

Company Registration No. 10267656 (England and Wales)

BERLESDUNA ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022

SATURDAY



ABX3TNXV

A07

11/02/2023

#199

COMPANIES HOUSE

BERLESDUNA ACADEMY TRUST

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 16
Governance statement	17 - 20
Statement on regularity, propriety and compliance	21
Statement of trustees' responsibilities	22
Independent auditor's report on the accounts	23 - 26
Independent reporting accountant's report on regularity	27 - 28
Statement of financial activities including income and expenditure account	29 - 30
Balance sheet	31
Statement of cash flows	32
Notes to the accounts including accounting policies	33 - 53

BERLESDUNA ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

E Patching
M Pretlove
P White
K Bentley
L Evans
N Miah

Trustees

E Patching (Chair of Trustees)
ST Tobin (Accounting Officer)
J Hunter
S Segger
SP West
R Taverner
G Glover (Resigned 5 July 2022)
R Walsh (Resigned 1 December 2021)
RA T Lovatt
J Edwards (Resigned 4 July 2022)

Senior management team

S Tobin	- Chief Executive Officer
T Robinson	- Headteacher (The Willows Academy)
N Kemp	- Headteacher (Whitmore Academy)
R Robinson	- Headteacher (Merrylands Academy)
H Dyer	- Headteacher (Cray's Hill Academy)
L Pigram	- Headteacher (Felmore Academy)
N Stone-Riley	- Headteacher (Cherry Tree Academy)
K Hamilton	- Headteacher (Fairhouse Academy)
T Walker	- Headteacher (St Marys Academy)
D Bunn	- Trust Head of Finance and Operations
E Parsons	- HR Director (Resigned 31/8/2022)
C Freese	- Director of Education
K Toms	- HR Director (Appointed from 1/9/2022)

Company registration number

10267656 (England and Wales)

Registered office

School House
Church Road
Basildon
Essex
SS14 2EX

Academies operated

Merrylands Primary School and Nursery
Whitmore Primary School and Nursery
The Willows Primary School and Nursery
Cray's Hill Primary School
Felmore Primary School
Cherry Tree Primary School and Nursery
Fairhouse Primary School
St Mary's Church of England Primary School

Location

Basildon
Basildon
Basildon
Billericay
Basildon
Basildon
Basildon
Woodham Ferrers

Headteacher

R Robinson
N Kemp
T Robinson
H Dyer
L Pigram
N Stone-Riley
K Hamilton
T Walker

BERLESDUNA ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Independent auditor

Rickard Luckin Limited
Phoenix House, Suite 8
Christopher Martin Road
Basildon
Essex
SS14 3EZ

BERLESDUNA ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

The trustees present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a trustees' report, and a directors' report and strategic report under company law.

The academy trust operates 8 academies for pupils aged 4 to 11 with some academies having nurseries taking children from aged 2. We currently service a catchment area of Basildon, Billericay and Woodham Ferrers. It has a pupil capacity of 3,270 and had a roll of 3,101 pupils in November 2022.

Structure, governance and management

Constitution

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

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

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.

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.

Trustees' indemnities

In accordance with the Articles of Association, subject to the provisions of the Companies Act 2006 and Article 6.3 every trustee or other officer or auditor of the Company and every member of any local Governing Body and/or Advisory Body (in so far as necessary) shall be indemnified out of the assets of the Company against any liability incurred by them in their capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty of trust in relation to the affairs of the Company.

Method of recruitment and appointment or election of trustees

Members of the Trust shall comprise:

- The signatories of the Memorandum
- Those appointed by the Members through the passing of a Special Resolution

The Secretary of State for Education may appoint trustees in certain circumstances; no such appointments were made in the year under review.

Subject to remaining eligible to be a particular type of Trustee, any Trustee may be reappointed or re-elected.

A Trustee shall cease to hold office if they resign their office by notice to the Academy (but only if at least 4 Trustees will remain in office when the notice of resignation is to take effect).

A Trustee shall cease to hold office if they are removed by the person or persons who appointed them. The Article does not apply in respect of a Parent Trustee.

BERLESDUNA ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Policies and procedures adopted for the induction and training of trustees

Trustees are provided with copies of all essential documentation needed to undertake their role, including the Memorandum and Articles of Association, Academies Financial Handbook and Academy Trust's Funding Agreement.

A Trustee Handbook with key information is available for all Trustees.

The Board of Trustees receive training organised by the Trust and are informed of external training opportunities.

New Trustees are mentored by existing Trustees.

Organisational structure

The board of trustees of Berlesduna Academy Trust is constituted under the memorandum and articles of association. The board of trustees is responsible for ensuring high standards of corporate governance are maintained.

Trustees – The Directors Board – including Chief Executive Officer

The Board is responsible for setting high standards and levels of pupil achievement, monitoring performance and ensuring accountability. It is tasked with driving improvement through regular review, planning and evaluation activities. It manages corporate communication and stakeholder engagement. Once strategies have been agreed, the Board delegates most operational activity to the Executive Leadership Team.

Audit and Risk Committee and Finance, Premises and HR Committee

The Audit and Risk committee and Finance, Premises and HR Committee consists of Trustees of the Board. They have critical roles in overseeing budget formulation, monitoring, and treasury management. The financial functions extend into value for money and procurement. The Audit and Risk Committee receives and considers the statutory accounts for the Trust and recommends them to the full Board for approval prior to presentation to the Trust Members. It also recommends the appointment of the external auditors to the Board of Directors for approval by the Trust Members.

Local Governing Body

There are committees known as 'local governing bodies' for each school. Their role is to oversee pupils' learning and wellbeing. Each LGB has a maximum of 11 members, comprising:

- Headteacher
- 2 staff governors
- at least 2 co-opted/community governors
- at least 2 parent governors

Trust Executive Leadership Team

The Executive Leadership Team has corporate responsibility for the formulation and implementation of strategies and policies approved by the Directors. It comprises the Chief Executive Officer, Chief Financial Officer & Director of Operations, HR Business Partner, Director of Education and the Headteacher/Head of School from each school.

Chief Executive Officer (CEO)

Is responsible for the day to day operation of the Trust and is accountable to the Directors. The CEO is the 'Accounting Officer' of Berlesduna Academy Trust.

Chief Financial Officer and Director of Operations

Reports to the CEO and collaborates with senior leaders across the Trust. The CFO strategically leads and manages the business innovation and financial aspects of the schools. Also responsible for H&S and similar matter.

HR Business Partner

Reports to the CEO and provides HR guidance and support to senior leaders and Headteachers across the Trust.

Director of Education (DoE)

The DoE is accountable for ensuring the educational success of our schools within the overall framework of the Trust Development Plan.

BERLESDUNA ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Leadership in Schools

Each school within the Trust will have its own structure of leadership depending on its own circumstance and context.

The Trust Pupil Voice

Gives pupils the opportunity to share their views with the Trust and the schools. Made up of two selected pupils from each school, the Pupil Voice follow a self-developed Pupil Voice Charter, which forms their ethos and structure which they and future ambassadors will work by.

Arrangements for setting pay and remuneration of key management personnel

The setting of pay and remuneration for the CEO is conducted by the Chair of the Trust plus two other Trustees as part of the Performance Management Cycle. The CEO and Chair of each LGB set the pay of Headteachers as part of their performance management cycle. Each Headteacher carries out the performance management of their staff with the support of the CEO and recommendations are put to each LGB Pay Committee. The CEO sets the pay and remuneration for centralised staff.

Trade union facility time

The Trust has two recognised trade union representatives which are school based and currently undertake no work outside of their respective schools.

Engagement with employees

Employee Information Policy

Each Academy includes 1 staff member on its local governing body. The CEO is ex-officio Governor. This ensures:

- Employees' views are considered on decisions affecting their interests; and
- There is a common awareness on the part of all employees of all factors that affect the academy trust's performance

Berlesduna Academy Trust undertakes discussions with employees and their unions to ensure that employees' views are reflected in decisions made and their interests are protected.

Berlesduna Academy Trust recognises that staff are to be valued, supported and encouraged to develop personally and professionally within a learning and caring community. The Trust has a policy that embraces the many school practices that support staff health and well-being, to minimise the harm from stress and ensure there is cohesion and progress in working towards the health and well-being of all staff.

The Trust and each school will:

- Develop staff with opportunities for learning and practicing skills as whole-school training, or as identified by individuals during performance management or difficult periods.
- Seek to involve staff in school decision-making processes.
- Operate a sensitive and negotiated appraisal system linked to clear job specifications. Provide a non-judgmental confidential support system.
- Provide extra support at certain times of difficulty either through counselling from the HR Business Partner, CFO, Life-Coaching or counselling through Occupational Health.
 - Work towards an ethos where all staff feel valued and where respect, empathy and genuineness are the cornerstones of school relationships.
- Review the demands on time spent on paperwork and administration and seek alternative solutions where possible.
- Respond sensitively and flexibly to unavoidable external pressures that impact on staff lives.
- Maintain regular contact with staff when they are absent for long periods of time, both during the absence and also on returning to work.
- Maintain positive staff-student relationships to ensure an effective teaching and learning environment. (See Behaviour Policies).

BERLESDUNA ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

- Survey staff annually on well-being and work-life balance issues and produce an action plan in relation to findings.
- The schools have a Joint Consultative Committee (JCC) with the aim that this will be made up of members of staff from within the Trust.

The Trust's equal opportunities policy outlines ensures that equality of opportunity is available to all members of the Trust community. The Trustees believe that equality at the Trust should permeate all aspects of Trust life and is the responsibility of every member of the Trust and wider community. Every member of the Trust community should feel safe, secure, valued and of equal worth.

At Berlesduna Academy Trust, equality is a key principle for treating all people the same irrespective of their gender, ethnicity, disability, religious beliefs, sexual orientations, age or any other recognised area of discrimination.

Berlesduna Academy Trust is an Equal Opportunities Employer and is committed to the employment of people with disabilities and guarantees an interview for those who meet minimum selection criteria. Berlesduna Academy Trust provides training and development for its employees, including people with disabilities, tailored where appropriate, to ensure they can achieve their potential. If a Trust employee becomes disabled while in our employ the Trust will do its best to retain them, including consulting them and making reasonable and appropriate adjustments, and providing alternative suitable provisions.

Related parties and other connected charities and organisations

We have no related parties or connections to charities and similar organisations.

Objectives and activities

Objects and aims

We have clear strategic aims built on our mission and values:

Strategic Priority 1 Fostering a culture of high aspiration

The Trust is committed to enabling our learners and their families to overcome barriers they currently face and empowering them to develop an aspirant mind set.

Strategic Priority 2 Developing Exemplary Behaviours and Attitudes

We focus on behaviour and attitude. Pupil Voice is clear about high standards, consistently applied to create an excellent climate for learning.

Strategic Priority 3 A High Quality Education

Developing and offering a curriculum that meets the needs of our children is central to our curriculum strategy.

Strategic Priority 4 Developing Staff

We invest in our people.

Strategic Priority 5 Developing our Facilities, Resources and Marketing

The Trust has a rolling programme of works for the entire estate utilising the School Condition Allocation (SCA) funding.

Strategic Priority 6 Developing Highly Effective Support Services

Support staff are vital in contributing to the experience of learners and they are valued members of our school communities. All our schools operate local arrangements for the provision of support services.

Strategic Priority 7 Developing Highly Effective Governance

Our governance arrangements are of the highest calibre. We have a programme to ensure they are fit for purpose and drive the Trust forward.

Objectives, strategies and activities

- Build Trust capacity to ensure effective school improvement.
- Deliver existing Trust school improvement
- Deliver school improvement in those schools joining the Trust
- Continued enhancement of the governance of the Board

BERLESDUNA ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Public benefit

Activities to further the Academy Trust's purposes for the public benefit are;

- Provide education to all registered students; and
- Established and maintain partnerships with local Primary schools. Students have attended educational services at the Trust including sporting, debating, drama and maths Trust competitions, school induction program for new intakes, and residential visits to the Isle of Wight and other educational visits.

The trustees have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties.

Strategic report

Achievements and performance

We monitor the implementation of our strategic plan and use our KPIs to assess whether the strategic goals are on track. We monitor the plan through the Trust Executive Leadership Team, Board Committees and through Trust Board meetings. We carry out an annual review of the strategic plan to ensure that it reflects the MAT's future direction.

Key performance indicators

Governance KPIs

1. All Members and Trustees understand their duties as company directors and charity trustees as laid out in the Companies Act 2006 and Charity Commission guidance as exemplified in a skills audit.
2. All schools have a full complement for their Local Governing Bodies, with an appropriate set of skills and experiences.
3. Schools leadership and management will be graded at least "good " within 30 months of joining the trust, or at the first section 5 inspection, whichever is soonest.

Financial KPIs

1. Ensure value for money with the use of Trust funds.
2. Zero red flags in annual audited accounts.
3. Accounts filed with Companies house for public access and on the Trust website by 31 January of the following year
4. Trust to submit audited financial statements, auditor's management letter and accounts submission coversheet by 31 December to ESFA.
5. All statutory returns submitted on time.
6. Staffing percentage as a total budget (taking into account EHCP and SEN numbers) is no more than 82%.

Human Resources KPIs

1. Staff attendance at least 95% in all schools (contextualised to allow for any unavoidable absence due to long term sickness or accident).
2. 80% of recently qualified teachers will be retained.
3. 80% of outstanding teachers will be retained.
4. Pupil to teacher ratios are favourable compared to national levels.
5. Development opportunities made available to staff to work across schools in the MAT.

School Standards KPIs

1. Parent, staff and pupil survey data illustrate satisfaction
2. Schools are compliant with health and safety, safeguarding and other statutory requirements
3. Schools are at least good and/or improve their Ofsted inspection rating
4. The percentage of good or outstanding teaching across the MAT is at least 90%
5. The Pupil Premium Grant is used effectively to ensure disadvantaged pupils make accelerated progress
6. That the Sports Premium Grant is used effectively to contribute towards the health and wellbeing of our pupils
7. Attendance data is improving including the rate of persistent absence
8. Schools have a decrease in the numbers of fixed term and permanent exclusions.
9. We commit to the Essex Inclusion Statement across all our schools and recognise Inclusion in its wider sense
10. Progress and standards indicators are at least in line with national averages for all groups in all schools indicating a high quality of provision

BERLESDUNA ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

How we secured improvements in 2021/22

During 2021/22 the Trust delivered school improvement by:

- Appointing a Director of Education to lead on school development
- Providing a core offer for all Trust schools – all schools having at least three DOE visits, HT Performance Management, Fortnightly HT and Senior Trust Team meetings, signposting, Ofsted Updates, finance and HR support.
- Providing additional support appropriate to individual school needs
- Alignment and standardisation of assessment

Quality of Education

The schools have a great deal of autonomy but implement a curriculum for their school community that conforms to our Quality of Education Abiding Principles - which they do although with the additional lockdown and disrupted year it will be this year (2022/2023) where the Trust would expect to see the implementation and impact of these plans.

The past year has been extremely challenging for all our schools but through this period they have developed their "recovery curriculum" utilising the Trust Recovery Curriculum Principles which was developed with the Headteachers of each school. These principles of wellbeing, being physically active, being mentally active, catching up, early years and extracurricular activities.

Each school within this period also made plans implement the RSHE curriculum and as Early Adopters develop their curriculum for the EYFS.

We undertook parent, staff and pupil surveys across the Trust at the end of the academic year with the vast majority positive and praising the efforts of all the schools across the Trust. Areas to develop further are within the document – staff development, knowing the Trust and behaviour of pupils.

With our eight primary schools across South Essex we have established a reputation for highly innovative and collaborative practice that significantly improves educational provision and is focused on equality and diversity.

The DOE will be accountable for ensuring the educational success of our schools within the overall framework of the Trust Development Plan, as well as individual schools' strategic plans to ensure we remain a leading Trust delivering highly innovative practice offering the best possible learning experiences for pupils. The DOE will work jointly to develop the education vision for the organisation. This will mean ensuring the organisation reflects the lived values and ethos set by our Board of Trustees and delivery of the strategic goals of the Trust. The DOE will be committed to delivering our mission and values across the curriculum with inclusion, well-being and diversity at the heart of all we do.

The Central Team

Staff retention has not been a major issue for the Trust this year with few people moving schools. HR have supported Headteachers by undertaking some of the administration tasks. Recruitment and employment advice has been provided in more complex cases as well as supporting senior. At the present time staff retention in general is not seen as a major threat to risk to our continued delivery of services but succession planning for senior posts in schools and at Trust level needs to be undertaken.

The 2023 Budget was signed off by Trustees on 12 July. Robust monthly reviews highlight material variances from the Budget at an earlier stage than previous years.

BERLESDUNA ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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, the board of trustees continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

Promoting the success of the academy trust

The Trust's ambition continues to be to create a family of local primary and secondary schools working together to meet the needs of learners in the area and beyond. We have the ambition to increase the number of schools in the Trust in a timely and considered manner. We feel a sense of responsibility and obligation to expand. We will only expand when we have the capacity to do so.

When a school is proposed to be part of our MAT we consider:

- Moral obligation
- Size of school and designation
- Financial position of school
- Distance between schools
- Ofsted category of the school

Our moral obligation to raise standards and address underperformance remains the overriding consideration and this must be considered in terms of ensuring no existing children are at detriment.

Our Trust will serve a range of communities including those with relatively high levels of deprivation. What we won't do:

- Put competition before collaboration.
- Expand through sponsorship without all existing academies being in a strong position
- Nor do anything that would be detrimental to any young person, staff or school in a neighbouring community.

The Trust will apply these principles in context, not rigidly ruling out schools wishing to join who do not meet all of the criteria. In considering any application to join, the Trust will complete a careful due diligence process. Any new school joining the Trust will be asked to fully commit to the Trust's operational model.

Succession Planning

Within its growth strategy and overall school improvement strategy Berlesduna Academy Trust is committed to developing the workforce in ways which:

- distribute existing leadership throughout the schools
- utilise the strengths of individual staff and enable them to contribute to their maximum potential
- provide continuing professional development opportunities which
 - enable staff to progress within the schools
 - contribute to leadership capacity throughout Berlesduna Trust

Financial review

The majority of Berlesduna Academy Trust's income is derived from the Education and Skills Funding Agency (ESFA), an agent of the Department for Education (DfE), in the form of recurrent grants, the use of which is limited to specific purposes. The grants received from the ESFA during the year ended 31 August 2022 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The results for the year are shown on the Statement of Financial Activities.

BERLESDUNA ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Total incoming resources from educational operations in the year ended 31 August 2022 amounted to £17.2m. £0.5m related to other capital income. The total revenue income in the year ended 31 August 2022 was £18m.

Total resources expended in the year amounted to £20.1m. This includes a depreciation charge of £993k.

Total net expenditure for the period was £2.1m.

After accounting for the net actuarial gain of £12.3m on the local government pension scheme as calculated by the scheme actuary, the overall net increase in the Trust's fund balances was £10.2m. Accordingly, the balance sheet as at 31 August 2022 shows total funds of £47.7m.

Reserves policy

The Academy Trust considers it prudent for academy schools to maintain a level of usable reserves sufficient to cover unexpected and unplanned events so that the academy's primary objective is preserved. At the same time the Trustees wish to ensure that it uses its funding to benefit the students in its care which implies an imperative to consider actively the use of reserves to enhance educational provision.

In deciding the level of reserves trustees will take into account the following:

- Uncertainty, turbulence or expected reduction in funding arrangements
- Impact of Pension and HMRC changes on employer payroll costs
- The need for any large project spend to include facilities development, ICT investment or building condition needs
- Fluctuations in pupil numbers, particularly falling roll numbers
- Cash flow issues
- The trust's consolidated annual budget

The Trustees expect academy schools to hold appropriate levels of reserves, as their budgets allow, in order to fulfil their educational objectives.

Restricted Reserves

Restricted Revenue Reserves are represented by the main funding for the academy which is the General Annual Grant and other central funding streams, Local Authority funding and other Government grants/income that are received for a specific project or purpose i.e. Pupil Premium, UIFSM, PE & Sports Grant etc. These funds are restricted for the use according to the funding agreements of donors' instructions.

Local Reserves

The Trustees expect academy schools to build their reserves over the next 5 years to ensure they are at the median level of comparable schools in the DfE benchmarking tool.

The Trustees consider a capital reserve programme for the replacement of ICT equipment, appropriate to reduce the budget impact in any single year, of large scale equipment.

Academy schools will have a 'rolling' programme to ensure ICT hardware and infrastructure is replaced/maintained to ensure up to date and effective technology is embedded throughout the school.

Central Reserves

Any reserves accumulated by the Trust should be utilised as the Board of Trustees deem appropriate.

Unrestricted Reserves

Unrestricted local reserves are made up of the academy's activities for generating funds, investment income and other donations which are expendable at the discretion of the trustees in furtherance to achieve the objectives of the school. The trust has no current limit for the appropriate limit of unrestricted reserves however academies are encouraged to demonstrate how unrestricted reserves are to be utilised by means of its school development and financial management plans.

BERLESDUNA ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Reporting and Monitoring

The Audit Committee are responsible for ensuring that the level and use of reserves is agreed and monitored.

Each academy will make a 3 year forecast as part of its budget planning.

Appeals Process

Berlesduna Academy Trust will have due regard to the funding needs and allocation of each individual academy, ensuring there is a fair distribution of funds to support the Trust's educational objectives. If a Headteacher wishes to challenge the level of funding received they should first appeal to the CEO.

If the Headteacher feels that their grievance is not resolved, they may then appeal to the Secretary of State for Education, whose decision will be final.

Reserves

As at 31 August 2022, total reserves amounted to £47,721k. This total includes total general reserves of £793k which consists of the restricted general reserves of £444k and the unrestricted general funds of £349k, which are effectively the Trust's free reserves.

Total reserves as at 31 August 2022 also recognised a liability in respect of the Trust's share in the Local Government Pension Scheme deficit of £1,612k. As the Local Government Pension Scheme is a funded scheme, employers' pension contributions will increase in line with the deficit over a period of years. The Trust will not be liable for a lump sum and the increased pension contribution will be met from the Trust's budgeted annual income. Accordingly, there is no direct impact on the free reserves of the Trust in recognising the deficit on the pension scheme.

Investment policy

Trustees will ensure that investment risk is properly managed. When considering whether to make an investment, Trustees will:

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

Trustees will seek prior approval from the Education and Skills Funding Agency for investment transactions that are novel or contentious.

Novel transactions are those of which the Academy Trust has no experience, or are outside the range of normal business activity for the Trust.

Contentious transactions are those which might give rise to criticism of the Trust by Parliament, the public and the media.

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

BERLESDUNA ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Principal risks and uncertainties

The Academy Trust has a formal risk management process in place to identify and assess all risks associated with the organisation; this enables the instigation of risk mitigation strategies. A Risk Register is in place which is subject to regular review and made available to all staff. Key members of staff and Trustees are involved in the preparation of the Risk Register, overseen by the Audit and Risk Committee and the Finance, Premises and HR Committee. All members of staff are aware of the risk management policy and the controls in place to limit exposure to risk. The Risk Register identifies the types of risk the Academy Trust might encounter and rates the risks in terms of likelihood and impact. This ensures that the most significant risks are highlighted, appropriate strategies to be implemented and the allocation of resources.

As the majority of the Academy Trust's funding is derived from the ESFA, via the Department for Education, the Trustees consider this element of funding to be reasonably secure. The most significant risks relating to this income result from changing government policy on school funding, the effect of increasing contribution rates for stakeholder pensions and NI rebate deletion, and the effect of changing pupil numbers. The Trustees have laid out their strategies for dealing with these risks within the Academy Trust's Risk Register.

Financial and risk management objectives and policies

Credit Risk

The Trust considers its credit risk to be low due to the nature of its business.

Cash flow and liquidity

Risks to liquidity and cash flow are minimal as bank accounts are reviewed regularly. The Reserve Policy in place ensures cash would be available as it is required.

Fundraising

Fundraising for the Trust takes the following forms:

- Fundraising on behalf of our schools may sometimes be achieved through Parent Teacher Associations / Friends of the schools holding summer fairs and similar events;
- Donations from parents; and
- Students and staff engaging in fundraising for external charities

The Trust aims to meet the fundraising code of practice which is that any fundraising will be legal, open, honest and respectful. The Trust will ensure protection of the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate and ensure that all funds raised for a particular cause must be used for that particular cause. The Trust has not received any fundraising complaints.

Streamlined energy and carbon reporting

Energy consumption

Aggregate of energy consumption in the year	kWh
	1,971,346

Emissions of CO2 equivalent

	metric tonnes	metric tonnes
Scope 1 - direct emissions		
- Gas combustion	361.10	
- Fuel consumed for owned transport	-	
		361.10
Scope 2 - indirect emissions		
- Electricity purchased		0.20
Scope 3 - other indirect emissions		
- Fuel consumed for transport not owned by the academy trust		-
Total gross emissions		361.30

Intensity ratio

Tonnes CO2e per pupil	0.12
-----------------------	------

BERLESDUNA ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2 equivalent per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

We are gradually replacing lights with LEDs. We have increased video conferencing technology for staff and external meetings, to reduce the need for travel between sites.

Plans for future periods

Our vision of is to create and foster a culture of high aspiration, enjoyment for learning, academic success and lifelong skills amongst all pupils, regardless of their social, economic or cultural background.

We are a strong, partnership of schools, collaborating and sharing each other's strengths to make a positive difference.

Our core values of "aspiration", "family" and "success" guide us on our journey of school improvement.

We are extremely proud of our successful approach to school improvement. This has been recognised as an example of best practice and we support a number of schools, leaders and teachers outside of the Trust, through delivering training and sharing resources.

School Improvement Strategy

School improvement is never a static concept: it is ever evolving as the drive for higher standards demands creativity and innovation. It requires openness, honesty, transparency, reflection, energy and flexibility. There is a need for the Trust to have an explicit strategy for ensuring that it secures its goal of "excellent outcomes for every child". This means ensuring that the Trust has an in-depth knowledge of each of its academies and their current performance to:

- Sustain success where it already exists
- Develop strengths where there is a need to improve
- Implement rapid improvement strategies where performance is weak
- Share strengths through mutual support and challenge

The Trust will deliver school improvement by:

- Appointing a School Improvement Partner to provide quality assurance
- Carrying out Due Diligence on new schools
- Allocating specific funding for this purpose
- Providing a core offer for all Trust schools
- Providing additional support appropriate to individual school needs
- Alignment and standardisation of appropriate processes and systems

BERLESDUNA ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

The School Standards KPIs and the Trust Abiding Principles

Our School Standards KPIs/Abiding Principles are:

- All MAT schools are at least good and/or improve their Ofsted inspection rating (**Ofsted**)
- The percentage of teaching across the MAT that is good or outstanding is at least 90% (**Quality of Education**)
- That the Pupil Premium Grant is used effectively to ensure disadvantaged pupils make accelerated progress (**Pupil Premium**)
- That the Sports Premium Grant is used effectively to contribute towards the health and wellbeing of our pupils (**Sports Premium**)
- School attendance data is improving including the rate of persistent absence (**Attendance**)
- Schools have a decrease in the numbers of fixed term and permanent exclusions. (**Behaviour and Attitudes**)
- That we fully commit to the Essex Inclusion Statement across all our schools and recognise Inclusion in its wider sense (**Inclusion**)
- Progress and standard indicators are at least in line with national averages for all groups in all schools indicating a high quality of provision (**Quality of Education Outcomes**)

Monitoring of KPIs and Trust Abiding Principles

The monitoring process will continuously inform self-evaluation and planning within each school. These will include:

- tracking of learner progress and planned interventions to support each learner's success
- analysis of attendance and punctuality (with a consistent strategy agreed across all the schools to reduce persistent absence)
- analysis of data relating to learner's behaviour and safety
- scrutiny of learner's work
- analysis of standards of learning and teaching (including moderated lesson observations to ensure consistent judgements about standards across all the schools)
- learning walks involving senior and middle leaders and governors
- evidence that professional development programmes are directly linked to the outcomes of lesson observations and appraisal objectives
- detailed analysis of outcomes for learners
- consultation with pupils, staff and parents across each school and partners across the wider community (this will be done through formally constituted groups, focus groups and surveys arranged throughout the year)

An integrated approach will be undertaken alongside the Academy, taking full account of their own self-evaluation and identified priorities. We will also establish the areas of strength and expertise that can be shared across the Trust.

Accountability and Responsibility

The Trust's Standards Focussed Trust Meeting alongside the CEO will take the lead in managing the monitoring procedures and in instructing individual Headteachers to implement agreed plans for improvement, as appropriate.

The ethos of the Trust Board is that best results will be achieved when the Local Governing Body of each school receives a level of responsibility and autonomy appropriate to its specific circumstances. Each Headteacher is held accountable by their own Governing Body for the overall effectiveness of their school, including the academic standards. Each school provides challenge for the Headteacher directly through their Appraisal Committee, which is supported both by the CEO. The involvement of the CEO ensures consistency in terms of the rigour and challenge of objectives, success criteria and agreed evidence across the Trust. Each committee meets at least three times a year in order to include a mid-year review of progress towards objectives.

There is an expectation that each Headteacher will take the lead on their own school improvement processes, but there are a number of elements that the Trust expects to be in place and to be shared with the CEO and/or the Executive Leadership Group:

BERLESDUNA ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

School Improvement Elements	Rationale
An annual School Development Plan	To enable leaders to outline the goals, success criteria and monitoring mileposts for improvement over the next 12 months, and to share the school's current performance, goals and aspirations with staff and governors.
A School Self-Evaluation document	To generate an honest and reflective document that summarises the school's overview of its performance based on its self-evaluation.
An effective self-evaluation process	To put in place processes that enable leaders to measure: <ul style="list-style-type: none">• the quality of education,• the quality of behaviour and personal development• the quality of leadership,• the quality of safeguarding and• the school's overall effectiveness.
An effective tracking system	To establish a system for monitoring pupil progress and pupil outcomes throughout the year for all pupils, as well as through statutory assessment at the end of Key Stages.
Pupil voice	To ensure that a mechanism exists for listening to the pupil voice.
Parent views	To draw upon a range of mechanisms to enable leaders to gather the views of parents.
Staff voice	To draw upon a range of mechanisms to enable leaders to gather the views of staff including wellbeing and workload.
Continuous Professional Development plan	To ensure that there is a mechanism for aligning CPD with the School Development Plan and across the MAT.
Monitoring and Support Plan	To ensure that there is a mechanism for aligning monitoring with the School Development Plan and School Self Evaluation document.

BERLESDUNA ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022


Auditor

In so far as the trustees are aware:

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

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on **13 Dec 22** and signed on its behalf by:


E Patching
Chair of Trustees


ST Tobin
Accounting Officer

BERLESDUNA ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

Scope of responsibility

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

The board of trustees has delegated the day-to-day responsibility to the headteacher, 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 Berlesduna Academy Trust and the Secretary of State for Education. The accounting officer is also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 7 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
E Patching (Chair of Trustees)	7	7
ST Tobin (Accounting Officer)	7	7
J Hunter	7	7
S Segger	7	7
SP West	6	7
R Taverner	6	7
G Glover (Resigned 5 July 2022)	2	5
R Walsh (Resigned 1 December 2021)	2	2
RA T Lovatt	7	7
J Edwards (Resigned 4 July 2022)	3	5

Governance reviews

The Trust completes the necessary Financial Management and Governance self-assessments and considers that the Trust Board is appropriately balanced and knowledgeable. The Trust seeks guidance from its professional advisors and other academies and similar bodies as necessary to support the knowledge and experience of the Board. The Trustees will continue to monitor the composition of the Board. Further details of the Board's role and responsibilities are included within the Trustees' Report.

BERLESDUNA ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Benefits of the committees include:

- Helping to prevent fraud by ensuring that all tasks associated with the finance function are not performed by one person without supervision (segregation of duties);
- Allowing the Trustee Board and Local Governing Body meetings to focus on a wider range of issues, as detailed
- Financial and property discussions can take place within the sub-committee;
- Enabling more democratic control of the organisation's finances and estate;
- Spreading the burden of financial and premises management, thereby also potentially improving it's quality; and
- Helping train new committee members in financial and premises related matters.

Matters discussed during the year 31 August 2022 include;

- Full review of finance and premises policies;
- Agreement of financial regulations and scheme of delegation;
- Regular review of the current financial position;
- Review of long term (3-5 years) financial position;
- Assurance work on health and safety matters relating to the estate;
- Investigations into furthering the Trust's charitable aim through community involvement;
- Continuation of the audit committee to meet statutory needs;
- Review of capital grants received in year for the improvement of the estate; and
- Consideration of the school's assets and fulfilment of the Trust's charitable obligations to maximise the benefit of those assets with regards to asset disposal and reinvestment.

Review of value for money

As accounting officer, the CEO 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 available. The accounting officer for the academy trust has delivered improved value for money during the year by:

Improving Educational Results

Our resources are directed where they will be most effective in meeting educational requirements, for example:

- Robust tracking systems to record and monitor all aspects of pupil data including progress;
- Continue to monitor staffing levels and deploy staff efficiently to support the curriculum and areas of development;
- Provide a programme of lesson observations and work scrutinise combined with intensive staff development to ensure pupil progress;
- Funding is allocated to optimal effect; providing targeted support and interventions for pupils such as small group tuition, individual pupil support, after school clubs and additional curricular activities;
- Working collaboratively with other schools, sharing good practice to improve training and improve standards;
- Implement strategies to improve attendance and end of key stage results; and
- Provide increased pastoral and speech and language support for identified pupils.

BERLESDUNA ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Better Purchasing

- As a group of eight schools, we have amassed a wide knowledge of our local and national suppliers between us and can utilise our size/buying power to gain the best value and discounted rates wherever possible.
- We have regular Trust finance team meetings where we share knowledge and purchasing experiences, enabling us to get the best products/services.

Financial Governance and Oversight

- Comprehensive budgeting and monitoring of systems with an annual budget and periodic financial reports reviewed and agreed by the board of trustees;
- Regular monitoring review of reports and data sources within Local Governing Body meetings, monitoring of the impact of activities and funding streams, such as Pupil premium;
- Regular reviews by the Audit and Risk Committee and the Finance, Premises and HR Committee of reports of financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- Robust finance procedures and regular policy reviews ensure the school is operating within the regulations of the Academies Handbook;
- Comprehensive audit checks, monitoring and reporting on financial procedures and performance; and
- Reviewing appropriate financial benchmarking data, in order to compare the schools' financial performance with other similar schools.

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 Berlesduna Academy Trust for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and accounts.

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 period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and accounts. 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 and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- identification and management of risks.

The board of trustees appointed Scratton Bland as internal auditor during the year.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular the checks carried out in the current period included:

- review of estates management
- review of budgetary control
- review of cyber security

BERLESDUNA ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

The internal auditor reports to the board of trustees twice a year through the finance and audit committee on the operation of the systems of control and on the discharge of the financial responsibilities of the board of trustees.

Review of effectiveness


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

- the work of the internal auditor;
- the work of the external auditor;
- the work of the executive managers within the 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 and audit committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the board of trustees on 13/12/22 and signed on its behalf by:

EPX 
E Patching
Chair of Trustees

STX 
ST Tobin
Accounting Officer

BERLESDUNA ACADEMY TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2022

As accounting officer of Berlesduna Academy Trust, I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration, I have had due regard to the requirements of the Academy Trust Handbook 2021.

I confirm that I and the academy trust's board of trustees are able to identify any material irregular or improper use of funds by the academy trust or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academy Trust Handbook 2021.

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.

STX

ST Tobin
Accounting Officer



17/12/22

BERLESDUNA ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2022

The trustees (who are also the directors of Berlesduna Academy Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2021 to 2022 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

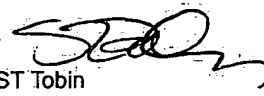
The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts comply with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

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

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

Approved by order of the members of the board of trustees on 13/12/22 and signed on its behalf by:

EPX 
E Patching
Chair of Trustees

STX 
ST Tobin
Accounting Officer

BERLESDUNA ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BERLESDUNA ACADEMY TRUST

FOR THE YEAR ENDED 31 AUGUST 2022

Opinion

We have audited the accounts of Berlesduna Academy Trust for the year ended 31 August 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the accounts, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the 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 accounts 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.

BERLESDUNA ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BERLESDUNA ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error. In preparing the accounts, the trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

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

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 identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our: general commercial and sector experience; through verbal and written communications with those charged with governance and other management; and via inspection of the Academy Trust's regulatory and legal correspondence.

We discussed with those charged with governance and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations to our team and remained alert to any indicators of non-compliance throughout the audit, we also specifically considered where and how fraud may occur within the Academy Trust.

The potential effect of these laws and regulations on the financial statements varies considerably.

BERLESDUNA ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BERLESDUNA ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Firstly, the Academy Trust is subject to laws and regulations that directly affect the financial statements, including: the Academy Trust's constitution; relevant financial reporting standards; company law; the Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with FRS 102 (effective from 1 January 2019); the Academies Accounts Direction 2021-22; and we assess the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly the Academy Trust is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on the amounts or disclosures in the financial statements, for instance through the imposition of fines and penalties, or through losses arising from litigations. We identified the following areas as those most likely to have such an affect: legislation directly applicable to charities sector such as the Charities Act 2011, the Academy Trust's funding agreement; the requirements of the Academies Trust Handbook 2021; employment legislation; health and safety legislation; safeguarding legislation; the regulatory requirements of the Education and Skills Funding Agency; data protection legislations; anti-bribery and corruption legislation.

International Auditing Standards (UK) limit the required procedures to identify non-compliance with these laws and regulations to the procedures, and no procedures over and above those already noted are required. These limited procedures did not identify any actual or suspected non-compliance which laws and regulations that could have a material impact on the financial statements.

In relation to fraud, we performed the following specific procedures in addition to those already noted:

- Challenging assumptions made by management in its significant accounting estimates in particular: income recognition, depreciation of tangible fixed assets; and valuation of local government pension scheme deficit;
- Identifying and testing journal entries, in particular any entries posted with unusual nominal ledger account combinations, journal entries posted by senior management;
- Performing analytical procedures to identify unexpected movements in account balances which may be indicative of fraud;
- Ensuring that testing undertaken on both the Statement of Financial Activity (SoFA) and the Balance Sheet includes a number of items selected on a random basis;
- Reviewing the minutes of the meetings of the Governing Body and key sub committees;
- Evaluating internal control and review procedures, and reviewing findings of internal audit reviews;
- Evaluating and documenting internal controls and testing their application by walkthrough;
- Reviewing the work carried out for the Regularity Assurance Report.

These procedures did not identify any actual or suspected fraudulent irregularity that could have a material impact on the financial statements.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with International Auditing Standards UK). For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the procedures that we are required to undertake would identify it. In addition, as with any audit, there remains a high risk of non-detection of irregularities, as these might involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal controls. We are not responsible for preventing non-compliance with laws and regulations or fraud, and cannot be expected to detect non-compliance with all laws and regulations or every incidence of fraud.

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

BERLESDUNA ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BERLESDUNA ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Use of our report

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


Kate Bell (Senior Statutory Auditor)
for and on behalf of Rickard Luckin Limited

Chartered Accountants
Statutory Auditor

19th December 2022

Phoenix House, Suite 8
Christopher Martin Road
Basildon
Essex
SS14 3EZ

BERLESDUNA ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2022

In accordance with the terms of our engagement letter dated 2 May 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Berlesduna Academy Trust during the period 1 September 2021 to 31 August 2022 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 Berlesduna Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Berlesduna 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 Berlesduna Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Berlesduna Academy Trust's funding agreement with the Secretary of State for Education dated 1 April 2016 and the Academy Trust Handbook, extant from 1 September 2021, 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 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Reviewing the minutes of the meetings of the Governing Body and key sub committees;
- Evaluating internal control and review procedures, and reviewing findings of internal audit reviews;
- Reviewing action taken as a result of recommendations from internal audit procedures, external audit, and ESFA updates;
- Evaluating and documenting internal controls and testing their application by walkthrough;
- Testing a sample of payments to ensure that they have been authorised in accordance with the Trust's financial procedures and the Academies Trust Handbook.

BERLESDUNA ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2022

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Rickard Luckin Ltd

Reporting Accountant

Rickard Luckin Limited

Phoenix House, Suite 8

Christopher Martin Road

Basildon

Essex

SS14 3EZ

Dated: *19 December 2022*

BERLESDUNA ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted funds £	Restricted funds: General £ Fixed asset £	Total 2022 £	Total 2021 £
Income and endowments from:					
Donations and capital grants	3	-	-	499,345	863,918
Donations - transfer from local authority on conversion		-	-	-	60,128
Charitable activities:					
- Funding for educational operations	4	105,978	17,050,611	-	16,380,048
Other trading activities	5	333,274	-	-	155,357
Investments	6	261	-	-	250
Total		439,513	17,050,611	499,345	17,989,701
Expenditure on:					
Raising funds	7	4,137	-	-	4,206
Charitable activities:					
- Educational operations	8	343,485	18,774,121	993,268	20,110,874
Total	7	347,622	18,774,121	993,268	20,115,011
Net income/(expenditure)		91,891	(1,723,510)	(493,923)	(2,125,542)
Transfers between funds	17	-	(45,971)	45,971	-
Other recognised gains/(losses)					
Actuarial gains/(losses) on defined benefit pension schemes	23	-	12,344,000	-	12,344,000
Net movement in funds		91,891	10,574,519	(447,952)	10,218,458
Reconciliation of funds					
Total funds brought forward		257,276	(11,742,349)	48,988,098	37,503,025
Total funds carried forward		349,167	(1,167,830)	48,540,146	47,721,483

BERLESDUNA ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

Comparative year information Year ended 31 August 2021	Notes	Unrestricted funds	Restricted funds:		Total 2021
		£	General £	Fixed asset £	£
Income and endowments from:					
Donations and capital grants	3	-	-	863,918	863,918
Donations - transfer from local authority on conversion		-	60,128	-	60,128
Charitable activities:					
- Funding for educational operations	4	37,534	16,342,514	-	16,380,048
Other trading activities	5	155,357	-	-	155,357
Investments	6	250	-	-	250
Total		<u>193,141</u>	<u>16,402,642</u>	<u>863,918</u>	<u>17,459,701</u>
Expenditure on:					
Raising funds	7	4,206	-	-	4,206
Charitable activities:					
- Educational operations	8	96,503	17,901,547	986,061	18,984,111
Total	7	<u>100,709</u>	<u>17,901,547</u>	<u>986,061</u>	<u>18,988,317</u>
Net income/(expenditure)		92,432	(1,498,905)	(122,143)	(1,528,616)
Transfers between funds	17	(35,304)	(85,645)	120,949	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	23	-	(856,000)	-	(856,000)
Net movement in funds		57,128	(2,440,550)	(1,194)	(2,384,616)
Reconciliation of funds					
Total funds brought forward		200,148	(9,301,799)	48,989,292	39,887,641
Total funds carried forward		<u>257,276</u>	<u>(11,742,349)</u>	<u>48,988,098</u>	<u>37,503,025</u>

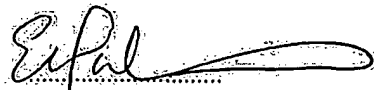
BERLESDUNA ACADEMY TRUST

BALANCE SHEET

AS AT 31 AUGUST 2022

	Notes	2022 £	2021 £
Fixed assets			
Tangible assets	13	48,008,371	48,308,691
Current assets			
Debtors	14	452,790	404,249
Cash at bank and in hand		2,401,545	2,077,724
		2,854,335	2,481,973
Current liabilities			
Creditors: amounts falling due within one year	15	(1,529,223)	(1,153,639)
Net current assets		1,325,112	1,328,334
Net assets excluding pension liability		49,333,483	49,637,025
Defined benefit pension scheme liability	23	(1,612,000)	(12,134,000)
Total net assets		47,721,483	37,503,025
Funds of the academy trust:			
Restricted funds	17		
- Fixed asset funds		48,540,146	48,988,098
- Restricted income funds		444,170	391,651
- Pension reserve		(1,612,000)	(12,134,000)
Total restricted funds		47,372,316	37,245,749
Unrestricted income funds	17	349,167	257,276
Total funds		47,721,483	37,503,025

The accounts on pages 29 to 53 were approved by the trustees and authorised for issue on 13/12/22 and are signed on their behalf by:

EPx 
E Patching
Chair of Trustees

STx 
ST Tobin
Accounting Officer

Company registration number 10267656

BERLESDUNA ACADEMY TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Net cash provided by/(used in) operating activities	20	517,163		(236,174)	
Cash funds transferred on conversion		-		60,128	
		<u>517,163</u>		<u>(176,046)</u>	
Cash flows from investing activities					
Dividends, interest and rents from investments		261		250	
Capital grants from DfE Group		499,345		568,281	
Capital funding received from sponsors and others		-		295,637	
Purchase of tangible fixed assets		<u>(692,948)</u>		<u>(646,756)</u>	
Net cash (used in)/provided by investing activities			<u>(193,342)</u>		<u>217,412</u>
Net increase in cash and cash equivalents in the reporting period			323,821		41,366
Cash and cash equivalents at beginning of the year			<u>2,077,724</u>		<u>2,036,358</u>
Cash and cash equivalents at end of the year			<u><u>2,401,545</u></u>		<u><u>2,077,724</u></u>

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

Berlesduna Academy Trust is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the trustees' report.

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

1.1 Basis of preparation

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 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, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Income

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

Grants

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

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

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

Sponsorship income

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

Donations

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

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

Other income

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

Donated goods, facilities and services

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

Donated fixed assets

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

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

1.5 Tangible fixed assets and depreciation

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

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

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

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

Long leasehold land and buildings	125 years & 2% Straight line
Computer equipment	33% Straight line
Fixtures, fittings & equipment	10% Straight line

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

1.6 Liabilities

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

1.7 Leased assets

Rentals under operating leases are charged on a straight-line basis over the lease term.

1.8 Financial instruments

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

Financial assets

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

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

Financial liabilities

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

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

1.9 Taxation

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

1.10 Pensions benefits

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

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

The TPS is an unfunded scheme and contributions are calculated 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 based on quadrennial valuations using a prospective unit credit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

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

1.11 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 funders where the asset acquired or created is held for a specific purpose.

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

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

The 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 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2022. 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.

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

2 Critical accounting estimates and areas of judgement

(Continued)

Critical areas of judgement

In the application of the company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. The only case whereby this arises is in respect of the depreciation policies relating to the fixed assets held by the academy, which are based on the estimated useful lives of the assets.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Donated fixed assets	-	-	-	106,182
Capital grants	-	499,345	499,345	757,736
	-	499,345	499,345	863,918

4 Funding for the academy trust's charitable activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
DfE/ESFA grants				
General annual grant (GAG)	-	13,755,251	13,755,251	12,650,560
Other DfE/ESFA grants:				
- UIFSM	-	336,559	336,559	505,264
- Pupil premium	-	1,500,522	1,500,522	1,422,709
- Others	-	295,977	295,977	638,410
	-	15,888,309	15,888,309	15,216,943
Other government grants				
Local authority grants	-	937,183	937,183	815,550
Special educational projects	-	-	-	56,397
	-	937,183	937,183	871,947
COVID-19 additional funding				
DfE/ESFA				
Other DfE/ESFA COVID-19 funding	-	225,119	225,119	253,624
Other incoming resources	105,978	-	105,978	37,534
Total funding	105,978	17,050,611	17,156,589	16,380,048

The academy received £66,831 of funding in relation to coronavirus workforce support and £158,288 of recovery funding for pupil support. Costs incurred in respect of this funding totalled £225,119.

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Hire of facilities	6,146	-	6,146	2,028
Catering income	198,039	-	198,039	133,818
Trip income	128,584	-	128,584	8,667
Other income	505	-	505	10,844
	<u>333,274</u>	<u>-</u>	<u>333,274</u>	<u>155,357</u>

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Short term deposits	261	-	261	250
	<u>261</u>	<u>-</u>	<u>261</u>	<u>250</u>

7 Expenditure

	Staff costs £	Non-pay expenditure		Total 2022 £	Total 2021 £
		Premises £	Other £		
Expenditure on raising funds					
- Direct costs	-	-	4,137	4,137	4,206
Academy's educational operations					
- Direct costs	12,300,222	-	876,171	13,176,393	12,682,259
- Allocated support costs	3,888,425	1,802,245	1,243,811	6,934,481	6,301,852
	<u>16,188,647</u>	<u>1,802,245</u>	<u>2,124,119</u>	<u>20,115,011</u>	<u>18,988,317</u>

Net income/(expenditure) for the year includes:

	2022 £	2021 £
Fees payable to auditor for:		
- Audit	28,150	26,800
- Other services	8,450	9,650
Operating lease rentals	3,155	6,076
Depreciation of tangible fixed assets	993,268	986,061
Net interest on defined benefit pension liability	197,000	154,000
	<u>1,229,023</u>	<u>1,182,547</u>

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

8 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Direct costs				
Educational operations	141,915	13,034,478	13,176,393	12,682,259
Support costs				
Educational operations	201,570	6,732,911	6,934,481	6,301,852
	<u>343,485</u>	<u>19,767,389</u>	<u>20,110,874</u>	<u>18,984,111</u>

Analysis of costs

	2022 £	2021 £
Direct costs		
Teaching and educational support staff costs	12,338,604	11,874,264
Technology costs	18,861	16,551
Educational supplies and services	412,176	441,919
Educational consultancy	247,926	322,701
Other direct costs	158,826	26,824
	<u>13,176,393</u>	<u>12,682,259</u>
Support costs		
Support staff costs	3,895,355	3,426,533
Depreciation	993,268	986,061
Technology costs	192,646	98,806
Maintenance of premises and equipment	244,241	256,060
Cleaning	227,427	235,824
Energy costs	163,406	209,601
Rent, rates and other occupancy costs	114,286	70,692
Insurance	59,617	55,565
Catering	458,452	382,961
Finance costs	197,000	154,000
Other support costs	187,486	157,162
Governance costs	201,297	268,587
	<u>6,934,481</u>	<u>6,301,852</u>

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

9 Staff

Staff costs

Staff costs during the year were:

	2022 £	2021 £
Wages and salaries	10,916,721	10,579,026
Social security costs	901,927	873,743
Pension costs	4,102,341	3,537,035
Staff costs - employees	15,920,989	14,989,804
Agency staff costs	236,231	241,418
Staff restructuring costs	31,427	21,491
	16,188,647	15,252,713
Staff development and other staff costs	45,312	48,084
Total staff expenditure	16,233,959	15,300,797

Staff restructuring costs comprise:

Severance payments	31,427	21,491
--------------------	--------	--------

Severance payments

The academy trust paid 4 severance payments in the year, disclosed in the following bands:

0 - £25,000	4
-------------	---

Staff numbers

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

	2022 Number	2021 Number
Teachers	125	126
Administration and support	316	328
Management	32	30
	473	484

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

9 Staff

(Continued)

Higher paid staff

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

	2022 Number	2021 Number
£60,001 - £70,000	4	3
£70,001 - £80,000	4	4
£80,001 - £90,000	1	1
£90,001 - £100,000	1	1
£130,001 - £140,000	1	1

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1 as well as deputy headteachers and assistant headteachers. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £1,238,433 [2021: £1,155,715].

10 Central services

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

- human resources;
- financial services;
- legal services;
- educational support services; or
- others as arising.

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

- flat percentage of 5% of GAG

The amounts charged during the year were as follows:

	2022 £	2021 £
Merrylands Primary School and Nursery	101,466	93,357
Whitmore Primary School and Nursery	135,240	122,488
The Willows Primary School and Nursery	122,474	114,934
Crays Hill Primary School	28,438	26,056
Felmore Primary School	88,921	83,336
Cherry Tree Primary School and Nursery	92,697	83,534
Fairhouse Primary School	91,533	85,556
St Mary's Church of England Primary School	15,621	14,279
	<u>676,390</u>	<u>623,540</u>

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

11 Trustees' remuneration and expenses

One or more of the trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The headteacher and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of headteacher and staff members under their contracts of employment, and not in respect of their services as trustees.

The value of trustees' remuneration and other benefits was as follows:

Sean Tobin (CEO):

- Remuneration £130,001 - £135,000 (2021: £130,001-£135,000)
- Employer's pension contributions £30,001 - £35,000 (2021: £30,001-£35,000)

No expenses were reimbursed to trustees during the year.

12 Trustees' and officers' insurance

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

13 Tangible fixed assets

	Long leasehold land and buildings £	Computer equipment £	Fixtures, fittings & equipment £	Total £
Cost				
At 1 September 2021	50,374,257	586,089	778,953	51,739,299
Additions	562,645	36,251	94,052	692,948
At 31 August 2022	50,936,902	622,340	873,005	52,432,247
Depreciation				
At 1 September 2021	2,774,121	408,330	248,157	3,430,608
Charge for the year	788,506	117,459	87,303	993,268
At 31 August 2022	3,562,627	525,789	335,460	4,423,876
Net book value				
At 31 August 2022	47,374,275	96,551	537,545	48,008,371
At 31 August 2021	47,600,136	177,759	530,796	48,308,691

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

14 Debtors

	2022 £	2021 £
Trade debtors	36,055	7,862
VAT recoverable	57,469	72,010
Other debtors	2,073	6,336
Prepayments and accrued income	357,193	318,041
	<u>452,790</u>	<u>404,249</u>

15 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	311,888	319,002
Other taxation and social security	482,929	483,522
Other creditors	141,952	31,475
Accruals and deferred income	592,454	319,640
	<u>1,529,223</u>	<u>1,153,639</u>

16 Deferred income

	2022 £	2021 £
Deferred income is included within: Creditors due within one year	<u>285,479</u>	<u>243,516</u>
Deferred income at 1 September 2021	243,516	265,558
Released from previous years	(243,516)	(265,558)
Resources deferred in the year	<u>285,479</u>	<u>243,516</u>
Deferred income at 31 August 2022	<u>285,479</u>	<u>243,516</u>

At the balance sheet date the academy trust was holding funds received in advance for Universal Infant Free School Meals, Nursery income and Rates income.

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

17 Funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted general funds					
General Annual Grant (GAG)	338,192	13,755,251	(13,721,963)	(45,971)	325,509
UIFSM	-	336,559	(336,559)	-	-
Pupil premium	-	1,500,522	(1,430,275)	-	70,247
Other DfE / ESFA grants	-	295,977	(290,578)	-	5,399
Other government grants	53,459	1,162,302	(1,172,746)	-	43,015
Pension reserve	(12,134,000)	-	(1,822,000)	12,344,000	(1,612,000)
	<u>(11,742,349)</u>	<u>17,050,611</u>	<u>(18,774,121)</u>	<u>12,298,029</u>	<u>(1,167,830)</u>
Restricted fixed asset funds					
Inherited on conversion	42,875,283	-	(728,515)	-	42,146,768
DfE group capital grants	6,006,633	499,345	(229,359)	45,971	6,322,590
Donated assets	106,182	-	(35,394)	-	70,788
	<u>48,988,098</u>	<u>499,345</u>	<u>(993,268)</u>	<u>45,971</u>	<u>48,540,146</u>
Total restricted funds	<u>37,245,749</u>	<u>17,549,956</u>	<u>(19,767,389)</u>	<u>12,344,000</u>	<u>47,372,316</u>
Unrestricted funds					
General funds	<u>257,276</u>	<u>439,513</u>	<u>(347,622)</u>	<u>-</u>	<u>349,167</u>
Total funds	<u>37,503,025</u>	<u>17,989,469</u>	<u>(20,115,011)</u>	<u>12,344,000</u>	<u>47,721,483</u>

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

General Annual Grant

The General Annual Grant must be used for the normal running costs of the school including salary costs, overheads, premises costs and curriculum costs. Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at the year end.

Other DfE/ESFA and government grants

Other grants include grants received from the DfE and Local Education Authorities for specific purposes.

Fixed asset fund

The fixed asset fund includes grants received from the DfE and other sources to finance the purchase of tangible fixed assets.

Pension reserve

The pension reserve is the element of the local government pension fund liability attributable to the Trust.

Transfer between funds

A transfer between funds was necessary to reflect the funding of activities in the year.

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

17 Funds

(Continued)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	652,801	12,650,560	(12,879,524)	(85,645)	338,192
UIFSM	-	505,264	(505,264)	-	-
Pupil premium	-	1,422,709	(1,422,709)	-	-
Other DfE / ESFA grants	-	638,410	(638,410)	-	-
Other government grants	22,400	1,125,571	(1,094,512)	-	53,459
Other restricted funds	-	60,128	(60,128)	-	-
Pension reserve	(9,977,000)	-	(1,301,000)	(856,000)	(12,134,000)
	<u>(9,301,799)</u>	<u>16,402,642</u>	<u>(17,901,547)</u>	<u>(941,645)</u>	<u>(11,742,349)</u>
Restricted fixed asset funds					
Transfer on conversion	43,622,026	-	(746,743)	-	42,875,283
DfE group capital grants	5,367,266	757,736	(239,318)	120,949	6,006,633
Private sector capital sponsorship	-	106,182	-	-	106,182
	<u>48,989,292</u>	<u>863,918</u>	<u>(986,061)</u>	<u>120,949</u>	<u>48,988,098</u>
Total restricted funds	<u>39,687,493</u>	<u>17,266,560</u>	<u>(18,887,608)</u>	<u>(820,696)</u>	<u>37,245,749</u>
Unrestricted funds					
General funds	<u>200,148</u>	<u>193,141</u>	<u>(100,709)</u>	<u>(35,304)</u>	<u>257,276</u>
Total funds	<u>39,887,641</u>	<u>17,459,701</u>	<u>(18,988,317)</u>	<u>(856,000)</u>	<u>37,503,025</u>

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

17 Funds

(Continued)

Total funds analysis by academy

	2022 £	2021 £
Fund balances at 31 August 2022 were allocated as follows:		
Merrylands Primary School and Nursery	(152,018)	(130,980)
Whitmore Primary School and Nursery	266,051	80,420
The Willows Primary School and Nursery	24,861	6,777
Crays Hill Primary School	239,458	287,885
Felmore Primary School	187,514	161,989
Cherry Tree Primary School and Nursery	221,913	255,093
Fairhouse Primary School	343,073	251,228
St Mary's Church of England Primary School	(42,292)	(53,931)
Central services	(295,223)	(209,554)
Total before fixed assets fund and pension reserve	793,337	648,927
Restricted fixed asset fund	48,540,146	48,988,098
Pension reserve	(1,612,000)	(12,134,000)
Total funds	47,721,483	37,503,025

Total cost analysis by academy

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

	Teaching and educational support staff £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2022 £	Total 2021 £
Merrylands Primary School and Nursery	1,931,996	342,160	108,240	188,955	2,571,351	2,673,276
Whitmore Primary School and Nursery	2,270,092	308,771	221,386	311,185	3,111,434	2,983,694
The Willows Primary School and Nursery	2,197,023	358,418	164,467	242,969	2,962,877	2,832,893
Crays Hill Primary School	566,447	68,396	28,264	110,189	773,296	631,191
Felmore Primary School	1,454,429	380,897	95,482	241,373	2,172,181	2,094,883
Cherry Tree Primary School and Nursery	1,784,155	244,137	73,046	258,132	2,359,470	2,233,430
Fairhouse Primary School	1,472,604	155,688	143,216	273,162	2,044,670	1,885,484
St Mary's Church of England Primary School	285,452	45,671	29,342	59,340	419,805	444,285
Central services	338,024	359,287	12,728	174,620	884,659	922,120
	12,300,222	2,263,425	876,171	1,859,925	17,299,743	16,701,256

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

18 Analysis of net assets between funds

	Unrestricted Funds £	General £	Restricted funds: Fixed asset £	Total Funds £
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	-	-	48,008,371	48,008,371
Current assets	349,167	1,973,393	531,775	2,854,335
Current liabilities	-	(1,529,223)	-	(1,529,223)
Pension scheme liability	-	(1,612,000)	-	(1,612,000)
Total net assets	349,167	(1,167,830)	48,540,146	47,721,483

	Unrestricted Funds £	General £	Restricted funds: Fixed asset £	Total Funds £
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	-	-	48,308,691	48,308,691
Current assets	252,277	1,550,289	679,407	2,481,973
Current liabilities	4,999	(1,158,638)	-	(1,153,639)
Pension scheme liability	-	(12,134,000)	-	(12,134,000)
Total net assets	257,276	(11,742,349)	48,988,098	37,503,025

19 Long-term commitments

Operating leases

At 31 August 2022 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2022 £	2021 £
Amounts due within one year	2,254	3,155
Amounts due in two and five years	2,630	-
	4,884	3,155

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

20 Reconciliation of net expenditure to net cash flow from operating activities			
	Notes	2022 £	2021 £
Net expenditure for the reporting period (as per the statement of financial activities)		(2,125,542)	(1,528,616)
Adjusted for:			
Net surplus on conversion to academy		-	(60,128)
Capital grants from DfE and other capital income		(499,345)	(863,918)
Investment income receivable	6	(261)	(250)
Defined benefit pension costs less contributions payable	23	1,625,000	1,147,000
Defined benefit pension scheme finance cost	23	197,000	154,000
Depreciation of tangible fixed assets		993,268	986,061
(Increase)/decrease in debtors		(48,541)	76,672
Increase/(decrease) in creditors		375,584	(146,995)
Net cash provided by/(used in) operating activities		517,163	(236,174)

21 Analysis of changes in net funds			
	1 September 2021 £	Cash flows £	31 August 2022 £
Cash	2,077,724	323,821	2,401,545

22 Members' liability

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

23 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2019.

Contributions amounting to £267,177 were payable to the schemes at 31 August 2022 (2021: £266,585) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

23 Pension and similar obligations

(Continued)

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% employer administration charge)
- 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. The 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 2024.

The employer's pension costs paid to the TPS in the period amounted to £1,483,717 (2021: £1,325,978).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are % for employers and % 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.

Total contributions made	2022 £	2021 £
Employer's contributions	1,133,000	1,064,000
Employees' contributions	274,000	267,000
Total contributions	1,407,000	1,331,000

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

23 Pension and similar obligations

(Continued)

Principal actuarial assumptions	2022 %	2021 %
Rate of increase in salaries	3.90	3.85
Rate of increase for pensions in payment/inflation	2.90	2.85
Discount rate for scheme liabilities	4.25	1.7
Inflation assumption (CPI)	2.90	2.85

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

	2022 Years	2021 Years
Retiring today		
- Males	21.0	21.6
- Females	23.5	23.6
Retiring in 20 years		
- Males	22.3	22.9
- Females	24.9	25.1

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

	+0.1%	0.0%	-0.1%
Adjustment to discount rate	£	£	£
Present value of total obligation	12,637,000	12,994,000	13,362,000
Projected service cost	1,564,000	1,628,000	1,693,000

	+0.1%	0.0%	-0.1%
Adjustment to long term salary increase	£	£	£
Present value of total obligation	13,017,000	12,994,000	12,971,000
Projected service cost	1,629,000	1,628,000	1,627,000

	+0.1%	0.0%	-0.1%
Adjustment to pension increases and deferred revaluation	£	£	£
Present value of total obligation	13,343,000	12,994,000	12,655,000
Projected service cost	1,694,000	1,628,000	1,564,000

	+1 Year	None	-1 Year
Adjustment to life expectancy assumptions	£	£	£
Present value of total obligation	13,354,000	12,994,000	12,644,000
Projected service cost	1,684,000	1,628,000	1,572,000

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

23 Pension and similar obligations

(Continued)

The academy trust's share of the assets in the scheme	2022 Fair value £	2021 Fair value £
Equities	6,404,000	6,451,000
Bonds	504,000	469,000
Gilts	219,000	254,000
Cash	341,000	281,000
Property	1,077,000	703,000
Other assets	2,837,000	1,921,000
Total market value of assets	11,382,000	10,079,000

The actual return on scheme assets was £28,000 (2021: £167,000).

Amount recognised in the statement of financial activities	2022 £	2021 £
Current service cost	2,758,000	2,211,000
Interest cost	197,000	154,000
Total operating charge	2,955,000	2,365,000

Changes in the present value of defined benefit obligations	2022 £
At 1 September 2021	22,213,000
Current service cost	2,753,000
Interest cost	379,000
Employee contributions	274,000
Actuarial (gain)/loss	(12,498,000)
Benefits paid	(127,000)
At 31 August 2022	12,994,000

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

23 Pension and similar obligations

(Continued)

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

	2022 £
At 1 September 2021	10,079,000
Interest income	182,000
Actuarial loss/(gain)	(154,000)
Employer contributions	1,133,000
Employee contributions	274,000
Benefits paid	(127,000)
Administrative expenses	(5,000)
	<hr/>
At 31 August 2022	11,382,000
	<hr/>

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

24 Related party transactions

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and in accordance with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period.

C Tobin, spouse of S Tobin, the CEO, is employed by the academy trust as a Nursery Staff member. C Tobin's appointment was made in open competition and S Tobin was not involved in the decision-making process regarding appointment. C Tobin is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a trustee.

T Tobin, son of S Tobin, the CEO, is employed by the academy trust as a Learning Support Assistant. T Tobin's appointment was made in open competition and S Tobin was not involved in the decision-making process regarding appointment. T Tobin is paid within the normal pay scale for his role and receives no special treatment as a result of his relationship to a trustee.

C Kemp, spouse of N Kemp, Headteacher and local governor of Whitmore Primary School, is employed by the academy trust as an Estate Manager. C Kemp's appointment was made in open competition and N Kemp was not involved in the decision-making process regarding appointment. C Kemp is paid within the normal pay scale for his role and receives no special treatment as a result of his relationship to a local governor.

C Bromhead, spouse of J Bromhead, local governor of Felmore Primary School, is employed by the academy trust as a Teacher. C Bromhead's appointment was made in open competition and J Bromhead was not involved in the decision-making process regarding appointment. C Bromhead is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a local governor.

T Robinson, spouse of R Robinson, Headteacher and local governor of Merrylands Primary School, is employed by the academy trust as a Deputy Headteacher at Willows Primary School. T Robinson's appointment was made in open competition and R Robinson was not involved in the decision-making process regarding appointment. T Robinson is paid within the normal pay scale for his role and receives no special treatment as a result of his relationship to a local governor.

C Dennis, mother to T Robinson, local governor of Willows Primary School, is employed by the academy trust as a Learning Support Assistant at Willows Primary School. C Dennis' appointment was made in open competition and T Robinson was not involved in the decision-making process regarding appointment. C Dennis is paid within the normal pay scale for his role and receives no special treatment as a result of her relationship to a local governor.

Expenditure related party transactions

During the year the Trust utilised the services of Robin Taverner who is a trustee, total expenditure of £4,650 was incurred utilising the consultancy services of his company. The trustees confirmed that the element above £2,500 was at cost.

25 Post balance sheet events

It has been approved by Trustees that Canewdon Primary School and St Nicholas Church of England Primary School will be joining Berlesduna with a planned conversation date from March 2023.