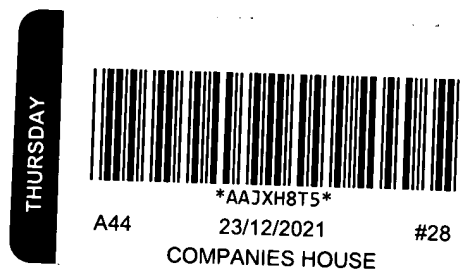




BRONTE ACADEMY TRUST
(A Company Limited by Guarantee)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021



BRONTE ACADEMY TRUST
(A Company Limited by Guarantee)

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BRONTE ACADEMY TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Francisco Arana Sohail Mahmood Kath Waddington Rebecca Poulsen (appointed 26 May 2021)
Trustees	John Anthony Broughton (resigned 26 May 2021) Sarah-Jayne Cotton, Chair Ruth Elizabeth Bowditch Trevor Olsson Kath Waddington Sue Murdoch Trudy Mahon Rev. Christopher Simon Upton (appointed 26 May 2021) Penny Campbell (appointed 26 May 2021)
Company registered number	10201636
Company name	Bronte Academy Trust
Principal and registered office	Tree Tops Haworth Primary School Rawdon Road Haworth Keighley West Yorkshire BD22 8DW

BRONTE ACADEMY TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Company secretary	Schofield Sweeney LLP
Accounting officer	Gillian Holland
Senior management team	Gillian Holland, Chief Executive Officer Deborah Howarth, Chief Finance Officer Edward Whitehead, Head Teacher - Oakworth (formerly Lees) James Travers, Head Teacher - Oldfield Paula Howe, Head Teacher - Haworth Rebecca Vargassoff, Head Teacher - Oakworth (resigned 31 August 2021) Andrea Sharrock, Interim Head Teacher - Lees (appointed 12 April 2021)
Independent auditors	BHP LLP New Chartford House Centurion Way Cleckheaton BD19 3QB
Bankers	Lloyds Bank plc 45 Hustlergate Bradford BD1 1NT
Solicitors	Schofield Sweeney LLP Church Bank House Church Bank Bradford BD1 4DY

BRONTE ACADEMY TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The academy trust operates four primary schools in the Worth Valley area. Its academies have a combined pupil capacity of 1,172 and had a roll of 1,138 in the school census in July 2020.

The four schools in the academy trust are:

Lees Primary School
Oakworth Primary School
Haworth Primary School
Oldfield Primary School

Structure, governance and management

a. Constitution

The academy trust is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum of Association is the primary governing document of the academy trust.

The Trustees of Bronte Academy Trust are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Bronte Academy Trust.

Details of the Trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative details on page 1.

b. Members' liability

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

c. Method of recruitment and appointment or election of trustees

The management of the academy trust is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. The number of trustees is subject to a maximum of twelve. The members may also appoint staff trustees through such process as they may determine, provided that the total number of trustees (including the CEO) who are employees of the academy trust do not exceed one third of the total number of trustees. The parent trustees shall be elected by the trustees. A parent trustee must be a parent of a pupil at the academy trust at the time the parent trustee is elected. The trustees may appoint up to one co-opted trustee. The term of office for any trustee shall be four years, save that this time shall not apply to any post which is held ex-officio. New trustees are given the appropriate level of training to carry out their responsibilities.

BRONTE ACADEMY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

d. Policies adopted for the induction and training of trustees

All new trustees participate in an induction programme and are given an induction pack giving a wide range of information and guidance relating to the governance of the academy trust. The Chair of Trustees is responsible for arranging a programme of trustee training. Typically, this is provided for internally by academy staff but complementary outside resources are used where this is considered appropriate.

e. Organisational structure

The trustees hold eight meetings per year. The trustees determine the general policy of the academy trust in relation to the constituent academies. The principals are appointed by the academy trust board and are responsible for the day to day running of each academy, supported by senior staff.

f. Arrangements for setting pay and remuneration of key management personnel

The Trustees' Appraisal Panel is responsible for reviewing the performance of the CEO and recommending pay increments in line with national averages. The Local Governing Bodies' Head Teacher Appraisal Panel, which includes the CEO, is responsible for reviewing the performance of academy headteachers and recommending incremental scale point rises within the parameters of the agreed head teacher pay scales. The head teachers are responsible for reviewing the deputies/assistant heads within their agreed pay scales.

BRONTE ACADEMY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

g. Trade union facility time

Relevant union officials

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

Percentage of time spent on facility time

<i>Percentage of time</i>	<i>Number of employees</i>
0%	-
1%-50%	-
51%-99%	-
100%	-

<i>Percentage of pay bill spent on facility time</i>	<i>£</i>
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Total cost of facility time	-
Total pay bill	5,245,128
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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h. Related parties and other connected charities and organisations

Owing to the nature of the academy trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures.

Close family members of Trevor Olsson, a trustee of Bronte Academy Trust, received remuneration from employment with the academy trust. The total value of the remuneration was £41,722 (2020 - £37,645).

In entering into the transactions above the trust has complied with the requirements of the Academies Financial Handbook 2020. Other related party transactions relating to trustees' remuneration and expenses are already disclosed in note 12.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities

a. Objects and aims

Our Strapline is 'Achieving Together for Every Child'.

We recognise that all children in our Trust should be provided with the opportunities and experiences to achieve their best in order for them to grow and flourish as they make their journey through life. Our children are provided with the best education from the best teaching and curriculum to allow them to achieve.

All our schools work together for the benefit of all. Brontë is a family of schools and this family prides itself on its support, collaboration and care for all stakeholders.

Inclusion is important to Bronte as we recognise the strengths every child and adult brings to our Trust. We ensure that all children, regardless of their ability, talent, skill or need are provided with the best education and opportunities to flourish and attain their full potential.

The whole child is at the centre of our provision as we ensure that we provide an extensive broad curriculum to meet the needs of our children as they make their way into their future lives, developing their skills, attitudes, creativity, and emotional and social wellbeing.

Bronte Academy Trust recognises the important part we need to play to ensure that we meet our vision through:

- Outstanding staff who have the children at the heart of all they do
- Collaborative learning opportunities in order for us to provide excellent resources and facilities for them to use
- Broad, creative and inclusive learning so all our children flourish in their own way
- High expectations and accountability of all our stakeholders and a shared belief in the strength of collaboration

b. Objectives, strategies and activities

The purpose of our academy trust is to ensure that the children in our community have equal opportunity to an excellent curriculum, resources and teacher expertise through a strongly developed collaboration of working together, whilst, at the same time, maintaining the distinct nature of our own individual establishments, giving a richness and a multi-faceted element to our partnership.

Through sharing of excellence, we can ensure that children beyond each establishment have the opportunity to the best that each school has to offer and that expertise and talents amongst all stakeholders can be shared and built upon providing a self-sustaining community, where everyone is learning and growing together.

The academy trust recognises its important role of helping other schools to grow and flourish. As such, it is committed to considering other schools who may wish to be sponsored and will act as a lead sponsor, as directed by the Department for Education (DfE).

c. Public benefit

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities (continued)

d. Activities for achieving objectives

Bronte Academy Trust has a transparent leadership structure, clear levels of accountability, with three distinct boards:

1. Local Governing Body (each School)
2. Board of Trustees
3. Board of Members

Every member of each board are specifically recruited for the skills and expertise they can bring to the academy trust and the difference they can make towards ensuring its success. Their roles within the academy trust are clearly defined, from school improvement to financial accountability and "value for money".

This will be achieved through a clear focus on:

1. Structures and systems
2. Robust financial accountability processes
3. Scrutiny of economies of scale and effective use of resources

The responsibilities for each Board is clearly defined in the Bronte Academy Trust Scheme of Delegation. This Scheme takes account of the requirements of the converting "founder" schools as opposed to the requirements of sponsored schools as the Boards recognise that the needs of schools joining us later may differ depending on their position at the time of conversion.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities (continued)

Strategic report

Achievements and performance

a. Key performance indicators

The achievements and performance of the academy trust are summarised as follows:

- Reputation and community view of Bronte Academy Trust very positive
- Nursery at Oldfield continues to grow, as does the rest of the school from a predicted 35 NOR on conversion to 70 in 2020
- Oldfield PAN increased from 8 to 10
- Lees Primary School Nursery established and numbers increasing despite pandemic

Our Schools

There are four schools within Bronte Academy Trust, in the primary aged sector and all have nurseries. The four schools are located in the Worth Valley and are very close to one another, meaning that staff working together across the trust can be facilitated easily. The area is famous for its link to The Brontes, writers of works such as Jane Eyre and Wuthering Heights, and its strong literacy connection led us to using their name as our Trust name, of which we are extremely proud. Bronte Academy Trust gained sponsorship status in December 2018 and Oldfield joined the Trust as a sponsored school in June 2019.

Lees Primary School, Lees Village

Lees Primary School is a one form entry village school with 209 pupils on roll and a nursery which was established in September 2020. It was built in 1895 and maintains most of its original building. It is an integral part of the village and hosts village fayres, meetings, and weekly clubs. The school is popular and often has a waiting list for families wishing to get their children on roll. The school gained the judgement of Outstanding in 2012 and continues to drive high expectations and the best for all its children. The school was selected by Ofsted to be part of a Section 8 Pandemic Monitoring Visit in November 2020 and the positive report can be viewed on the Ofsted Report website. The Headteacher moved to Oakworth in April 2021 and the Assistant Headteacher became the interim for the rest of the academic year.

Haworth Primary School, Haworth Village

Haworth Primary School is a one and a half form entry school in the famous village of Haworth, the home of The Brontes. As with the other schools in the Trust, the school is an integral part of Haworth Village and boasts a strong partnership with Fairtrade. The building was originally a middle school and the staff have worked hard to adapt the building to make it into an attractive and engaging environment for younger children. The children at the school have an excellent start in their welcoming and highly skilled nursery department. The school was inspected in April 2019 and maintained its judgement of Good.

Oakworth Primary School, Oakworth Village

Oakworth Primary School is the largest school within the Trust, being a two-form entry with a large and very popular nursery. The school has expanded over the years and has had extensive building work, but the heart of the school has

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report (continued)

Achievements and performance (continued)

been maintained. As with the other two schools, Oakworth is very popular and often over subscribed. Oakworth is a key driver for the Trust's partnership with Exceed TSA. The Headteacher from Lees moved to be Headteacher at Oakworth in April 2021.

Oldfield Primary School, Oldfield Village

This is the smallest of our schools and came to Bronte following an academy order after an inspection judging the school to be inadequate. Oldfield has stabilised, grown and now has a very positive reputation within the community, now being a school of choice. NOR has doubled since academisation and has led to us increasing the PAN from 8 to 10 and the school is still over-subscribed. External reviews no longer judge the school to be inadequate and we await the first Inspection since it became a new school under BAT.

Teaching School Partnership

The formal partnership with Exceed Teaching School Alliance has led to opportunities for staff in Bronte Academy Trust. These included:

- Involvement in SCITT so that we are growing new teachers ready to recruit in our Trust
- SLE, LLE accreditation and NPQ trainers
- Leading training across Bradford

Pandemic

Due to the continuing Covid-19 Pandemic in the school year 20-21, school improvement priorities focussed on ensuring we continued to provide an effective education to all children across the trust. The ICT infrastructure was improved, e-safety measures were reviewed and included guidelines, training, support and policies for staff, parents and children learning from home.

Alignment

Despite the Trust focus on the pandemic, priorities for the year around alignment and centralisation continued:

- Administrative: Office re-structures were undertaken and aligned across the schools. Job descriptions and roles were reviewed and the management and organisation of the school offices is done in a collaboration between the leadership of each school and the trust central team. This is allowing roles to be shared, key strengths to be identified and school to school support introduced. It allows us to future-proof ourselves and develop robust succession plans
- Estates: Restructure of site staff completed, with the appointment of a multi-site manager to oversee building work, a rolling programme of internal and external maintenance and the development, training and line management of the site staff.
- Catering: The catering contract went to tender for commencement in September 2021. All Heads were involved with this process and have worked closely with the team to ensure they provide a good service, staff are appropriately trained and meals are of a high quality.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report (continued)

Achievements and performance (continued)

b. 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 they continue 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 accounting policies.

c. Review of activities

The majority of the academy trust's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of the General Annual Grant (GAG) and it also received other grants such as pupil premium, the use of which is restricted to particular purposes. The grants received from the ESFA and other sources during the year ended 31 August 2021 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

During the year incoming resources totalled £5,919,953 (2020 - £5,389,000), and the net deficit for the year before actuarial gains/losses on the defined benefit pension scheme was £313,022 (2020 - £535,151). The unrestricted and restricted income funds showed a balance of £450,050 (2020 - £432,781) and £245,748 (2020 - £119,279) respectively at the year end.

The net book value of fixed assets was £6,920,999 (2020 - £7,041,977) as at 31 August 2021. These assets were exclusively used for providing educational and support services to the academy trust.

As at 31 August 2021 the trust had cash reserves and cash balances on deposit of £982,220 (2020 - £661,641).

BRONTE ACADEMY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report (continued)

Financial review

a. Reserves policy

The trustees review the level of reserves annually. Unrestricted funds have accumulated to a level which is considered sufficient to meet unexpected expenditure and may also be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

Unrestricted income funds, restricted income funds and restricted fixed asset funds carried forward were £450,050 (2020 - £432,781), £245,748 (2020 - £119,279) and £7,158,720 (2020 - £7,120,480) respectively. There is no restriction on the amount of GAG that may be carried forward, however the surplus must continue to be used to meet the normal running costs of the academy trust. Restricted funds include those designated for a particular purpose. These funds will be expended as required dependent upon the level of core funding.

The trustees have decided on an overall target level of core reserves, of 5% of General Annual Grant. The trust's level of available reserves at 31 August 2021 exceeds that criteria.

The trustees are of the opinion that there is adequate working capital in the form of net current assets amounting to £934,867 (2020 - £634,606).

b. Investment policy

The academy trust's funds are generally held in a low risk interest bearing bank current account. The academy trust also has the power to delegate the management of investments to a financial expert, under constant review and instruction of the trustees, for any funds not immediately required, with the object of maximising returns on surplus funds.

c. Principal risks and uncertainties

The trustees have examined the major risks that the academy trust faces each financial year when preparing and updating the strategic plan. The academy trust has developed systems to monitor and control these risks to mitigate any impact they may have on the academy trust in the future. There are many uncertainties which are subjective in nature and difficult to quantify. The following key issues have been identified:

Government Funding - The academy trust has considerable reliance on continued government funding through the DfE/ESFA and local authority, which represented the majority of total revenue for the period.

The three founder schools are currently rated good or outstanding by Ofsted and we expect Oldfield Primary School to reach a rating of at least good within the next three years. The trust places great importance on maintaining this status.

Fundraising

The academy trust has not actively participated in fundraising practices in the financial year. However, the trustees are aware of the requirements of the Charities (Protection and Social Investment) Act 2016, in relation to fundraising practices.

BRONTE ACADEMY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Plans for future periods


The academy trust's key plan for the future is to continue to protect against any unforeseen impacts by operating at a surplus, whilst prioritising maximum resources to ensure excellent teaching and learning of pupils.

Disclosure of information to auditors

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that 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 auditors are aware of that information.

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


sarah.cotton (Dec 7, 2021 10:23 GMT)

Sarah-Jayne Cotton
Chair of trustees

Date: Dec 7, 2021

BRONTE ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Bronte 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.

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

The board of trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Bronte 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 eight times during the year.

Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
John Anthony Broughton (resigned 26 May 2021)	6	7
Sarah-Jayne Cotton, Chair	8	8
Ruth Elizabeth Bowditch	5	8
Trevor Olsson	8	8
Kath Waddington	8	8
Sue Murdoch	5	8
Trudy Mahon	8	8
Rev. Christopher Simon Upton (appointed 26 May 2021)	3	4
Penny Campbell (appointed 26 May 2021)	4	4

The board of trustees has an excellent range of skills to ensure they fulfil their roles and responsibilities effectively. The trustees have plans in place to review their effectiveness via skills audits and governing body reviews. As part of their regular cycle of meetings, the trustees review their strategic responsibilities for the continual development and improvement of the academy trust. As the academy trust expands, the trustees recognise the importance of undertaking a skills audit to ascertain skills and experience, whilst identifying any training required.

The Finance, Audit and Risk Committee is a sub-committee of the main board of trustees. Its purpose is to review the academy trust revenue budget; receive periodic management reports showing performance against the agreed budget; set accounting policies; ensure compliance with the Academies Accounts Direction; advise on the appointment of external auditors; monitor and have strategic oversight of risk across the academy trust; and receive the annual audit report prior to presentation to the full board of trustees.

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

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

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

- full centralisation of office teams has now been completed and the new structure is all in place.
- following retirement of our School Business Managers, we have now replaced with high level Office Managers.
- we have entered into a contract with a new catering company and all the schools use the same external provider and no longer do our own in-house catering.
- working closely with our Headteachers to look at ensuring optimal use of our staff across the Trust.

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 Bronte Academy Trust for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees
- regular reviews by the Finance Audit and Risk 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 decided to buy-in an internal audit service from Safeguarding Support Limited.

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

The reviewer's role includes giving advice on non-financial matters and performing a range of checks on the academy trust's systems using their self-assessment toolkit. In particular the checks carried out in the current period included:

- review of the single central record of recruitment and vetting checks
- review of safeguarding procedures

On an annual basis, the reviewer reports to the board of trustees through the Finance, Audit and Risk Committee on the operation of the systems of control and on the discharge of the trustees' financial responsibilities.


Review of effectiveness

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

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

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance, Audit and Risk Committee and a plan to ensure continuous improvement of the system is in place.

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


sarah cotton (Dec 7, 2021 10:23 GMT)

Sarah-Jayne Cotton
Chair of Trustees


G L Holland (Dec 9, 2021 13:56 GMT)

Gillian Holland
Accounting Officer

Date: Dec 7, 2021

BRONTE ACADEMY TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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


G.L.Holland (Dec 9, 2021 13:56 GMT)

Gillian Holland
Accounting Officer

Date: Dec 7, 2021

BRONTE ACADEMY TRUST
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021

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

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

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

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

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

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

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



sarah.cotton (Dec 7, 2021 10:23 GMT)

Sarah-Jayne Cotton
Chair of trustees

Date: Dec 7, 2021

BRONTE ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF BRONTE ACADEMY TRUST

Opinion

We have audited the financial statements of Bronte Academy Trust (the 'academy trust') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

BRONTE ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF BRONTE ACADEMY TRUST (CONTINUED)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report including the Strategic Report and the Directors' Report.

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

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

BRONTE ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF BRONTE ACADEMY TRUST (CONTINUED)

Responsibilities of trustees

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

We gained an understanding of the legal and regulatory framework applicable to the trust and the sector in which it operates and considered the risk of acts by the trust that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focused on laws and regulations, relevant to the trust, which could give rise to a material misstatement in the financial statements. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management, review of trust minutes and legal expenses. There are inherent limitations in the audit procedures described and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

As part of our audit, we addressed the risk of management override of internal controls, including testing of journals and review of nominal ledger. We evaluated whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

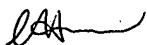
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

BRONTE ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF BRONTE ACADEMY TRUST (CONTINUED)

Use of our report

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



Lesley Kendrew (Senior Statutory Auditor)

for and on behalf of

BHP LLP

Statutory Auditors

New Chartford House

Centurion Way

Cleckheaton

BD19 3QB

Date: Dec 9, 2021

BRONTE ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BRONTE ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 19 July 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Bronte Academy Trust during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of Bronte Academy Trust's funding agreement with the Secretary of State for Education dated 23 June 2016 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

BRONTE ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BRONTE ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

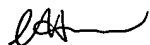
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy trust's income and expenditure.

The work undertaken to draw our conclusion includes:

- checking that the academy trust's activities are consistent with its framework and its charitable objectives,
- checking that the trustees and key staff have disclosed their interest in related parties, discussing the same with management and reviewing transactions during the period for undisclosed related party transactions,
- checking that any related party transactions during the period are conducted at normal commercial rates,
- checking that academy trust expenditure is permitted by its funding agreement,
- checking that any borrowings entered into, including leases, are in accordance with the Academies Handbook,
- checking that any land and building transactions, especially disposals, are in line with the funding agreement and Academies Handbook

Conclusion

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



Lesley Kendrew
Reporting Accountant
BHP LLP

New Chartford House
Centurion Way
Cleckheaton
BD19 3QB

Date: Dec 9, 2021

BRONTE ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:						
Donations and capital grants	3	234	-	252,728	252,962	121,071
Other trading activities	5	220,004	-	-	220,004	258,965
Investments	6	89	-	-	89	466
Charitable activities	4	-	5,437,448	9,450	5,446,898	5,008,498
Total income		220,327	5,437,448	262,178	5,919,953	5,389,000
Expenditure on:						
Charitable activities	7	203,058	5,804,743	225,174	6,232,975	5,924,151
Total expenditure		203,058	5,804,743	225,174	6,232,975	5,924,151
Net income/(expenditure)		17,269	(367,295)	37,004	(313,022)	(535,151)
Transfers between funds	19	-	(1,236)	1,236	-	-
Net movement in funds before other recognised gains/(losses)		17,269	(368,531)	38,240	(313,022)	(535,151)
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	26	-	257,000	-	257,000	(429,000)
Net movement in funds		17,269	(111,531)	38,240	(56,022)	(964,151)
Reconciliation of funds:						
Total funds brought forward		432,781	(3,721,721)	7,120,480	3,831,540	4,795,691
Net movement in funds		17,269	(111,531)	38,240	(56,022)	(964,151)
Total funds carried forward		450,050	(3,833,252)	7,158,720	3,775,518	3,831,540

BRONTE ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

The Statement of Financial Activities includes all gains and losses recognised in the year.
The notes on pages 29 to 58 form part of these financial statements.

BRONTE ACADEMY TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 10201636


BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	14	6,920,999	7,041,977
		<u>6,920,999</u>	<u>7,041,977</u>
Current assets			
Debtors	15	50,357	111,668
Cash at bank and in hand		982,220	661,641
		<u>1,032,577</u>	<u>773,309</u>
Creditors: amounts falling due within one year	16	(97,710)	(138,703)
Net current assets		<u>934,867</u>	<u>634,606</u>
Total assets less current liabilities		<u>7,855,866</u>	<u>7,676,583</u>
Creditors: amounts falling due after more than one year	17	(1,348)	(4,043)
Net assets excluding pension liability		<u>7,854,518</u>	<u>7,672,540</u>
Defined benefit pension scheme liability	26	(4,079,000)	(3,841,000)
Total net assets		<u><u>3,775,518</u></u>	<u><u>3,831,540</u></u>
Funds of the academy trust			
Restricted funds:			
Fixed asset funds	19	7,158,720	7,120,480
Restricted income funds	19	245,748	119,279
		<u>7,404,468</u>	<u>7,239,759</u>
Restricted funds excluding pension asset	19	7,404,468	7,239,759
Pension reserve	19	(4,079,000)	(3,841,000)
Total restricted funds	19	<u>3,325,468</u>	<u>3,398,759</u>
Unrestricted income funds	19	<u>450,050</u>	<u>432,781</u>
Total funds		<u><u>3,775,518</u></u>	<u><u>3,831,540</u></u>

BRONTE ACADEMY TRUST
(A Company Limited by Guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021

The financial statements on pages 24 to 58 were approved and authorised for issue by the trustees and are signed on their behalf, by:


sarah.cotton (Dec 7, 2021 10:23 GMT)

Sarah-Jayne Cotton
(Chair of Trustees)

Date: Dec 7, 2021

The notes on pages 29 to 58 form part of these financial statements.

BRONTE ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	21	165,292	7,616
Cash flows from investing activities	23	157,982	(77,463)
Cash flows from financing activities	22	(2,695)	(2,695)
Change in cash and cash equivalents in the year		320,579	(72,542)
Cash and cash equivalents at the beginning of the year		661,641	734,183
Cash and cash equivalents at the end of the year	24, 25	982,220	661,641

The notes on pages 29 to 58 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

1.2 Going concern

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

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 (GAG) is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

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

- **Donations**

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

- **Other income**

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

- **Transfer on conversion**

Where assets and liabilities are received by the academy trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the academy trust. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.4 Expenditure

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

1.6 Taxation

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

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.7 Tangible fixed assets

Assets costing £500 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 the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Depreciation is provided on the following bases:

Freehold property	- 2% straight line basis
Furniture and equipment	- 10% & 20% straight line basis
Computer equipment	- 33.3% & 20% straight line basis
Freehold land	- not depreciated

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.

1.8 Liabilities

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

1.9 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.10 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 16 and 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.11 Operating leases

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.12 Pensions

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

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

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

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

1.13 Fund accounting

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

BRONTE ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

3. Income from donations and capital grants

	Unrestricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	234	-	234	2,939
Capital grants	-	252,728	252,728	118,132
Total 2021	234	252,728	252,962	121,071
Total 2020	2,939	118,132	121,071	

BRONTE ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

4. Funding for the academy trust's educational operations

	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<i>DfE/ESFA grants</i>			
General Annual Grant	3,953,424	3,953,424	3,685,446
Other DfE/ESFA grants			
UIFSM	152,431	152,431	168,385
Pupil Premium	191,561	191,561	181,012
Teachers Pension Grant	148,649	148,649	146,313
Teachers Pay Grant	52,606	52,606	51,781
PE & Sports Grant	72,300	72,300	72,316
Others	97,729	97,729	54,335
	4,668,700	4,668,700	4,359,588
<i>Other Government grants</i>			
Special Educational Needs	126,555	126,555	76,668
Local Authority Grants	646,599	646,599	562,042
Income for hosting trainee teachers	-	-	10,200
	773,154	773,154	648,910
<i>COVID-19 additional funding (non-DfE/ESFA)</i>			
Covid Winter Grant	5,044	5,044	-
	5,044	5,044	-
	5,446,898	5,446,898	5,008,498
Total 2020	5,008,498	5,008,498	

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the academy trust's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

5. Income from other trading activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Catering	17,808	17,808	33,227
Fees received	148,616	148,616	162,180
Other	53,580	53,580	63,558
Total 2021	220,004	220,004	258,965
Total 2020	258,965	258,965	

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Bank interest	89	89	466
Total 2020	466	466	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

7. Expenditure

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	Total 2020 £
Education:					
Direct costs	3,956,743	-	354,914	4,311,657	4,150,208
Allocated support costs	1,288,385	218,961	413,972	1,921,318	1,773,943
	<u>5,245,128</u>	<u>218,961</u>	<u>768,886</u>	<u>6,232,975</u>	<u>5,924,151</u>
Total 2020	<u>4,930,206</u>	<u>319,054</u>	<u>674,891</u>	<u>5,924,151</u>	

8. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Education	<u>4,311,657</u>	<u>1,921,318</u>	<u>6,232,975</u>	<u>5,924,151</u>
Total 2020	<u>4,150,208</u>	<u>1,773,943</u>	<u>5,924,151</u>	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Education 2021 £	Total funds 2021 £	Total funds 2020 £
Staff costs	1,288,385	1,288,385	1,157,454
Technology costs	54,983	54,983	46,855
Premises costs	218,961	218,961	206,715
Governance costs	66,707	66,707	72,133
Other support costs	292,282	292,282	290,786
	<u>1,921,318</u>	<u>1,921,318</u>	<u>1,773,943</u>
Total 2020	<u>1,773,943</u>	<u>1,773,943</u>	

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Depreciation of tangible fixed assets	215,724	171,101
Fees paid to auditors for:		
- audit	11,200	10,500
- other services	3,900	3,800

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	3,650,558	3,458,421
Social security costs	322,101	297,814
Pension costs	1,266,728	1,132,769
	<u>5,239,387</u>	<u>4,889,004</u>
Agency staff costs	-	41,202
Staff restructuring costs	5,741	-
	<u>5,245,128</u>	<u>4,930,206</u>
	2021 £	2020 £
Redundancy payments	5,741	-
	<u>5,741</u>	<u>-</u>

b. Staff numbers

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

	2021 No.	2020 No.
Teaching	43	44
Administration and support	107	93
Management	16	14
	<u>166</u>	<u>151</u>

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NOTES TO THE FINANCIAL STATEMENTS
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10. Staff (continued)

c. Higher paid staff

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

	2021	2020
	No.	No.
In the band £60,001 - £70,000	2	3
In the band £70,001 - £80,000	1	-
In the band £80,001 - £90,000	-	1
In the band £90,001 - £100,000	1	-
	=====	=====

d. 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 £563,425 (2020 - £566,480).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

11. Central services

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

- CEO and CFO - guidance and support
- Early year's executive leader
- Legal and HR support
- Governor support including clerk costs and central admin
- Asset management business package
- HCSS accounting package
- Internal and external audit
- Procurement
- Internal ICT support
- Academy conversion support
- Trust support for staff development, staff meetings and staff expertise
- Partnership with Exceed Teaching School Alliance: access to CPD and accredited training packages
- Alignment of contracts to enable better buying power
- Executive headteacher support
- Headteacher appraisal

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

- flat percentage of 5% of GAG income (including Early Years Funding and DSP)

The actual amounts charged during the year were as follows:

	2021 £	2020 £
Lees Primary School	45,712	40,965
Oakworth Primary School	86,825	84,410
Haworth Primary School	72,756	69,853
Oldfield Primary School	20,706	18,599
Total	225,999	213,827

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FOR THE YEAR ENDED 31 AUGUST 2021

12. Trustees' remuneration and expenses

During the year, no trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 August 2021, no trustee expenses have been incurred (2020 - £NIL).

13. 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 business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the year ended 31 August 2021 was not separable as the RPA charge is based on student numbers. The cost of this insurance is included in the total insurance cost.

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NOTES TO THE FINANCIAL STATEMENTS
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14. Tangible fixed assets

	Freehold property £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2020	7,037,390	581,689	340,958	7,960,037
Additions	45,965	40,159	8,622	94,746
At 31 August 2021	7,083,355	621,848	349,580	8,054,783
Depreciation				
At 1 September 2020	382,611	250,010	285,439	918,060
Charge for the year	115,150	75,592	24,982	215,724
At 31 August 2021	497,761	325,602	310,421	1,133,784
Net book value				
At 31 August 2021	6,585,594	296,246	39,159	6,920,999
At 31 August 2020	6,654,779	331,679	55,519	7,041,977

15. Debtors

	2021 £	2020 £
Due within one year		
Other debtors	7,432	7,372
Prepayments and accrued income	42,925	104,296
	50,357	111,668

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16. Creditors: Amounts falling due within one year

	2021 £	2020 £
Other loans	2,695	2,695
Accruals and deferred income	95,015	136,008
	<u>97,710</u>	<u>138,703</u>

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

	2021 £	2020 £
Other loans	<u>1,348</u>	<u>4,043</u>

Other loans above includes amounts for the following loans:

A Salix loan which is repayable over a period of 7 years commencing in October 2015 and is an interest free loan from the DfE for LED lighting upgrades at Haworth Primary School.

18. Accruals and deferred income

	2021 £	2020 £
Deferred income at 1 September 2020	86,418	93,036
Resources deferred during the year	84,810	86,418
Amounts released from previous periods	(86,418)	(93,036)
Deferred income at 31 August 2021	<u>84,810</u>	<u>86,418</u>

At the balance sheet date the academy trust was holding funds received in advance for universal infant free school meals.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

19. Statement of funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
General Funds	432,781	220,327	(203,058)	-	-	450,050
Restricted general funds						
General Annual Grant (GAG)	119,279	3,953,424	(3,825,719)	(1,236)	-	245,748
UIFSM	-	152,431	(152,431)	-	-	-
Pupil Premium	-	191,561	(191,561)	-	-	-
Teachers Pension	-	148,649	(148,649)	-	-	-
Teachers Pay	-	52,606	(52,606)	-	-	-
Special Educational Needs	-	126,555	(126,555)	-	-	-
PE & Sports	-	72,300	(72,300)	-	-	-
Other DfE/ESFA	-	88,279	(88,279)	-	-	-
Local Authority	-	646,599	(646,599)	-	-	-
Covid Winter	-	5,044	(5,044)	-	-	-
Pension reserve	(3,841,000)	-	(495,000)	-	257,000	(4,079,000)
	(3,721,721)	5,437,448	(5,804,743)	(1,236)	257,000	(3,833,252)
Restricted fixed asset funds						
Restricted fixed asset funds	7,120,480	262,178	(225,174)	1,236	-	7,158,720
Total Restricted funds	3,398,759	5,699,626	(6,029,917)	-	257,000	3,325,468
Total funds	3,831,540	5,919,953	(6,232,975)	-	257,000	3,775,518

BRONTE ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

19. Statement of funds (continued)

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

Restricted general funds

GAG must be used for the normal running costs of the academy trust.

Other DfE/ESFA and government grants are used specifically for the purpose for which they are intended.

The restricted pension reserve represents the deficit on the four schools in the academy trust's share of the Local Government Pension Scheme as at 31 August 2021.

Restricted fixed asset funds

ESFA capital grants relate to expenditure incurred on leasehold improvements, furniture and equipment.

Unrestricted funds

Unrestricted funds relate to catering income and school clubs, and may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2021.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

19. Statement of funds (continued)

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
General Funds	490,069	262,370	(319,658)	-	-	432,781
Restricted general funds						
General Annual Grant (GAG)	162,158	5,008,498	(4,994,949)	(56,428)	-	119,279
Pension reserve	(2,985,000)	-	(427,000)	-	(429,000)	(3,841,000)
	(2,822,842)	5,008,498	(5,421,949)	(56,428)	(429,000)	(3,721,721)
Restricted fixed asset funds						
Restricted fixed asset funds	7,128,464	118,132	(182,544)	56,428	-	7,120,480
Total Restricted funds	4,305,622	5,126,630	(5,604,493)	-	(429,000)	3,398,759
Total funds	4,795,691	5,389,000	(5,924,151)	-	(429,000)	3,831,540

BRONTE ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

19. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

	2021 £	2020 £
Oakworth Primary School	239,406	176,693
Lees Primary School	111,575	85,210
Haworth Primary School	223,216	114,693
Oldfield Primary School	46,571	38,287
Central Services	75,030	137,177
Total before fixed asset funds and pension reserve	695,798	552,060
Restricted fixed asset fund	7,158,720	7,120,480
Pension reserve	(4,079,000)	(3,841,000)
Total	3,775,518	3,831,540

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2021 £	Total 2020 £
Oakworth Primary School	1,471,679	294,890	31,059	179,566	1,977,194	2,038,777
Lees Primary School	758,547	133,647	29,723	144,794	1,066,711	993,994
Haworth Primary School	1,249,253	195,295	19,527	224,398	1,688,473	1,620,372
Oldfield Primary School	337,632	45,603	31,731	75,208	490,174	424,296
Central services	139,633	632,477	3,263	19,326	794,699	664,168
Academy trust	3,956,744	1,301,912	115,303	643,292	6,017,251	5,741,607

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NOTES TO THE FINANCIAL STATEMENTS
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20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	6,920,999	6,920,999
Current assets	450,050	344,806	237,721	1,032,577
Creditors due within one year	-	(97,710)	-	(97,710)
Creditors due in more than one year	-	(1,348)	-	(1,348)
Provisions for liabilities and charges	-	(4,079,000)	-	(4,079,000)
Total	450,050	(3,833,252)	7,158,720	3,775,518

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	7,041,977	7,041,977
Current assets	432,781	262,025	78,503	773,309
Creditors due within one year	-	(138,703)	-	(138,703)
Creditors due in more than one year	-	(4,043)	-	(4,043)
Provisions for liabilities and charges	-	(3,841,000)	-	(3,841,000)
Total	432,781	(3,721,721)	7,120,480	3,831,540

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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

	2021 £	2020 £
Net expenditure for the year (as per Statement of Financial Activities)	(313,022)	(535,151)
Adjustments for:		
Depreciation	215,724	182,544
Capital grants from DfE and other capital income	(252,728)	(118,132)
Defined benefit pension scheme cost less contributions payable	432,000	373,000
Defined benefit pension scheme finance cost	63,000	54,000
Decrease in debtors	61,311	122,442
Decrease in creditors	(40,993)	(71,087)
Net cash provided by operating activities	165,292	7,616

22. Cash flows from financing activities

	2021 £	2020 £
Repayments of borrowing	(2,695)	(2,695)
Net cash used in financing activities	(2,695)	(2,695)

23. Cash flows from investing activities

	2021 £	2020 £
Purchase of tangible fixed assets	(94,746)	(195,595)
Capital grants from DfE and other capital income	252,728	118,132
Net cash provided by/(used in) investing activities	157,982	(77,463)

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24. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand and at bank	982,220	661,641
Total cash and cash equivalents	982,220	661,641

25. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	661,641	320,579	982,220
Debt due within 1 year	(2,695)	-	(2,695)
Debt due after 1 year	(4,043)	2,695	(1,348)
	654,903	323,274	978,177

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

26. Pension commitments

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

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

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

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

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NOTES TO THE FINANCIAL STATEMENTS
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26. Pension commitments (continued)

The employer's pension costs paid to TPS in the year amounted to £518,000 (2020 - £472,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £336,000 (2020 - £316,000), of which employer's contributions totalled £254,000 (2020 - £238,000) and employees' contributions totalled £ 82,000 (2020 - £78,000). The agreed contribution rates for future years are 16.4 per cent for employers and 5.5 - 12 per cent for employees.

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

Principal actuarial assumptions

	2021	2020
	%	%
Rate of increase in salaries	3.85	3.55
Rate of increase for pensions in payment/inflation	2.6	2.30
Discount rate for scheme liabilities	1.7	1.70
Inflation assumption (CPI)	2.6	2.30

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26. Pension commitments (continued)

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

	2021 Years	2020 Years
Retiring today		
Males	21.9	21.8
Females	24.7	24.6
Retiring in 20 years		
Males	22.6	22.5
Females	25.8	25.7

Sensitivity analysis

	2021 £000	2020 £000
Discount rate +0.1%	9,251	7,888
Discount rate -0.1%	9,715	8,284
Mortality assumption - 1 year increase	9,118	7,791
Mortality assumption - 1 year decrease	9,838	8,381
CPI rate +0.1%	9,516	8,114
CPI rate -0.1%	9,440	8,050

Share of scheme assets

The academy trust's share of the assets in the scheme was:

	2021 £	2020 £
Equities	4,329,000	3,299,498
Gilts	432,000	411,377
Corporate bonds	238,000	212,050
Property	205,000	182,363
Cash and other liquid assets	119,000	72,097
Other	76,000	63,615
Total market value of assets	5,399,000	4,241,000

The actual return on scheme assets was £946,000 (2020 - £123,000).

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NOTES TO THE FINANCIAL STATEMENTS
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26. Pension commitments (continued)

The amounts recognised in the Statement of Financial Activities are as follows:

	2021 £	2020 £
Current service cost	(782,000)	(611,000)
Interest cost	(67,000)	(54,000)
Total amount recognised in the Statement of Financial Activities	(849,000)	(665,000)

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

	2021 £	2020 £
At 1 September	8,082,000	7,119,000
Interest cost	137,000	135,000
Employee contributions	82,000	78,000
Actuarial losses	615,000	225,000
Benefits paid	(124,000)	(86,000)
Current service costs	686,000	611,000
At 31 August	9,478,000	8,082,000

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

	2021 £	2020 £
At 1 September	4,241,000	4,134,000
Interest income	74,000	81,000
Actuarial gains/(losses)	872,000	(204,000)
Employer contributions	254,000	238,000
Employee contributions	82,000	78,000
Benefits paid	(124,000)	(86,000)
At 31 August	5,399,000	4,241,000

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27. Operating lease commitments

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

	2021 £	2020 £
Not later than 1 year	314	8,727
Later than 1 year and not later than 5 years	-	314
	<u>314</u>	<u>9,041</u>

28. Members' liability

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

29. Related party transactions

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

Close family members of Trevor Olsson, a trustee of Bronte Academy Trust, received remuneration from employment with the academy trust. The total value of remuneration was £41,722 (2020 - £37,645)

The Spouse of Deborah Howarth, Chief Financial Officer, charged £nil (2020 - £192) for the replacement of various windows at certain academy premises.

In entering into the transactions above the trust has complied with the requirements of the Academies Financial Handbook 2020. Other related party transactions relating to trustees' remuneration and expenses are already disclosed in note 12.