

BEDFORD COLLEGE ACADEMIES TRUST LTD

(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

BEDFORD COLLEGE ACADEMIES TRUST LTD
(A Company Limited by Guarantee)

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BEDFORD COLLEGE ACADEMIES TRUST LTD
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Dave Pridmore Ian Pryce Douglas Seward
Trustees	Ian Pryce Anthony Abrahams, Chair of Trustees Lesley Glover (resigned 11 November 2021) Patricia Jones (resigned 8 October 2021) Mark Kiteley Jasmin Masih Christine O'Reilly Gillian Scobie (resigned 29 November 2021) Paul Clarkson Alan Evans (appointed 14 July 2022)
Company registered number	07652552
Company name	Bedford College Academies Trust Ltd
Principal and registered office	Bedford College Cauldwell Street Bedford MK42 9AH
Senior management team	Paul Spyropoulos, Principal (Wixams Academy) Mary Langley, Headteacher (Wixams Tree Primary School) Alan Evans, Interim Chief Executive (appointed June 2021) and Accounting Officer (appointed 8 October 2021) Hywel Jones, Chief Executive and Accounting Officer (appointed 1 June 2022)
Independent auditors	MHA MacIntyre Hudson Chartered Accountants Statutory Auditors 2 London Wall Place London EC2Y 5AU
Bankers	Barclays 111 High Street Bedford MK40 1NJ
Solicitors	Hewitsons LLP Elgin House Billing Road Northampton NN1 5BA

BEDFORD COLLEGE ACADEMIES TRUST LTD
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

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

It has a pupil capacity of 1,244 and had a roll of 1,048 across the schools at end of the financial year. By the time of the October 2022 census this rose to 1,225 pupils reflecting the demographic growth in the community and the addition of year group 12.

Structure, governance and management

a. Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Trustees of Bedford College Academies Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company operates as a Multi Academy Trust.

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

b. Members' liability

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

c. Trustees' indemnities

Subject to the provisions of the Companies Act 2006 every Director or other Officer of the Company shall be indemnified out of the assets of the Company against any liability incurred in that capacity.

d. Method of recruitment and appointment or election of Trustees

Trustees are appointed and inducted in accordance with the provisions detailed within the Memorandum and Articles of Association and by reference to a skills matrix.

The current Trust board consists of a broad skill set, encompassing significant educational expertise representing the full range of provision, and strong financial expertise. The composition also represents private enterprise and public sector roles with a wide range of professional backgrounds and experience.

Trustees are appointed for periods of 4 years with a commitment having been made to Trustees serving a maximum of two terms unless exceptional circumstances are relevant. Details of the Trustees are indicated on page 1.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

e. Policies adopted for the induction and training of Trustees

The training and induction provided for new Trustees will depend on their existing experience. Steps are taken to ensure new Trustees understand their legal obligations under charity and company law, the content of the Memorandum and Articles, the Funding Agreement and the Schemes of delegation. All Trustees are also encouraged to visit the academies and to meet staff and students.

f. Organisational structure

The Trust is made up of two schools – one primary and one secondary in the village of Wixams. The Trust appointed an interim Chief Executive in June 2021 and then a substantive CEO in June 2022. Responsibilities include being the chief strategic adviser to the Trustees as well managing the Academy Principals.

Levels of delegation have been agreed by the Trust and include delegation to the chief executive and senior leadership teams of each school. The Local Advisory Bodies are consultative and report back to the Board. Trustees and Local Advisory Body members are also offered the opportunity to observe the others' meetings.

The Principals/Headteacher of School and Senior Management Teams in each school are responsible for the day-to-day operations of that School, particularly in relation to staff and students.

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

The Trust has a robust pay policy which sets out the framework for making decisions on staff pay. Remuneration awards in the year are subject to the Key Management Personnel demonstrating a sustained high-quality performance, as indicated by the extent to which objectives delineated in his/her annual performance appraisal have been met. Pay recommendations for the wider staff group and for the Head Teachers are presented to the Board for consideration annually.

h. Related parties and other connected charities and organisations

Bedford College is the founder/sponsor of Bedford College Academies Trust Limited under the memorandum and articles of association. Bedford College has continued to provide support to the Trust for central functions including Finance, HR and Governance support since the Trust started to operate in 2017 until August 2022. The schools also source support from the IT and Marketing departments at Bedford College. The services are provided at cost.

i. Trade union facility time

There was one relevant trade union staff during the relevant period. They are provided with facility time.

OBJECTIVES AND ACTIVITIES

The Trust's objective is specifically restricted to advance, for the public benefit, education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

(continued)

a. Objects and aims

In furtherance of the object the Trust may exercise powers to financially operate in the name of the Trust, raise funds and to invite and receive contributions, acquire, alter, improve or dispose of property, employ such staff as are necessary for the proper pursuit of the object and to make necessary provision for pensions and superannuation for staff and their dependents.

Also, they may establish or support any charitable trusts, associations or institutions formed for all or any of the purposes of the object, co-operate with other charities, other independent and maintained schools, voluntary bodies and statutory authorities operating in furtherance of the object and to exchange information and advice with them.

The Trust may offer scholarships, exhibitions, prizes and awards to pupils and former pupils, and otherwise to encourage and assist pupils and former pupils, provide educational facilities and services to students of all ages and the wider community for the public benefit.

It may carry out research into the development and application of new techniques in education in particular in relation to the areas of curricular specialisation of the Trust and to its approach to curriculum development and delivery and to publish the results of such research, and to develop means of benefiting from application of the experiences of industry, commerce, other schools and the voluntary sector to the education of pupils in academies.

To do all such other lawful things as are necessary for or are incidental to or conducive to the achievement of the object. The income and property of the Academy Trust shall be applied solely towards the promotion of the object.

b. Objectives, strategies and activities

Bedford College Academies Trust (BCAT) was established to develop and provide the highest quality education to local young people.

BCAT sees itself as being part of a local family of schools and academies and will normally only consider sponsoring institutions if they wish to be sponsored by us.

We want our academies to focus fully on teaching and learning. To that end, we in turn focus on ensuring we have very high-quality leaders and teachers, and first-class learning environments. We also emphasise expert, impartial and individual advice and guidance, and strong links with parents and local employers. In order to allow staff to concentrate on teaching and learning, we provide strong central professional and support expertise that an individual academy would otherwise not be able to afford, such as IT and HR support.

In summary therefore our:

- Vision is to deliver world-class education and skills to the communities we serve;
- Mission is to support and enrich our community through the promotion, development and delivery of excellent education. In addition we seek to promote social inclusion and personal enhancement within that community; and
- Values are Pupil Focus, High Performance, Respect, Openness and Honesty

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

(continued)

Success is defined by our pupils. BCAT wants its pupils to be described when they leave our schools as expert and skilled (for their age); resilient; reliable; caring; well mannered; articulate and rounded individuals. We want our pupils when they leave formal education to be good citizens able to take control of their destiny and able to navigate the world confidently.

During the year, both academies have continued to increase in scale as the number of year group increases. Both academies are very highly regarded in the community which increases the pressure on school places even further.

c. Public benefit

The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission, in exercising their powers and duties. The Trust brings together two Academies to advance its object of providing education for the public benefit and to improve the attainment of young people in the area at 16-18 by improving performance locally below those ages.

BEDFORD COLLEGE ACADEMIES TRUST LTD
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

(continued)

a. Key performance indicators

The Wixams community is relatively recently established and as such the community is still growing due to the release of new housing in the village. Therefore, the two schools are expanding by one year group each year until all year groups are populated. For 2021/22 this meant that Wixams Academy had year groups 7 to 11 only, whilst Wixams Tree Primary had children on roll in all year groups - reception, 1, 2, 3, 4, 5 and 6. (The Primary expanded 1 year earlier than planned, when it opened an extra year group (year 4) in 2018 due to demand for school places.

It was a significant moment for the Trust and the two academies to see the first pupil cohort transfer from the primary to the secondary academy in September 2022.

Actual pupil numbers on roll in 2021/22 exceeded the planned number as follows:

School	Planned pupil numbers	Actual pupil numbers	Pupil numbers
	2021/22	2021/22	over plan
Wixams Academy	600	719	119
Wixams Tree Primary	300	382	82
Total	900	1,101	201

Wixams Academy and Wixams Tree Primary were inspected in 2021/22. The results were as follows:

	Wixams Academy	Wixams Tree Primary
Quality of Education	Good	Requires Improvement
Personal Development	Good	Good
Behaviour	Requires Improvement	Good
Leadership & Management	Requires Improvement	Requires Improvement
Overall	Requires Improvement	Requires Improvement

Other key performance indicators were as follows:

Wixams Academy Key Performance Indicator	Result
Progress 8	0.13+
Progress 8:	
Low Prior Attainers (LPA)	-0.12
Medium Prior Attainers (MPA)	0.29+
High Prior Attainers (HPA)	-0.13
Attainment 8	47.55
Basics 5+	49%
Progress in Maths	0.34+
Progress in English	-0.05
EBACC Entry, Pass Rate and Progress	Entry 23% 5+ inc EBACC 13% Progress in EBACC subjects 0.22+
Progress in Open Element Subjects	0.01
Progress for Disadvantaged pupils	0.12+
Progress for SEND pupils	

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

(continued)

(whilst this hasn't been published in the latest DfE data release it is possible to work out indicative results)

SEND All -0.61 (19 pupil)

SEND High Prior Attainers (2 pupils) -0.31
SEND Medium Prior Attainers (6 pupils) -0.64
SEND Low Prior Attainers (11 pupils) -0.42

Wixams Tree Primary

READING	WRITING	MATHS	GPS	RWM combined	Interim National Standards 2022
66%	66%	71%	85%	49%	59%

Financial review

The Trust Monitors the financial health of the organisation through the use of key performance financial indicators, the plan and outturn position for 2021/22 are as follows;

Indicators	Outturn 2021/22 (a)	Trust Policy * (b)	Variance (a-b)	Budget 2021/22 (c)	Variance (a-c)
Enrolment numbers	1,101	900	201	900	201
Income (£'000')	7,056	n/a	n/a	6,892	(156)
Pay as a % of budgeted expenditure	73%	n/a	n/a	n/a	6%
Surplus	-1%	3%	-4%	3%	-4%
Cash (£'000')	1,874	n/a	n/a	n/a	n/a

*The Trust has set overriding principles for budget setting which is intended to ensure there is efficiency and financial resilience in the Trust's accounts.

The majority of the income is obtained from the Education Skills and Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants from the ESFA and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

BEDFORD COLLEGE ACADEMIES TRUST LTD
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

a. Reserves policy

The Trustees consider it prudent to hold revenue reserves in the general fund equivalent to 3 months average income. This would equate to approximately £1,764k based on the Trust's 2021/2022 income levels. The actual level of revenue reserves as at 31 August 2022 across the Trust currently stands at £1,884k.

At this point in time the reserves would be sufficient to meet this level without it being financially constraining to the Trust. The current level of free reserves is the equivalent of 13 weeks of income.

The Trust includes two academies which until now have grown annually by an additional year group and as a consequence the target reserve level increased each year. The Trust cash balances are strong, exceeding the reserves level. The Trustees have considered the position, and taking into account the cash flow in the sector, are confident that the Trust has sufficient reserves to meet identifiable risks. The Trust however recognises that the level of growth in reserves will be difficult to maintain and will monitor the position closely.

At 31 August 2022 the total funds comprised:

		£
Unrestricted:		42,803
Restricted:	General	<u>1,161,310</u>
		1,204,113
	Fixed assets fund	695,603
	Pension reserve	<u>(15,000)</u>
		<u>1,884,716</u>

b. Principal risks and uncertainties

The major risks identified and addressed by the board of Trustees during the year have included:

- Growing the Trust by a year group for both schools without disruption to the existing pupils;
- Ensuring compliance with the Academies Financial Handbook and legislative requirements;
- Ensuring that the academies have detailed school improvement programmes and to manage possible capital expansion; and
- Lack of pupil spaces available to meet public demand.

Fundraising

The Academy Trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Plans For Future Periods

As set out in the original plan the Trustees will continue to grow each school by a year group until they reach their planned year groups. This is expected to be in 2023-24 for Wixams Academy and has already been achieved one year early for Wixams Tree Primary. The first Year 11 cohort in Wixams Academy started in September 2021 and the Sixth Form Year 12 has started in September 2022.

In view of the growing size of the village of Wixams, the Trust is delighted that construction work starts shortly in Wixams Tree Primary to increase the annual pupil intake from 60 to 90 per annum. This increases the size of the Primary to 630 pupils excluding the Nursery and Pre / After School care. The project to double the size of Wixams Academy could start in the coming months. Both projects are being funded by the local authorities Bedford Borough Council and Central Bedfordshire Council.

There will be no related party transactions from 20 April 2023.

The Trust Board have confirmed that the focus for the next 18 months will be the delivery of these two projects as well as maintaining educational standards for all its pupils. At that point the Trust will consider options for growth and increasing the number of academies within the Trust.

Auditor

Insofar as the Trustees are aware:

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

The Trustees' Report was approved by order of the Board of Trustees, as the company directors, on and signed on its behalf by:



.....
Anthony Abrahams
Trustee

Date: 07/12/2022

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that Bedford College Academies 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 Chief Executive in the capacity of 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 Bedford College Academies 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.

The Board of Trustees has delegated the day-to-day responsibility to the Accounting Officer, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Bedford College Academies Trust Ltd 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.

BEDFORD COLLEGE ACADEMIES TRUST LTD
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GOVERNANCE STATEMENT (CONTINUED)

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 5 times during the year. An Audit Committee was established during the year and met once in May 2021. Attendance during the year, including the 5 full meetings of the Board of Trustees and the one meeting of the Audit Committee is given below. Although this is below the recommended minimum of 6 meetings during the year the Trustees consider that 5 meetings, together with regular informal communication, is sufficient to maintain effective oversight of funds.

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

Board of Trustees

Trustee	Meetings attended	Out of a possible
Anthony Abrahams, Chair	5	5
Lesley Glover (resigned 11 November 2021)	0	1
Patricia Jones, Accounting Officer (resigned 8 October 2021)	1	1
Mark Kiteley, Audit Committee Chair	5	5
Jasmin Masih	4	5
Christine O'Reilly	3	5
Ian Pryce	5	5

Audit and Risk Committee

Trustee	Meetings attended	Out of a possible
Mark Kiteley, Chair	4	4
Christine O'Reilly	3	4
Ian Pryce	4	4

The Board's work plan covers a number of key areas including strategic direction, regulatory and legal compliance, delegation, monitoring of the performance of the individual academies and scrutiny of financial performance. In addition to the formal meetings of the Trust board and Audit & Risk Sub-Committee, the Board also holds annual strategy days each year, and did so in October 2021 led by an external facilitator.

The Board receives pupil performance data directly from the Principal and Headteacher of each academy together with benchmarking data on pupil performance locally and nationally to provide benchmark information on performance. The Board receives information at each meeting reflecting the most current financial position for the schools and at the Trust level. This enables scrutiny of the financial position ensuring there is financial resilience for the Trust. The Board is conscious that as the Trust and pupil numbers grow they will review higher-level performance data and terms of reference for Local Advisory Bodies are being reviewed and changed for 2022-23.

The Audit & Risk Committee has delegated responsibility for oversight of the Trust's internal control, financial as well as risk management procedures.

Governance Reviews

An external review of governance arrangements was conducted by the National Governance Association in the summer term of 2021-22. This review is now being actioned leading to a change in the terms of reference for

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Local Advisory Bodies (see above), an increase in the numbers of Members to 5 and an increase in the size of Local Advisory Bodies and the Board of Trustees to reflect the growth in the size of each academy and possible growth in the number of academies within the Trust.

Review of value for money

The Accounting Officer has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Academy Trust use of its resources has provided good value for money during each academic year, and reports to the board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

- Undertaking tendering exercises for procurement of goods and services;
- Annual budget planning and annual financial review;
- Analysis of pupil performance data and the efficiency of the curriculum provision and the construction of the timetable; and
- Offering community use of school facilities.

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 Bedford College Academies Trust for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

The Trust introduced an Audit Committee during the year and this met for the first time in May 2021. In addition Internal Auditors have been appointed.

Capacity to handle risk

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

GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

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

- the work of the Internal Auditor;
- the financial management and governance self-assessment process; and
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditors;

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 general services committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees and signed on their behalf by:



.....
Anthony Abrahams
Trustee

Date: 07/12/2022



.....
Hywel Jones
Accounting Officer

GOVERNANCE STATEMENT (CONTINUED)

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 financial reports which are reviewed and agreed by the Board of Trustees;
 - regular reviews by the Board of Trustees 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;
 - implementation of appropriate information systems;
 - clearly defined purchasing (asset purchase or capital investment) guidelines;
 - delegation of authority and segregation of duties; and
 - identification and management of risks.
- The Board of Trustees has considered the need for a specific internal audit function and in recognition of the increasing scale of the Trust has decided that the additional independent scrutiny is required. The internal auditors have undertaken two audit reviews – Compliance with the Academies Financial Handbook and Effectiveness of Risk Management Procedures. The Internal Audit work programme for the next year will be considered by the Audit Committee in November 2021. As part of the appointment process for the Internal Auditors, the Audit Committee were clear that the audit remit needed to go beyond the traditional areas of financial management to include non-financial aspects such as the areas where the Trust has specific statutory and mandatory responsibilities.

Should there be emerging issues on the operation of the systems of control and on the discharge of the Trust's financial responsibilities the Internal Auditor would report these to the Trustees. The Internal Auditors attend the Audit Committee to present their findings.

The reviewer's role includes giving advice on financial and other 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 XXX

On a quarterly basis, the reviewer reports to the Board of Trustees through the audit and risk committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and annually prepares a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The internal auditor has delivered their schedule of work as planned and there were no material control issues arising.

BEDFORD COLLEGE ACADEMIES TRUST LTD
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Bedford College Academies Trust Ltd 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 2021.

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

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



.....
Hywel Jones
Accounting Officer

Date: 07/12/2022

BEDFORD COLLEGE ACADEMIES TRUST LTD
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2022

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

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

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

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

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

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

Approved by order of the members of the Board of Trustees and signed on its behalf by:



.....
Anthony Abrahams
Chair of Trustees

Date: 07/12/2022

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BEDFORD COLLEGE ACADEMIES TRUST LTD**

Opinion

We have audited the financial statements of Bedford College Academies Trust Ltd (the 'academy trust') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

BEDFORD COLLEGE ACADEMIES TRUST LTD
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BEDFORD COLLEGE ACADEMIES TRUST LTD (CONTINUED)**

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

BEDFORD COLLEGE ACADEMIES TRUST LTD
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BEDFORD COLLEGE ACADEMIES TRUST LTD AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- reviewing the Minutes of the meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity;
- a review of the objectives and activities of the Academy, with reference to the income streams and other information available to us as auditors of the Academy;
- testing of a sample of payroll payments to staff;
- testing of a sample of payments to suppliers and other third parties;
- consideration of governance issues; and
- evaluating the internal control procedures and reporting lines, testing as appropriate and making appropriate enquiries of the Accounting Officer.

Conclusion

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

MHA MacIntyre Hudson
Chartered Accountants
Statutory Auditors
2 London Wall Place
London
EC2Y 5AU

Date: 07/12/2022

BEDFORD COLLEGE ACADEMIES TRUST LTD
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BEDFORD COLLEGE ACADEMIES TRUST LTD AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Bedford College Academies Trust Ltd during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Bedford College Academies Trust Ltd's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Bedford College Academies Trust Ltd's funding agreement with the Secretary of State for Education dated 21 April 2021 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BEDFORD COLLEGE ACADEMIES TRUST LTD (CONTINUED)**

Responsibilities of Trustees

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff to identify any instances of non-compliance with laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing internal audit reports;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

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

BEDFORD COLLEGE ACADEMIES TRUST LTD
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BEDFORD COLLEGE ACADEMIES TRUST LTD (CONTINUED)**

Use of our report

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

Rakesh Shaunak (Senior Statutory Auditor)

for and on behalf of
MHA MacIntyre Hudson
Chartered Accountants
Statutory Auditors
London

Date: 07/12/2022

BEDFORD COLLEGE ACADEMIES TRUST LTD
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:						
Donations and capital grants	3	9,907	-	34,628	44,535	287,886
Other trading activities		14,437	-	-	14,437	6,474
Charitable activities		-	6,660,155	-	6,660,155	5,008,109
Total income		24,344	6,660,155	34,628	6,719,127	5,302,469
Expenditure on:						
Charitable activities		-	6,815,818	228,452	7,044,270	4,961,239
Total expenditure		-	6,815,818	228,452	7,044,270	4,961,239
Net income/ (expenditure)		24,344	(155,663)	(193,824)	(325,143)	341,230
Transfers between funds	17	-	(380,135)	380,135	-	-
Net movement in funds before other recognised gains		24,344	(535,798)	186,311	(325,143)	341,230
Other recognised losses:						
Actuarial gains/(losses) on defined benefit pension schemes	23	-	1,182,000	-	1,182,000	(119,000)
Net movement in funds		24,344	646,202	186,311	856,857	222,230
Reconciliation of funds:						
Total funds brought forward		18,459	500,108	509,292	1,027,859	805,629
Net movement in funds		24,344	646,202	186,311	856,857	222,230
Total funds carried forward		42,803	1,146,310	695,603	1,884,716	1,027,859

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

The notes on pages 27 to 52 form part of these financial statements.

BEDFORD COLLEGE ACADEMIES TRUST LTD
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07652552

BALANCE SHEET
AS AT 31 AUGUST 2022

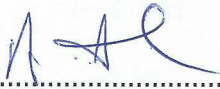
	Note	2022 £	2021 £
Fixed assets			
Intangible assets	13	4,945	7,976
Tangible assets	14	690,658	500,917
		<u>695,603</u>	<u>508,893</u>
Current assets			
Debtors	15	168,447	103,683
Cash at bank and in hand	21	1,873,861	1,829,639
		<u>2,042,308</u>	<u>1,933,322</u>
Creditors: amounts falling due within one year	16	(838,195)	(600,356)
Net current assets		<u>1,204,113</u>	1,332,966
Total assets less current liabilities		<u>1,899,716</u>	1,841,859
Defined benefit pension scheme liability	23	(15,000)	(814,000)
Total net assets		<u><u>1,884,716</u></u>	<u><u>1,027,859</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	17	695,603	509,292
Restricted income funds	17	1,161,310	1,314,108
		<u>1,856,913</u>	<u>1,823,400</u>
Restricted funds excluding pension asset	17	1,856,913	1,823,400
Pension reserve	17	(15,000)	(814,000)
Total restricted funds	17	<u>1,841,913</u>	1,009,400
Unrestricted income funds	17	42,803	18,459
Total funds		<u><u>1,884,716</u></u>	<u><u>1,027,859</u></u>

BEDFORD COLLEGE ACADEMIES TRUST LTD
(A Company Limited by Guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2022

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 23 to 52 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



.....
Anthony Abrahams
Chair of Trustees

Date: 07/12/2022

The notes on pages 27 to 52 form part of these financial statements.

BEDFORD COLLEGE ACADEMIES TRUST LTD
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	19	424,756	641,140
Cash flows from investing activities	20	(380,534)	399
Change in cash and cash equivalents in the year		44,222	641,539
Cash and cash equivalents at the beginning of the year		1,829,639	1,188,100
Cash and cash equivalents at the end of the year	21, 22	1,873,861	1,829,639

The notes on pages 27 to 52 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies

Bedford College Academies Trust Ltd is a private company limited by guarantee, incorporated in England. Its registered number and address of registered office are detailed on page 1 and 2. The nature of the Academy Trust's operations and principal activity are detailed on the Trustees' Report.

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

The financial statements are prepared in £ sterling, rounded to the nearest £1.

1.1 Basis of preparation of financial statements

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Bedford College Academies Trust Ltd 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 Academy Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.3 Income

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

• **Grants**

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

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

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

• **Sponsorship income**

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the year in which it is receivable (where there are no performance-related conditions) where 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 year it is receivable and to the extent the Academy Trust has provided the goods or services.

1.4 Expenditure

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

• **Charitable activities**

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.4 Expenditure (continued)

All resources expended are inclusive of irrecoverable VAT.

1.5 Taxation

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

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

1.6 Intangible assets

Intangible assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

The estimated useful lives are as follows:

Software	- 4 years
----------	-----------

1.7 Tangible fixed assets

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

1. Accounting policies (continued)

1.7 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

Plant and machinery	- 25% straight line
Computer equipment	- 25% straight line
Assets under construction	- nil

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

1.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.9 Cash at bank and in hand

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

1.10 Liabilities and provisions

Liabilities 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.

1.11 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

1.12 Pensions

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

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

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

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

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

1.13 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Academy Trust at the discretion of the Trustees.

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and capital grants

	Unrestricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	9,907	-	9,907	-
Capital grants	-	34,628	34,628	287,886
Total 2022	9,907	34,628	44,535	287,886

BEDFORD COLLEGE ACADEMIES TRUST LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

4. Funding for the Academy Trust's charitable activities

	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Educational operations			
DfE/ESFA grants			
General annual grant (GAG)	5,588,712	5,588,712	3,986,139
Other DfE/ESFA grants			
Other DfE/ESFA grants	265,972	265,972	153,712
Pupil premium	210,799	210,799	172,980
Teacher recharges	8,634	8,634	217,850
	<u>6,074,117</u>	<u>6,074,117</u>	<u>4,530,681</u>
Other Government grants			
Local authority grants	462,080	462,080	322,503
	<u>462,080</u>	<u>462,080</u>	<u>322,503</u>
Other income	99,525	99,525	54,281
COVID-19 additional funding (DfE/ESFA)			
COVID-19 Catch-up premium grant	-	-	68,240
Other DfE/ESFA COVID grants	24,433	24,433	32,404
	<u>24,433</u>	<u>24,433</u>	<u>100,644</u>
	<u>6,660,155</u>	<u>6,660,155</u>	<u>5,008,109</u>
	<u>6,660,155</u>	<u>6,660,155</u>	<u>5,008,109</u>
Total 2021	<u>5,008,109</u>	<u>5,008,109</u>	

In the year ended 31 August 2021, the Academy received £68,240 of funding for catch-up premium and costs incurred in respect of this funding totalled £68,240, with £nil carried forward into 2021/22.

BEDFORD COLLEGE ACADEMIES TRUST LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

5. Income from other trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Hire of facilities	14,437	14,437	6,474

6. Expenditure

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £	Total 2021 £
Educational operations:					
Direct costs	4,164,690	-	394,096	4,558,786	3,486,210
Allocated support costs	1,018,182	212,570	1,254,732	2,485,484	1,475,029
	<u>5,182,872</u>	<u>212,570</u>	<u>1,648,828</u>	<u>7,044,270</u>	<u>4,961,239</u>
Total 2021	<u>3,752,321</u>	<u>421,787</u>	<u>787,131</u>	<u>4,961,239</u>	

7. Net income/(expenditure) for the period includes:

	2022 £	2021 £
Depreciation	225,421	246,019
Amortisation of intangible fixed assets (included within Charitable Activities - Academy Trust educational operations)	3,031	10,040
Operating lease charges	3,720	3,576
Fees payable to auditor for - audit	10,500	9,500
Fees payable to auditor for - other services	4,000	4,000

BEDFORD COLLEGE ACADEMIES TRUST LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

8. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Educational operations	4,558,786	2,485,484	7,044,270	4,961,239

Analysis of support costs

	Educational operations 2022 £	Total funds 2022 £	Total funds 2021 £
LGPS pension costs	11,000	11,000	7,000
Staff costs	1,018,182	1,018,182	477,717
Depreciation and amortisation	228,452	228,452	256,059
Insurance	23,602	23,602	17,413
Technology costs	103,962	103,962	9,914
Premises costs	212,570	212,570	150,068
Governance costs	16,100	16,100	11,925
Other support costs	871,616	871,616	544,933
	<u>2,485,484</u>	<u>2,485,484</u>	<u>1,475,029</u>

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NOTES TO THE FINANCIAL STATEMENTS
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9. Staff

a. Staff costs

Staff costs during the year were as follows:

	2022 £	2021 £
Wages and salaries	3,458,706	2,564,493
Social security costs	335,886	234,666
Pension costs	1,136,897	758,733
	<u>4,931,489</u>	<u>3,557,892</u>
Agency staff costs	251,383	194,429
	<u>5,182,872</u>	<u>3,752,321</u>

b. Staff numbers

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

	2022 No.	2021 No.
Teachers	61	43
Administration and support	70	54
Management	4	2
	<u>135</u>	<u>99</u>

The full time equivalent of persons employed by the Academy Trust amounted to 102.

c. Higher paid staff

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

	2022 No.	2021 No.
In the band £60,001 - £70,000	3	2
In the band £80,001 - £90,000	-	1
In the band £90,001 - £100,000	1	-
	<u>1</u>	<u>-</u>

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9. Staff (continued)

c. Higher paid staff (continued)

The above employees participated in the Teacher Pension Scheme. During the year ended 31 August 2022, pension contributions for these employees amounted to £52,378 (2021: £51,284).

d. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £390,576 (2021: £531,437).

10. Central services

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

- Administration salaries
- Professional services (clerking)

The Academy Trust charges for these services on the following basis:

GAG funding

Central services have been charged from 1 September 2020.

The actual amounts charged during the year were as follows:

	2022 £	2021 £
Wixams Academy	246,000	177,000
Wixams Tree Primary School	91,000	68,000
Total	337,000	245,000

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL). In the prior year disclosures relating to P Spyropoulos were made in error and have therefore been removed.

During the year ended 31 August 2022, no Trustee expenses have been incurred (2021 - £NIL).

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12. Trustees' and Officers' insurance

The Academy Trust has opted into the Department of 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 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 membership.

13. Intangible assets

	Computer software £
Cost	
At 1 September 2021	49,806
At 31 August 2022	<u>49,806</u>
Amortisation	
At 1 September 2021	41,830
Charge for the year	3,031
At 31 August 2022	<u>44,861</u>
Net book value	
At 31 August 2022	<u>4,945</u>
At 31 August 2021	<u>7,976</u>

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14. Tangible fixed assets

	Assets under construction £	Plant and machinery £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2021	-	404,834	752,957	1,157,791
Additions	285,403	90,246	39,513	415,162
At 31 August 2022	<u>285,403</u>	<u>495,080</u>	<u>792,470</u>	<u>1,572,953</u>
Depreciation				
At 1 September 2021	-	202,998	453,876	656,874
Charge for the year	-	93,272	132,149	225,421
At 31 August 2022	<u>-</u>	<u>296,270</u>	<u>586,025</u>	<u>882,295</u>
Net book value				
At 31 August 2022	<u>285,403</u>	<u>198,810</u>	<u>206,445</u>	<u>690,658</u>
At 31 August 2021	<u>-</u>	<u>201,836</u>	<u>299,081</u>	<u>500,917</u>

15. Debtors

	2022 £	2021 £
Trade debtors	5,037	7,140
Other debtors	76,635	4,230
Prepayments and accrued income	86,775	92,313
	<u>168,447</u>	<u>103,683</u>

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16. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Trade creditors	190,501	47,494
Other taxation and social security	176,016	127,207
Other creditors	-	3,207
Accruals and deferred income	471,678	422,448
	838,195	600,356
	£	£
Deferred income at 1 September	134,504	67,179
Resources deferred during the year	107,414	134,504
Amounts released from previous periods	(134,504)	(67,179)
	107,414	134,504

At the balance sheet date the Academy Trust was holding funds received in advance of £107,414 (2021: £134,504) relating to General Annual Grant, school fund, uniform income, and capital grants which relate to the 2022/23 academic year.

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17. Statement of funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
General Funds - all funds	18,459	24,344	-	-	-	42,803
Restricted general funds						
Restricted Funds - all funds	1,314,108	6,660,155	(6,432,818)	(380,135)	-	1,161,310
Pension reserve	(814,000)	-	(383,000)	-	1,182,000	(15,000)
	<u>500,108</u>	<u>6,660,155</u>	<u>(6,815,818)</u>	<u>(380,135)</u>	<u>1,182,000</u>	<u>1,146,310</u>
Restricted fixed asset funds						
Class II Restricted Funds - all funds	509,292	34,628	(228,452)	380,135	-	695,603
Total Restricted funds	<u>1,009,400</u>	<u>6,694,783</u>	<u>(7,044,270)</u>	<u>-</u>	<u>1,182,000</u>	<u>1,841,913</u>
Total funds	<u><u>1,027,859</u></u>	<u><u>6,719,127</u></u>	<u><u>(7,044,270)</u></u>	<u><u>-</u></u>	<u><u>1,182,000</u></u>	<u><u>1,884,716</u></u>

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

Restricted fixed asset funds amounting to £695,603 will be reserved against future depreciation and amortisation charges.

Restricted general funds will be used for educational purposes in line with the Academy Trust's objects and its funding agreement with the ESFA.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2022.

BEDFORD COLLEGE ACADEMIES TRUST LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

17. Statement of funds (continued)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
General Funds	11,985	6,474	-	-	-	18,459
Restricted general funds						
General annual grant (GAG)	817,818	3,986,139	(3,489,849)	-	-	1,314,108
Other DfE/ESFA Funding	(10,812)	538,068	(527,256)	-	-	-
LA Funding	1,173	322,503	(323,676)	-	-	-
Miscellaneous Restricted	-	6,474	(6,474)	-	-	-
Parental contributions	-	54,281	(54,281)	-	-	-
COVID-19 Catch-up premium	-	68,240	(68,240)	-	-	-
Other COVID-19 grants	-	32,404	(32,404)	-	-	-
Pension reserve	(492,000)	-	(203,000)	-	(119,000)	(814,000)
	<u>316,179</u>	<u>5,008,109</u>	<u>(4,705,180)</u>	<u>-</u>	<u>(119,000)</u>	<u>500,108</u>
Restricted fixed asset funds						
ESFA Capital Grants - Unspent	-	287,886	-	(287,487)	-	399
ESFA Capital Grants - Spent	371,641	-	(150,235)	287,487	-	508,893
Other Capital Grants - Spent	105,824	-	(105,824)	-	-	-
	<u>477,465</u>	<u>287,886</u>	<u>(256,059)</u>	<u>-</u>	<u>-</u>	<u>509,292</u>

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NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds (continued)

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Total Restricted funds	793,644	5,295,995	(4,961,239)	-	(119,000)	1,009,400
Total funds	805,629	5,302,469	(4,961,239)	-	(119,000)	1,027,859

Total funds analysis by academy

Fund balances at 31 August 2022 were allocated as follows:

	2022 £	2021 £
Wixams Academy	307,258	331,821
Wixams Tree Primary School	590,535	438,425
Bedford College Academies Trust	306,320	562,321
Total before fixed asset funds and pension reserve	1,204,113	1,332,567
Restricted fixed asset fund	695,603	509,292
Pension reserve	(15,000)	(814,000)
Total	1,884,716	1,027,859

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17. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2022 £	Total 2021 £
Wixams Academy	3,054,925	840,475	78,662	790,638	4,764,700	3,155,976
Wixams Tree Primary School	1,109,765	177,707	26,520	478,261	1,792,253	1,282,214
Central services	-	-	-	258,865	258,865	266,990
Academy Trust	4,164,690	1,018,182	105,182	1,527,764	6,815,818	4,705,180

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	690,658	690,658
Intangible fixed assets	4,945	-	-	4,945
Current assets	891,053	1,146,310	4,945	2,042,308
Creditors due within one year	(838,195)	-	-	(838,195)
Provisions for liabilities and charges	(15,000)	-	-	(15,000)
Total	42,803	1,146,310	695,603	1,884,716

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18. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	500,917	500,917
Intangible fixed assets	-	-	7,976	7,976
Current assets	18,459	1,914,464	399	1,933,322
Creditors due within one year	-	(600,356)	-	(600,356)
Provisions for liabilities and charges	-	(814,000)	-	(814,000)
Total	<u>18,459</u>	<u>500,108</u>	<u>509,292</u>	<u>1,027,859</u>

19. Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2022 £	2021 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(325,143)	341,230
Adjustments for:		
Amortisation	3,031	10,040
Depreciation	225,421	246,019
Capital grants from DfE and other capital income	(34,628)	(287,886)
Defined benefit pension scheme cost less contributions payable	372,000	196,000
Defined benefit pension scheme finance cost	11,000	7,000
Increase in debtors	(64,764)	(15,253)
Increase in creditors	237,839	143,990
Net cash provided by operating activities	<u>424,756</u>	<u>641,140</u>

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20. Cash flows from investing activities

	2022 £	2021 £
Purchase of intangible assets	-	(6,250)
Purchase of tangible fixed assets	(415,162)	(281,237)
Capital grants from DfE Group	34,628	287,886
Net cash (used in)/provided by investing activities	(380,534)	399

21. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand and at bank	1,873,861	1,829,639

22. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	1,829,639	44,222	1,873,861
	<u>1,829,639</u>	<u>44,222</u>	<u>1,873,861</u>

NOTES TO THE FINANCIAL STATEMENTS
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23. Pension commitments

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

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

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

Teachers' Pension Scheme

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

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

The Teachers' Pension Budgeting and Valuation Account

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

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

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

The employer's pension costs paid to TPS in the year amounted to £514,897 (2021 - £577,733).

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

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate Trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £315,000 (2021 - £226,000), of which employer's contributions totalled £250,000 (2021 - £181,000) and employees' contributions totalled £ 65,000 (2021 - £45,000). The agreed contribution rates for future years are 22.8 per cent for employers and 5.5 per cent for employees.

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

Principal actuarial assumptions

	2022	2021
	%	%
Rate of increase in salaries	3.95	3.90
Rate of increase for pensions in payment/inflation	2.95	2.90
Discount rate for scheme liabilities	4.25	1.65

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23. Pension commitments (continued)

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

	2022	2021
	Years	Years
Retiring today		
Males	22	21.9
Females	24.4	24.3
Retiring in 20 years		
Males	22.9	22.9
Females	26.1	26.0

Sensitivity analysis

The projected service cost is estimated to vary on the basis of the following assumptions

	2022	2021
	£000	£000
Discount rate +0.1%	228	49
Discount rate -0.1%	(246)	(50)
Mortality assumption - 1 year increase	245	79
Mortality assumption - 1 year decrease	(229)	(46)
CPI rate +0.1%	246	47
CPI rate -0.1%	(228)	(76)

Share of scheme assets

The Academy Trust's share of the assets in the scheme was:

	At 31	At 31 August
	August 2022	2021
	£	£
Equities	893,000	783,000
Corporate bonds	338,000	213,000
Property	206,000	101,000
Cash and other liquid assets	54,000	22,000
Total market value of assets	1,491,000	1,119,000

The actual return on scheme assets was £(7,000) (2021 - £101,000).

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

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

	2022 £	2021 £
Current service cost	(621,000)	(376,000)
Interest income	22,000	14,000
Interest cost	(33,000)	(21,000)
Administrative expenses	(1,000)	(1,000)
Total amount recognised in the Statement of Financial Activities	(633,000)	(384,000)

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

	2022 £	2021 £
At 1 September	1,933,000	1,246,000
Interest cost	33,000	21,000
Employee contributions	65,000	45,000
Actuarial (gains)/losses	(1,211,000)	206,000
Benefits paid	65,000	39,000
Current service costs	621,000	376,000
At 31 August	1,506,000	1,933,000

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

	2022 £	2021 £
At 1 September	1,119,000	754,000
Interest income	22,000	14,000
Actuarial (losses)/gains	(29,000)	87,000
Employer contributions	250,000	181,000
Employee contributions	65,000	45,000
Benefits paid	65,000	39,000
Administration expenses	(1,000)	(1,000)
At 31 August	1,491,000	1,119,000

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The amounts recognised in the Balance Sheet are as follows:

	2022 £	2021 £
Present value of funded obligations	(1,506,000)	(1,933,000)
Fair value of scheme assets	1,491,000	1,119,000
	<u>(15,000)</u>	<u>(814,000)</u>

Total remeasurements recognised in Other Comprehensive Income:

	2022 £	2021 £
Changes in financial assumptions	1,374,000	(256,000)
Changes in demographic assumptions	-	18,000
Other remeasurements	(192,000)	119,000
	<u>1,182,000</u>	<u>(119,000)</u>

24. Operating lease commitments

At 31 August 2022 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	2021 £
Not later than 1 year	3,720	1,192
Later than 1 year and not later than 5 years	4,650	-
	<u>8,370</u>	<u>1,192</u>

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/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

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

During the academic year the Academy Trust was charged £106,885 (2021 - £123,292) by Bedford College for finance and administration services.

Separately, during the year the Academy Trust was charged £110,430 (2021 - £57,367) by Bedford College Services Limited for finance and administration services.

The Academy Trust is in the process of concluding its arrangements with the above related parties so that all such services are provided internally.

No further related party transactions took place in the year.