

Company Registration Number: 07546141 (England & Wales)

**BEDFORDSHIRE SCHOOLS TRUST LIMITED**  
**(A company limited by guarantee)**

**TRUSTEE REPORT AND GROUP FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

# **BEDFORDSHIRE SCHOOLS TRUST LIMITED**

**(A company limited by guarantee)**

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# **BEDFORDSHIRE SCHOOLS TRUST LIMITED**

**(A company limited by guarantee)**

## **REFERENCE AND ADMINISTRATIVE DETAILS OF THE MULTI-ACADEMY TRUST, ITS TRUSTEES AND ADVISERS**

**FOR THE YEAR ENDED 31 AUGUST 2019**

### **Members**

Peter Little  
David Shelvey  
Caroline Devereaux (Resigned 11 September 2019)  
Ilona Bond  
Ian Morfett  
Martin Petts

### **Trustees**

Alan Lee, Member Appointed Trustee  
Clare Mycock, Co-opted Trustee  
Anthony Sanderson, Co-opted Trustee  
Ilona Bond, Member Appointed Trustee and Chair  
Paul Walker, Member Appointed Trustee  
David Shelvey, Member Appointed Trustee and Chair of Finance & Audit Committee  
David Morgan (appointed 27 February 2019), Co-opted Trustee, Member of the Finance & Audit Committee

### **Company registered number**

07546141

### **Company name**

Bedfordshire Schools Trust Limited ("BEST")

### **Principal and registered office**

BEST House, Shefford Road, Clifton, Bedfordshire, SG17 5QS

### **Senior management team**

Alan Lee, CEO and National Leader of Education  
Craig Smith, COO  
Nafia Baust, CFO  
Alison Wilshaw, Director of Education  
Helen Jameison, Director of Maths  
Amy Morris, Director of English  
Susanne Combe, Director of Teaching School  
Debbie Randall, Principal  
Pam Jones, Principal  
Thomas Clarke, Principal  
Nick Martin, Principal  
Sam Farmer, Principal  
Ian Evason, Principal  
Cheryl Johnson, Principal  
Stephen Adams, Principal

# **BEDFORDSHIRE SCHOOLS TRUST LIMITED**

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## **REFERENCE AND ADMINISTRATIVE DETAILS OF THE MULTI-ACADEMY TRUST, ITS TRUSTEES AND ADVISERS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019**

### **Independent auditor**

Mazars LLP, The Pinnacle, 160 Midsummer Boulevard, Milton Keynes, MK9 1FF

### **Bankers**

National Westminster Bank Plc, 152 Silbury Boulevard, Milton Keynes, MK9 1LT

Lloyds Bank Plc, Queens Square, Wolverhampton, WV1 1RF

Lloyds Bank Plc, Hitchin Branch, 1 Bancroft, Hitchin, Hertfordshire, SG5 1JQ

Nationwide Building Society, PO Box 3, 5-11 St. Georges Street, Douglas, Isle of Man, IM99 1AS

### **Solicitors**

Trowers & Hamlins LLP, 55 Princess Street, Manchester, M2 4EW

# BEDFORDSHIRE SCHOOLS TRUST LIMITED

(A company limited by guarantee)

## TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2019

The Trustees (who act as governors of Bedfordshire Schools Trust Limited and are also the Directors of the charitable company for the purposes of company law) present their annual report, together with the audited group financial statements of Bedfordshire Schools Trust Limited ("BEST") ("the Multi-Academy Trust") for the year ended 31 August 2019.

The Trustees confirm that the Annual Report and financial statements of the Multi Academy Trust comply with the current statutory requirements, the requirements of the Multi Academy Trust's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in 2015.

The Multi-Academy Trust also trades under the name BEST and comprises Samuel Whitbread Academy, Robert Bloomfield Academy, Etonbury Academy, Gothic Mede Academy, Gravenhurst Academy, Langford Village Academy, St Christopher's Academy and Lawnside Academy which joined the MAT on 1 January 2019.

The Group consists of BEST, BEST Teaching School plus its subsidiaries: Bedfordshire East Schools Trust Limited and Bedfordshire East Schools Trust Nurseries Limited.

### Objectives and activities

#### a. Objectives and aims

The object of BEST is to advance education and provide centres of excellence that improve pupil outcomes by establishing, maintaining, managing and developing academies. We believe in the importance of high expectations, hard work and striving to be the best we can be. Our community-based provision always puts children first and our academies collaborate to support and compete to challenge and continually improve.

Our core operating principles are:

- Deliver BEST outcomes – target to be in the top 20% nationally
- Provide BEST opportunities – provide opportunities beyond the classroom to develop the whole person
- Nurture talent – invest in our people bringing out the BEST in everyone
- Operate a high autonomy, high accountability culture to raise standards
- Lead through service – working together with mutual respect and shared responsibility

We will hold ourselves accountable to these principles, the children we serve and our community.

#### b. Catchment and enrolment

Gravenhurst, Langford Village, Gothic Mede, Lawnside, St Christopher's, Etonbury, Pix Brook, Robert Bloomfield and Samuel Whitbread academies currently comprise the Bedfordshire Schools Trust Limited (BEST). The academies are based in the areas of Langford, Biggleswade, Stotfold, Arlesey, Shefford, Gravenhurst, Clifton and Dunstable. Each BEST school has its own catchment, which is defined by the Local Authority.

#### c. Public benefits

The key public benefit delivered by BEST is the provision of exceptional education for our students and their families. Currently, Ofsted grades all but one of our academies to be at least Good: our intention is that they all are by 2021. Targets to be in the top 20% nationally for student outcomes have been set for all academies. Each of our academies is a unique learning community. They collaborate and compete with each other to continually improve student outcomes and enable all to be the best they can be. Together, our academies offer a clear, considered and coherent educational age 4 to 19 community-based pathway.

# BEDFORDSHIRE SCHOOLS TRUST LIMITED

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## TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

### STRATEGIC REPORT

#### Achievements and performance

##### a. Review of activities and key performance indicators

###### Introduction

Over the year 2018-19 BEST has continued with the review of services to academies to ensure effectiveness, value for money and the meeting of statutory duties. This has included a full retendering exercise of the largest contract – the ICT managed services contract – using EU tender processes and has resulted in a significant saving for the Trust. The previously noted overhaul of capital funding has led to improved transparency and engagement from academies – BEST is now two years into a three-year evidenced based Conditions Survey programme to ensure all academy sites are reviewed and improved. The focus this year has moved to ensuring greater value for money and the results are encouraging. The Health and Safety policy has been effective and in place for a year now – and is being reviewed – BEST has also undertaken Health and Safety Audits of all sites including the nurseries and this has led to academy action plans to address any issues.

Similarly, the Safeguarding Reviews are now embedded into an annual calendar of compliance checks and the quality assurance programme – with academies reporting successful audits from the reviews. There has also been a review of HR support to academies – with support for recruitment via the new suite of websites and investigation into shared HR processes and forms to further reduce the burden on academies. Compliance continues to be monitored and managed via the QA calendar and key activity such as the GDPR working group.

Marketing has also been developed further with a one-year intern pilot successfully rolled out this year – leading to greater support for academies and enhanced marketing and communications for the Trust – including social media, websites and branding. Governance has also developed during the year with the Annual Conference in October, an updated Governance handbook, BEST Governor training programme and helpline for support as well as key staff members supporting individual LGBs on a regular basis. This ended with BEST being awarded the National Governor Mark: the first Trust to achieve this mark for quality.

###### Nurseries

The BEST Nurseries continue to work much more closely with BEST during the past year. There has been greater alignment with a wide range of support services such as HR, Finance, Health and Safety and the new ICT contract. This is contributing to improving the quality of support services and driving down associated costs. Governance continues to be strong and improving, with a National Leader of Governance involved as a Director. The line management and performance management of the Managing Director of Nurseries is now embedded and working well. There is also greater clarity about the strategic vision for the nurseries and plans to develop more nurseries with one in the pipeline.

###### Inspections

There were no Ofsted inspections during the 2018-19 academic year.

###### Results

Results across all key stages were strong throughout 2018-19. As can be seen from the tables below, at each key stage the attainment of BEST pupils is mostly above national averages. Particularly pleasing is the performance of pupils at St Christopher's Academy and Etonbury Academy at key stage 4. At St Christopher's, 98% of pupils met the required standard in phonics and 82% of pupils reached the expected level in all subjects combined at key stage 2. The first cohort of key stage 4 students at Etonbury Academy gained excellent GCSE results. Whilst progress data is yet to be confirmed, unvalidated results indicate figures well above national averages.

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## TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

### BEST OUTCOMES

#### In Early Years

Early Years Foundation Stage	Good Level of Development
Gothic Mede Academy	75
Gravenhurst Academy	100
Langford Village Academy	70
Lawnside Academy	73
St Christopher's Academy	74
BEST Average	78
National Average (2018)	72
Difference +/-	+6

#### Year One Phonics

Year One	Meeting the required standard
Gothic Mede Academy	88
Gravenhurst Academy	77
Langford Village Academy	85
Lawnside Academy	76
St Christopher's Academy	98
BEST Average	85
National (2018)	82
Difference +/-	+3

#### Key Stage One

Reading	% of pupils achieving expected standard or above	% of pupils working at greater depth than expected
Gothic Mede Academy	86	35
Gravenhurst Academy	71	29
Langford Village Academy	79	43
Lawnside Academy	73	14
St Christopher's Academy	83	37
BEST Average	78	32
National (2018)	75	26
Difference +/-	+3	+6

Writing	% of pupils achieving expected standard or above	% of pupils working at greater depth than expected
Gothic Mede Academy	76	22
Gravenhurst Academy	65	29
Langford Village Academy	67	21
Lawnside Academy	70	9
St Christopher's Academy	83	27
BEST Average	72	22
National (2018)	70	16
Difference +/-	+2	+6

Maths	% of pupils achieving expected standard or above	% of pupils working at greater depth than expected
Gothic Mede Academy	80	33
Gravenhurst Academy	65	29
Langford Village Academy	74	38
Lawnside Academy	73	14
St Christopher's Academy	79	30
BEST Average	74	29
National (2018)	76	22
Difference +/-	-2	+7

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## TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

### Key Stage 2

Key Stage 2	Reading	Writing	Maths	Combined
Etonbury Academy	71	79	75	61
Robert Bloomfield Academy	77	88	88	74
St Christopher's Academy	89	82	89	82
BEST Average	79	83	84	72
National	73	78	79	65
Difference +/-	+6	+5	+5	+7

### Key Stage 4

Key Stage 4	English and Maths Gr 9-5	Attainment 8
Etonbury Academy	41	46.4
Samuel Whitbread Academy	48	48.2
BEST Average	45	47.3
National	43	46.5
Difference +/-	+2	+0.8

### Key Stage 5

	A Level Students		Academic Students		T Level Students		Applied General Students	
	Av Gr	Points	Av Gr	Points	Av Gr	Points	Av Gr	Points
Samuel Whitbread Academy	C	31.2	C	31.02	Dist+	40.7	Dist-	32
National (2018)	C+	33.3	C+	28.1	Merit	28.1	Merit	25.7
Difference +/-		-2.1		+2.9		+11.37		+6.3

### Extra-curricular activities

Extra-curricular activities across BEST are highly prized, with a substantial, vibrant and enriching extra-curricular programme in place across all BEST academies. Participation and achievement are key: all have the opportunity to be involved and succeed. In sport, BEST academies continue to excel at all levels: district, county, regional, national and international. Perhaps this is best exemplified by rugby at Samuel Whitbread Academy. In the 2018-19 season, teams from Samuel Whitbread became national champions at both U15 and U18. This is the first time this has ever been achieved and resulted in the Rugby Football Union (RFU) crowning the school as the Rugby School of the Year. Moreover, BEST possess national champions at a number of other sports, ranging from equestrian events to kite flying, along with European champions at swimming. All are encouraged to be involved, with Robert Bloomfield regularly fielding A-G teams across a range of sports. Gothic Mede Academy achieved their Platinum Schools Games Mark. Performing Arts flourish, with large choir groups and multiple musical performances; the BEST Summer Arts Festival, where all BEST academies participate being one such example. Several shows included: A Celebration of Disney, High School Musical and the Christmas Pantomime Cinderella. Our LAMDA Centre at Etonbury Academy achieved another 100% pass rate, with over 50% at distinction level. Further success was enjoyed by a number of prize winners at the National Wild Life Art Competition, whilst children from St Christopher's had a book published entitled 'Who I Will Be in 20 Years', detailing each child's aspirations in their own words. The Duke of Edinburgh Award provision is extensive and offered at Bronze, Silver and Gold level. Currently, over 250 students annually enrol in this. In 2018-19, 30 students achieved their Gold Award. An incredible range of clubs are available for students to join from Latin Dancing to Rock Choir and everything in-between. Staff give tireless their time. Numerous curriculum visits, career exhibitions and trips to places such as the Denmark and Germany all take place.

### BEST Teaching School

BEST Teaching School is one of the main drivers for school improvement in Central Bedfordshire and beyond. SLEs from across the Teaching School support other schools, its teachers and leaders. Bespoke leadership programmes such as Steps to Success for Senior Leaders proved to be extremely popular with many participants from across Central Bedfordshire taking part and completing a closing the gap project within their own schools thus supporting an element of their School Improvement Plan.

Last year we applied, and were successful in gaining Appropriate Body status - this means we can legally assess and train NQTs. As an Appropriate Body, the BEST Teaching School set up a Quality Assurance Strategy group, and works closely together with Appropriate Bodies from Milton Keynes, Northants and Bedford Borough to Quality Assure all neighbouring support of NQTs.



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## TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

In 2018/19, the Teaching School was successful in obtaining a grant from the DfE to run an internship programme for Science, Maths and Physics University students who are considering going into teaching. The 4 week paid programme gave interns a wide range of experiences and they were able to experience the life of a teacher in schools. Its aim was to encourage undergraduates to consider teaching as a profession when they leave university. Following national initiatives, BEST Teaching School staff have delivered the 'Leading a Mentally Healthy School' programme to over 30 schools in Central Bedfordshire and are continuing to do in 2019/20 to ensure all school leaders are aware of how to support the mental wellbeing of their students and staff. The Teaching School also runs day courses for all phases and on a wide range of topics for over 600 participants from across the region. All CPD sessions were rated Good or Outstanding in evaluations.

We have been successful in gaining status for running the National Programme Qualifications for Senior Leaders and Middle Leaders (NPQSL/ML). Also in 2018/19, BEST Teaching School was successful in gaining a grant to run an Equality and Diversity programme for future leaders of a diverse background. Twelve future leaders participated in this programme and looked into potential barriers and how to overcome them. This year we have applied to run a Ladies in Leadership Programme.

A number of conferences are organised each year by the Teaching School such as the Leadership conference which in 2018/19 had John West-Burnham as its key note speaker, and a Science of Learning conference and was led by Dr Karolina Kuepper Tetzel from the University of Dundee.

### Financial review

#### a. Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Multi-Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues 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.

#### b. Financial and risk management objectives and policies

The majority of the Trusts funding is via GAG from the Education and Skills Funding Agency and other Government grants administered via the ESFA and/or Local Authority. This is supplemented via third party lettings of the Trust's premises. All expenditure supports the Trusts key objective of delivering quality education to our students and community.

The Trust complies with the principles of financial control as outlined in the academies guidance published by the ESFA, and as required in our funding agreement. Our Financial Procedures, Delegation of Financial Responsibilities and Value for Money Statement provide detailed information on the Trust's accounting procedures, financial controls and systems and principles which conform to the requirements both of propriety and of good financial management.

The Board of Trustees is accountable for the way in which the resources of the constituent Academies are allocated to meet the objectives set out in the academies' school improvement plans. Trustees need to secure the best possible outcome for pupils, in the most efficient and effective way, at a reasonable cost. This will lead to continuous improvement in the academies' achievements and services.

The Academies prepare both medium term and short term financial plans. The medium term financial plan is prepared as part of the school improvement planning process. The school improvement plan indicates how the Academies' educational and other objectives are going to be achieved within the expected level of resources and provides the framework for the annual budget. The budget is a detailed statement of the expected resources available to the Academies and the planned use of those resources.

The Accounting Officer is responsible for reviewing the Financial Procedures on an annual basis and for recommending it to the Trustees for approval. In general the overall position of each academy's budget will be monitored on a monthly basis by the Chief Financial Officer who will produce reports and written commentary for the Board of Trustees on a monthly basis. The reports will detail actual income and expenditure against budget and will be presented at each meeting of the Finance Committee and Audit Committee and considered at each Trustee Board meeting.

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

#### c. Principle risks and uncertainties

As required under the Companies Act 2006, the Trustees have reviewed the principal risks and uncertainties facing the academy trust, and these have been identified in the Risk Register which is reviewed termly by the Finance and Audit Committee.

In 2003 Samuel Whitbread Academy was rebuilt through a PFI scheme. The annual increase in the repayments are linked to the RPIX and at a time when our funding is decreasing the additional cost is impacting on funds that should be used to educate the pupils. While the funding levels are so there is concern about the impact of this going forward.

Other cost pressures are partially unfunded increases in statutory employer costs, including contribution rises to NI and Pensions, the introduction of the Apprentice Levy, introduction of the Living Wage and nationally agreed pay levels. The repeated reduction in funding affects our ability to deliver the quality of education we aspire to.

The Local Authority structural review to move from 3 tier to 2 tier has begun and we are working closely with our cluster schools and the local authority in order to secure the most beneficial outcome for all the children in the community. We are forward planning to consider and mitigate any negative effect on our pupil numbers.

The Trust's primary activity is providing education in the local community and is not overly exposed to the effects of Brexit. However, we take our responsibility to our staff, pupils, parents and the local community seriously and are following the guidance provided by the government. When employing staff we currently check the job applicants' right to work and will implement additional checks as required with regard to required qualifications. Maintaining standards in the food we provide to pupils is a priority should we need to consider a change of product or suppliers. Travel advice is always taken when planning our school trips to the EU or elsewhere. We will check and update our data protection procedures to ensure we can still receive and share personal data after Brexit.

#### d. Reserves and investment policy

The Trust will retain a common reserve fund to mitigate any financial risk and to ensure the stability of the Trust as a whole and of our constituent Academies. The BEST Finance and Audit Committee is responsible for ensuring that our reserve fund is maintained sufficiently.

Spending requests (from constituent academies) must be considered by the Finance and Audit Committee in line with the following stated priorities, and any subsequent recommendation must be minuted and made to the Board of Trustees who holds the final decision to proceed:

- a. to address poor educational outcomes
- b. to fund any unavoidable in year operating deficit within our constituent academies;
- c. for specific long term maintenance needs to the existing buildings and facilities;
- d. for any new facilities or infrastructure to meet student requirements;

Reserves are under ongoing review, always bearing in mind the need to maintain an appropriate level to cover any future shortfalls and to have funds which can be used for future educational purposes and objectives of the Trust. We endeavour to hold a minimum level of £750,000. The Multi Academy Trust's total funds as at 31 August 2019 amounts to £53.2m (2018 - £54.0m) including general and restricted revenue funds of £2.3m (2018 - 2.0m).

The Multi Academy Trust will endeavour to invest its reserve funds wisely and with a low risk philosophy to ensure funds not immediately required attract a healthy interest return. This will be done via interest savings accounts and longer term high interest accounts. The return on any such investments will be reported annually to the Trustees.

#### Structure, governance and management

##### a. Constitution

The Multi-Academy Trust is a charitable company limited by guarantee and an exempt charity, registered in England and Wales.

The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Multi-Academy Trust.

The Charitable Company is known as "BEST".

Details of the Trustees who served during the year 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.

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

#### **c. Method of recruitment and appointment or election of trustees**

The number of trustees shall not be less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum.

Subject to Articles 48, 49, 50AA, 53 and 57, the Academy Trust shall have the following Trustees:

- a. up to 5 Trustees, appointed under Article 50, and;
- b. a minimum of 2 Parent Trustees elected or appointed under Articles 53 56 in the event that no Local Governing Bodies are established under Article 100a or if no provision is made for at least 2 Parent Local Governors on each established Local Governing Body pursuant to Article 101A.

The Company may also have any Co-opted Trustee appointed under Article 58.

The term of office for any Trustee shall be 4 years. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-appointed or re-elected.

#### **d. Policies and procedures adopted for the induction and training of trustees**

A comprehensive induction process is in place. This is led by the CEO and delivered through the BEST Teaching School. The core areas of governance are covered: ensuring clarity of vision, ethos and strategic direction; holding executive leaders to account for educational performance; and, overseeing financial performance and ensuring that money is well spent. In addition, new Trustees are made clear of their legal responsibilities and familiarised with BEST's 'Governance, Scheme of Delegation and Operational Structure' policies and protocols.

Training for all Trustees is based on completion of the annual Trustees' Skills Audit. This identifies any gaps in expertise, skills or experience, in line with the aims of BEST. Once identified a bespoke training programme is devised, implemented and evaluated. Implementation is coordinated by the BEST Teaching School, with delivery through a range of experts from both within and external to BEST.

#### **e. Arrangements for setting pay and remuneration of key management personnel**

The Board of Trustees are volunteers and receive no remuneration for their services to the Trust. Responsibility for setting the pay and remuneration of the academy's Chief Executive Officer rests with the Trustees who have determined that the post shall be paid on a seven point scale. The Board monitors the Chief Executive Officer's performance via the Trust Appraisal process and the setting of robust targets. Progression along the pay scale is performance related and not automatic.

The Board have delegated the performance management of all other key personnel to the Chief Executive Officer. The Trust performance management process is applied by the Chief Executive Officer to all key personnel within the Trust and performance targets are set for both teaching and support staff. Salary scales and pay progression are determined in accordance with the National schemes. The Chief Executive Officer applies the trust's performance management process to the Principals using the same principles.

The Trustees and Members are committed to complying with the nationally negotiated agreements for both teaching and support staff pay and conditions of employment to all academy staff.

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2019

#### f. Trade union facility time

##### Relevant union officials

Number of employees who were relevant union officials during the year	1
Full-time equivalent employee number	0.14

##### Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	1
51%-99%	-
100%	-

##### Percentage of pay bill spent on facility time

Total cost of facility time	7
Total pay bill	16,956
Percentage of total pay bill spent on facility time	0 %

##### Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	39.8 %
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#### g. Organisation structure

BEST's governance structure exists on three levels: the Members, the Board of Trustees (the 'Board') and the Local Governing Bodies (LGBs). The work of these is augmented by a series of focused sub committees. Roles and responsibilities are clearly described in our scheme of delegation (see 'Governance, Scheme of Delegation and Operational Structure', Appendix 1, referred to as 'Scheme'). This is under constant review, in the light of changing legislation, educational thinking and community feedback. It is improved annually to ensure effective and efficient governance.

Each individual academy possesses a Principal (and leadership team) and a LGB. Delegated responsibility is clearly described in the Scheme. The BEST's CEO, Dr Alan Lee, writes the Scheme. It is the result of consultation with and robust challenge from the academy Principals and LGBs. The Board thoroughly interrogates updates, prior to approval of the Scheme.

A central, integrated team of professionals support the work of the BEST academies. Finance is not delegated and is a central function; other centralised services include human resources, estates management, procurement, IT and aspects of our communications strategy.

Due to the large remit of the Responsible Officer the Trustees have decided to appoint our External Auditors to carry out this role.

These arrangements can provide reasonable, but not absolute, assurance that assets are safeguarded, transactions are authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely period.

#### h. Connected organisations, including related party relationships

Bedfordshire East Schools Trust Limited (the Charity) is a subsidiary of Bedfordshire Schools Trust. BEST Ltd is the freeholder of Bedfordshire School Trust's lands, buildings and assets. The Charity's aim is 'to advance education and community cohesion' at its member schools/academies in the following areas:

- The provision of additional financial, educational, capital and projects consultative support to member organisations;
- The improvement and expansion of 0-4 educational provision through Bedfordshire East Schools Trust Nurseries Limited;
- The use of Learning Programmes to support the BEST Choir, Orchestra, Performing Arts, Cheer Leading, Duke of Edinburgh, Community Projects, Outdoor learning and Gardening; and
- The provision of funding to run BEST House which is used by Bedfordshire East Schools Trust Nurseries Limited and other organisations including charities.

Bedfordshire East Schools Trust Nurseries Limited (BEST Nurseries Ltd) is a subsidiary of the Charity and currently runs two nurseries and is opening a third next year.

# BEDFORDSHIRE SCHOOLS TRUST LIMITED

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## TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2019

### i. Employment policies

The Multi Academy Trust continues to encourage the participation of its employees in the business in which they work. Established communication and consultation procedures exist which aim to ensure that employees are informed about, and involved in, matters which are of interest and concern to them.

BEST is an equal opportunities employer and its policies for the recruitment, training, career development and promotion of employees are based on the relevant merits and abilities of the individuals concerned. The policies also allow disabled persons to compete on an equal basis. Any existing employee who becomes disabled is given the training required to ensure that, wherever possible, continuity of employment can be maintained.

BEST also promotes all aspects of health and safety in the interest of its employees.

BEST recognises the importance of the role of Trade Unions in the workplace and the benefits to both employee and employer of working together effectively. The Trust publishes its data under the new regulations for Trade Union Facility Time Publication.

### Fundraising

The trust engages in fundraising for a number of different local, national and occasionally international charities. The fundraising is organised by our pupils and our parent teacher associations. Pupils in each year group nominate a charity to support for that year. Funds are raised through events/activities such as cake sales, sponsored events, Christmas card designs, Children in Need and Sport Relief events, Christmas Fair, carol concert, themed costume and non-uniform days. We do not carry out street collection, mail shots or telephone canvassing.

### Plans for future periods

#### Post balance sheet events

BEST is opening Pix Brook Academy, a Free School, in September 2019.

#### a. Future developments

Pix Brook Academy will open with their first year 5 cohort in September and over the next 6 years expand to become an extended secondary with years 5 to 11. Gothic Mede Academy has commissioned a refurbishment project to give the school a new reception and much needed office space. Langford Academy is planning to open a new nursery provision during next year.

The Trust is working with the Local Authority and the schools in the area on the structural changes that are necessary to move from a 3 tier to a 2 tier education system.

Given the rising demand for 6th Form places, to meet the imminent needs of Etonbury Academy and Pix Brook Academy, BEST is currently considering submitting a 6th Form Free School application.

### Disclosure of information to auditor

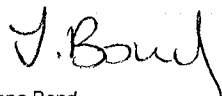
Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustees have taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable Group's auditor is aware of that information.

### Auditor

The auditor, Mazars LLP, were reappointed in the year and has indicated its willingness to continue in office. The Designated Trustees will propose a motion re-appointing the auditor at a meeting of the Trustees.

The Trustees' report was approved by order of the Board of Trustees, as the company directors on 4 December 2019 and signed on its behalf by:



Ilona Bond  
Chair of Trustees

# BEDFORDSHIRE SCHOOLS TRUST LIMITED

## (A company limited by guarantee)

### GOVERNANCE STATEMENT

#### Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive 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 Bedfordshire Schools Trust Limited 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.

#### Key responsibilities:

- Strategic leadership that champions vision, ethos and strategy
- Accountability that drives up educational standards and financial performance
- People with the right skills, experience, qualities and capacity
- Structures that reinforce clearly defined roles and responsibilities
- Compliance with statutory and contractual requirements
- Evaluation to monitor and improve the quality of impact of governance.

#### Evidence of the effectiveness of the Board will be provided by:

- Achievement – progress and attainment - at each academy
- High standards of behaviour, good attendance and a safe environment in each academy
- A strong BEST-wide culture of spiritual, moral, social and cultural development
- Positive parent/carer feedback
- Universally high expectations of staff as well as students
- Evidence of decisive action taken to address challenges at individual academy level
- Governors acting as a driving force for improvement regularly checking their own effectiveness
- External/Internal reports and awards. Ofsted/BEST School Improvement Advisor reports, Challenge Partners and National Governance Mark.

The Trustees are participating in the Governance Leadership Development Programme which is designed to increase their effectiveness in providing strategic leadership and data-driven accountability for educational standards and financial performance. The Trust has become the first to be awarded the Governor Mark accreditation nationally, recognising the positive impact and effectiveness of the board.

#### Governance

##### Board of Trustees

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met 6 times during the year. There have been no Member or Trustee resignations and we have appointed one additional Trustee. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
David Shelvey, Member Appointed Trustee and Chair of Finance and Audit Committee	5	6
Paul Walker, Member Appointed Trustee	6	6
Alan Lee, Member Appointed Trustee	6	6
Ilona Bond, Member Appointed Trustee and Chair	6	6
Clare Mycock, Co-opted Trustee	5	6
Anthony Sanderson, Co-opted Trustee	6	6
David Morgan, Co-opted Trustee, appointed 27/02/2019	4	4

Please refer to page 1 for the full Trustee listing.

##### The Finance and Audit Committee

The Finance and Audit Committee is a sub-committee of the main Board of Trustees. Its purpose is to lead the development of strategic plans and provide leadership on financial issues (refer to TORs for specific responsibilities). The effect of funding pressures continues to be the main challenge we face.

# BEDFORDSHIRE SCHOOLS TRUST LIMITED

(A company limited by guarantee)

## GOVERNANCE STATEMENT (CONTINUED)

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Ilona Bond, Member Appointed Trustee and Chair	3	3
David Morgan, Co-opted Trustee (appointed 27/02/2019)	1	1
David Shelvey, Member Appointed Trustee and Chair of Finance and Audit Committee	3	3
Paul Walker, Member Appointed Trustee	3	3
Alan Lee, Member Appointed Trustee	3	3

### The Performance Committee

The Performance Committee is a sub-committee of the main Board of Trustees. Its purpose is to ensure targets are output driven and to ensure the Trust is delivering sustained and substantial improvement. The Trustees monitor the academic performance of individual academies and BEST as a whole and provide challenge to the executive leadership.

### **Review of value for money**

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

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

#### a) Improving educational outcomes

BEST expects its academies to provide an outstanding education, as judged by Ofsted. Moreover, it expects student outcomes to be in the top 20% nationally, as judged by any attainment or progress measure. Improvement was delivered in 2018-19. Outcomes in academies, across all key stages rose; with many delivered at or above the 20th percentile.

#### b) Targeted Improvement

Staffing structures are reviewed each year and recruitment is focused on providing quality teaching and leadership in all areas of the curriculum. Our Chief Executive Officer has been putting in place a School Improvement Team to monitor and support the academies across the trust. This powerful transformational team includes and two NLEs, two NLGs and thirty SLEs. In addition, leadership partners are provided to support and challenge Principals and school improvement partners work on targeted areas, such as the curriculum, assessment and inspection preparation. Training and professional development is very important and we use our Teaching School to support by providing courses required at all levels of the trust, including Trustees and governors, to ensure our skills base is sound. BEST is also at the centre of a number of interconnected networks and partnerships focused on accelerating progress and raising attainment across all our academies.

#### c) Pupil Premium

Each academy carefully monitors Pupil Premium expenditure and its impact on improving attainment for students on Free School Meals, Disadvantaged and Looked After Children. Each academy has their own approach to spending, based on what the Principal feels will have the most impact. Some of the schools ensure that each student who is entitled to receive Pupil Premium has a set amount dedicated to overcoming the barriers they face in life which they can spend in consultation with their form tutor. Other schools will use the money to put on extra classes for Pupil Premium students to access, or purchase certain resources for the child, in order for them to achieve predicted outcomes. All websites contain the statutory information that schools are expected to display – this is checked by our compliance officer.

#### d) Financial governance and oversight

The Trust's system of financial control is based on procedures and systems, incorporating DfE regulations outlined in the Academies Financial Handbook, to ensure adequate controls are in place through setting targets, regular management information, delegation of authority and segregation of duties, clearly defined purchasing guidelines and identification and management of risks.

The Board of Trustees approve the annual budget forecast of the academy trust and review admissions numbers/forecast and budgets on an annual basis ensuring that we have future financial stability.

The Finance and Audit Committee receives monthly budget monitoring reports and meets termly to review the financial position, risk register, the internal compliance report and the external auditors' management report and take action on any recommendations made by them. The Accounting Officer has regular meetings with the Chief Financial Officer who monitors the finance teams in each academy on an ongoing basis.

# BEDFORDSHIRE SCHOOLS TRUST LIMITED

## (A company limited by guarantee)

### GOVERNANCE STATEMENT (CONTINUED)

#### e) Benchmarking

The Trust benchmarks itself internally and against other multi academy trusts of similar size, student numbers, staff numbers and costs whenever it can access the relevant information. Curriculum led financial planning and analysis of financial metrics are compared to external benchmarking reports. We meet and share best practice with academies outside of the Trust in our community. Membership of education and finance forums provide an opportunity for comparison and discussion.

#### f) Economies of scale

Resources are finite and increasingly austere. The Trust considers Value for Money in all decisions that are made. Staff that are in leadership and management roles or have advanced skills are deployed across the academies within the Trust in order to provide cost efficiencies. Support staff functions are combined and tasks shared to achieve maximum savings.

Following appraisal of strategies implemented to date the Trust is looking at how it can achieve further economies of scale within the staffing budget without impacting on the quality of education it provides.

The Trust continually drives the streamlining of finance and administration systems. We review services, subscriptions and licences common to all our academies and endeavour to negotiate a single central solution at a reduced overall cost where beneficial. We look for opportunities to enter into sharing services with other schools, for example the School Sports Co-ordinator providing a service to lower schools outside of the Trust.

To ensure better purchasing and fitness for purpose the Trust has procedures in place that take into account best value in terms of suitability, efficiency, time and cost. The procedures identify value limits for items that can be purchased directly, that need three quotes, and that require competitive tendering. We consider any new initiative suggested by the government and adopt practices if beneficial.

We ensure purchasing processes are consistent across all the academies within the Trust. We have segregation of duties and defined levels of delegated powers with respect to all purchases. Long term contracts are regularly reviewed and compared against other providers, in order to achieve the best price without compromising quality.

This year our very strong School Improvement Team was deployed across the trust adding considerable value to all of our schools. Sharing key staff across our academies not only saves money but most importantly improves outcomes for our pupils. We achieved significant savings when we tendered for the renewal of our IT Services contract. We continue to optimise our School Condition Allocation to address the highest priority issues from our school condition surveys by grouping the work for tendering to maximise the value achieved. Wherever possible we negotiate MAT bulk discounts with suppliers. We use local businesses whenever we can to make sure we are supporting our communities as well as receiving a more personalised and often more efficient service.

#### g) Maximising income generation

The Trust explores every opportunity to generate additional revenue. Government grants and initiatives are scrutinised for positive outcomes. We use marketing/social media to help publicise our strengths and the good things we are doing more widely to ensure our communities are aware of our successes.

Ideas from professional forums and seminars that share ideas on income generation are considered and adopted where possible and effective.

The premises are let to community sports/music/dance groups and clubs. The Trust works very closely with the local community and we have managed to raise income for some projects by successfully bidding to local charities for additional funding.

Operational cash is held in a high interest current account. Some reserves have been invested in higher interest 95 day access account. We continually look at safe investment opportunities to maximise the potential of these cash reserves.



# BEDFORDSHIRE SCHOOLS TRUST LIMITED

## (A company limited by guarantee)

### GOVERNANCE STATEMENT (CONTINUED)

#### 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 ongoing process designed to identify and prioritise the risks to the achievement of Multi-Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Bedfordshire Schools Trust Limited for the year 1 September 2018 to 31 August 2019 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 Multi-Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Multi-Academy Trust's significant risks that has been in place for the year 1 September 2018 to 31 August 2019 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 Multi-Academy Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and monthly financial reports which are reviewed and agreed by the Board of Trustees;
- monthly and termly reviews by the Finance and Audit Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Mazars LLP, the external auditor, to perform additional checks.

The auditor's role includes giving advice on financial matters and performing a range of checks on the Multi Academy Trust's financial systems. On an annual basis, the auditor reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. An internal review is conducted annually and this year tested our payroll systems. There were no material control issues and the results were reported through the Finance and Audit Committee to the Trustee Board.

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Audit Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 4 December 2019 and signed on their behalf, by:



Ilona Bond  
Trustee



Alan Lee  
Accounting Officer

# **BEDFORDSHIRE SCHOOLS TRUST LIMITED**

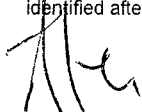
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## **STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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

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

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



Alan Lee  
Accounting Officer

Date: 4 December 2019

# BEDFORDSHIRE SCHOOLS TRUST LIMITED

(A company limited by guarantee)

## STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2019

The Trustees (who act as governors of Bedfordshire Schools Trust Limited ("BEST") and are also the Directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report (including the Strategic Report) and the financial statements in accordance with the Annual Accounts Direction issued 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 the Group 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 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the Group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the Group 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 the Group 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 and the Group 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 Group'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:



Ilona Bond  
Chair of Trustees

Date: 4 December 2019

# BEDFORDSHIRE SCHOOLS TRUST LIMITED

(A company limited by guarantee)

## INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF BEDFORDSHIRE SCHOOLS TRUST LIMITED (CONTINUED)

### Opinion

We have audited the financial statements of Bedfordshire Schools Trust Limited ("the 'parent Academy'") and its subsidiaries ('the group') for the year ended 31 August 2019 which comprise the Consolidated Statement of Financial Activities incorporating income and expenditure account, the Consolidated Balance Sheet, the Multi-Academy Trust Balance Sheet, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

### Basis for opinion

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

### The impact of uncertainties due to Britain exiting the European Union on our audit

The Trustees' view on the impact of Brexit is disclosed on page 8.

The terms on which the United Kingdom may withdraw from the European Union are not clear, and it is therefore not currently possible to evaluate all the potential implications to the Groups and of the parent Multi-Academy Trust's operations, service users, suppliers and the wider economy.

We considered the impact of Brexit on the Groups and of the parent Multi-Academy Trust's as part of our audit procedures, applying a standard firm wide approach in response to the uncertainty associated with the Groups and of the parent Multi-Academy Trust's future prospects and performance.

However, no audit should be expected to predict the unknowable factors or all possible implications for the Academy Trust and this is particularly the case in relation to Brexit.

### Conclusions relating to going concern

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

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

### Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report, other than the financial statements and our auditors' reports thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# BEDFORDSHIRE SCHOOLS TRUST LIMITED

(A company limited by guarantee)

## INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF BEDFORDSHIRE SCHOOLS TRUST LIMITED (CONTINUED)

### 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 incorporated Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report including the incorporated Strategic Report has been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Group and the parent Multi-Academy 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:

- the parent Multi-Academy Trust has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Multi-Academy Trust 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.

### Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement set out on page 17, the Trustees (who are directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

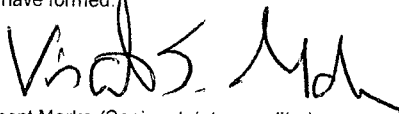
### Auditor's responsibilities for the audit of the financial statements

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.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of our report

This report is made solely to the Academy Trust's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy Trust's members those matters we are required to state to them in an 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 Academy Trust and the Academy Trust's members as a body for our audit work, for this report, or for the opinions we have formed.



Vincent Marke (Senior statutory auditor)

for and on behalf of  
**Mazars LLP**

Chartered Accountants  
Statutory Auditor  
The Pinnacle  
160 Midsummer Boulevard  
Milton Keynes  
MK9 1FF

Date: 16 DECEMBER 2019

# BEDFORDSHIRE SCHOOLS TRUST LIMITED

(A company limited by guarantee)

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BEDFORDSHIRE SCHOOLS TRUST LIMITED AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

In accordance with the terms of our engagement letter dated 6 November 2019 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Bedfordshire Schools Trust Limited during the year 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

### Respective responsibilities of Bedfordshire Schools Trust Limited's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Bedfordshire Schools Trust Limited's funding agreement with the Secretary of State for Education dated 28 February 2011 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

### Approach

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

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

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

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

A summary of the work we have undertaken is as follows:

- Planned our assurance procedures including identifying key risks;
- Carried out sample testing on controls;
- Carried out substantive testing including analytical review; and
- Concluded on procedures carried out.

### 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 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Mazars LLP

Chartered Accountants  
Statutory Auditor  
The Pinnacle  
160 Midsummer Boulevard  
Milton Keynes  
MK9 1FF

Date: 16 DECEMBER 2019

# BEDFORDSHIRE SCHOOLS TRUST LIMITED

(A company limited by guarantee)

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 AUGUST 2019

		Unrestricted funds 2019 £000	Restricted funds 2019 £000	Restricted fixed asset funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
<b>Income from:</b>						
Donations and capital grants	3	591	(759)	2,474	2,306	4,371
Charitable activities	4	-	23,558	-	23,558	23,583
Activities for generating income	5	1,154	-	-	1,154	1,102
Investments	6	9	-	-	9	6
Other income	7	-	811	-	811	852
<b>Total income</b>						
		<u>1,754</u>	<u>23,610</u>	<u>2,474</u>	<u>27,838</u>	<u>29,914</u>
<b>Expenditure on:</b>						
Other expenditure		-	949	-	949	892
Charitable activities		821	23,979	776	25,576	22,767
Costs of generating voluntary income		633	-	-	633	715
<b>Total expenditure</b>	8	<u>1,454</u>	<u>24,928</u>	<u>776</u>	<u>27,157</u>	<u>24,374</u>
<b>Net income/(expenditure)</b>		<u>300</u>	<u>(1,318)</u>	<u>1,698</u>	<u>680</u>	<u>5,540</u>
Transfers between funds	19	(210)	41	169	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<u>90</u>	<u>(1,277)</u>	<u>1,867</u>	<u>680</u>	<u>5,540</u>
<b>Other recognised gains/(losses):</b>						
Actuarial losses on defined benefit pension schemes		-	(1,594)	-	(1,594)	1,084
<b>Net movement in funds</b>		<u>90</u>	<u>(2,871)</u>	<u>1,867</u>	<u>(914)</u>	<u>6,624</u>
<b>Reconciliation of funds:</b>						
Total funds brought forward		845	4,156	54,653	59,654	53,030
Net movement in funds		90	(2,871)	1,867	(914)	6,624
<b>Total funds carried forward</b>		<u>935</u>	<u>1,285</u>	<u>56,520</u>	<u>58,740</u>	<u>59,654</u>

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 25 to 54 form part of these financial statements.


# BEDFORDSHIRE SCHOOLS TRUST LIMITED

(A company limited by guarantee)

## CONSOLIDATED BALANCE SHEET FOR THE YEAR ENDED 31 AUGUST 2019

		2019 £000	2018 £000
<b>Fixed assets</b>			
Tangible assets	14	61,768	59,947
		<u>61,768</u>	<u>59,947</u>
<b>Current assets</b>			
Debtors	15	1,087	584
Short term bank deposits	25	601	-
Cash and cash equivalents	25	3,414	3,454
		<u>5,102</u>	<u>4,038</u>
Creditors: amounts falling due within one year	16	(2,200)	(1,236)
<b>Net current assets</b>		<u>2,902</u>	<u>2,802</u>
<b>Total assets less current liabilities</b>		<u>64,670</u>	<u>62,749</u>
Creditors: amounts falling due after more than one year	17	(355)	(438)
<b>Net assets excluding pension liability</b>		<u>64,315</u>	<u>62,311</u>
Defined benefit pension scheme liability	27	(5,575)	(2,657)
<b>Total net assets</b>		<u><u>58,740</u></u>	<u><u>59,654</u></u>
<b>Funds of the Multi-Academy Trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	19	56,520	54,653
Restricted income funds	19	6,860	6,813
Restricted funds excluding pension asset	19	63,380	61,466
Pension reserve	19	(5,575)	(2,657)
<b>Total restricted funds</b>	19	57,805	58,809
<b>Unrestricted income funds</b>	19	935	845
<b>Total funds</b>		<u><u>58,740</u></u>	<u><u>59,654</u></u>

The financial statements on pages 25 to 54 were approved by the Trustees, and authorised for issue on 4 December 2019 and are signed on their behalf, by:

  
Ilona Bond  
Chair of Trustees

Date: 4 December 2019

The notes on pages 25 to 54 form part of these financial statements.



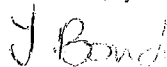
# BEDFORDSHIRE SCHOOLS TRUST LIMITED

(A company limited by guarantee)

## MULTI-ACADEMY TRUST STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 AUGUST 2019

		2019 £000	2018 £000
<b>Fixed assets</b>			
Tangible assets	14	56,520	54,656
		<u>56,520</u>	<u>54,656</u>
<b>Current assets</b>			
Debtors	15	999	483
Short term bank deposits	25	601	-
Cash at bank and in hand	25	3,112	3,085
		<u>4,712</u>	<u>3,568</u>
Creditors: amounts falling due within one year	16	(2,062)	(1,111)
<b>Net current assets</b>		<u>2,650</u>	<u>2,457</u>
<b>Total assets less current liabilities</b>		<u>59,170</u>	<u>57,113</u>
Creditors: amounts falling due after more than one year	17	(355)	(438)
<b>Net assets excluding pension liability</b>		<u>58,815</u>	<u>56,675</u>
Defined benefit pension scheme liability	27	(5,575)	(2,657)
<b>Total net assets</b>		<u><u>53,240</u></u>	<u><u>54,018</u></u>
<b>Funds of the Multi-Academy Trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	19	56,520	54,653
Restricted income funds	19	1,360	1,175
Restricted funds excluding pension liability	19	57,880	55,828
Pension reserve	19	(5,575)	(2,657)
<b>Total restricted funds</b>	19	<u>52,305</u>	<u>53,171</u>
<b>Unrestricted income funds</b>	19	935	847
<b>Total funds</b>		<u><u>53,240</u></u>	<u><u>54,018</u></u>

The financial statements on pages 25 to 54 were approved by the Trustees, and authorised for issue on 4 December 2019 and are signed on their behalf, by:



Ilona Bond  
Chair of Trustees

Date 4 December 2019

The notes on pages 25 to 54 form part of these financial statements.

# BEDFORDSHIRE SCHOOLS TRUST LIMITED

(A company limited by guarantee)

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £000	2018 £000
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	22	597	704
<b>Cash flows from investing activities</b>	24	(29)	(355)
<b>Cash flows from financing activities</b>	23	(7)	(5)
<b>Change in cash and cash equivalents in the year</b>		561	344
Cash and cash equivalents at the beginning of the year		3,454	3,110
<b>Cash and cash equivalents at the end of the year</b>	25	<u>4,015</u>	<u>3,454</u>

The notes on pages 25 to 54 form part of these financial statements.

# BEDFORDSHIRE SCHOOLS TRUST LIMITED

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 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 Multi-Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Bedfordshire Schools Trust Limited meets the definition of a public benefit entity best

The Consolidated statement of financial activities (SOFA) and Balance sheet consolidate the financial statements of the Multi-Academy Trust and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Multi-Academy Trust has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Consolidated statement of financial activities in these financial statements.

#### 1.2 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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.

# BEDFORDSHIRE SCHOOLS TRUST LIMITED

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 1. Accounting policies (continued)

#### 1.3 Income

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

- **Grants**

Grants are included in the Consolidated 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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Consolidated 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 when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

- **Sponsorship income**

Sponsorship income provided to the Multi-Academy Trust which amounts to a donation is recognised in the Statement of financial activities in the period in which it is receivable, where receipt is probable and it is measurable.

- **Donations**

Donations are recognised on a receivable basis where receipt is probable and the amount can be reliably measured.

- **Other income**

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

#### 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.

- **Expenditure on raising funds**

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

# BEDFORDSHIRE SCHOOLS TRUST LIMITED

## (A company limited by guarantee)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

#### 1. Accounting policies (continued)

##### 1.4 Expenditure (continued)

- **Charitable activities**

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

##### 1.5 Going concern

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

##### 1.6 Basis of consolidation

The financial statements consolidate the accounts of Bedfordshire Schools Trust Limited and all of its subsidiary undertakings ('subsidiaries').

The Multi Academy Trust has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and expenditure account.

The surplus for the year in the income and expenditure account in the accounts of the Multi

##### 1.7 Taxation

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

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

# BEDFORDSHIRE SCHOOLS TRUST LIMITED

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 1. Accounting policies (continued)

#### 1.8 Tangible fixed assets

Assets costing £2 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 Consolidated 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 Consolidated 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 these assets, less their estimated residual value, over their expected useful lives on the following bases:

Long-term leasehold property	- Over the period of the lease
Asset under the course of construction	- No depreciation
Furniture and equipment	- 20% straight line

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

# BEDFORDSHIRE SCHOOLS TRUST LIMITED

## (A company limited by guarantee)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

#### 1. Accounting policies (continued)

##### 1.11 Liabilities and provisions

Liabilities and provisions 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 Multi-Academy Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

##### 1.12 Financial instruments

The Group only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Group 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. Amounts due to the Multi-Academy Trust's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 18 and 19. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Multi-Academy Trust's wholly owned subsidiary are held at face value less any impairment.

##### 1.13 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Group. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Consolidated statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

##### 1.14 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

# BEDFORDSHIRE SCHOOLS TRUST LIMITED

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 1. Accounting policies (continued)

#### 1.15 Pensions

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Governments 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 Multi-Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 25, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore 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 scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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



# BEDFORDSHIRE SCHOOLS TRUST LIMITED

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 29, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

Depreciation rates have been set by management, based on the estimate useful life of the assets, using prior experience and long term planning.

Donated assets are accounted for at fair value (valued by qualified experts as necessary such as the ESFA for land and building valuations), and the value of donated assets is reflected in the financial statements. Further commentary is included in note 2.

### 3. Income from donations and capital grants

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Restricted fixed asset funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
Donations	11	-	-	11	10
School fund income	545	-	-	545	875
Donation on new academy entering the MAT	35	(759)	2,474	1,750	3,486
	<u>591</u>	<u>(759)</u>	<u>2,474</u>	<u>2,306</u>	<u>4,371</u>
<b>Total 2018</b>	<u>885</u>	<u>(272)</u>	<u>3,758</u>	<u>4,371</u>	

# BEDFORDSHIRE SCHOOLS TRUST LIMITED

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 4. Income from charitable activities

	<b>Restricted funds 2019 £000</b>	<b>Total funds 2019 £000</b>	<b>Total funds 2018 £000</b>
<b>DfE/ESFA grants</b>			
General Annual Grants	20,084	20,084	18,541
Start up grants	-	-	25
Other DfE/ESFA grants	1,480	1,480	927
Local authority grants	672	672	516
Educational consultancy services	486	486	330
Capital grants	836	836	3,244
	<u>23,558</u>	<u>23,558</u>	<u>23,583</u>

### 5. Income from activities for generating income

	<b>Unrestricted funds 2019 £000</b>	<b>Total funds 2019 £000</b>	<b>Total funds 2018 £000</b>
Hire of facilities	32	32	31
Other income	377	377	317
Staff recharges	154	154	157
Catering income	591	591	597
	<u>1,154</u>	<u>1,154</u>	<u>1,102</u>

# BEDFORDSHIRE SCHOOLS TRUST LIMITED

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 6. Income from Investments

	Unrestricted funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
Bank interest received	9	9	6
	<u>9</u>	<u>9</u>	<u>6</u>

### 7. Other income

	Restricted funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
Charity income	79	79	87
Nursery income	732	732	765
	<u>811</u>	<u>811</u>	<u>852</u>

Charity income - relates to the charitable income for the subsidiary, Bedfordshire East Schools Trust Limited.

Nursery income - relates to the trading income for the subsidiary, Bedfordshire East Schools Trust Nurseries Limited.

### 8. Expenditure

	Staff Costs 2019 £000	Other 2019 £000	Total 2019 £000	Total 2018 £000
Other expenditure	556	393	949	892
Direct costs	15,611	2,284	17,895	16,289
Support costs	2,891	5,422	8,313	7,193
	<u>19,058</u>	<u>8,099</u>	<u>27,157</u>	<u>24,374</u>
<b>Total 2018</b>	<u>17,507</u>	<u>6,867</u>	<u>24,374</u>	

# BEDFORDSHIRE SCHOOLS TRUST LIMITED

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### Analysis of support costs

	Total funds 2019 £000	Total funds 2018 £000
Staff costs	2,891	2,600
Other support costs	1,288	1,322
Premises costs	3,596	2,760
Catering costs	503	479
Governance costs	35	32
	<u>8,313</u>	<u>7,193</u>

### 9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2019 £000	2018 £000
Depreciation of tangible fixed assets (Group)	851	813
Depreciation of tangible fixed assets (Multi-Academy Trust)	776	736
Operating lease rentals - PFI	885	857
Operating lease rentals - other	<u>212</u>	<u>135</u>

### 10. Staff costs

#### a. Staff costs

Staff costs during the year were as follows:

	2019 £000	2018 £000
Wages and salaries	14,052	12,880
Social security costs	1,276	1,186
Pension costs	2,955	2,679
	<u>18,283</u>	<u>16,745</u>
Nursery staff costs	556	513
Agency supply cover	163	116
Apprenticeship levy	56	50
	<u>19,058</u>	<u>17,424</u>
Redundancy payments	<u>97</u>	<u>51</u>

# BEDFORDSHIRE SCHOOLS TRUST LIMITED

## (A company limited by guarantee)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

#### b. Staff numbers

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

	Group 2019 No.	Group 2018 No.
Teaching staff	278	268
Non-teaching staff	289	269
Nursery staff	40	35
<b>Total</b>	<b>607</b>	<b>572</b>

#### c. Higher paid staff

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

	Group 2019 No.	Group 2018 No.
In the band £60,001 - £70,000	5	6
In the band £70,001 - £80,000	5	2
In the band £80,001 - £90,000	-	1
In the band £90,001 - £100,000	1	1
In the band £100,001 - £110,000	1	1
In the band £160,001 - £170,000	1	1

11 (2018 - 10) of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2019, pension contributions for these staff amounted to £145k (2018 - £156k).

#### d. Key management personnel

The key management personnel of the multi-academy trust comprise the Trustees and the senior management team as listed on page 1. During 2019 there were 19 key management personnel (2018 - 12). The total amount of employee benefits received by key management personnel for their services to the academy trust was £1,351 (2018 - £935k).

# BEDFORDSHIRE SCHOOLS TRUST LIMITED

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 11. Central services

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

- School improvement support
- Capital resources and operations support
- Finance
- HR and payroll
- IT
- Head office rental
- Head office admin costs

There is a central team that provides these functions across the whole Trust removing the need for duplicating roles and tasks in each academy and therefore providing economies of scale. The school improvement support provides internal and external specialists.

In 2018 and 2019 the Trust determined the charge by applying a flat rate of 5%.

The actual amounts charged during the year were as follows:

	2019 £000	2018 £000
Samuel Whitbread Academy	404	397
Robert Bloomfield Academy	187	181
Etonbury Academy	184	167
Gothic Mede Academy	53	55
Langford Village Academy	30	31
Gravenhurst Academy	15	15
St Christopher's Academy	45	44
Lawnside Academy	35	-
<b>Total</b>	<b>953</b>	<b>890</b>

### 12. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Multi-Academy Trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2019 £000	2018 £000
Alan Lee, Member Appointed Trustee	Remuneration	160 - 165	155 - 160
	Pension contributions paid	25 - 30	25 - 30
Sharon Jeffs	Remuneration	-	60 - 65
	Pension contributions paid	-	5 - 10

During the year ended 31 August 2019, Trustees received reimbursement of expenses of £2k (2018 - £1k).

# BEDFORDSHIRE SCHOOLS TRUST LIMITED

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 13. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Group 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 £5,000k on any one claim and the cost for the year ended 31 August 2019 was £3k (2018 - £3k). The cost of this insurance is included in the total insurance cost.

### 14. Tangible fixed assets

#### Group

	Long-term leasehold property £000	Fixture and fittings £000	Computer equipment £000	Motor vehicles £000	Assets under the course of construction £000	Total £000
<b>Cost or valuation</b>						
At 1 September 2018	61,806	797	502	13	77	63,195
Additions	80	160	43	-	279	566
Transfers intra group	2,474	-	-	-	-	2,474
Disposals	(300)	-	-	-	(76)	(376)
At 31 August 2019	<u>64,060</u>	<u>957</u>	<u>545</u>	<u>13</u>	<u>280</u>	<u>65,859</u>
<b>Depreciation</b>						
At 1 September 2018	2,466	391	380	11	-	3,248
Charge for the year	615	152	82	2	-	851
On disposals	(12)	-	-	-	-	(12)
At 31 August 2019	<u>3,069</u>	<u>543</u>	<u>462</u>	<u>13</u>	<u>-</u>	<u>4,087</u>
<b>Net book value</b>						
At 31 August 2019	<u>60,991</u>	<u>414</u>	<u>83</u>	<u>-</u>	<u>280</u>	<u>61,768</u>
At 31 August 2018	<u>59,340</u>	<u>406</u>	<u>122</u>	<u>2</u>	<u>77</u>	<u>59,947</u>

# BEDFORDSHIRE SCHOOLS TRUST LIMITED

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 14. Tangible fixed assets (continued)

#### Multi-Academy Trust

Cost or valuation	Long-term leasehold property £000	Fixture and fittings £000	Computer equipment £000	Motor vehicles £000	Assets under the course of construction £000	Total £000
At 1 September 2018	56,366	727	502	13	77	57,685
Additions	82	147	43	-	258	530
Transfers intra group	2,474	-	-	-	-	2,474
Disposals	(300)	-	-	-	(76)	(376)
At 31 August 2019	<u>58,622</u>	<u>874</u>	<u>545</u>	<u>13</u>	<u>259</u>	<u>60,313</u>
<b>Depreciation</b>						
At 1 September 2018	2,272	368	380	9	-	3,029
Charge for the year	547	143	83	3	-	776
On disposals	(12)	-	-	-	-	(12)
At 31 August 2019	<u>2,807</u>	<u>511</u>	<u>463</u>	<u>12</u>	<u>-</u>	<u>3,793</u>
<b>Net book value</b>						
At 31 August 2019	<u><u>55,815</u></u>	<u><u>363</u></u>	<u><u>82</u></u>	<u><u>1</u></u>	<u><u>259</u></u>	<u><u>56,520</u></u>
At 31 August 2018	<u><u>54,094</u></u>	<u><u>359</u></u>	<u><u>122</u></u>	<u><u>4</u></u>	<u><u>77</u></u>	<u><u>54,656</u></u>



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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 15. Debtors

	Group 2019 £000	Group 2018 £000	Multi-Academy Trust 2019 £000	Multi-Academy Trust 2018 £000
<b>Due within one year</b>				
Trade debtors	191	120	130	33
Other debtors	561	282	561	286
Prepayments and accrued income	335	182	308	164
	<u>1,087</u>	<u>584</u>	<u>999</u>	<u>483</u>

### 16. Creditors: Amounts falling due within one year

	Group 2019 £000	Group 2018 £000	Multi-Academy Trust 2019 £000	Multi-Academy Trust 2018 £000
Trade creditors	734	593	651	512
Other taxation and social security	346	301	330	300
Net obligations under finance lease and hire purchase contracts	40	39	40	39
Other creditors	47	27	43	27
Accruals and deferred income	1,033	276	998	233
	<u>2,200</u>	<u>1,236</u>	<u>2,062</u>	<u>1,111</u>

The large increase in accruals and deferred income this year is due to additional items this year of SCA (£262k), School Fund (£33k), ASD funds (£89k), Grant funds (£102k).

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

	Group 2019 £000	Group 2018 £000	Multi-Academy Trust 2019 £000	Multi-Academy Trust 2018 £000
Net obligations under finance lease and hire purchase contracts	183	238	183	238
Other creditors	172	200	172	200
	<u>355</u>	<u>438</u>	<u>355</u>	<u>438</u>

# BEDFORDSHIRE SCHOOLS TRUST LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 18. Financial instruments

	Group 2019 £000	Group 2018 £000	Multi-Academy Trust 2019 £000	Multi-Academy Trust 2018 £000
<b>Financial assets</b>				
Financial assets measured at fair value through income and expenditure	4,015	3,454	3,713	3,085
Financial assets that are debt instruments measured at amortised cost	752	408	691	483
	<u>4,767</u>	<u>3,862</u>	<u>4,404</u>	<u>3,568</u>
	<b>Group 2019 £000</b>	<b>Group 2018 £000</b>	<b>Multi-Academy Trust 2019 £000</b>	<b>Multi-Academy Trust 2018 £000</b>
<b>Financial liabilities</b>				
Financial liabilities measured at amortised cost	<u>(1,287)</u>	<u>(1,166)</u>	<u>(1,165)</u>	<u>(1,011)</u>

Financial assets measured at fair value through income and expenditure comprise of cash and cash equivalents and short term bank deposits.

Financial assets that are debt instruments measured at amortised cost comprise of trade debtors, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise of net obligations under finance leases, trade creditors, other creditors and accruals.

# BEDFORDSHIRE SCHOOLS TRUST LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 19. Statement of funds

	Balance at 1 September 2018 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2019 £000
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
RBA School Fund	178	319	(350)	-	-	147
ETA School Fund	145	138	(185)	-	-	98
GMA School Fund	11	20	(23)	-	-	8
LVA School Fund	10	17	(20)	-	-	7
SCA School Fund	5	22	(23)	-	-	4
LNA School Fund	-	29	(32)	-	-	(3)
Sink Fund	40	-	-	35	-	75
	<u>389</u>	<u>545</u>	<u>(633)</u>	<u>35</u>	<u>-</u>	<u>336</u>
<b>General funds</b>						
General Funds - all funds	456	1,209	(821)	(245)	-	599
<b>Total Unrestricted funds</b>	<u>845</u>	<u>1,754</u>	<u>(1,454)</u>	<u>(210)</u>	<u>-</u>	<u>935</u>
<b>Restricted general funds</b>						
General Restricted Funds	317	22,237	(21,881)	41	-	714
School Condition Allowance	385	524	(811)	-	-	98
RBA Teaching School	329	486	(626)	-	-	189
Subsidiary – Bedfordshire East Schools Trust Limited	5,542	79	(145)	-	-	5,476

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 19. Statement of funds (continued)

Subsidiary - Bedfordshire East Schools Trust Nurseries Limited	96	732	(804)	-	-	24
Devolved Formula Capital	153	311	(105)	-	-	359
GMA Bungalow	(9)	-	9	-	-	-
Pension reserve	(2,657)	(759)	(565)	-	(1,594)	(5,575)
	<u>4,156</u>	<u>23,610</u>	<u>(24,928)</u>	<u>41</u>	<u>(1,594)</u>	<u>1,285</u>
<b>Restricted fixed asset funds</b>						
Restricted Fixed Asset Funds - all funds	54,655	2,474	(776)	167	-	56,520
Transforming Education Phase 2	(43)	-	-	43	-	-
Transforming Education Free School	41	-	-	(41)	-	-
	<u>54,653</u>	<u>2,474</u>	<u>(776)</u>	<u>169</u>	<u>-</u>	<u>56,520</u>
<b>Total Restricted funds</b>						
	<u>58,809</u>	<u>26,083</u>	<u>(25,704)</u>	<u>210</u>	<u>(1,594)</u>	<u>57,805</u>
<b>Total funds</b>						
	<u>59,654</u>	<u>27,838</u>	<u>(27,157)</u>	<u>-</u>	<u>(1,594)</u>	<u>58,740</u>

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

#### Designated Funds

The schools maintain separate School Funds to manage income and expenditure for school trips and other activities. The SWA and GHA school funds are incorporated charities and are therefore not shown in the financial statements of BEST. A sink fund has been set up by the Trustees in relation to the ETA 3G sports pitch.

# BEDFORDSHIRE SCHOOLS TRUST LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 19. Statement of funds (continued)

#### General Fund

This represents income and expenditure relating to activities undertaken by the Academies as part of their charitable aims. The Academies can use these funds for any purpose.

#### Restricted Funds

The Academies received a number of grants during the year for the purpose of providing educational services to their pupils. These funds included grants from the ESFA for the General Annual Grant (GAG), Pupil Premium and Special Educational Needs grants from the Local Authority. These grants have been used for staff costs, educational resources and general costs incurred in the running of the Academies.

Under the funding agreement with the Secretary of State, the Multi-Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2018.

The School Condition Allowance, the Devolved Formula Capital grant, the BEST Teaching School and pension reserve are shown separately to GAG.

The reserves of the subsidiaries (refer to note 30) are reflected as separate reserves.

#### Restricted Fixed Asset Funds

Fixed Asset Funds are reflective of the net book value of tangible fixed assets held by BEST. A transfer has been made to Restricted Fixed Asset funds for fixed assets acquired from general funds. The fixed assets are for the furtherance of the Academy's objectives.

The Transforming Education project at ETA was finished last year and a transfer was made to clear the deficit budget. The Trust's Free School construction is underway to provide pupil places for September 2019.

#### **Total funds analysis by academy**

Fund balances at 31 August 2019 were allocated as follows:

	2019 £000	2018 £000
Samuel Whitbread Academy	(48)	(125)
Robert Bloomfield Academy	384	238
Etonbury Academy	420	312
Gravenhurst Academy	165	168
Gothic Mede Academy	370	413
Langford Village Academy	116	112
St Christopher's Academy	(19)	(68)
Lawnside Academy	(11)	-
Central Fund - Centralised Function	272	111
Central Fund - Teaching School	189	330
Central Fund - School Condition Allowance	98	529
Central Fund - Devolved Formula Capital	359	-

# BEDFORDSHIRE SCHOOLS TRUST LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 19. Statement of funds (continued)

	2019 £000	2018 £000
Subsidiary - Bedfordshire East Schools Trust Limited	5,476	5,542
Subsidiary - Bedfordshire East Schools Trust Nurseries Limited	24	96
Total before fixed asset funds and pension reserve	7,795	7,658
Restricted fixed asset fund	56,520	54,653
Pension reserve	(5,575)	(2,657)
<b>Total</b>	<b>58,740</b>	<b>59,654</b>

### Total cost analysis by academy

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2019 £000	Total 2018 £000
Samuel Whitbread Academy	5,768	449	537	1,637	8,390	8,204
Robert Bloomfield Academy	2,958	494	119	1,543	5,114	4,544
Etonbury Academy	3,280	477	142	933	4,832	4,248
Gravenhurst Academy	168	54	16	63	301	281
Gothic Mede Academy	929	224	50	206	1,410	1,344
Langford Village Academy	505	128	10	128	771	765
St Christopher's Academy	794	53	72	231	1,150	1,113
Lawnside Academy	622	92	40	147	902	-
<b>Multi-Academy Trust</b>	<b>15,023</b>	<b>1,971</b>	<b>986</b>	<b>4,890</b>	<b>22,870</b>	<b>20,499</b>

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 19. Statement of funds (continued)

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

	Balance at 1 September 2017 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2018 £000
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
RBA School Fund	129	489	(440)	-	-	178
ETA School Fund	41	315	(211)	-	-	145
GMA School Fund	9	23	(21)	-	-	11
LVA School Fund	9	21	(20)	-	-	10
SCA School Fund	-	27	(22)	-	-	5
Sink Fund	-	-	-	40	-	40
	<u>188</u>	<u>875</u>	<u>(714)</u>	<u>40</u>	<u>-</u>	<u>389</u>
<b>General funds</b>						
General Funds - all funds	<u>371</u>	<u>1,118</u>	<u>(795)</u>	<u>(238)</u>	<u>-</u>	<u>456</u>
<b>Total Unrestricted funds</b>	<u>559</u>	<u>1,993</u>	<u>(1,509)</u>	<u>(198)</u>	<u>-</u>	<u>845</u>
<b>Restricted general funds</b>						
General Restricted Funds	274	19,912	(19,869)	-	-	317
School Condition Allowance	76	910	(457)	-	-	529
RBA Teaching School	402	330	(326)	(77)	-	329

# BEDFORDSHIRE SCHOOLS TRUST LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 19. Statement of funds (continued)

	Balance at 1 September 2017 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2018 £000
Subsidiary - Bedford shire East Schools Trust Limited	5,640	87	(185)	-	-	5,542
Subsidiary - Bedford shire East Schools Trust Nurseries Limited	37	765	(706)	-	-	96
Pension reserve	(2,978)	(176)	(587)	-	1,084	(2,657)
	<u>3,451</u>	<u>21,828</u>	<u>(22,130)</u>	<u>(77)</u>	<u>1,084</u>	<u>4,156</u>
<b>Restricted fixed asset funds</b>						
Restricted Fixed Asset Funds - all funds	48,949	3,759	(727)	2,674	-	54,655
Transforming Education Phase 2	79	2,234	(8)	(2,348)	-	(43)
Transforming Education Free School	(8)	100	-	(51)	-	41
	<u>49,020</u>	<u>6,093</u>	<u>(735)</u>	<u>275</u>	<u>-</u>	<u>54,653</u>
<b>Total Restricted funds</b>						
	<u>52,471</u>	<u>27,921</u>	<u>(22,865)</u>	<u>198</u>	<u>1,084</u>	<u>58,809</u>
<b>Total funds</b>						
	<u>53,030</u>	<u>29,914</u>	<u>(24,374)</u>	<u>-</u>	<u>1,084</u>	<u>59,654</u>



# BEDFORDSHIRE SCHOOLS TRUST LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 20. Summary of funds

#### Summary of funds - current year

	Balance at 1 September 2018 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2019 £000
Designated funds	389	545	(633)	35	-	336
General funds	456	1,209	(821)	(245)	-	599
Restricted funds	4,156	23,610	(24,928)	41	(1,594)	1,285
Restricted fixed asset funds	54,653	2,474	(776)	169	-	56,520
	<u>59,654</u>	<u>27,838</u>	<u>(27,157)</u>	<u>-</u>	<u>(1,594)</u>	<u>58,740</u>

### 21. Analysis of net assets between funds

#### Analysis of net assets between funds - current year

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Restricted fixed asset funds 2019 £000	Total funds 2019 £000
Tangible fixed assets	-	5,248	56,520	61,768
Current assets	935	4,167	-	5,102
Creditors due within one year	-	(2,200)	-	(2,200)
Creditors due in more than one year	-	(355)	-	(355)
Provisions for liabilities and charges	-	(5,575)	-	(5,575)
<b>Total</b>	<u>935</u>	<u>1,285</u>	<u>56,520</u>	<u>58,740</u>

# BEDFORDSHIRE SCHOOLS TRUST LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 21. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Restricted fixed asset funds 2018 £000	Total funds 2018 £000
Tangible fixed assets	-	5,289	54,656	59,945
Current assets	845	3,154	41	4,040
Creditors due within one year	-	(1,193)	(43)	(1,236)
Creditors due in more than one year	-	(438)	-	(438)
Provisions for liabilities and charges	-	(2,657)	-	(2,657)
<b>Total</b>	<u>845</u>	<u>4,156</u>	<u>54,653</u>	<u>59,654</u>

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

	Group 2019 £000	Group 2018 £000
Net (expenditure)/income for the year (as per Statement of financial activities)	680	5,540
<b>Adjustments for:</b>		
Depreciation	850	811
Interest receivable	(9)	(6)
Interest paid	7	5
Donation on new academy entering the MAT	(2,474)	(3,662)
(Increase)/decrease in debtors	(503)	755
Increase/(decrease) in creditors	881	(1,168)
Capital grants from DfE and other capital income	(524)	(2,334)
FRS102 pension adjustment	1,324	763
Loss on disposal of tangible fixed assets	365	-
<b>Net cash provided by operating activities</b>	<u>597</u>	<u>704</u>

# BEDFORDSHIRE SCHOOLS TRUST LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 23. Cash flows from financing activities

	Group 2019 £000	Group 2018 £000
Finance lease interest	(7)	(5)
<b>Net cash provided by/(used in) financing activities</b>	<b>(7)</b>	<b>(5)</b>

### 24. Cash flows from investing activities

	Group 2019 £000	Group 2018 £000
Interest receivable	9	6
Purchase of tangible fixed assets	(562)	(2,722)
Capital grants from DfE and other capital income	524	2,344
Cash acquired on new academy entering the MAT	-	17
<b>Net cash used in investing activities</b>	<b>(29)</b>	<b>(355)</b>

### 25. Analysis of cash and cash equivalents

	Group 2019 £000	Group 2018 £000
Short term bank deposits	601	-
Cash at bank and in hand	3,414	3,454
<b>Total cash and cash equivalents</b>	<b>4,015</b>	<b>3,454</b>

Multi-Academy Trust cash and cash equivalents is cash at bank and in hand of £3,112k (2018 - £3,085k).

Short term bank deposits consists of a 95-day access account.

### 26. Grant commitments

At 31 August 2019 the Group and Multi-Academy Trust had no capital commitments (2018 - £271k).

### 27. Pension commitments

The Multi-Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme for 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.

# BEDFORDSHIRE SCHOOLS TRUST LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

#### 27. Pension commitments (continued)

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

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

#### Teachers' Pension Scheme

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

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

#### Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £1,610k (2018 - £1,512k).

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

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

# BEDFORDSHIRE SCHOOLS TRUST LIMITED

## (A company limited by guarantee)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

#### 27. 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 2019 was £1,015k (2018 - £829k), of which employer's contributions totalled £821k (2018 - £662k) and employees' contributions totalled £194k (2018 - £167k). The agreed contribution rates for future years are 24 per cent for employers and 24 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

	2019 %	2018 %
Rate of increase in salaries	2.50	2.70
Rate of increase for pensions in payment/inflation	2.20	2.40
Discount rate for scheme liabilities	<u>1.85</u>	<u>2.80</u>

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

	2019 Years	2018 Years
<i>Retiring today</i>		
Males	20.7	22.4
Females	23.2	24.5
<i>Retiring in 20 years</i>		
Males	21.7	24.0
Females	<u>24.7</u>	<u>26.2</u>

# BEDFORDSHIRE SCHOOLS TRUST LIMITED

## (A company limited by guarantee)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

#### 27. Pension commitments (continued)

##### Sensitivity analysis

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

	At 31 August 2019 £000	At 31 August 2018 £000
Equities	7,105	5,228
Bonds	1,596	1,262
Property	967	811
Cash	478	1,712
<b>Total market value of assets</b>	<b>10,146</b>	<b>9,013</b>

The actual return on scheme assets was £262k (2018 - £219k).

The amounts recognised in the Consolidated statement of financial activities are as follows:

	2019 £000	2018 £000
Service cost	(2,060)	(1,167)
Interest cost	(342)	(283)
Interest income	265	200
Administration expenses	(8)	-
<b>Total amount recognised in the Consolidated statement of financial activities</b>	<b>(2,145)</b>	<b>(1,250)</b>

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

	2019 £000	2018 £000
<b>At 1 September</b>	<b>11,670</b>	<b>10,320</b>
Current service cost	1,237	1,167
Past service cost	64	-
Interest cost	342	283
Employee contributions	194	167
Actuarial losses/(gains)	1,591	(865)
Effect of business combinations	-	598
Liabilities on settlement	759	-
Estimated benefit paid plus unfunded net transfer	(136)	-
<b>At 31 August</b>	<b>15,721</b>	<b>11,670</b>

# BEDFORDSHIRE SCHOOLS TRUST LIMITED

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 27. Pension commitments (continued)

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

	2019 £000	2018 £000
<b>At 1 September</b>	9,013	7,342
Employer contributions	821	663
Interest income	265	200
Actuarial (losses)/gains	(3)	219
Employee contributions	194	167
Effect of business combinations	-	422
Estimated benefit paid plus unfunded net transfer	(136)	-
Administration expenses	(8)	-
<b>At 31 August</b>	<u>10,146</u>	<u>9,013</u>

### 28. Operating lease commitments

At 31 August 2019 the Group and the Multi-Academy Trust had future minimum lease payments under non-cancellable operating leases as follows:

	2019 Land and buildings £000	2019 Other £000	2018 Land and buildings £000	2018 Other £000
Not later than 1 year	905	164	870	187
Later than 1 year and not later than 5 years	3,622	126	3,482	379
Later than 5 years	10,261	-	10,735	-
	<u>14,788</u>	<u>290</u>	<u>15,087</u>	<u>566</u>

### 29. 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.

# BEDFORDSHIRE SCHOOLS TRUST LIMITED

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

### 30. Related party transactions

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 12.

The Multi-Academy Trust has taken advantage of the exemption available in accordance with Section 33 of Financial Reporting Standard 102 not to disclose transactions entered into between two or more members of the group.

### 31. Post balance sheet events

BEST is opening Pix Brook Academy, a Free School, in September 2019.

### 32. Subsidiaries

The MAT has the following subsidiaries:

#### Bedfordshire East Schools Trust Limited

Company registration number	6865093
Charity registration number	1132611
Basis of control	By virtue of common Trustees
Total funds as at 31 August 2019	£5,560k
Deficit for the year ended 31 August 2019	(£20)k

#### Bedfordshire East Schools Trust Nurseries Limited

Company registration number	07623848
Basis of control	By virtue of common Trustees/Directors
Retained earnings as at 31 August 2019	£52k
Loss for the year ended 31 August 2019	(£72)k

Included within retained earnings is a capital contribution reserve from Bedfordshire East Schools Trust Limited of £110k which has been eliminated on consolidation.