

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details	1
Trustees' Report	2 - 9
Governance Statement	10 - 13
Statement on Regularity, Propriety and Compliance	14
Statement of Trustees' Responsibilities	15
Independent Auditor's Report on the Financial Statements	16 - 19
Independent Reporting Accountant's Report on Regularity	20 - 21
Statement of Financial Activities Incorporating Income and Expenditure Account	22 - 23
Balance Sheet	24 - 25
Statement of Cash Flows	26
Notes to the Financial Statements	27 - 56

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees	S A G Abrahams P Clarkson M Y Kiteley J N Masih C A O'Reilly I M Pryce M Thompson (appointed 21 June 2023) D A Evans (resigned 16 May 2023)
Company registered number	07652552
Company name	Bedford College Academies Trust
Principal and registered office	Bedford College Green Lane Wixams Bedford MK42 6BA
Company secretary	A Quinn
Senior management team	Paul Spyropoulos, Principal (Wixams Academy) Mary Langley, Headteacher (Wixam Tree Primary School), until 31 March 2023 Suzanna Neate, Interim Headteacher (Wixam Tree Primary School), 1 April 2023 to 31 August 2023 Hywel Jones, Chief Executive and Accounting Officer
Independent auditor	MHA 2 London Wall Place London EC2Y 5AU
Bankers	Barclays 111 High Street Bedford MK40 1NJ
Solicitors	Stone King LLP 3rd Floor Bateman House 82-88 Hills Road Cambridge CB2 1NQ

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a Trustees' report and a directors' report and strategic report under company law.

Structure, governance and management

a. Constitution

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1st September 2022 to 31st August 2023. The annual report serves the purposes of both a Trustees' report, and a directors' report under company law.

It has a pupil capacity of 1,291 and had a roll of 1,250 across the schools at end of the financial year. By the time of the October 2023 census this rose to 1,395 pupils reflecting the demographic growth in the community and the addition of year group 13. Due to the increase in basic need in the local area the Trust submitted two significant change applications to increase capacity at both schools, this has increased the capacity of Wixams Academy to 1750 and Wixams Tree Primary School to 630 from August 2023 onwards.

The charitable company's Trust deed is the primary governing document of the Trust.

The Trustees of Bedford College Academies Trust are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Bedford College Academies 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.

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, governance and management (continued)

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.

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 a new Chief Executive in June 2022 whose responsibilities include being the chief strategic adviser to the Trustees as well as managing the school's Principal and Headteacher.

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. New terms of reference for the Local Advisory Bodies were implemented in the period following a governance review by the National Governance Association (NGA).

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, the Head Teachers and the Central Team are presented to the Board for consideration annually.

Trade union facility time

One employee was a relevant trade union official during the year.

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, governance and management (continued)

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. During the year, Bedford College provided limited central team support to the Trust for Finance and Data Storage. These services are provided at cost.

Objectives and activities

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.

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.

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Objectives and activities (continued)

b. Objectives, strategies and activities

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

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

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
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report

Achievements and performance

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 2022/23 this meant that Wixams Academy had year groups 7 to 12 only, whilst Wixams Tree Primary had children on roll in all year groups - reception, 1, 2, 3, 4, 5 and 6.

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 2022/23 exceeded the planned number as follows:

School	Planned pupil numbers 2022/23	Actual pupil numbers 2022/23	Pupil numbers over plan
Wixams Academy	712	807	95
Wixams Tree Primary	420	443	23
Total	1,132	1,250	118

Wixams Academy and Wixams Tree Primary were inspected in 2022/23. 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	Good
Overall	Requires Improvement	Requires Improvement

The Board of Trustees appointed a substantive CEO in June 2022 to work with both schools to ensure robust improvement plans are in place. This has led to changes in behaviour management policies and procedures at Wixams Academy and changes to the robustness of the curriculum at Wixams Tree Primary.

Both schools had their second set of results in the academic year 2022/23, the key performance indicators are as follows:

Wixams Academy	Result
Progress 8	0.18+
Attainment 8	47.42
Low Prior Attainers	0.41+
Medium Prior Attainers	0.07+
High Prior Attainers	0.14+
Basics 5+	50%
Progress in Maths	0.35+
Progress in English	0.27+
EBACC Entry Rate	50%
Progress in EBACC Subjects	0.19+
Progress in Open Element Subjects	0.00
Progress for Disadvantaged Students	-0.02
Progress for SEND Students	0.24+

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and performance (continued)

Similar Schools Analysis (Education Datalab)

- For the 11 most similar schools nationally based on pupil characteristics Wixams Academy is ranked 3rd out of 11 for Progress 8 in 2023.
- Wixams Academy is also ranked 3rd out of 11 for our English and Maths Basics 9-4, and the majority other similar schools saw a significant drop in English and Maths 9-4 performance between 2022 to 2023.
- This shows Wixams Academy has improved standards in a comparative sense as the national awarding has got tougher in 2023.

Comparison Wixams Academy to Local Bedford Borough Schools

- WA is joint 5th out of 13 secondary schools ranked on Progress 8.
- WA English progress result is 3rd out of 13 secondary schools.
- WA Maths progress result is 5th out of 13 secondary schools.
- WA Disadvantaged Pupil progress result is 4th out of 13 secondary schools.

Wixams Tree Primary

All figures are %

	Expected			Greater Depth	
	National 2023	July 2022	July 2023	July 2022	July 2023
Reading	73	66	68	17	20
Writing	71	66	65	0	0
Maths	73	71	55	10	10
Combined	59	49	38	0	0
GPS	72	85	73	0	32

b. Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

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 2022/23 are as follows:

Indicators	Outturn 2022/23 (a)	Trust Policy * (b)	Variance (a-b)	Budget 2022/23 (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

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

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.

a. Reserves policy

The Trustees consider it prudent to hold revenue reserves in the general fund equivalent to 3 months average salary. This would equate to approximately £1,764k based on the Trust's 2022/2023 income levels. The actual level of revenue reserves as at 31 August 2023 across the Trust currently stands at £1,622k.

At this point in time the reserves would be sufficient to meet this level without it being financially constraining to the Trust. The Trust's policy is to have reserves equivalent to the total Trust payroll for three months.

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 2023 the total funds comprised:

		£
Unrestricted:		99,099
Restricted:	General	<u>930,401</u>
		1,029,500
	Fixed assets fund	<u>592,491</u>
Total		<u>1,621,991</u>

b. Investment policy

The Trust's investment strategy is to:

- Regularly monitor cash flow and current and fund bank account balances to ensure immediate financial commitments can be met (payroll and payment runs) and that the accounts have adequate balances to meet forthcoming commitments; and
- Only invest funds into risk free and immediately assessable deposit accounts.

c. 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.

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Fundraising

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

Plans for future periods

In view of the growing size of the village of Wixams and in order to meet local basic need, the Trust is delighted that construction work has been completed at 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. Wixams Academy is also increasing in size and there is a current capital build project comprising a 35 room teaching block, an additional sports hall and an all-weather sports pitch.

The Trust Board have confirmed that the focus for the next 12 months will be the delivery of this project as well, maintaining educational standards for all its pupils and working towards a strategy of merging with a similar sized trust to benefit from economies of scale and to enhance career development options for staff. At that point the Trust will consider options for growth and increasing the number of academies within the Trust.

The Trustees are in the process of finalising the likely transfer of activity of Bedford College Academies Trust to a Multi Academy Trust in Spring 2024 after which the company would be liquidated in due course. This has been undertaken following Department for Education guidance advising smaller trusts to grow which we believe would be met by joining a larger Multi Academy Trust. The matter is now with the Secretary of state for final approval.

Disclosure of information to auditor

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is 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 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 22 December 2023 and signed on its behalf by:



Anthony Abrahams
Trustee

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.

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

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

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

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 4 times during the year.

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

Trustee	Meetings attended	Out of a possible
S A G Abrahams	4	4
P Clarkson	2	4
M Y Kiteley	4	4
J N Masih	4	4
C A O'Reilly	3	4
I M Pryce	2	4
M Thompson	1	1
D A Evans	2	2

The Board's work plan covers a number of key areas including strategic direction, regulatory and legal compliance, delegation, monitoring of the performance of individual academies and scrutiny of financial performance. In addition to the formal meetings of the Trust Board and the Audit Committee, the Board also held a Strategy Day in January 2023 led by an external facilitator and supported by a presentation from the Chief Executive Officer.

The Board receives pupil performance data directly from the Chief Executive Officer which is compiled by each school this includes the benchmarking data on pupil performance locally and nationally to provide benchmarked information on performance. The Board receives financial 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 data and detailed scrutiny of individual pupil performance will be monitored by the Local Advisory Bodies with summary reports provided to the Trust.

Governance Reviews

An external review of governance arrangements was conducted by the National Governance Association in the summer term of 2021-22. The review proposals have been actioned leading to a change in the terms of reference for 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. There is also a strategy to seek a voluntary merger in future periods.

The Audit, Risk & finance Committee is also a sub-committee of the main Board of Trustees. The Audit & Risk Committee has delegated responsibility for oversight of the Trust's internal control, financial as well as risk management procedures.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mark Kiteley, Chair	5	5
Christine O'Reily	5	5
Ian Pryce	5	5
Alan Evans	2	2

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

As accounting officer, the Chief Executive Officer has responsibility for ensuring that the 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 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 year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the 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 Trust's significant risks that has been in place for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

The 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 Audit, Risk and Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

The Board of Trustees has decided to employ Juniper Education as internal auditor.

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

The internal auditor's role includes giving advice on financial and other matters and performing a range of checks on the Trust's financial systems.

On a quarterly basis, the internal auditor reports to the Board of Trustees through the Audit, Risk & Finance 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.

During the year, Juniper Education completed three internal reviews and an action plan has been put in place to manage identified risks. Closure/mitigation of these risks is tracked by the Audit, Risk & Finance Committee.

Review of effectiveness

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

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

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Audit, Risk & Finance 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 on *22 December 2023* and signed on their behalf by:



Anthony Abrahams
Chair of Trustees



Hywel Jones
Accounting Officer

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Bedford College Academies Trust I have considered my responsibility to notify the Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Trust, under the funding agreement in place between the Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022.

I confirm that I and the Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academy Trust Handbook 2022.

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: 22 December 2023

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2023

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 2022 to 2023;
- 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 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
Trustee

Date: 22 December 2023



Hywel Jones
Accounting Officer

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BEDFORD COLLEGE ACADEMIES TRUST**

Opinion

We have audited the financial statements of Bedford College Academies Trust (the 'trust') for the year ended 31 August 2023 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 2022 to 2023 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 Trust's affairs as at 31 August 2023 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 2022 to 2023 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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.

Material uncertainty related to going concern

We draw attention to note 1.2 in the financial statements, which indicates that the Trustees are in the process of finalising the likely transfer of activity of Bedford College Academies Trust to a Multi Academy Trust in Spring 2024, after which there will be a voluntary liquidation of the company in due course. As this means that Bedford College Academies Trust may cease to exist as a legal entity within one year from the date of authorisation for issue of the financial statements, this indicates that a material uncertainty exists that may cast significant doubt upon the entity's ability to continue as a going concern. Our opinion is not modified in respect of this matter. 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. Our evaluation of the Trustees' assessment of the company's ability to adopt the going concern basis of accounting included review of revenue reserves for a period of 12 months from the date of authorisation for issue of the financial statements, should the transfer to the Multi Academy Trust not proceed in the expected timeframe.

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
(A Company Limited by Guarantee)

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's 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 including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the 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 our knowledge and understanding of the Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the 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 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.

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the 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 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 Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 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 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.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 Auditor's Report.

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

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

Use of our report

This report is made solely to the charitable 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 charitable Trust'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 Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Rakesh Shaunak FCA (Senior Statutory Auditor)

for and on behalf of
MHA

London, United Kingdom

Date: *22 December 2023*

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313).

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BEDFORD COLLEGE ACADEMIES TRUST 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 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Bedford College Academies Trust during the year 1 September 2022 to 31 August 2023 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 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 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 and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Bedford College Academies Trust's funding agreement with the Secretary of State for Education dated 22 February 2022 and the Academy Trust Handbook, extant from 1 September 2022, 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 2022 to 2023. 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 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

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

Approach

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

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

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

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

- 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 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

MHA

Reporting Accountant
MHA
London, United Kingdom

Date: 22 December 2023

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:						
Donations and capital grants	3	18,726	-	111,597	130,323	44,535
Other trading activities	5	44,731	87,332	-	132,063	14,437
Investments	6	532	6,000	-	6,532	-
Charitable activities	4	160,615	7,998,390	-	8,159,005	6,660,155
Total income		224,604	8,091,722	111,597	8,427,923	6,719,127
Expenditure on:						
Raising funds	7	3,708	-	-	3,708	-
Charitable activities	8	69,289	8,452,639	215,012	8,736,940	7,044,270
Total expenditure		72,997	8,452,639	215,012	8,740,648	7,044,270
Net income/(expenditure)		151,607	(360,917)	(103,415)	(312,725)	(325,143)
Transfers between funds	19	-	(303)	303	-	-
Net movement in funds before other recognised gains		151,607	(361,220)	(103,112)	(312,725)	(325,143)
Other recognised gains:						
Actuarial gains on defined benefit pension schemes	25	-	50,000	-	50,000	1,182,000
Net movement in funds		151,607	(311,220)	(103,112)	(262,725)	856,857

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Note					
Reconciliation of funds:					
Total funds brought forward	42,803	1,146,310	695,603	1,884,716	1,027,859
Net movement in funds	151,607	(311,220)	(103,112)	(262,725)	856,857
Total funds carried forward	<u>194,410</u>	<u>835,090</u>	<u>592,491</u>	<u>1,621,991</u>	<u>1,884,716</u>

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

The notes on pages 27 to 56 form part of these financial statements.

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

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	15	3,171	4,945
Tangible assets	16	589,320	690,658
		<u>592,491</u>	<u>695,603</u>
Current assets			
Debtors	17	237,617	168,447
Cash at bank and in hand		1,297,646	1,873,861
		<u>1,535,263</u>	<u>2,042,308</u>
Creditors: amounts falling due within one year	18	(505,763)	(838,195)
Net current assets		<u>1,029,500</u>	<u>1,204,113</u>
Total assets less current liabilities		<u>1,621,991</u>	<u>1,899,716</u>
Defined benefit pension scheme asset / liability	25	-	(15,000)
Total net assets		<u><u>1,621,991</u></u>	<u><u>1,884,716</u></u>
Funds of the Trust			
Restricted funds:			
Fixed asset funds	19	592,491	695,603
Restricted income funds	19	835,090	1,161,310
Restricted funds excluding pension asset	19	<u>1,427,581</u>	<u>1,856,913</u>
Pension reserve	19	-	(15,000)
Total restricted funds	19	<u>1,427,581</u>	<u>1,841,913</u>
Unrestricted income funds	19	<u>194,410</u>	<u>42,803</u>
Total funds		<u><u>1,621,991</u></u>	<u><u>1,884,716</u></u>

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

The financial statements on pages 22 to 56 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



Anthony Abrahams
Chair of Trustees

Date: 22 December 2023

The notes on pages 27 to 56 form part of these financial statements.

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	21	(579,902)	424,756
Cash flows from investing activities	22	3,687	(380,534)
Change in cash and cash equivalents in the year		(576,215)	44,222
Cash and cash equivalents at the beginning of the year		1,873,861	1,829,639
Cash and cash equivalents at the end of the year	23, 24	<u>1,297,646</u>	<u>1,873,861</u>

The notes on pages 27 to 56 form part of these financial statements

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies

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 of financial statements

The financial statements of the 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 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

The Trustees assess whether the use of the going concern basis of accounting for preparing the financial statements is appropriate i.e. whether management either intends to liquidate the entity or to cease trading, or has no realistic alternative but to do so. They also assess 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.

The financial statements have been prepared on a going concern basis. The Trustees have concluded that this basis is appropriate as there are sufficient revenue reserves for a period of at least one year from the date of authorisation for issue of the financial statements.

As described in the Trustees' Report, the Trustees are in the process of finalising the likely transfer of activity of Bedford College Academies Trust to a Multi Academy Trust in Spring 2024, after which there will be a voluntary liquidation of the company in due course. With an orderly transfer of the assets and liabilities of the Academy to a Multi Academy Trust, whereby all assets would transfer, as well as liabilities to be settled in full and debtors recovered as they fall due, there would be no restatement of assets and liabilities required at the date of transfer. However, as this means that Bedford College Academies Trust may cease to exist as a legal entity within one year from the date of authorisation for issue of the financial statements, this constitutes a material uncertainty that may cast significant doubt upon the entity's ability to continue as a going concern. As explained above, this is purely by reason of the transfer.

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.3 Income

All incoming resources are recognised when the 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.

• **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.

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 Trust's educational operations, including support costs and costs relating to the governance of the Trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.5 Research and development

Development costs are capitalised within intangible assets where they can be identified with a specific product or project anticipated to produce future benefits, and are amortised on the straight line basis over the anticipated life of the benefits arising from the completed product or project.

Deferred research and development costs are reviewed annually, and where future benefits are deemed to have ceased or to be in doubt, the balance of any related research and development is written off to the Statement of Financial Activities.

1.6 Interest receivable

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

1.7 Intangible assets

Intangible assets costing £2k 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:

Computer software	- 4 years
-------------------	-----------

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.8 Tangible fixed assets

Assets costing £2k or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following basis:

Plant and machinery	-	25%
Computer equipment	-	25%

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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.

1.9 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.

1.10 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.

1.11 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 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.12 Financial instruments

The Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the 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 17. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 18. 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.

1.13 Pensions

Retirement benefits to employees of the 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 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 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.14 Fund accounting

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

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

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

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

2. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

The 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 25, 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 2023. 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.

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

3. Income from donations and capital grants

	Unrestricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Donations	18,726	-	18,726	9,907
Grants	-	68,338	68,338	34,628
Similar incoming resources	-	43,259	43,259	-
Total 2023	<u>18,726</u>	<u>111,597</u>	<u>130,323</u>	<u>44,535</u>
<i>Total 2022</i>	<u>9,907</u>	<u>34,628</u>	<u>44,535</u>	

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

4. Funding for the Trust's charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Educational operations				
DfE/ESFA grants				
General Annual Grant (GAG)	-	6,106,217	6,106,217	5,588,712
Other DfE/ESFA grants				
Pupil Premium	-	231,483	231,483	210,799
Start Up Grants	-	56,000	56,000	265,972
Teachers Pay and Pension Grants	-	19,705	19,705	-
Teacher recharges	-	-	-	8,634
Others	-	921,690	921,690	-
	-	7,335,095	7,335,095	6,074,117
Other Government grants				
Local Authority revenue grants	-	546,035	546,035	462,080
Other Government revenue grants	-	1,538	1,538	-
	-	547,573	547,573	462,080
Other income from the Trust's educational operations	160,615	115,722	276,337	99,525
COVID-19 additional funding (DfE/ESFA)				
Other DfE/ESFA COVID grants	-	-	-	24,433
	-	-	-	24,433
Total Educational operations	160,615	7,998,390	8,159,005	6,660,155
Total 2023	160,615	7,998,390	8,159,005	6,660,155
<i>Total 2022</i>	-	6,660,155	6,660,155	

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

5. Income from other trading activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Venue hire	16,195	-	16,195	14,437
Receipts from insurance claims	-	1,980	1,980	-
Other income	28,536	85,352	113,888	-
Total 2023	<u>44,731</u>	<u>87,332</u>	<u>132,063</u>	<u>14,437</u>
<i>Total 2022</i>	<u>14,437</u>	<u>-</u>	<u>14,437</u>	

6. Investment income

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Bank interest	532	-	532	-
Pension income	-	6,000	6,000	-
Total 2023	<u>532</u>	<u>6,000</u>	<u>6,532</u>	<u>-</u>

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

7. Expenditure

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £	<i>Total</i> <i>2022</i> £
Expenditure on fundraising trading activities:					
Allocated support costs	3,708	-	-	3,708	-
Educational operations:					
Direct costs	5,295,841	-	637,986	5,933,827	4,558,786
Allocated support costs	994,653	428,102	1,380,358	2,803,113	2,485,484
Total 2023	<u>6,294,202</u>	<u>428,102</u>	<u>2,018,344</u>	<u>8,740,648</u>	<u>7,044,270</u>
<i>Total 2022</i>	<u>5,182,872</u>	<u>212,570</u>	<u>1,648,828</u>	<u>7,044,270</u>	

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	<i>Total</i> <i>2022</i> £
Educational operations	69,289	8,667,651	8,736,940	7,044,270
Total 2023	<u>69,289</u>	<u>8,667,651</u>	<u>8,736,940</u>	<u>7,044,270</u>
<i>Total 2022</i>	<u>-</u>	<u>7,044,270</u>	<u>7,044,270</u>	

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

9. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Educational operations	5,933,827	2,803,113	8,736,940	7,044,270
Total 2023	<u>5,933,827</u>	<u>2,803,113</u>	<u>8,736,940</u>	<u>7,044,270</u>
<i>Total 2022</i>	<u>4,558,786</u>	<u>2,485,484</u>	<u>7,044,270</u>	

Analysis of support costs

	Educational operations 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Pension finance costs	-	-	11,000
Staff costs	994,653	994,653	1,018,182
Depreciation	215,012	215,012	228,452
Technology costs	203,489	203,489	103,962
Premises costs	454,919	454,919	236,172
Other support costs	909,189	909,189	871,616
Governance costs	25,851	25,851	16,100
Total 2023	<u>2,803,113</u>	<u>2,803,113</u>	<u>2,485,484</u>
<i>Total 2022</i>	<u>2,485,484</u>	<u>2,485,484</u>	

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023 £	2022 £
Operating lease rentals	12,913	3,720
Depreciation of tangible fixed assets	208,322	225,421
Amortisation of intangible assets	1,774	3,031
Fees paid to auditor for:		
- audit	13,200	10,500
- other services	4,250	4,000
	<u>13,200</u>	<u>10,500</u>
	<u>4,250</u>	<u>4,000</u>

11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	4,632,231	3,458,706
Social security costs	449,297	335,886
Pension costs	1,070,671	1,136,897
	<u>6,152,199</u>	<u>4,931,489</u>
Agency staff costs	142,003	251,383
	<u>142,003</u>	<u>251,383</u>
	<u>6,294,202</u>	<u>5,182,872</u>

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

11. Staff (continued)

b. Staff numbers

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

	2023	<i>2022</i>
	No.	<i>No.</i>
Teachers	79	<i>61</i>
Administration and support	102	<i>70</i>
Management	6	<i>4</i>
	187	<i>135</i>

c. Higher paid staff

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

	2023	<i>2022</i>
	No.	<i>No.</i>
In the band £60,001 - £70,000	6	<i>3</i>
In the band £70,001 - £80,000	1	<i>-</i>
In the band £90,001 - £100,000	1	<i>1</i>
In the band £120,001 - £130,000	1	<i>-</i>

d. Key management personnel

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Trust was £484,260 (2022 - £390,576).

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

12. Central services

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

- Administration salaries
- Professional services (clerking)
- Financial
- Human Resources
- Company Secretarial
- Governance

The 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:

	2023 £	2022 £
Wixams Academy	368,686	246,000
Wixams Tree Primary School	141,960	91,000
Total	510,646	337,000

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 August 2023, no Trustee expenses have been incurred (2022 - £NIL).

14. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 on any one claim. The total insurance cost in the year ended 31 August 2023 was £26,817 (2022 - £21,318) and the element of trustees' and officers' insurance is included in this figure.

15. Intangible assets

	Develop- ment £
Cost	
At 1 September 2022	49,806
At 31 August 2023	<u>49,806</u>
Amortisation	
At 1 September 2022	44,861
Charge for the year	1,774
At 31 August 2023	<u>46,635</u>
Net book value	
At 31 August 2023	<u><u>3,171</u></u>
At 31 August 2022	<u><u>4,945</u></u>

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

16. Tangible fixed assets

	Short-term leasehold property £	Assets under construction £	Plant and machinery £	Computer equipment £	Total £
Cost or valuation					
At 1 September 2022	-	285,403	495,080	792,470	1,572,953
Additions	-	-	16,131	90,853	106,984
Transfers between classes	285,403	(285,403)	-	-	-
At 31 August 2023	<u>285,403</u>	<u>-</u>	<u>511,211</u>	<u>883,323</u>	<u>1,679,937</u>
Depreciation					
At 1 September 2022	-	-	296,270	586,025	882,295
Charge for the year	10,262	-	87,712	110,348	208,322
At 31 August 2023	<u>10,262</u>	<u>-</u>	<u>383,982</u>	<u>696,373</u>	<u>1,090,617</u>
Net book value					
At 31 August 2023	<u>275,141</u>	<u>-</u>	<u>127,229</u>	<u>186,950</u>	<u>589,320</u>
At 31 August 2022	<u>-</u>	<u>285,403</u>	<u>198,810</u>	<u>206,445</u>	<u>690,658</u>

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

17. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	21,016	5,037
Other debtors	19,395	76,635
Prepayments and accrued income	197,206	86,775
	<u>237,617</u>	<u>168,447</u>

18. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	97,094	190,501
Other taxation and social security	231,110	176,016
Accruals and deferred income	177,559	471,678
	<u>505,763</u>	<u>838,195</u>

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

19. Statement of funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
General Funds	42,803	224,604	(72,997)	-	-	194,410
Restricted general funds						
General Annual Grant (GAG)	1,161,310	6,233,156	(6,559,073)	(303)	-	835,090
Pupil Premium	-	231,483	(231,483)	-	-	-
Start Up Grants	-	56,000	(56,000)	-	-	-
Other DfE / ESFA revenue grants	-	899,808	(899,808)	-	-	-
Local Authority revenue grants	-	546,035	(546,035)	-	-	-
Other Government revenue grants	-	1,538	(1,538)	-	-	-
Other Educational income	-	121,722	(121,722)	-	-	-
Other activities	-	1,980	(1,980)	-	-	-
Pension reserve	(15,000)	-	(35,000)	-	50,000	-
	1,146,310	8,091,722	(8,452,639)	(303)	50,000	835,090
Restricted fixed asset funds						
NBV of fixed assets	695,603	-	(215,012)	111,900	-	592,491
DfE / ESFA capital grants	-	68,338	-	(68,338)	-	-
Local Authority capital grants	-	43,259	-	(43,259)	-	-
	695,603	111,597	(215,012)	303	-	592,491

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

19. Statement of funds (continued)

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Total Restricted funds	1,841,913	8,203,319	(8,667,651)	-	50,000	1,427,581
Total funds	1,884,716	8,427,923	(8,740,648)	-	50,000	1,621,991

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

The General fund represents the income and expenditure for which no fund restrictions apply.

The General Annual Grant (GAG) represents the core funding for the educational activities of the Academy Trust via the Education and Skills Funding Agency (ESFA) by the Department for Education (DfE). The GAG fund has been set up because the GAG must be used for the normal running costs of the Academy Trust.

The Pupil Premium fund represents the restricted funding from the Education and Skills Funding Agency to raise the attainment of disadvantaged pupils and close the gap between them and their peers.

The Other DfE/ESFA revenue grants fund represents the restricted funding received from the DfE/ESFA for specific purposes.

The Local Authority revenue grants fund has been set up to recognise the income received from the local council as a contribution towards the cost of the Academy Trust's revenue expenditure.

The Other Government revenue grants fund has been set up to recognise the restricted funding received from all other Government bodies which fall outside the scope of core funding.

The Other Educational income fund has been established to recognise all other restricted funding that cannot be classified above but falls inside the scope of its core activities.

The Pension reserve fund has been created to separately identify the pension deficit inherited from the Local Authority upon conversion to Academy Trust status, and through which all the pension scheme movements are recognised.

The NBV of fixed assets fund has been set up to recognise the tangible assets held by the school and is equivalent to the net book value of tangible fixed assets. Depreciation of tangible fixed assets is allocated to this fund.

The DfE / ESFA capital grants fund has been created to recognise capital grants received for the purpose of the acquisition of tangible fixed assets. As tangible fixed assets are purchased, a transfer is made to the NBV of fixed assets fund.

Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2023.

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

19. Statement of funds (continued)

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

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2022 £</i>
Unrestricted funds						
General Funds - all funds	18,459	24,344	-	-	-	42,803
Restricted general funds						
General Annual Grant (GAG)	1,314,108	5,613,145	(5,385,808)	(380,135)	-	1,161,310
Pupil Premium	-	210,799	(210,799)	-	-	-
Start Up Grants	-	-	-	-	-	-
Other DfE / ESFA revenue grants	-	365,497	(365,497)	-	-	-
Local Authority revenue grants	-	462,080	(462,080)	-	-	-
Other Government revenue grants	-	8,634	(8,634)	-	-	-
Other Educational income	-	-	-	-	-	-
Other activities	-	-	-	-	-	-
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						
NBV of fixed assets	509,292	-	(193,824)	380,135	-	695,603
DfE / ESFA capital grants	-	34,628	(34,628)	-	-	-
Local Authority capital grants	-	-	-	-	-	-

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

19. Statement of funds (continued)

	<i>Balance at 1 September 2021</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 August 2022</i>
	£	£	£	£	£	£
	509,292	34,628	(228,452)	380,135	-	695,603
Total Restricted funds	1,009,400	6,694,783	(7,044,270)	-	1,182,000	1,841,913
Total funds	1,027,859	6,719,127	(7,044,270)	-	1,182,000	1,884,716

Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	2023	2022
	£	£
Wixams Academy	65,530	307,258
Wixams Tree Primary School	687,760	590,535
Bedford College Academies Trust	276,210	306,320
Total before fixed asset funds and pension reserve	1,029,500	1,204,113
Restricted fixed asset fund	592,491	695,603
Pension reserve	-	(15,000)
Total	1,621,991	1,884,716

None of the schools had a deficit of funds at 31 August 2023.

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

19. 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 2023 £	Total 2022 £
Wixams Academy	3,590,584	596,440	110,520	1,484,071	5,781,615	4,764,700
Wixams Tree Primary School	1,444,874	211,490	67,110	610,147	2,333,621	1,792,253
Central services	-	-	-	410,400	410,400	258,865
Trust	5,035,458	807,930	177,630	2,504,618	8,525,636	6,815,818

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	589,320	589,320
Intangible fixed assets	-	-	3,171	3,171
Current assets	194,410	1,340,853	-	1,535,263
Creditors due within one year	-	(505,763)	-	(505,763)
Total	194,410	835,090	592,491	1,621,991

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

20. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Restricted fixed asset funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	-	-	690,658	690,658
Intangible fixed assets	-	-	4,945	4,945
Current assets	42,803	1,999,505	-	2,042,308
Creditors due within one year	-	(838,195)	-	(838,195)
Provisions for liabilities and charges	-	(15,000)	-	(15,000)
Total	<u>42,803</u>	<u>1,146,310</u>	<u>695,603</u>	<u>1,884,716</u>

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

	2023 £	2022 £
Net expenditure for the year (as per Statement of Financial Activities)	<u>(312,725)</u>	<u>(325,143)</u>
Adjustments for:		
Amortisation	1,774	3,031
Depreciation	211,780	225,421
Capital grants from DfE and other capital income	(111,597)	(34,628)
Interest receivable	(532)	-
Defined benefit pension scheme cost less contributions payable	39,000	372,000
Defined benefit pension scheme finance cost	(6,000)	11,000
Increase in debtors	(73,152)	(64,764)
(Decrease)/increase in creditors	(328,450)	237,839
Net cash (used in)/provided by operating activities	<u>(579,902)</u>	<u>424,756</u>

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

22. Cash flows from investing activities

	2023	2022
	£	£
Dividends, interest and rents from investments	532	-
Purchase of tangible fixed assets	(108,442)	(415,162)
Capital grants from DfE Group	111,597	34,628
Net cash provided by/(used in) investing activities	3,687	(380,534)

23. Analysis of cash and cash equivalents

	2023	2022
	£	£
Cash in hand and at bank	1,297,646	1,873,861
Total cash and cash equivalents	1,297,646	1,873,861

24. Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	1,873,861	(576,215)	1,297,646
	1,873,861	(576,215)	1,297,646

25. Pension commitments

The 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

25. Pension commitments (continued)

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

The next valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the year amounted to £890,274 (2022 - £654,347).

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 Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Trust has set out above the information available on the scheme.

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

25. 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 2023 was £402,000 (2022 - £315,000), of which employer's contributions totalled £316,000 (2022 - £250,000) and employees' contributions totalled £86,000 (2022 - £65,000). The agreed contribution rates for future years are 22.1 per cent for employers and per cent for employees.

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

Principal actuarial assumptions

	2023	<i>2022</i>
	%	%
Rate of increase in salaries	3.90	3.95
Rate of increase for pensions in payment/inflation	2.9	2.95
Discount rate for scheme liabilities	5.30	4.25

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

	2023	<i>2022</i>
	Years	Years
<i>Retiring today</i>		
Males	21.1	22.0
Females	23.9	24.4
<i>Retiring in 20 years</i>		
Males	22.1	22.9
Females	25.5	26.1

Sensitivity analysis

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

	2023	<i>2022</i>
	£000	£000
Discount rate +0.1%	215	228
Discount rate -0.1%	(232)	(246)
Mortality assumption - 1 year increase	231	245
Mortality assumption - 1 year decrease	(216)	(229)
CPI rate +0.1%	233	246
CPI rate -0.1%	(216)	(228)

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

25. Pension commitments (continued)

Share of scheme assets

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

	At 31 August 2023	At 31 August 2022
	£	£
Equities	1,281,000	893,000
Corporate bonds	367,000	338,000
Property	297,000	206,000
Cash and other liquid assets	78,000	54,000
Total market value of assets	2,023,000	1,491,000

The actual return on scheme assets was £74,000 (2022 - £55,000).

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

	2023	2022
	£	£
Current service cost	355,000	(621,000)
Interest income	75,000	22,000
Interest cost	(69,000)	(33,000)
Administrative expenses	(2,000)	(1,000)
Total amount recognised in the Statement of Financial Activities	359,000	(633,000)

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

	2023	2022
	£	£
At 1 September	1,506,000	1,933,000
Current service cost	355,000	621,000
Interest cost	69,000	33,000
Employee contributions	86,000	65,000
Benefits paid	133,000	65,000
Actuarial gains	(269,000)	(1,211,000)
At 31 August	1,880,000	1,506,000

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

25. Pension commitments (continued)

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

	2023 £	2022 £
At 1 September	1,491,000	1,119,000
Employer contributions	316,000	250,000
Actuarial gains/(losses)	(76,000)	(29,000)
Interest income	75,000	22,000
Benefits paid	133,000	65,000
Employee contributions	86,000	65,000
Administrative expenses	(2,000)	(1,000)
	<u>2,023,000</u>	<u>1,491,000</u>

The amounts recognised in the Balance Sheet are as follows:

	2023 £	2022 £
Present value of funded obligations	(1,880,000)	(1,506,000)
Fair value of scheme assets	1,880,000	1,491,000
	<u>-</u>	<u>(15,000)</u>

BEDFORD COLLEGE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

Total remeasurements recognised in Other Comprehensive Income:

	2023	2022
	£	£
Changes in financial assumptions	632,000	<i>1,374,000</i>
Changes in demographic assumptions	95,000	<i>-</i>
Other remeasurements	(677,000)	<i>(192,000)</i>
	50,000	<i>1,182,000</i>

The fair value of the pension plan assets at 31 August 2023 is £2.02m which is £143k in excess of the pension plan liabilities. This surplus is recognised in the financial statements only to the extent that the academy trust can recover that surplus, either through a reduction in future contributions or through a refund to the academy trust.

Following discussions with actuaries and consultations, the academy trust is not able to determine that future contributions will be reduced. It is not possible for the academy trust to receive a refund, as the conditions have not been met. Therefore an asset ceiling surplus of £143k is not recognised as an asset at 31 August 2023 as the academy trust is not able to determine that the academy trust will benefit from reduced future contributions or by a refund in the foreseeable future.

26. Operating lease commitments

At 31 August 2023 the Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023	2022
	£	£
Not later than 1 year	3,730	<i>3,720</i>
Later than 1 year and not later than 5 years	10,850	<i>4,650</i>
	14,580	<i>8,370</i>

27. 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 £NIL for the debts and liabilities contracted before he/she ceases to be a member.

28. Related party transactions

Owing to the nature of the 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 Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.