLUE BELL HILL ACADEMY TRUST**

### **GOVERNANCE STATEMENT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2019**

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#### **Governance reviews**

The governors monitoring and impact is reviewed as part of the school development plan review work and a part of the Health Check performed by Transform. Their impact was judged to be good by OFSTED. The governing body is well informed and governors know the school well. The governing body actively contributes to the school's monitoring and evaluation programme. Governors make use of available data on pupils' achievement and their robust questioning of senior leaders gives them valuable information about teaching quality and all aspects of the school's performance. Governors provide both support and challenge for senior leaders and ensure that they are held to account for pupils' progress. For example, they ensure that there is a clear link between the way in which teachers move along the pay scales and their impact of pupils' progress. Governors carefully check the use of the pupil premium funding and are aware of the highly positive impact it has had upon learning for this group of eligible pupils. Governors are similarly diligent in ensuring that the additional sports funding is used well. Together with school leaders, governors ensure that all statutory requirements are met, including those for safeguarding.

The finance, personnel and resources committee is a sub-committee of the main board of trustees.

The finance, personnel and resources Committee has the power to make financial decisions on behalf of the board. It is authorised by the Board of Trustees to investigate any activity within its terms of reference, and to seek any information it requires from staff, who are requested to co-operate with the Committee in the conduct of its inquiries.

The finance, personnel and resources Committee is authorised to obtain independent professional advice if it considers this necessary.

Attendance at meetings in the year was as follows:

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of possible</b>
N Cvijanovic (Parent) (Retired 15 July 2019)	0	3
N Strachan (Parent) (Retired 15 July 2019)	1	3
V Unwin (Community)	2	3

The pupils and standards committee is a sub-committee of the main board of trustees. Its purpose is to:

The committee hears about pupil progress, pupil attendance, changes to the curriculum, testing, and the many additional learning opportunities for children offered by the school.

Attendance at meetings in the year was as follows:

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of possible</b>
J Coles (Chair)	2	3
R Edge (Headteacher)	1	3
L Bohlolo (Parent)	1	3
J Bradley (Community) (Retired 26 September 2019)	2	3

## **BLUE BELL HILL ACADEMY TRUST**

### **GOVERNANCE STATEMENT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2019**

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#### **Review of value for money**

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

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

- Employing Entrust to oversee the CIF budget and current building project
- Allowing the retention of funds to replace hall floor and carpets once work has been completed on the roof
- Agreeing to the outlay of cost to purchase the solar panels to ensure a better deal for the academy in the long term
- The use of WhyNott to procure best value transport
- Ensuring the purchase of resources is made after shopping around and securing discounts where available

#### **The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Blue Bell Hill Academy Trust for the period 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

#### **Capacity to handle risk**

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is reviewed annually by the board of trustees.



## **BLUE BELL HILL ACADEMY TRUST**

### **GOVERNANCE STATEMENT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2019**

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#### **The risk and control framework**

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

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

The board of trustees has considered the need for a specific internal audit function and has appointed Schools and Academies Finance (SAAF). On a termly basis, the internal auditor reports to the reporting and accounting officers on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

SAAF's role includes giving advice on financial matters and performing a range of checks on the academy trusts financial systems. In particular the checks carried out on the current period include:

- testing of payroll systems
- testing of purchase systems
- testing of control account/ bank reconciliations

In the accounting period this work was undertaken. Any matters arising have been presented to the trust board for action.

#### **Review of effectiveness**

As accounting officer the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

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

**BLUE BELL HILL ACADEMY TRUST**

**GOVERNANCE STATEMENT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2019**

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The accounting officer has been advised of the implications of the result of their review of the system of internal control and a plan to address the minor weaknesses identified and ensure continuous improvement of the system is in place.

Approved by order of the board of trustees on 12 December 2019 and signed on its behalf by:

J Coles  
Chair



R Edge  
Headteacher



## **BLUE BELL HILL ACADEMY TRUST**

### **STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2019**

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As accounting officer of Blue Bell Hill Academy Trust I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

I confirm that I and the academy trust's 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 Academies Financial Handbook 2018.

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



R Edge  
**Accounting Officer**

12 December 2019

## **BLUE BELL HILL ACADEMY TRUST**

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

**FOR THE YEAR ENDED 31 AUGUST 2019**

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The trustees (who are also the directors of Blue Bell Hill Academy Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2018 to 2019 published 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 accounts for each financial year. Under company law, the trustees must not approve the accounts 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 accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgements 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 12 December 2019 and signed on its behalf by:

J Coles  
Chair



R Edge  
Headteacher



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BLUE BELL HILL  
ACADEMY TRUST**

**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Opinion**

We have audited the accounts of Blue Bell Hill Academy Trust for the year ended 31 August 2019 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019.

**Basis for opinion**

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

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or
- the trustees have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the academy trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the accounts are authorised for issue.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BLUE BELL HILL  
ACADEMY TRUST (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Other information**

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

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

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

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

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

**Matters on which we are required to report by exception**

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

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BLUE BELL HILL  
ACADEMY TRUST (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the accounts**

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

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

**Use of our report**

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

*Elizabeth Searby*

**Elizabeth Searby (Senior Statutory Auditor)  
for and on behalf of UHY Hacker Young**

12 December 2019

**Chartered Accountants  
Statutory Auditor**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON  
REGULARITY TO BLUE BELL HILL ACADEMY TRUST AND THE EDUCATION &  
SKILLS FUNDING AGENCY**

**FOR THE YEAR ENDED 31 AUGUST 2019**

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In accordance with the terms of our engagement letter dated 4 September 2017 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Blue Bell Hill Academy Trust during the period 1 September 2018 to 31 August 2019 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 Blue Bell Hill Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Blue Bell Hill Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Blue Bell Hill Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Blue Bell Hill Academy Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Blue Bell Hill Academy Trust's funding agreement with the Secretary of State for Education dated 26 September 2013 and the Academies Financial Handbook, extant from 1 September 2018, 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 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2018 to 31 August 2019 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 Academies Accounts Direction 2018 to 2019 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON  
REGULARITY TO BLUE BELL HILL ACADEMY TRUST AND THE EDUCATION &  
SKILLS FUNDING AGENCY (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2019**

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The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material irregularity and impropriety within the trust.
- Testing of those areas identified through risk assessment, including reviewing internal controls, analytical review and enquiries of management.
- Consideration of the evidence and concluding on the work carried out.

**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

UHY Hacker Young

**Reporting Accountant**

UHY Hacker Young  
14 Park Row  
Nottingham  
NG1 6GR

Dated: 12 December 2019

# BLUE BELL HILL ACADEMY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	Unrestricted Funds £	General £	Restricted funds: Fixed asset £	Total 2019 £	Total 2018 £
<b>Income and endowments from:</b>						
Donations and capital grants	3	-	10,764	229,066	239,830	60,575
Charitable activities:						
- Funding for educational operations	4	-	2,496,364	-	2,496,364	2,465,054
Other trading activities	5	49,980	86,215	-	136,195	114,994
Investments	6	288	-	-	288	317
<b>Total</b>		<u>50,268</u>	<u>2,593,343</u>	<u>229,066</u>	<u>2,872,677</u>	<u>2,640,940</u>
<b>Expenditure on:</b>						
Charitable activities:						
- Educational operations	8	-	2,692,398	111,774	2,804,172	2,765,444
<b>Total</b>	7	<u>-</u>	<u>2,692,398</u>	<u>111,774</u>	<u>2,804,172</u>	<u>2,765,444</u>
<b>Net income/(expenditure)</b>		50,268	(99,055)	117,292	68,505	(124,504)
Transfers between funds	17	(83,631)	(28,927)	112,558	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial (losses)/gains on defined benefit pension schemes	19	-	(384,000)	-	(384,000)	437,000
<b>Net movement in funds</b>		<u>(33,363)</u>	<u>(511,982)</u>	<u>229,850</u>	<u>(315,495)</u>	<u>312,496</u>
<b>Reconciliation of funds</b>						
Total funds brought forward		<u>352,834</u>	<u>(1,252,467)</u>	<u>2,520,952</u>	<u>1,621,319</u>	<u>1,308,823</u>
Total funds carried forward		<u>319,471</u>	<u>(1,764,449)</u>	<u>2,750,802</u>	<u>1,305,824</u>	<u>1,621,319</u>

# BLUE BELL HILL ACADEMY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2019

Comparative year information		Unrestricted	Restricted funds:		Total
Year ended 31 August 2018		Funds	General	Fixed asset	2018
	Notes	£	£	£	£
<b>Income and endowments from:</b>					
Donations and capital grants	3	-	51,474	9,101	60,575
Charitable activities:					
- Funding for educational operations	4	-	2,465,054	-	2,465,054
Other trading activities	5	38,332	76,662	-	114,994
Investments	6	317	-	-	317
<b>Total</b>		<u>38,649</u>	<u>2,593,190</u>	<u>9,101</u>	<u>2,640,940</u>
<b>Expenditure on:</b>					
Charitable activities:					
- Educational operations	8	-	2,660,182	105,262	2,765,444
<b>Total</b>	7	<u>-</u>	<u>2,660,182</u>	<u>105,262</u>	<u>2,765,444</u>
<b>Net income/(expenditure)</b>		38,649	(66,992)	(96,161)	(124,504)
Transfers between funds	17	(73,168)	(21,071)	94,239	-
<b>Other recognised gains/(losses)</b>					
Actuarial gains on defined benefit pension schemes	19	-	437,000	-	437,000
<b>Net movement in funds</b>		(34,519)	348,937	(1,922)	312,496
<b>Reconciliation of funds</b>					
Total funds brought forward		387,353	(1,601,404)	2,522,874	1,308,823
Total funds carried forward		<u>352,834</u>	<u>(1,252,467)</u>	<u>2,520,952</u>	<u>1,621,319</u>

**BLUE BELL HILL ACADEMY TRUST****BALANCE SHEET****AS AT 31 AUGUST 2019**

		<b>2019</b>		<b>2018</b>	
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Fixed assets</b>					
Tangible assets	<b>12</b>		2,749,707		2,520,952
<b>Current assets</b>					
Stocks	<b>13</b>	8,122		11,878	
Debtors	<b>14</b>	271,545		111,745	
Cash at bank and in hand		486,145		564,459	
		<u>765,812</u>		<u>688,082</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	<b>15</b>	<u>(145,695)</u>		<u>(127,715)</u>	
<b>Net current assets</b>			620,117		560,367
<b>Net assets excluding pension liability</b>			3,369,824		3,081,319
Defined benefit pension scheme liability	<b>19</b>		<u>(2,064,000)</u>		<u>(1,460,000)</u>
<b>Total net assets</b>			<u>1,305,824</u>		<u>1,621,319</u>
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>	<b>17</b>				
- Fixed asset funds			2,750,802		2,520,952
- Restricted income funds			299,551		207,533
- Pension reserve			<u>(2,064,000)</u>		<u>(1,460,000)</u>
<b>Total restricted funds</b>			986,353		1,268,485
<b>Unrestricted income funds</b>	<b>17</b>		319,471		352,834
<b>Total funds</b>			<u>1,305,824</u>		<u>1,621,319</u>

The accounts on pages 32 to 58 were approved by the trustees and authorised for issue on 12 December 2019 and are signed on their behalf by:

J Coles  
Chair



R Edge  
Headteacher



Company Number 08554393

**BLUE BELL HILL ACADEMY TRUST****STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 AUGUST 2019**

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	Notes	2019 £	£	2018 £	£
<b>Cash flows from operating activities</b>					
Net cash provided by operating activities	20		32,861		186,951
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		288		317	
Capital grants from DfE Group		229,066		9,101	
Purchase of tangible fixed assets		(340,529)		(103,340)	
<b>Net cash used in investing activities</b>			(111,175)		(93,922)
<b>Net (decrease)/increase in cash and cash equivalents in the reporting period</b>			(78,314)		93,029
Cash and cash equivalents at beginning of the year			564,459		471,430
<b>Cash and cash equivalents at end of the year</b>			486,145		564,459

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# **BLUE BELL HILL ACADEMY TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 AUGUST 2019**

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#### **1 Accounting policies**

Blue Bell Hill Academy Trust is a charitable company limited by guarantee incorporated in England and Wales. The registered office is Blue Bell Hill Primary School, Gordon Road, Nottingham, Nottinghamshire, NG3 2LE.

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**

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Blue Bell Hill Academy Trust meets the definition of a public benefit entity under FRS 102.

##### **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 charitable company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

##### **1.3 Income**

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

###### Grants

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

General Annual Grant is recognised in full in the statement of financial activities in the year for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

# BLUE BELL HILL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

---

### 1 Accounting policies

(Continued)

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

#### Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

#### Donations

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

#### Other income

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the academy trust has provided the goods or services.

#### Donated goods, facilities and services

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

#### Donated fixed assets

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

### 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 are allocated on the portion of the asset's use.

# BLUE BELL HILL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

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### 1 Accounting policies

(Continued)

All resources expended are inclusive of irrecoverable VAT.

#### Expenditure on raising funds

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

#### Charitable activities

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

### 1.5 Tangible fixed assets and depreciation

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Long leasehold buildings	50 years
Computer equipment	3 years
Fixtures, fittings & equipment	5 years

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

### 1.6 Liabilities

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



# **BLUE BELL HILL ACADEMY TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2019**

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#### **1 Accounting policies**

**(Continued)**

##### **1.7 Provisions**

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

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.

##### **1.8 Leased assets**

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

##### **1.9 Financial instruments**

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows.

###### Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

###### Financial liabilities

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

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

##### **1.10 Stock**

Unsold uniforms and stationery are valued at the lower of cost and net realisable value.

##### **1.11 Taxation**

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

##### **1.12 Pensions benefits**

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

# **BLUE BELL HILL ACADEMY TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2019**

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#### **1 Accounting policies**

**(Continued)**

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a projected unit method. The 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 are recognised in the period to which they relate.

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

#### **1.13 Fund accounting**

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder / donor and include grants from the Education and Skills Funding Agency and Department for Education.

# **BLUE BELL HILL ACADEMY TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2019**

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, 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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. 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.

For 2018-2019 there have been some specific issues which have impacted on the actuarial assumptions and closing pension scheme liability of all LGPS employers:

(1) The "McCloud/Sargeant judgement". This relates to legal rulings regarding age discrimination arising from public sector pension scheme transitional arrangements. Actuarial evidence suggested that the impact of making an allowance for this judgement would be material, and so the academy trust asked the actuary to make an allowance in the figures.

In order to quantify the constructive obligation the actuary has made calculations using an approximate approach. One critical assumption under this method is that salaries will increase at least CPI plus 1.5%. Further, the approximate approach does not take into account the specific age profile of the employer's pension scheme members.

The impact of McCloud/Sargeant has been to increase the constructive obligation at 31 August 2019 by £54,000 which has reflected as a past service cost, within staff costs. There will also be an increase in the cost of benefits from 1 September 2019.

(2) Guaranteed Minimum Pension (GMP). GMP is a portion of pension that was accrued by individuals who were contracted out of the State Second Pension between 6 April 1978 and 6 April 1997. In October 2018 the High Court ruled in the Lloyds Bank case that equalisation for the effect of unequal GMPs between genders is required. As a result of an on-going debate on how this impacts on public service pension schemes, there has been national debate about the point at which a past service cost is triggered. Briefing notes provided by the actuary have indicated that a 'trigger event' is yet to occur for the LGPS and so no allowance has been made for GMP in the LGPS liability included within these financial statements. It is, in any case, considered likely that any impact would be immaterial.

# BLUE BELL HILL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

### 2 Critical accounting estimates and areas of judgement

(Continued)

#### Critical areas of judgement

(3) Discount rates. There has been a change in financial assumptions over the period, including the discount rate. The discount rate has been reduced significantly which has resulted in a less positive balance sheet position than if the discount rate at the start of the period had been used. The impact comes through as part of the actuarial movement shown on Statement of Financial Activities.

(4) Mortality assumptions. Details of the changes in mortality assumptions are shown in note 19. The actuary calculations use a model prepared by the Continuous Mortality Investigation (CMI) which is updated on an annual basis, incorporating the latest mortality data in the national population. This year the mortality assumptions use an updated CMI model which now anticipates a significant reduction in projected life expectancies. The lower life expectancy assumptions result in a more positive balance sheet position than if the mortality rates at the start of the period had been used, and the impact comes through as part of the actuarial movement shown on Statement of Financial Activities.

### 3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Capital grants	-	229,066	229,066	9,101
Other donations	-	10,764	10,764	51,474
	<u>-</u>	<u>239,830</u>	<u>239,830</u>	<u>60,575</u>

The income from funding for educational operations was £239,830 (2018: 60,575) of which £239,830 was restricted (2018: £60,575).

# BLUE BELL HILL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

#### 4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
<b>DfE / ESFA grants</b>				
General annual grant (GAG)	-	1,891,784	1,891,784	1,872,759
Other DfE group grants	-	365,969	365,969	342,299
	-	2,257,753	2,257,753	2,215,058
<b>Other government grants</b>				
Special educational projects	-	238,611	238,611	249,996
<b>Total funding</b>	-	2,496,364	2,496,364	2,465,054

Funding for academy trust's educational operations was £2,496,364 (2018: £2,465,054) of which £2,496,364 was restricted (2018: £2,465,054).

#### 5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Hire of facilities	235	-	235	5,700
Catering income	-	26,548	26,548	21,244
Staff recharges	2,288	-	2,288	7,442
Trip income	-	17,308	17,308	18,827
Other income	47,457	42,359	89,816	61,781
	49,980	86,215	136,195	114,994

The income from other trading activities was £136,195 (2018: 114,994) of which £49,980 was unrestricted (2018: £38,332) and £86,215 was restricted (2018: £76,662).

# BLUE BELL HILL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

### 6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Short term deposits	288	-	288	317

The income from funding for investment income was £288 (2018: £317) of which £288 was unrestricted (2018: £317).

### 7 Expenditure

	Staff costs £	Non Pay Expenditure Premises £	Other £	Total 2019 £	Total 2018 £
Academy's educational operations					
- Direct costs	1,728,688	-	153,009	1,881,697	1,857,505
- Allocated support costs	382,347	239,398	300,730	922,475	907,939
	<u>2,111,035</u>	<u>239,398</u>	<u>453,739</u>	<u>2,804,172</u>	<u>2,765,444</u>

Net income/(expenditure) for the year includes:

	2019 £	2018 £
Fees payable to auditor for audit services	9,850	9,300
Operating lease rentals	10,504	13,730
Depreciation of tangible fixed assets	111,774	105,262
Net interest on defined benefit pension liability	37,000	42,000

### 8 Charitable activities

	2019 £	2018 £
All from restricted funds:		
<b>Direct costs</b>		
Educational operations	1,881,697	1,857,505
<b>Support costs</b>		
Educational operations	922,475	907,939
	<u>2,804,172</u>	<u>2,765,444</u>

# BLUE BELL HILL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

### 8 Charitable activities

(Continued)

	2019 £	2018 £
<b>Analysis of support costs</b>		
Support staff costs	382,347	368,611
Depreciation	111,774	105,262
Technology costs	26,391	12,982
Premises costs	127,624	132,828
Other support costs	217,349	213,182
Governance costs	56,990	75,074
	<u>922,475</u>	<u>907,939</u>

### 9 Staff

#### Staff costs

Staff costs during the year were:

	2019 £	2018 £
Wages and salaries	1,537,351	1,483,430
Social security costs	137,312	127,134
Pension costs	432,532	413,130
	<u>2,107,195</u>	<u>2,023,694</u>
Agency staff costs	3,840	47,208
	<u>2,111,035</u>	<u>2,070,902</u>
Staff development and other staff costs	10,794	11,397
	<u>2,121,829</u>	<u>2,082,299</u>

#### Staff numbers

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

	2019 Number	2018 Number
Teachers	22	23
Administration and support	44	45
	<u>66</u>	<u>68</u>

# BLUE BELL HILL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

#### 9 Staff

(Continued)

##### Higher paid staff

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

	2019 Number	2018 Number
£60,000 - £70,000	2	1

##### Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £235,510 (2018: £213,976).

#### 10 Trustees' remuneration and expenses

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

The value of trustees' remuneration and other benefits was as follows (comparative figures are provided for trustees who resigned in the year):

##### R Edge (headteacher and trustee)

Remuneration £60,000 - £65,000 (2018: £60,000 - £65,000)

Employer's pension contributions £10,000 - £15,000 (2018: £10,000 - £15,000)

##### N Williams (staff, resigned 6 February 2018)

Remuneration £nil (2018: £20,000 - £25,000)

Employer's pension contributions £nil (2018: £nil - £5,000)

##### N Rose (staff, resigned 6 February 2018)

Remuneration £nil (2018: £15,000 - £20,000)

Employer's pension contributions £nil (2018: £nil - £5,000)

##### L Padley (staff, resigned 6 February 2018)

Remuneration (staff) £nil (2018: £10,000 - £15,000)

Employer's pension contributions £nil (2018: £nil - £5,000)

During the year, no expenses were reimbursed or paid directly to any trustees (2018: £ nil).



# BLUE BELL HILL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

#### 11 Trustees and officers insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the years ended 31 August 2019 and 31 August 2018 cannot be separately determined as it is included in the total insurance cost.

#### 12 Tangible fixed assets

	Long leasehold buildings £	Computer equipment £	Fixtures, fittings & equipment £	Total £
<b>Cost</b>				
At 1 September 2018	2,581,825	155,850	212,974	2,950,649
Additions	305,496	18,561	16,472	340,529
	<u>2,887,321</u>	<u>174,411</u>	<u>229,446</u>	<u>3,291,178</u>
At 31 August 2019				
<b>Depreciation</b>				
At 1 September 2018	246,423	132,591	50,683	429,697
Charge for the year	50,162	17,183	44,429	111,774
	<u>296,585</u>	<u>149,774</u>	<u>95,112</u>	<u>541,471</u>
At 31 August 2019				
<b>Net book value</b>				
At 31 August 2019	<u>2,590,736</u>	<u>24,637</u>	<u>134,334</u>	<u>2,749,707</u>
At 31 August 2018	<u>2,335,402</u>	<u>23,259</u>	<u>162,291</u>	<u>2,520,952</u>

Included in long leasehold land and buildings is land amounting to £82,000 that has not been depreciated.

Long leasehold land and buildings are held under a 125-year lease from Nottingham City Council at nil rent. They are valued at depreciated replacement cost and recognised in the trust's balance sheet.

#### 13 Stocks

	2019 £	2018 £
Stock	<u>8,122</u>	<u>11,878</u>

**BLUE BELL HILL ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

<b>14 Debtors</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Trade debtors	16,866	1,350
VAT recoverable	32,219	25,572
Other debtors	134,894	-
Prepayments and accrued income	87,566	84,823
	<u>271,545</u>	<u>111,745</u>
	<u><u>271,545</u></u>	<u><u>111,745</u></u>
<b>15 Creditors: amounts falling due within one year</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Trade creditors	29,219	12,914
Other creditors	-	31,921
Accruals and deferred income	116,476	82,880
	<u>145,695</u>	<u>127,715</u>
	<u><u>145,695</u></u>	<u><u>127,715</u></u>
<b>16 Deferred income</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Deferred income is included within:		
Creditors due within one year	<u>62,406</u>	<u>71,868</u>
	<u><u>62,406</u></u>	<u><u>71,868</u></u>
Deferred income at 1 September 2018	71,868	70,874
Released from previous years	(71,868)	(70,874)
Resources deferred in the year	<u>62,406</u>	<u>71,868</u>
<b>Deferred income at 31 August 2019</b>	<u><u>62,406</u></u>	<u><u>71,868</u></u>

Included in deferred income is £5,384 (2018: £10,769 ) from the Blue Bell Hill Trust as a contribution towards the lease of a mini bus for the school, £29,188 (2018: 29,316) from Universal Infant Free School Meals grant, £27,834 (2018: £28,540) from SEN funding and £nil (2018: £3,243) rates relief.

**BLUE BELL HILL ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2019**

**17 Funds**

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	110,165	1,891,784	(1,767,703)	(28,927)	205,319
Other DfE / ESFA grants	-	365,969	(365,969)	-	-
Other government grants	-	238,611	(238,611)	-	-
Blue Bell Hill Trust	97,368	-	(3,136)	-	94,232
Other restricted funds	-	96,979	(96,979)	-	-
Pension reserve	(1,460,000)	-	(220,000)	(384,000)	(2,064,000)
	<u>(1,252,467)</u>	<u>2,593,343</u>	<u>(2,692,398)</u>	<u>(412,927)</u>	<u>(1,764,449)</u>
<b>Restricted fixed asset funds</b>					
Tangible fixed assets	2,520,952	26,725	(111,774)	313,804	2,749,707
Condition Improvement Fund	-	202,341	-	(201,246)	1,095
	<u>2,520,952</u>	<u>229,066</u>	<u>(111,774)</u>	<u>112,558</u>	<u>2,750,802</u>
<b>Total restricted funds</b>	<u>1,268,485</u>	<u>2,822,409</u>	<u>(2,804,172)</u>	<u>(300,369)</u>	<u>986,353</u>
<b>Unrestricted funds</b>					
General funds	<u>352,834</u>	<u>50,268</u>	<u>-</u>	<u>(83,631)</u>	<u>319,471</u>
<b>Total funds</b>	<u>1,621,319</u>	<u>2,872,677</u>	<u>(2,804,172)</u>	<u>(384,000)</u>	<u>1,305,824</u>

## **BLUE BELL HILL ACADEMY TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2019**

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#### **17 Funds**

**(Continued)**

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

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2019.

Restricted general funds comprise all other restricted funds received and include grants from the Education and Skills Funding Agency and Department for Education. Specifically held within other restricted funds is a donation from Blue Bell Hill Trust (BBHT). On the cessation of BBHT, funds were transferred to the Academy to continue the projects BBHT had commenced prior to cessation. At the year end, £94,232 (2018: £97,368) is carried forward in relation to these projects.

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education and Skills Funding Agency, Department for Education or other funders where the asset acquired or created is held for a specific purpose.

During the year ended 31 August 2019 the trust spent £340,529 on fixed assets and received £229,066 in capital grants. The shortfall in funding was financed by unrestricted fund (£83,631) and restricted general fund (£28,927).

The pension reserve held within restricted funds was in deficit by £2,064,000 at 31 August 2019. This does not mean that an immediate liability for the amount crystallises. The deficit position will result in a cash flow effect for the academy trust in the form of employer's pension contributions as assessed by the actuary.

# BLUE BELL HILL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

#### 17 Funds

(Continued)

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

	Balance at 1 September 2017 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	1,872,759	(1,762,594)	-	110,165
Other DfE / ESFA grants	-	342,299	(342,299)	-	-
Other government grants	-	249,996	(249,996)	-	-
Blue Bell Hill Trust	90,734	47,476	(19,771)	(21,071)	97,368
Other restricted funds	(1,138)	80,660	(79,522)	-	-
Pension reserve	(1,691,000)	-	(206,000)	437,000	(1,460,000)
	<u>(1,601,404)</u>	<u>2,593,190</u>	<u>(2,660,182)</u>	<u>415,929</u>	<u>(1,252,467)</u>
<b>Restricted fixed asset funds</b>					
DfE group capital grants	<u>2,522,874</u>	<u>9,101</u>	<u>(105,262)</u>	<u>94,239</u>	<u>2,520,952</u>
<b>Total restricted funds</b>	<u>921,470</u>	<u>2,602,291</u>	<u>(2,765,444)</u>	<u>510,168</u>	<u>1,268,485</u>
<b>Unrestricted funds</b>					
General funds	<u>387,353</u>	<u>38,649</u>	<u>-</u>	<u>(73,168)</u>	<u>352,834</u>
<b>Total funds</b>	<u>1,308,823</u>	<u>2,640,940</u>	<u>(2,765,444)</u>	<u>437,000</u>	<u>1,621,319</u>

# BLUE BELL HILL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

### 18 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
<b>Fund balances at 31 August 2019 are represented by:</b>				
Tangible fixed assets	-	-	2,749,707	2,749,707
Current assets	319,471	445,246	1,095	765,812
Creditors falling due within one year	-	(145,695)	-	(145,695)
Defined benefit pension liability	-	(2,064,000)	-	(2,064,000)
<b>Total net assets</b>	<b>319,471</b>	<b>(1,764,449)</b>	<b>2,750,802</b>	<b>1,305,824</b>

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
<b>Fund balances at 31 August 2018 are represented by:</b>				
Tangible fixed assets	-	-	2,520,952	2,520,952
Current assets	352,834	335,248	-	688,082
Creditors falling due within one year	-	(127,715)	-	(127,715)
Defined benefit pension liability	-	(1,460,000)	-	(1,460,000)
<b>Total net assets</b>	<b>352,834</b>	<b>(1,252,467)</b>	<b>2,520,952</b>	<b>1,621,319</b>

### 19 Pension and similar obligations

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

#### Teachers' Pension Scheme

##### Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**19 Pension and similar obligations**

**(Continued)**

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

**Valuation of the Teachers' Pension Scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014.

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%.

The pension costs paid to the TPS in the period amounted to £186,345 (2018: £190,131).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

**Local Government Pension Scheme**

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 18.0 per cent for employers and between 5.5 per cent and 8.5 per cent for employees.

# BLUE BELL HILL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

### 19 Pension and similar obligations

(Continued)

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.

Total contributions made	2019 £	2018 £
Employer's contributions	129,000	126,000
Employees' contributions	43,000	42,000
Total contributions	172,000	168,000

Principal actuarial assumptions	2019 %	2018 %
Rate of increase in salaries	3.65	3.80
Rate of increase for pensions in payment/inflation	2.15	2.30
Discount rate for scheme liabilities	1.90	2.65
CPI increases	2.15	2.30
Commutation of pensions to lump sums	50.0	50.0

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

	2019 Years	2018 Years
Retiring today		
- Males	21.7	22.7
- Females	24.4	25.6
Retiring in 20 years		
- Males	23.3	24.9
- Females	26.2	28.0



# BLUE BELL HILL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

### 19 Pension and similar obligations

(Continued)

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

	2019	2018
	£'000	£'000
Adjustment to discount rate + 0.1%	3,765	3,006
Adjustment to discount rate - 0.1%	3,977	3,174
Adjustment to life expectancy assumptions + 1 year	4,008	3,188
Adjustment to life expectancy assumptions - 1 year	3,735	2,993
Adjustment to long term salary increase + 0.1%	3,887	3,105
Adjustment to long term salary increase - 0.1%	3,851	3,073
Adjustment to pension and deferred revaluation + 0.1%	3,958	3,159
Adjustment to pension and deferred revaluation - 0.1%	3,783	3,022

#### The academy trust's share of the assets in the scheme

	2019	2018
	Fair value	Fair value
	£	£
Equities	1,125,000	1,048,000
Bonds	156,000	171,000
Cash	53,000	30,000
Gilts	59,000	45,000
Property	239,000	225,000
Other assets	173,000	110,000
Total market value of assets	1,805,000	1,629,000

The actual return on scheme assets was £79,000 (2018: £94,000).

#### Amount recognised in the Statement of Financial Activities

	2019	2018
	£	£
Current service cost	258,000	290,000
Past service cost	54,000	-
Interest income	(44,000)	(38,000)
Interest cost	81,000	80,000
Total operating charge	349,000	332,000

**BLUE BELL HILL ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**19 Pension and similar obligations**

**(Continued)**

<b>Changes in the present value of defined benefit obligations</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
At 1 September 2018	3,089,000	3,059,000
Current service cost	258,000	290,000
Interest cost	81,000	80,000
Employee contributions	43,000	42,000
Actuarial loss/(gain)	419,000	(381,000)
Benefits paid	(75,000)	(1,000)
Past service cost	54,000	-
	<hr/>	<hr/>
At 31 August 2019	3,869,000	3,089,000
	<hr/>	<hr/>

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

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
At 1 September 2018	1,629,000	1,368,000
Interest income	44,000	38,000
Actuarial gain	35,000	56,000
Employer contributions	129,000	126,000
Employee contributions	43,000	42,000
Benefits paid	(75,000)	(1,000)
	<hr/>	<hr/>
At 31 August 2019	1,805,000	1,629,000
	<hr/>	<hr/>

**BLUE BELL HILL ACADEMY TRUST****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019****20 Reconciliation of net income/(expenditure) to net cash flow from operating activities**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	68,505	(124,504)
Adjusted for:		
Capital grants from DfE and other capital income	(229,066)	(9,101)
Investment income receivable	(288)	(317)
Defined benefit pension costs less contributions payable	183,000	164,000
Defined benefit pension scheme finance cost	37,000	42,000
Depreciation of tangible fixed assets	111,774	105,262
Decrease in stocks	3,756	319
(Increase)/decrease in debtors	(159,800)	26,167
Increase/(decrease) in creditors	17,980	(16,875)
<b>Net cash provided by operating activities</b>	<b>32,861</b>	<b>186,951</b>

**21 Commitments under operating leases**

At 31 August 2019 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Amounts due within one year	10,488	10,504
Amounts due in two and five years	2,167	12,655
	<b>12,655</b>	<b>23,159</b>

**22 Capital commitments**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Expenditure contracted for but not provided in the accounts	379,514	-

**23 Related party transactions**

No related party transactions took place in the period of account, or the prior year, other than certain trustees' remuneration and expenses already disclosed in note 10.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**24 Members' liability**

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