

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 2019**

BERLESDUNA ACADEMY TRUST

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BERLESDUNA ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

E Patching
M Pretlove
P White
T Eastwell (Resigned 1 September 2018)

Trustees

E Patching (Chair of Trustees)
S Tobin (Accounting Officer)
J Hunter (Appointed 9 October 2018)
S Segger
S West
R Taverner
G Glover (Appointed 9 July 2019)
R Walsh (Appointed 3 June 2019)
T Sargeant (Appointed 9 October 2018 and resigned 9 July 2019)
C Moore (Resigned 12 November 2018)

Senior management team

S Tobin	- Chief Executive Officer
C Freese	- Headteacher (The Willows Academy)
N Kemp	- Headteacher (Whitmore Academy)
N Berry	- Headteacher (Merrylands Academy)
H Dyer	- Headteacher (Cray's Hill Academy)
E Mulcahy	- Headteacher (Felmore Academy)
N Barrand	- Headteacher (Cherry Tree Academy)
J McCutcheon	- Headteacher (Fairhouse Academy)
L Alderson	- Trust Head of Finance and Operations

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
Crays Hill Primary School
Felmore Primary School
Cherry Tree Primary School and Nursery
Fairhouse Primary School

Location

Basildon
Basildon
Basildon
Billericay
Basildon
Basildon
Basildon

Headteacher

N Berry
N Kemp
C Freese
H Dyer
E Mulcahy
N Barrand
J McCutcheon

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 2019

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

The academy trust operates 7 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 and Billericay and at the summer 2019 census we had a total on roll of 3153 pupils (including the schools that joined in summer 2019) from a capacity of 3103.

Structure, governance and management

Constitution

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

The academy trust was incorporated on 7 July 2016, in the name of Berlesduna Academy Trust. Merrylands Primary School and Nursery, the Willows Primary School and Nursery and Whitmore Primary School and Nursery commenced as academies on 01 October 2016 and Crays Hill Primary School joined the trust on 01 May 2018. Felmore Primary School joined on 01 September 2018, Cherry Tree Primary School joined on 01 April 2019 and Fairhouse Primary School joined 01 May 2019. The academy trust has entered into a funding agreement with the Department for Education which provides the framework within which the academy trust must operate.

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.

BERLESDUNA ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Method of recruitment and appointment or election of trustees

The initial Members of the trust shall be the subscribers to the Memorandum of Association.

The subsequent Members of the Trust shall comprise:

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

When required, new Trustees may be approached for recruitment through Academy Ambassadors.

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

The term of office for any Trustee shall be 4 years, save that this time limit shall not apply to either the Principal or the staff Trustee. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-appointed 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.

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. This includes such aspects as:

- The structure of the academy and the relationship with the Board of Trustees
- A statement of values and expectations
- Key elements of effective governance and the link to the Ofsted Handbook
- The committee structure of the Board of Trustees
- A brief description of the role of the Chair and the role of the Clerk/Company Secretary
- Terms of reference for Committees

The Board of Trustees subscribes to EES Governor, HR and Finance Provision and in-house training is organised as and when required. Trustees are informed of external training opportunities.

New Trustees are mentored by existing Trustees.

BERLESDUNA ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Organisational structure

Trustees – The Directors Board – including Chief Executive Officer

The Board is responsible for setting high standards and levels of student achievement and for monitoring performance and ensuring accountability. It is tasked with driving continuous improvement through regular review planning and evaluation activities. It also manages corporate communication and stakeholder engagement. Once strategies have been agreed, the Board delegates most operational activity to the Executive Leadership Team. There are also Trust standing committees which have duties to support the Board with these responsibilities, to focus on the delivery of the vision against the Trust standards and engage with stakeholders internally and externally to ensure that the needs are being met.

Finance, Personnel, Premises and Audit Committee

The core function of the committee covers all financial services and other resources including human resources and facilities. It has a critical role in overseeing budget formulation, monitoring, and treasury management. The financial functions extend into value for money and procurement and covers all matters relating to human resources including staff related performance management/review, disciplinary, under-performance and capability issues, continuing professional development, attendance, welfare and quality of work-life. The committee also receives and considers in detail the statutory accounts for the Trust and recommends them to the Board of Directors for approval prior to presentation to the Trust Members. It recommends the appointment of the external auditors to the Board of Directors for subsequent approval by the Trust Members. It also has a wider brief covering asset management, facilities management, lettings, information technology, and health and safety.

Standards Focused Trust Board meetings

The additional meetings exist to review the educational performance of the Trust Schools in accordance with Board approved targets. Within the remit the Committee is tasked with interrogating the progress of pupils towards targets and National Averages, including examining the performance of key groups - in particular those at a disadvantage and with SEND. Consideration of the effectiveness of Trust policy for those groups is within the remit of the Committee accordingly.

Local Governing Body

The Board also has established committees known as 'local governing bodies' for each school within the Trust. Their role is to oversee all matters relating to pupils' learning and wellbeing. The core function of a local governing body covers all factors which relate to, and underpin, good teaching and learning. It has a critical role in monitoring the progress and impact of personalised learning interventions to ensure high standards and pupil outcomes in line with the Trusts vision and strategy.

Trust Executive Leadership Team

The Executive Leadership Team has corporate responsibility for the overall formulation and implementation of strategies and policies approved by the Directors. It comprises the Chief Executive Officer, Head of Finance and Operations and the Headteacher from each school.

Chief Executive Officer (CEO)

The role of the CEO is to support the substantive Headteacher/Head of School in their role and to assist in the development of staff across the schools and identify ways in which the Trust can facilitate, provide and develop school improvement. The CEO is responsible for the day to day operation of the Trust and is accountable to the Directors. The CEO will lead the strategic and operational development of the Teaching School Alliance and work alongside the NQT leads of each school within the Trust.

The Chief Executive is the 'Accounting Officer' of Berlesduna Academy Trust.

BERLESDUNA ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Head of Finance and Operations

The Head of Finance and Operations will report directly to the CEO of the Academy Trust. They will be part of the Senior Leadership Team at Trust level and will be expected to work in collaboration with senior leaders across the Trust. The core purpose of the role is to strategically lead and manage the business innovation and financial aspects of the schools and will play a significant role in meeting the needs of other schools that may consider joining the Trust in the future.

Leadership in Schools

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

The Trust Pupil Voice

The Trust Pupil Voice gives pupils the opportunity to share their views with both 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 themselves and future ambassadors will work by. The ambassadors will represent their school and allow the pupils to share their views with the Trust which will give them the opportunity to work together with pupils from each school. The purpose of the Trust Pupil Voice is:

- to represent pupils' views from each school
- to reach out to and work with, the schools, the Trust and beyond
- to make one small idea part of one big decision for everyone and improve all of the schools within the Trust
- to see everyone as equal and be democratic
- to form an established pupil voice in each school, under The Trust

The Trust Pupil Voice meets half termly and will be joined by the Chief Executive Officer of the Trust.

Arrangements for setting pay and remuneration of key management personnel

The setting of pay and remuneration for the Chief Executive is conducted by the Chair of the Trust and two other Trustees as part of the Performance Management Cycle. Once this is conducted the Chief Executive and Chair of each local Governing Body set the pay of individual 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 Local Governing Body Pay Committee. The CEO sets the pay and remuneration for centralised staff.

Trade union facility time

There were no employees who were relevant union officials during the relevant period.

Related parties and other connected charities and organisations

The schools in the Berlesduna Academy Trust are members of the Basildon Education Partnership (BEP), a registered charity created and driven by Basildon Headteachers to deliver a high-quality school improvement and continuing professional development programme to all member schools. The partnership is based on the belief that all schools prosper best when working together, enabling each to draw on the potential and capacity of all other schools in Basildon, regardless of their legal status.

Through collaborative and cluster-based working, BEP schools continue to build on the excellent track record of school improvement of the Basildon Excellence Panel, led by Sir Mike Tomlinson, OBE (ex Chief Inspector of Schools, England and Wales), with over 90% of Basildon primary pupils now attending schools that are already rated by OFSTED as good or outstanding.

This progress and rate of improvement reflects the schools' commitment to each other, and to Basildon pupils – delivering school improvement through mutual challenge, support and sharing of expertise. This is supplemented by drawing upon external and national expertise.

BERLESDUNA ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Strong governance is the key to BEP achieving its objectives. BEP's governance structure includes:

A Board of Trustees to oversee the organisation, the overall strategy, the effectiveness of the model of improving educational outcomes for Basildon youngsters, being financially secure credible and accountable, and ensuring a national and regional profile of best practice;

A School Improvement Panel to monitor and evaluate the programme of activities and interventions; and

Basildon Primary School Headteachers to develop BEP services in accordance with national and local education agendas and individual school priorities.

BEP aims to further develop a school-to-school collaborative model of educational support and challenge in Basildon which focuses on pupil achievement and school improvement, enabling Basildon youngsters to raise their expectations and aspirations.

Objectives and activities

Objects and aims

The Academy Trust has clear strategic aims built on the mission and values. The three year corporate business plan sets out the following objectives to ensure that, as a Trust, all stakeholder groups understand and have belief in the approach. We will deliver:

Corporate Governance:

This will be done through the provision of a Board of Directors that acts in the best interest of the Trust and governs lawfully in accordance with its Articles of Association. The Directors will demonstrate clear governance arrangements and visionary leadership to enhance and embed effective working relationships. The Board will ensure there are effective support structures in place to deliver a clear oversight of the academy operations, appropriate support structures for sustainability and achieve the best possible economies.

School Improvement - Teaching and Learning:

This will be delivered through ensuring that each schools within the Trust provides the very best teaching in order to promote and provide high quality learning for the pupils. The Trust will put effective support in place for teachers to achieve this aim.

Continued Professional Development:

We will implement a CPD programme for each school to ensure that the staff have the right skills to further raise standards, deliver consistently good teaching and learning and disseminate good practice to ensure rapid improvement.

Quality Assurance:

We will ensure that there is a rigorous and robust programme of Quality Assurance that helps to support teachers, build expertise and capacity and raise standards in each school to deliver positive outcomes for pupils.

Integrated Support and Shared Services:

We will ensure that the Trust has business arrangements that are efficient, effective and enables it to deliver on its commitments. We will include strategies to grow, prosper and deliver value for money across all operations. We will strive to ensure the consistent delivery of best practice, minimisation of risk and also for management of resources to be concentrated to the front line of each school.

Objectives, strategies and activities

On the journey to deliver against the 3 year corporate objectives in 2018 -19 focussed on the following:

- enhancing the governance within the Trust
- school improvement and effectiveness (with a particular focus on developing leadership)
- to develop a more efficient and effective business model based on business principles

BERLESDUNA ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Public benefit

The activities undertaken to further the Academy Trust's purposes for the public benefit are;

- Berlesduna Academy Trust has provided education to all registered students; and
- Partnerships with local Primary schools have been established and maintained. Primary school students have attended educational services at the Academy Trust including sporting, debating, drama and maths Trust competitions, school induction program for new intakes, and varied sporting activities hosted by the Academy Trust, and residential visits to the Isle of Wight and various 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.

BERLESDUNA ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report

Achievements and performance

Who are meeting at least expected standard (All Pupils)	Felmore (Joined September 2018)	Whitmore (Joined October 2016)	Crays (Joined April 2018)**	Merrylands (Joined October 2016)	The Willows (Joined October 2016)	Cherry Tree (Joined May 2019*)	Fairhouse (Joined June 2019*)
EYFS GLD	77%	71%	18%	80%	75%	80%	81%
Phonics at Year 1	75%	83%	38%	85%	86%	83%	80%
Phonics at Year 2 (all who passed from when in Year 1 and 2)	92%	98%	46%	93%	93%	96%	93%
Key Stage 1 Reading	73%	76%	0%	83%	74%	79%	65%
Key Stage 1 Writing	67%	68%	0%	78%	71%	75%	60%
Key Stage 1 Mathematics	73%	82%	0%	83%	76%	79%	63%
Key Stage 1 Science	78%	81%	0%	85%	79%	79%	65%
Key Stage 1 Combined reading, writing and maths	65%	66%	0%	78%	63%	75%	52%
Key Stage 2 Reading	81%	66%	0%	70%	86%	79%	69%
Key Stage 2 Writing TA	86%	81%	0%	87%	89%	80%	76%
Key Stage 2 GPS	86%	68%	0%	82%	97%	84%	76%
Key Stage 2 Mathematics	89%	79%	0%	81%	95%	73%	63%
Key Stage 2 Science TA	86%	92%	0%	89%	92%	75%	76%
Key Stage 2 Combined reading, writing and maths	79%	65%	0%	66%	82%	70%	54%

* Both these schools benefitted from a successful MDIF Bid for 2018/19 and were active participants in our training and events

** Crays Hill has low numbers and is 90% a travelling community

BERLESDUNA ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Key performance indicators

Governance KPIs

1. All Members and Trustees fully 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 to undertake their defined responsibilities.
3. Leadership and management will be graded at least good in all schools within 30 months of joining the trust, or at the first section 5 inspection, whichever is soonest.

Financial KPIs

1. Ensure economy, efficiency and effectiveness over the use of Trust funds (value for money).
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. All MAT schools retain or improve their Ofsted inspection rating.
2. Parent, staff and pupil survey data illustrates satisfaction.
3. All schools are fully compliant with health and safety, safeguarding and other statutory requirements.
4. All schools are either at full capacity or are increasing their capacity.
5. Progress indicators substantially exceed national averages for all groups in all schools indicating quality of provision, including 100% pupils make at least expected progress at end of KS2 in reading, writing, Mathematics
6. The percentage of teaching across the MAT that is good or outstanding is at least 90%.
7. School attendance data higher than national average (contextualised) for all schools within 2 years of joining the Trust.

BERLESDUNA ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Review of 2018-2019

Berlesduna performance over time, including End of Key Stage data, attendance, the outcomes of peer reviews and SIP visits, reflects the journey of an improving multi-academy trust (MAT).

The CEO has acted to address some important areas in need of improvement across the Trust when required which has led to improvements at the Willows, Felmore and Whitmore.

The Trust grew to seven schools during this period – bringing great capacity to the Trust.

We recognise the individuality of each of the schools and celebrate this through Trust events and staff collaboration and our involvement with BEP.

Together, we have established strong central leadership and a culture of collaborative learning. While this approach gives school leaders appropriate autonomy, it is structured within well-considered and rigorously applied monitoring and review systems.

We use our relationship with the Basildon Educational Partnership and Essex LA to good effect in supporting the schools.

While overall outcomes for Trust pupils are still variable the trend demonstrates an upward trajectory, in particular for pupils by the end of Key Stage 2. Progress of current pupils is improving.

The proportion of children reaching a good level of development in the Early Years is expected to be above the national average. Children in the Early Years make consistently good progress in most areas of the curriculum. Appropriate plans are in place to share good practice more widely and to raise standards further. Other Trust-wide development priorities include the need to continue to improve the teaching of phonics and writing in the Reception year.

Phonics is a strength across the Trust and we are above the National Average. In 2018 and 2019, at key stage 1, the proportion of pupils meeting the expected standard is expected to be at least in line with the national average in all subjects. The proportion of pupils who achieved greater depth in each of reading, writing and mathematics will be lower than the national figure.

At Key Stage 2, the proportion of pupils reaching the expected standard in reading, writing and mathematics is above the national figure and represents a clear improvement on the previous year. The proportion of pupils achieving at the higher standard in the combined measure of reading, writing and mathematics has also improved and is likely to be at least in line with the national figure.

Although the differences are diminishing, disadvantaged pupils' progress and attainment scores impact on the overall figures slightly.

Trust leaders are crystal clear in the knowledge that outcomes for all pupil groups need to continue to improve. Trustees and governors are well informed about the quality of education that each school provides but more could be done to ensure that the Trustees and Governors challenge their leaders more vigorously.

Recent reviews of Trust schools and Trust-wide assessment information reflect a positive pattern of ongoing change. Pupils are making better progress because the quality of teaching, learning and assessment is improving. High-level ambition and raised expectations are at the heart of this cultural shift.

Attendance is a mixed picture across the Trust depending largely on local circumstances but more needs to be done to decrease persistent absence.

The rate of fixed-rate exclusions across the Trust has reduced from the previous year. Recently introduced training for governors is strengthening the level of challenge they offer to school leaders in cases where exclusion is proposed but not yet completed.

BERLESDUNA ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

The primary curriculum is tailored to meet pupils' needs and the context of each individual school. While Headteachers have the autonomy to develop their own school's plan, close checks are made on the differences that curriculum planning is making to improving pupils' outcomes over time. Where necessary, adaptations are made in consultation with Trust leaders, based on other expertise available from within the Trust or advice available from external partners.

The Head of Finance and Operations provides increasingly effective support for schools and future plans will enhance this. While judicious use of resources offers value for money and economies of scale, cost savings are well grounded in senior leaders' commitment to improving life chances for all Berlesduna pupils.

Within a landscape of national and local challenges in teacher recruitment, retention and supply, we have entrenched the mantra of 'growing your own' teaching teams. Vacant posts are offered not just as jobs, but as career development opportunities. There are currently very few gaps across the Trust's workforce.

Quality-assurance systems are systematic and thorough. High levels of consistency are evident in improvement planning and monitoring routines across schools. For example, single improvement plans, 'school outcomes' and other performance documentation are scrutinised in regular academy improvement visits. These visits track previous successes, the areas that need to improve and the next steps needed.

Cross-school teams work with the CEO and external partners, including the local authority, to ensure that the judgements teachers make about the quality of pupils' work are similar to those made in other schools. This systematic approach has ensured that the accuracy of teachers' assessment has continued to improve as teachers become increasingly adept at using the information they hold.

The wealth of knowledge now available is combining to give Trust leaders and school staff the tools they need to continue to improve the quality of provision across subjects, year groups and key stages. Merrylands and Willows had successful Section 8 inspection in June and July 2019.

The Trust offered an extensive range of professional development opportunities using expertise from within and also from external partners (largely due to a successful MDIF grant), including the LA, BEP and the Billericay Teaching School Alliance. Sessions covered the needs and interests of all staff teams, including non-teaching staff.

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.

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 2019 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 2019

Total incoming resources from educational operations in the year ended 31 August 2019 amounted to £12.3m. Income of £20.6m was received relating to funds inherited on conversion of Felmore, Cherry Tree and Fairhouse into the Trust and £1.6m related to other capital income.

Total resources expended in the year amounted to £14.3m. This includes a depreciation charge of £699k.

Total net incoming income for the period was £20.2m.

After accounting for the net actuarial loss of £1.1m on the local government pension scheme as calculated by the scheme actuary, the overall net increase in the Trust's fund balances was £19m. Accordingly, the balance sheet as at 31 August 2019 shows total funds of £40.7m.

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

A programme to build reserves should be agreed and clearly documented as part of the budget setting process, by the Headteacher, Head of Finance and Operations, Trustees and Local Governing Body, in conjunction with the CEO.

The academy school must monitor the progress of its reserve schedule and provide a report to the Trustees with the annual Budget Forecast Return.

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 would like academy schools to build their reserves over the next 5 years to equate to one month's GAG as a contingency for unexpected emergencies.

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 should try to 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.

BERLESDUNA ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

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.

Reporting and Monitoring

The Finance and 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 Trusts 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 2019, total reserves amounted to £40.7m. This total includes total general reserves of £748k which consists of the restricted general reserves of £459k and the unrestricted general funds of £289k, which are effectively the Trust's free reserves.

Total reserves as at 31 August 2019 also recognised a liability in respect of the Trust's share of the Local Government Pension Scheme deficit of £7.9m. 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.

BERLESDUNA ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

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.

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 Finance and Audit 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.

BERLESDUNA ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Trust Risks

Identified Risk	Strategies to Mitigate
Improvements in the Quality of Education are not secured and schools when Inspected drop to RI resulting in a reputational damage to the Trust	Deployment of Trust resources to secure rapid improvement CPD for teachers who need to improve from RI to Good Trustees to monitor anonymised PM targets of teachers who are experiencing difficulty
A specific area does not improve rapidly enough and affects the whole school Ofsted judgement	Deployment of Trust or external resources Short term action plan monitored by CEO External support
Significant groups of children make insufficient progress or there remains significant gaps between groups and the rest of the pupils	Close monitoring of PPG and Sports Premium Grant Monitoring of significant groups regularly to identify under-performance External reviews
Performance of schools not improving sufficiently or quickly enough impacts on the reputation of the Trust	Prioritise resources to ensure rapid school improvement Ensure that monitoring systems and accurate assessments are coming from the Executive Leadership, CEO and Standards Focused Trust Meeting Link Trustees to provide another layer of support and challenge Deploy effective leadership effectively External support
Key leaders leave, resign or move from the Trust	Focus on retention of quality leaders and Trustees Succession planning and talent management. Academy ambassadors.
National shortage of high quality school leaders impacts on the ability to recruit to academy teams	Succession planning within existing staff teams Programme of leadership training within the Trust PM career-based expectations and leadership roles at UPS teacher
The quality of internal and external reviews insufficiently robust and does not identify significant areas of weakness or identify these early enough	Bespoke support in challenging schools Bespoke timescales on reviews and external inspection
Staff absence rates continue to rise and supply costs place budgets at risk	Close monitoring of the budget position by CEO Staff absence insurance policy
Staff absence significantly affects the stability of the Academy to deliver high quality education, behaviour and safety and therefore outcomes	Flexible deployment of resources across the Trust

BERLESDUNA ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

HSE investigation/ intervention following multiple reported accidents or significant harm to staff/pupil/ visitor resulting in potential fines or prosecution	Robust procedures in place for investigating and reporting accidents/ incidents. Risk assessments in place for pupils, activities etc. Regular H&S inspections, audits and reviews from external H&S advisor Strong and evolving H&S culture
Staff member, family or visitor sues the Trust for an accident resulting in risk of financial and reputational loss	Risk Protection Arrangements in place to cover any liability costs Use of experienced media/PR support providers to mitigate any reputational damage
Significant damage to a Trust building or resource resulting in high cost repair	Risk Protection Arrangements in place to cover any property damage costs
SCR does not capture all adults in the building and is not found to be compliant resulting in a risk to an Ofsted outcome and/or danger to pupils	Effective systems in place, tested and reviewed regularly both internally and externally Safeguarding training for all staff and in particular specific training for those involved with the SCR Effective security arrangements and procedures in place for entry and exit of buildings
Sickness absence levels increase as a result of incidents/accidents at work	Accidents/incidents reviewed by SLTs and analysed by SEN teams Raising awareness with staff from lessons learnt Evolving H&S culture Mental Health training for senior leaders
Financial resources are insufficient to fund pupil needs	Effective financial planning with school leaders Robust ECHPs identifying needs and resources Firm approach with commissioners regarding places to ensure appropriate level of funding for each and every pupil
Building maintenance costs are unaffordable and capital funding bids are unsuccessful	Building condition surveys completed for all building to identify priorities and investment required to inform financial planning Seek additional funding and/or alternative income sources
IT systems are hacked, and data lost	Business continuity arrangements in place for backing up data, both on and off site Additional investment in new improved IT network and systems to improve security
No cash flow and liquidity so creditors are not paid, and Trust runs at a deficit. ESFA intervene and put Trust under a financial notice	Bank accounts are reviewed regularly The Reserve Policy in place ensures cash would be available as it is required

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. Any loan requested would be presented to the Governing Body for authorisation. The Trust has no loans at this time.

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.

BERLESDUNA ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

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.

Plans for future periods

Vision Statement

The vision of the Berlesduna Academy Trust 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.

Aims and Values

The aim is to become a strong local partnership of schools. Whilst we aim to build a strong and cohesive identity, we recognise that each school within the Trust has its own unique characteristics. Collaboration and joint working ensure that all schools within the Trust can share in, and benefit from, each other's strengths. The aim as an Academy Trust is to work together to:

- make a positive difference to the lives of the pupils
- have an unflinching commitment to closing the gap between high and low performers within the schools
- transform the learning conditions of others so that growth, commitment, engagement, and constant spawning of leadership in others is being fostered

School Improvement Strategy

The aim is to support each school to be judged by Ofsted as at least 'Good' with the capacity to become 'Outstanding'. Once per year, each school will have a Peer Review organised by the CEO and involve local schools. Formal reviews of each schools' progress towards agreed targets are presented to the respective Local Governing Body of each school on a regular (termly) basis and received by the Directors Board at least three times per year. At a local level, governors from each school within the Trust will play an active role in monitoring the quality of learning and teaching and outcomes for learners. Through regular training across each school within the Trust, governors will be supported to question and challenge information presented to them; gaining the level of awareness and understanding that will enable them to accurately judge the schools' capacity for further improvement. The monitoring process will continuously inform self-evaluation and planning within each schools. These will include:

- tracking of learner progress and planned interventions to support each learners' success
- analysis of attendance and punctuality (with a consistent strategy agreed across all of the schools to reduce persistent absence)
- analysis of data relating to learners' behaviour and safety
- scrutiny of learners' work
- analysis of standards of learning and teaching (including moderated lesson observations to ensure consistent judgements about standards across all of 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 the schools 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.

For the 2019/20 cycle of reviews Trustees have invited an external 'Improvement Partner' to provide quality assurance.

BERLESDUNA ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Autonomy

The ethos of the Trust Board is that best results will be achieved when each schools Local Governing Body receives a level of responsibility and autonomy appropriate to its specific circumstances. When a school is graded as 'Good' or 'Outstanding', the level of support through day-to-day supervision by the Trust will be limited to those areas of agreed need and improvement. It would be expected that the LGB will operate with maximum autonomy applied through the Trusts scheme of Local Governing Body delegation. It will be a requirement that schools graded in a category will be subject to close supervision of all aspects of governance, leadership, financial management and curriculum delivery through the CEO and Trust Head of Finance. The LGB will have restricted delegated powers. It would be normal practice for members to be appointed by the Trust Board.

Succession Planning

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

Trust Strategic Priorities 2019 – 2022

Strategic Priority 1 Fostering a culture of high aspiration

Leaders and staff in all of our schools are working very hard to give our children the best education that they can. However, current provision is not enabling enough children to achieve excellent outcomes across all key stages nor in all schools.

The Trust is fully committed to enabling our learners and their families to overcome any barriers they currently face and empowering them to develop an aspirant mind set. Moving forwards, we will undoubtedly be stronger together; we will have the capacity to deliver an excellent education to all and to transform lives.

Strategic Priority 2 Developing Exemplary Behaviours and Attitudes

As a result of our strong focus on behaviour and attitudes, our children behave well in class. Pupil voice is loud and clear about the desire for high standards, consistently applied in order to create an excellent climate for learning. Out of lessons, children behave in an orderly fashion and have respect for their school community.

Strategic Priority 3 A High Quality Education

The principle of developing and offering a curriculum that meets the needs of children in Basildon and Essex is central to our curriculum strategy. We recognise that all schools need to develop the curriculum to ensure that it is entirely relevant and responsive. All our schools are well on their way to a truly personalised curriculum for their local community. Currently, the quality of teaching and learning is largely good: there are areas of good practice in all of our schools but there are also areas that need to improve. We recognise that there must be a baseline of consistent good practice evident in every lesson, for all learners, in all year groups.

Strategic Priority 3 A High Quality Education

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Strategic Priority 5 Developing our Facilities, Resources and Marketing

The Trust's Head of Finance and Operations has been highly effective in securing funds for long-needed renovations and improvements. Monies from the Condition Improvement Fund financed the following:

- Willows – Flat roof refurbishment works
- Merrylands - Roof refurbishment
- Merrylands – New switch gear and incoming mains upgrade
- Whitmore – Electrical rewire and associated works
- Whitmore - Boiler renewal works
- Whitmore – Water distribution and heating works
- Whitmore – Roofs and window refurbishment
- Crays Hill – Flat roof refurbishment works

BERLESDUNA ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Further bids for heating system replacement works, roofing works and the replacement of electrical and safety systems are in progress.

In the short term, much can be done quickly to ensure that the aspirant culture of the Trust is reflected in the vibrancy of the learning environments in all of our schools. In the med-term, there are substantial opportunities to strategically invest in, remodel and redevelop our estate, particularly to ensure we have facilities and resources in place to deliver a relevant and responsive curriculum for the future.

Strategic Priority 6 Developing Highly Effective Support Services

Support staff play a vital role in contributing to the experience of learners and they are valued members of our school communities. Currently all of our schools operate local arrangements for the provision of support services. Understandably when taken together our schools' support services have inconsistent staff structures and job roles vary considerably from school to school. Accordingly, there are significant opportunities to reconsider how we best deliver support services across the Trust. In doing so we will seek to develop a more coherent model of delivery, enhancing the expertise and efficiency of support services, better supporting our learners and our staff.

Strategic Priority 7 Developing Highly Effective Governance

Without doubt highly effective governance is critical to the success of a school. Given the scale of operations of the Trust our governance arrangements need to be of the very highest calibre. We have therefore set out below a radical and far reaching programme to establish governance arrangements which are fit for purpose and which can drive the Berlesduna Academy Trust forward.

Trust Priorities 2019-20

Priority One: Build Trust capacity to ensure effective school improvement.

Priority Two: Deliver school improvement

Priority Three: Deliver school improvement in schools joining the Trust

Priority Four: Enhancing the governance of the Trust Board

Growth Strategy

The Trust's ambition is, over time, to create a family of local primary and secondary schools working together in a coherent manner to meet the needs of learners in the area and beyond. We therefore have the ambition to increase the number of schools in the Trust, but in growing we will act 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. It is the responsibility of the Trust to build capacity as it develops.

In the first instance we are keen to invite good or outstanding primary, secondary and special schools to join us in order to strengthen our school improvement model. We recognise the many benefits of a cross phase Trust, offering seamless progression and optimising learners' progress.

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

However, 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.

BERLESDUNA ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Employee consultation and disabled employees

The Academy Trust's policy on equal opportunities outlines the commitment of the staff and Governors of Berlesduna Academy Trust to ensure that equality of opportunity is available to all members of the Trust community. For our Trust this means, not simply treating everybody the same but, understanding and tackling the different barriers which could lead to unequal opportunity achievements and strengths of all members of the School community. These include:

- Students
- Teaching staff
- Support staff
- Parents / carers
- Community governors
- Multi-agency staff linked to the Trust
- Visitors to the Trust and academies
- Students on placement

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 have the opportunity to achieve their potential. If a Berlesduna Academy Trust employee becomes disabled while in our employment, Berlesduna Academy Trust will do its best to retain them, including consulting them about their requirements, making reasonable and appropriate adjustments, and providing alternative suitable provisions.

Employee Information Policy

Each Academy includes 1 staff member on its local governing body and has the CEO as ex-officio Governor. This ensures that:

- Employees' views are taken into account 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 also undertakes discussions with employees and their unions when making decisions that affect employee interests to ensure that employees' views are reflected in decisions made and their interests are protected.

BERLESDUNA ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Berlesduna Academy Trust recognises that staff is its most important resource and are to be valued, supported and encouraged to develop personally and professionally within a learning and caring community. The Trust has a policy in place to provide a document 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 individual school will:

- Provide personal and professional development that incorporates regular opportunities for learning and practicing skills such as – team building, management of change, stress management, assertiveness, communications etc. either as whole-school training, or when identified by individuals either during performance management or during particularly difficult periods
- Provide a range of strategies for involving staff in school decision-making processes, such as through the work of the Trust Well-being Forum, surveys on particular developments (e.g. positive behaviour, curriculum reviews, reporting), and opportunities for involvement in Focus Groups designed around key issues of school improvement.
- Operate a sensitive and negotiated appraisal system linked to clear job specifications (see Performance Management Policy)
- Provide a non-judgmental confidential support system such as a staff mentor at times of need, and specifically for new members of staff and those in new positions (including support for senior management).
- Provide extra support at certain times of difficulty either through counselling from the HR Manager, Head of Finance and Operations, support from 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.
- Continually reflect on and work towards achieving school improvement in terms of the 'Health and well-being'.
- Regularly review the demands on teacher time spent on paperwork and administration and seek practical alternative solutions wherever 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).
- Survey staff annually on issues related to well-being and work-life balance and produce an action plan in relation to findings.

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 ~~13-12-19~~ and signed on its behalf by:



S. Tobin

Accounting Officer

BERLESDUNA ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2019

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. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

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

Trustees	Meetings attended	Out of possible
E Patching (Chair of Trustees)	6	6
S Tobin (Accounting Officer)	6	6
J Hunter (Appointed 9 October 2018)	6	6
S Segger	4	6
S West	4	6
R Taverner	6	6
G Glover (Appointed 9 July 2019)	0	0
R Walsh (Appointed 3 June 2019)	1	1
T Sargeant (Appointed 9 October 2018 and resigned 9 July 2019)	2	5
C Moore (Resigned 12 November 2018)	1	1

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.

The Finance and Audit Committee is a sub-committee of the main Board of Trustees. The purpose of the Audit and Finance Committee is to share the workload of the Accounting Officer in managing and monitoring the organisation's finances and premises matters. The Finance and Audit Committee has formally met 4 times during the year; 3 times for monitoring meetings and 1 extraordinary meeting to approve the annual accounts. An Audit Committee exists to oversee the year end audit process.

This Finance and Audit Committee provides an opportunity for detailed discussion and consideration of financial and property matters with regular reporting to the full Board of Trustees. It is given delegated authority for most financial decision-making, but the full board of trustees as a whole remains accountable and must still remain actively engaged in financial and premises matters.

BERLESDUNA ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Benefits of the finance and audit committee 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 Full 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 organisations 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 2019 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 schools assets and fulfilment of the Trust's charitable obligations to maximise the benefit of those assets with regards to asset disposal and reinvestment.

The finance and general purposes committee is a sub-committee of the main board of trustees. Its purpose is to:

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
S Tobin (Accounting Officer)	4	4
S Segger	2	3

Review of value for money

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

The accounting officer considers how the 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 2019

Better Purchasing

- Spending proposals are priced and presented to Governors, challenged appropriately and recorded in minutes;
- Contracts and service level agreements are reviewed regularly to ensure the service remains suitable for the needs of the academy and tenders / quotations are obtained where appropriate to ensure value for money; and
- Continue to work with forum groups and other educational providers to improve sharing of good practice and joint procurement of 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 Governing Body meetings, monitoring of the impact of activities and funding streams, such as Pupil premium;
- Regular reviews by the Finance and Audit 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 2018 to 31 August 2019 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 2018 to 31 August 2019 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;
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided to appoint Essex County Council as internal auditor.

BERLESDUNA ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

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:

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

On a quarterly basis, the internal auditor reports to the board of trustees 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.

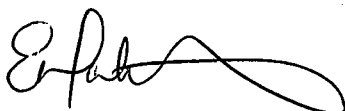
Review of effectiveness

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

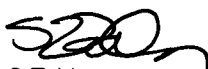
- the work of the internal auditor;
- the work of the external auditor;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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 13-12-19 and signed on its behalf by:



E Patching
Chair of Trustees



S Tobin
Accounting Officer

BERLESDUNA ACADEMY TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2019

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

I confirm that I and the academy trust's board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2018.

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



S Tobin
Accounting Officer

13/12/19

BERLESDUNA ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2019

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 2018 to 2019 published by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 13-12-19 and signed on its behalf by:



S Tobin
Accounting Officer

BERLESDUNA ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2019

Opinion

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

In our opinion the accounts:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

BERLESDUNA ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2019

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the accounts

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

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

BERLESDUNA ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2019

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

17th December 2019

Chartered Accountants
Statutory Auditor

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 2019

In accordance with the terms of our engagement letter dated 2 May 2019 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Berlesduna Academy Trust during the period 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to 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 Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

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 Academy's financial procedures and the Academies Financial 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 2019

Conclusion

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



Reporting Accountant

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

Dated: *17th December 2019*

BERLESDUNA ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	Unrestricted Funds £	Restricted funds: General Fixed asset £ £		Total 2019 £	Total 2018 £
Income and endowments from:						
Donations and capital grants	3	-	-	1,553,257	1,553,257	1,162,367
Donations - transfer from local authority on conversion	26	-	(1,964,146)	22,556,845	20,592,699	2,325,040
Charitable activities:						
- Funding for educational operations	4	245,375	11,804,419	-	12,049,794	8,020,304
Other trading activities	5	290,397	-	-	290,397	165,218
Investments	6	783	-	-	783	773
Total		536,555	9,840,273	24,110,102	34,486,930	11,673,702
Expenditure on:						
Raising funds	7	3,059	-	-	3,059	5,838
Charitable activities:						
- Educational operations	8	424,486	13,183,877	699,842	14,308,205	9,494,900
Total	7	427,545	13,183,877	699,842	14,311,264	9,500,738
Net income/(expenditure)		109,010	(3,343,604)	23,410,260	20,175,666	2,172,964
Transfers between funds	18	(219,519)	(8,064)	227,583	-	-
Other recognised gains/(losses)						
Actuarial (losses)/gains on defined benefit pension schemes	20	-	(1,132,000)	-	(1,132,000)	843,000
Net movement in funds		(110,509)	(4,483,668)	23,637,843	19,043,666	3,015,964
Reconciliation of funds						
Total funds brought forward		400,024	(2,997,865)	24,234,491	21,636,650	18,620,686
Total funds carried forward		289,515	(7,481,533)	47,872,334	40,680,316	21,636,650

BERLESDUNA ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2019

Comparative year information Year ended 31 August 2018	Notes	Unrestricted Funds £	Restricted funds: General Fixed asset £ £		Total 2018 £
Income and endowments from:					
Donations and capital grants	3	-	-	1,162,367	1,162,367
Donations - transfer from local authority on conversion	26	540	(163,000)	2,487,500	2,325,040
Charitable activities:					
- Funding for educational operations	4	115,763	7,904,541	-	8,020,304
Other trading activities	5	165,218	-	-	165,218
Investments	6	-	-	773	773
Total		281,521	7,741,541	3,650,640	11,673,702
Expenditure on:					
Raising funds	7	-	5,838	-	5,838
Charitable activities:					
- Educational operations	8	95,624	8,842,027	557,249	9,494,900
Total	7	95,624	8,847,865	557,249	9,500,738
Net income/(expenditure)		185,897	(1,106,324)	3,093,391	2,172,964
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	20	-	843,000	-	843,000
Net movement in funds		185,897	(263,324)	3,093,391	3,015,964
Reconciliation of funds					
Total funds brought forward		214,127	(2,734,541)	21,141,100	18,620,686
Total funds carried forward		400,024	(2,997,865)	24,234,491	21,636,650

BERLESDUNA ACADEMY TRUST

BALANCE SHEET

AS AT 31 AUGUST 2019

	Notes	2019 £	2018 £
Fixed assets			
Tangible assets	13	47,460,933	23,961,128
Current assets			
Stocks	14	640	-
Debtors	15	979,395	340,539
Cash at bank and in hand		1,716,309	1,447,209
		<u>2,696,344</u>	<u>1,787,748</u>
Current liabilities			
Creditors: amounts falling due within one year	16	(1,535,961)	(1,038,226)
Net current assets		<u>1,160,383</u>	<u>749,522</u>
Net assets excluding pension liability		<u>48,621,316</u>	<u>24,710,650</u>
Defined benefit pension scheme liability	20	(7,941,000)	(3,074,000)
Total net assets		<u>40,680,316</u>	<u>21,636,650</u>
Funds of the academy trust:			
Restricted funds	18		
- Fixed asset funds		47,872,334	24,234,491
- Restricted income funds		459,467	76,135
- Pension reserve		(7,941,000)	(3,074,000)
Total restricted funds		<u>40,390,801</u>	<u>21,236,626</u>
Unrestricted income funds	18	<u>289,515</u>	<u>400,024</u>
Total funds		<u>40,680,316</u>	<u>21,636,650</u>

The accounts on pages 34 to 60 were approved by the trustees and authorised for issue on 13-12-19 and are signed on their behalf by:



S Tobin
Accounting Officer

Company Number 10267656

BERLESDUNA ACADEMY TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	2019 £	£	2018 £	£
Cash flows from operating activities					
Net cash (used in)/provided by operating activities	21	(324,155)		231,549	
Cash funds transferred on conversion		682,017		540	
		<u>357,862</u>		<u>232,089</u>	
Cash flows from investing activities					
Dividends, interest and rents from investments		783		773	
Capital grants from DfE Group		134,493		38,545	
Capital funding received from sponsors and others		1,418,764		1,123,822	
Purchase of tangible fixed assets		<u>(1,642,802)</u>		<u>(1,460,110)</u>	
Net cash used in investing activities			(88,762)		(296,970)
Net increase/(decrease) in cash and cash equivalents in the reporting period			269,100		(64,881)
Cash and cash equivalents at beginning of the year			1,447,209		1,512,090
Cash and cash equivalents at end of the year			<u>1,716,309</u>		<u>1,447,209</u>

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019

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 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Berlesduna Academy Trust meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

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

1.3 Conversion to an academy trust

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from predecessor schools to the academy trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Donations – transfer from local authority on conversion in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transaction are set out in note 26.

1.4 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.

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

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

Sponsorship income

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

Donations

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

Other income

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

Donated goods, facilities and services

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

Donated fixed assets

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

1.5 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.

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

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.

1.6 Tangible fixed assets and depreciation

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding 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.

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.

1.7 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.

1.8 Leased assets

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

1.9 Financial instruments

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

Financial assets

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

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

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

Financial liabilities

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

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

1.10 Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provision is made for obsolete and slow moving stock.

1.11 Taxation

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

1.12 Pensions benefits

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

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

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

1.13 Fund accounting

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

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

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

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 20, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

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 2019 £	Total 2018 £
Capital grants	-	1,553,257	1,553,257	1,162,367

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
DfE / ESFA grants				
General annual grant (GAG)	-	9,503,146	9,503,146	6,425,968
Other DfE group grants	-	1,600,973	1,600,973	839,750
	-	11,104,119	11,104,119	7,265,718
Other government grants				
Local authority grants	-	700,300	700,300	638,823
Other funding				
Other incoming resources	245,375	-	245,375	115,763
Total funding	245,375	11,804,419	12,049,794	8,020,304

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Hire of facilities	5,841	-	5,841	1,244
Catering income	163,474	-	163,474	114,898
Trip income	119,816	-	119,816	47,247
Other income	1,266	-	1,266	1,829
	290,397	-	290,397	165,218

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Short term deposits	783	-	783	-
Other investment income	-	-	-	773
	783	-	783	773

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

7 Expenditure

	Staff costs £	Non Pay Expenditure Premises £	Other £	Total 2019 £	Total 2018 £
Expenditure on raising funds					
- Direct costs	-	-	3,059	3,059	5,838
Academy's educational operations					
- Direct costs	8,411,640	-	623,648	9,035,288	5,977,140
- Allocated support costs	2,685,440	1,352,802	1,234,675	5,272,917	3,517,760
	<u>11,097,080</u>	<u>1,352,802</u>	<u>1,861,382</u>	<u>14,311,264</u>	<u>9,500,738</u>

Net income/(expenditure) for the year includes:

	2019 £	2018 £
Fees payable to auditor for:		
- Audit	36,495	22,000
- Other services	7,047	-
Depreciation of tangible fixed assets	699,842	557,249
Net interest on defined benefit pension liability	118,000	(30,000)

8 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Direct costs				
Educational operations	241,859	8,793,429	9,035,288	5,977,140
Support costs				
Educational operations	182,627	5,090,290	5,272,917	3,517,760
	<u>424,486</u>	<u>13,883,719</u>	<u>14,308,205</u>	<u>9,494,900</u>

Analysis of costs

	2019 £	2018 £
Direct costs		
Teaching and educational support staff costs	8,438,907	5,527,469
Technology costs	16,792	11,020
Educational supplies and services	412,062	340,055
Other direct costs	167,527	98,596
	<u>9,035,288</u>	<u>5,977,140</u>
Support costs		
Support staff costs	2,693,398	1,625,353
Depreciation	699,842	557,249
Technology costs	77,203	80,987
Maintenance of premises and equipment	259,606	344,107
Cleaning	112,078	109,359
Energy costs	146,027	81,844

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

8	Charitable activities		(Continued)
	Rent, rates and other occupancy costs	52,920	45,957
	Insurance	82,329	30,436
	Catering	337,036	198,664
	Finance costs	118,000	(30,000)
	Other support costs	193,429	99,502
	Governance costs	501,049	374,302
		<u>5,272,917</u>	<u>3,517,760</u>

9 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, except for Felmore at 2% of GAG

The amounts charged during the year were as follows:	2019	2018
	£	£
Merrylands Primary School and Nursery	95,876	92,267
Whitmore Primary School and Nursery	106,849	99,989
The Willows Primary School and Nursery	104,539	98,099
Crays Hill Primary School	20,112	6,336
Felmore Primary School	31,592	-
Cherry Tree Primary School and Nursery	34,316	-
Fairhouse Primary School	27,151	-
	<u>420,435</u>	<u>296,691</u>

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

10 Staff

Staff costs

Staff costs during the year were:

	2019 £	2018 £
Wages and salaries	8,037,464	5,027,132
Social security costs	647,061	386,859
Pension costs	2,354,735	1,493,103
Amounts paid to employees	11,039,260	6,907,094
Agency staff costs	35,836	231,117
Staff restructuring costs	21,984	-
Amounts paid to staff	11,097,080	7,138,211
Staff development and other staff costs	35,225	14,611
Total staff expenditure	11,132,305	7,152,822
Staff restructuring costs comprise:		
Severance payments	21,984	-

Staff numbers

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

	2019 Number	2018 Number
Teachers	127	68
Administration and support	332	118
Management	29	15
	488	201

Higher paid staff

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

	2019 Number	2018 Number
£60,001 - £70,000	1	1
£70,001 - £80,000	1	1
£80,001 - £90,000	1	-
£110,001 - £120,000	1	1

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

10 Staff

(Continued)

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 £715,513 [2018: £470,212].

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 (headteacher):

- Remuneration £115,001 - £120,000 (2018: £115,001-£120,000)
- Employer's pension contributions £15,001 - £20,000 (2018: £15,001-£20,000)

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.

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

13 Tangible fixed assets

	Long leasehold land and buildings £	Computer equipment £	Fixtures, fittings & equipment £	Total £
Cost				
At 1 September 2018	24,234,049	206,597	373,845	24,814,491
Transfer on conversion	22,364,000	70,970	121,875	22,556,845
Additions	1,579,907	21,543	41,352	1,642,802
At 31 August 2019	48,177,956	299,110	537,072	49,014,138
Depreciation				
At 1 September 2018	665,093	126,231	62,039	853,363
Charge for the year	562,168	89,989	47,685	699,842
At 31 August 2019	1,227,261	216,220	109,724	1,553,205
Net book value				
At 31 August 2019	46,950,695	82,890	427,348	47,460,933
At 31 August 2018	23,568,956	80,366	311,806	23,961,128

14 Stocks

	2019 £	2018 £
Other stock	640	-

15 Debtors

	2019 £	2018 £
Trade debtors	9,451	26,927
VAT recoverable	141,885	191,868
Other debtors	203	114,330
Prepayments and accrued income	827,856	7,414
	979,395	340,539

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

16	Creditors: amounts falling due within one year	2019	2018
		£	£
	Trade creditors	624,106	612,948
	Other taxation and social security	416,894	223,347
	Other creditors	13,429	15,468
	Accruals and deferred income	481,532	186,463
		<u>1,535,961</u>	<u>1,038,226</u>
17	Deferred income	2019	2018
		£	£
	Deferred income is included within:		
	Creditors due within one year	<u>328,327</u>	<u>160,917</u>
	Deferred income at 1 September 2018	160,917	169,154
	Released from previous years	(160,917)	(169,154)
	Resources deferred in the year	<u>328,327</u>	<u>160,917</u>
	Deferred income at 31 August 2019	<u>328,327</u>	<u>160,917</u>

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

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

18 Funds

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
Restricted general funds					
General Annual Grant (GAG)	76,135	9,503,146	(9,361,401)	(8,064)	209,816
Other DfE / ESFA grants	-	1,600,973	(1,600,973)	-	-
Other government grants	-	700,300	(700,300)	-	-
Other restricted funds	-	788,854	(539,203)	-	249,651
Pension reserve	(3,074,000)	(2,753,000)	(982,000)	(1,132,000)	(7,941,000)
	<u>(2,997,865)</u>	<u>9,840,273</u>	<u>(13,183,877)</u>	<u>(1,140,064)</u>	<u>(7,481,533)</u>
Restricted fixed asset funds					
Inherited on conversion	22,850,854	22,556,845	(811,701)	(268,459)	44,327,539
DfE group capital grants	1,383,637	1,553,257	111,859	496,042	3,544,795
	<u>24,234,491</u>	<u>24,110,102</u>	<u>(699,842)</u>	<u>227,583</u>	<u>47,872,334</u>
Total restricted funds	<u>21,236,626</u>	<u>33,950,375</u>	<u>(13,883,719)</u>	<u>(912,481)</u>	<u>40,390,801</u>
Unrestricted funds					
General funds	<u>400,024</u>	<u>536,555</u>	<u>(427,545)</u>	<u>(219,519)</u>	<u>289,515</u>
Total funds	<u>21,636,650</u>	<u>34,486,930</u>	<u>(14,311,264)</u>	<u>(1,132,000)</u>	<u>40,680,316</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 31 August 2019.

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 2019

18 Funds

(Continued)

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

	Balance at 1 September 2017 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted general funds					
General Annual Grant (GAG)	8,380	6,425,968	(6,358,213)	-	76,135
Other DfE / ESFA grants	-	839,750	(839,750)	-	-
Other government grants	460,079	638,823	(1,098,902)	-	-
Pension reserve	(3,203,000)	(163,000)	(551,000)	843,000	(3,074,000)
	<u>(2,734,541)</u>	<u>7,741,541</u>	<u>(8,847,865)</u>	<u>843,000</u>	<u>(2,997,865)</u>
Restricted fixed asset funds					
Transfer on conversion	20,696,700	2,487,500	(333,346)	-	22,850,854
DfE group capital grants	444,400	1,163,140	(223,903)	-	1,383,637
	<u>21,141,100</u>	<u>3,650,640</u>	<u>(557,249)</u>	<u>-</u>	<u>24,234,491</u>
Total restricted funds	<u>18,406,559</u>	<u>11,392,181</u>	<u>(9,405,114)</u>	<u>843,000</u>	<u>21,236,626</u>
Unrestricted funds					
General funds	<u>214,127</u>	<u>281,521</u>	<u>(95,624)</u>	<u>-</u>	<u>400,024</u>
Total funds	<u>18,620,686</u>	<u>11,673,702</u>	<u>(9,500,738)</u>	<u>843,000</u>	<u>21,636,650</u>

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

18 Funds

(Continued)

Total funds analysis by academy

	2019 £	2018 £
Fund balances at 31 August 2019 were allocated as follows:		
Merrylands Primary School and Nursery	169,549	102,640
Whitmore Primary School and Nursery	(73,936)	142,661
The Willows Primary School and Nursery	1,749	229,473
Crays Hill Primary School	247,791	33,776
Felmore Primary School	187,472	-
Cherry Tree Primary School and Nursery	282,966	-
Fairhouse Primary School	98,558	-
Central services	(165,167)	(32,391)
Total before fixed assets fund and pension reserve	748,982	476,159
Restricted fixed asset fund	47,872,334	24,234,491
Pension reserve	(7,941,000)	(3,074,000)
Total funds	40,680,316	21,636,650

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 2019 £	Total 2018 £
Merrylands Primary School and Nursery	1,764,740	516,734	131,907	368,676	2,782,057	3,034,339
Whitmore Primary School and Nursery	1,962,008	404,758	107,010	389,095	2,862,871	2,950,096
The Willows Primary School and Nursery	1,865,409	416,168	156,671	373,293	2,811,541	2,649,052
Crays Hill Primary School	353,151	70,791	14,593	103,637	542,172	146,274
Felmore Primary School	1,316,672	552,622	55,409	253,986	2,178,689	-
Cherry Tree Primary School and Nursery	504,243	384,341	33,609	102,413	1,024,606	-
Fairhouse Primary School	509,382	164,732	40,123	103,063	817,300	-
Central services	163,302	183,252	57,059	188,573	592,186	19,418
	8,438,907	2,693,398	596,381	1,882,736	13,611,422	8,799,179

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

19 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2019 are represented by:				
Tangible fixed assets	-	-	47,460,933	47,460,933
Current assets	302,944	1,981,999	411,401	2,696,344
Creditors falling due within one year	(13,429)	(1,522,532)	-	(1,535,961)
Defined benefit pension liability	-	(7,941,000)	-	(7,941,000)
Total net assets	289,515	(7,481,533)	47,872,334	40,680,316
Fund balances at 31 August 2018 are represented by:				
Tangible fixed assets	-	-	23,961,128	23,961,128
Current assets	428,829	1,085,556	273,363	1,787,748
Creditors falling due within one year	(28,805)	(1,009,421)	-	(1,038,226)
Defined benefit pension liability	-	(3,074,000)	-	(3,074,000)
Total net assets	400,024	(2,997,865)	24,234,491	21,636,650

20 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 2012, and that of the LGPS related to the period ended 31 March 2016.

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

Teachers' Pension Scheme

Introduction

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

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

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

20 Pension and similar obligations

(Continued)

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 September 2019.

The employer's pension costs paid to the TPS in the period amounted to £740,087 (2018: £462,296).

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 21.9% - 22.9% for employers and 5.5% - 12.5% for employees.

As described in note 26 the LGPS obligation relates to the employees of the academy trust, being the employees transferred as part of the conversion from the maintained school and new employees who joined the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

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

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

20 Pension and similar obligations (Continued)

Total contributions made	2019 £	2018 £
Employer's contributions	952,000	308,000
Employees' contributions	190,000	110,000
Total contributions	1,142,000	418,000
Principal actuarial assumptions	2019 %	2018 %
Rate of increase in salaries	3.65	3.8
Rate of increase for pensions in payment/inflation	2.15	2.3
Discount rate for scheme liabilities	1.9	2.7
Inflation assumption (CPI)	2.15	2.3
RPI assumption increase	3.15	

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

	2019 Years	2018 Years
Retiring today		
- Males	21.3	22.3
- Females	23.6	24.8
Retiring in 20 years		
- Males	23	24.5
- Females	25.4	27.1

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

20 Pension and similar obligations

(Continued)

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	13,338,000	13,741,000	14,156,000
Projected service cost	1,976,000	2,037,000	2,099,000

	+0.1%	0.0%	-0.1%
Adjustment to long term salary increase	£	£	£
Present value of total obligation	13,790,000	13,741,000	13,692,000
Projected service cost	2,037,000	2,037,000	2,037,000

	+0.1%	0.0%	-0.1%
Adjustment to pension increases and deferred revaluation	£	£	£
Present value of total obligation	14,106,000	13,741,000	12,332,000
Projected service cost	2,098,000	2,037,000	1,977,000

	+1 Year	None	-1 Year
Adjustment to life expectancy assumptions	£	£	£
Present value of total obligation	14,245,000	13,741,000	13,254,000
Projected service cost	2,111,000	2,037,000	1,935,000

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

	2019 Fair value £	2018 Fair value £
Equities	3,653,000	1,649,000
Bonds	327,000	152,000
Gilts	321,000	139,000
Cash	169,000	88,000
Property	465,000	232,000
Other assets	865,000	332,000
Total market value of assets	5,800,000	2,592,000

The actual return on scheme assets was £112,000 (2018: £132,000).

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

20 Pension and similar obligations

(Continued)

Amount recognised in the Statement of Financial Activities	2019 £	2018 £
Current service cost	1,347,000	581,000
Past service cost	220,000	81,000
Interest cost	118,000	(30,000)
Benefit changes, curtailments and settlements gains or losses	-	(81,000)
Total operating charge	<u>1,685,000</u>	<u>551,000</u>

Changes in the present value of defined benefit obligations

2019
£

At 1 September 2018	5,666,000
Obligations acquired on conversion	4,731,000
Current service cost	1,347,000
Interest cost	230,000
Employee contributions	190,000
Actuarial loss/(gain)	1,381,000
Benefits paid	(24,000)
Past service cost	220,000
At 31 August 2019	<u>13,741,000</u>

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

2019
£

At 1 September 2018	2,592,000
Assets acquired on conversion	1,978,000
Interest income	112,000
Employer contributions	952,000
Employee contributions	190,000
Benefits paid	(24,000)
At 31 August 2019	<u>5,800,000</u>

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

21 Reconciliation of net income to net cash flow from operating activities

	2019 £	2018 £
Net income for the reporting period (as per the statement of financial activities)	20,175,666	2,172,964
Adjusted for:		
Net surplus on conversion to academy	(20,592,699)	(2,325,040)
Capital grants from DfE and other capital income	(1,553,257)	(1,162,367)
Investment income receivable	(783)	(773)
Defined benefit pension costs less contributions payable	864,000	581,000
Defined benefit pension scheme finance cost/(income)	118,000	(30,000)
Depreciation of tangible fixed assets	699,842	557,249
(Increase) in stocks	(640)	-
(Increase) in debtors	(638,856)	(160,845)
Increase in creditors	497,735	599,361
Stocks, debtors and creditors transferred on conversion	106,837	
Net cash (used in)/provided by operating activities	(324,155)	231,549

22 Commitments under operating leases

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

	2019 £	2018 £
Amounts due within one year	9,179	2,859
Amounts due in two and five years	7,878	1,755
	17,057	4,614

23 Capital commitments

	2019 £	2018 £
Expenditure contracted for but not provided in the accounts	401,658	-

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

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.

Expenditure related party transactions

Other than the transactions noted above, no other related party transactions took place in the period of account other than the Trustees' remuneration already disclosed.

In the prior year, the Trust utilised the services of Robin Taverner, who was a trustee during the year. Total expenditure of £3,425 was incurred utilising the consultancy services of his company.

25 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.

BERLESDUNA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

26 Conversion to an academy

During the year the following converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Berlesduna Academy Trust from the Essex County Council for £nil consideration.

The transfers have been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair values and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the statement of financial activities as donations – transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the statement of financial activities.

Academy	Location	Date of conversion
Felmore Primary School	Basildon	1 September 2018
Cherry Tree Primary School and Nursery	Basildon	1 April 2019
Fairhouse Primary School	Basildon	1 May 2019

	2019 £
Net assets transferred:	
Freehold land and buildings	22,364,000
Other tangible fixed assets	192,845
Cash	682,017
Pension scheme deficit	(2,753,000)
	<u>20,485,862</u>

	Unrestricted Funds £	Restricted funds:		Total 2019 £
Funds surplus/(deficit) transferred:		General £	Fixed asset £	
Fixed assets funds	-	-	22,556,845	22,556,845
LA budget funds	-	788,854	-	788,854
LGPS pension funds	-	(2,753,000)	-	(2,753,000)
	<u>-</u>	<u>(1,964,146)</u>	<u>22,556,845</u>	<u>20,592,699</u>