

**Bishop Rawstorne Church of England Academy Trust**  
(A Company Limited by Guarantee)

**Annual Report and Financial Statements**

**Year Ended 31<sup>st</sup> August 2020**

# **Bishop Rawstorne Church of England Academy Trust**

## **Annual Report and Financial Statements**

**Year Ended 31st August 2020**

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### **Contents**

	<b>Page</b>
Reference and Administrative Details	2
Trustees' Report	4
Governance Statement	12
Statement on Regularity, Propriety and Compliance	21
Statement of Trustees' Responsibilities	22
Independent Auditor's Report to the Members	23
Independent Reporting Accountant's Assurance Report on Regularity	26
Statement of Financial Activities incorporating Income & Expenditure Account	28
Balance Sheet	29
Statement of Cash Flows	30
Notes to the Financial Statements	31

## Bishop Rawstorne Church of England Academy Trust

### Reference and Administrative Details

Year Ended 31<sup>st</sup> August 2020

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#### Members

Mrs K Cooper  
Mrs S Cooper  
Mr J P Cowley  
Mr A Marston  
Mr D Taylor  
Blackburn Diocesan Board of Education

#### Trustees

Mr A Ainscough (Foundation Trustee, appointed 16<sup>th</sup> January 2020)  
Mrs S Belfield (Foundation Trustee, retired 31<sup>st</sup> December 2019)  
The Reverend A J Brown (Foundation Trustee)  
Mrs J Cast (Parent Trustee)  
Mrs K Cooper (Sponsor Trustee)  
Mrs S Cooper (Foundation Trustee)  
Mrs T Cowell (Foundation Trustee, retired 16<sup>th</sup> September 2020)  
Mr J P Cowley (Ex-officio, Headteacher and Accounting Officer)  
Mrs R Culshaw (Foundation Trustee, retired 15<sup>th</sup> March 2020)  
Mrs S Dixon (Foundation Trustee, retired 14<sup>th</sup> February 2020)  
Mrs W Gibbons (Staff Trustee)  
Mr S Gregson (Foundation Trustee)  
Mrs J Hughes (Local Authority Trustee)  
Mr J Latham (Foundation Trustee)  
Mrs S Mackrill (Foundation Trustee, appointed 20<sup>th</sup> February 2020)  
Mr A Marston (Chair and Foundation Trustee)  
Miss E Palmer (Staff Trustee, retired 6<sup>th</sup> September 2019)  
Mr K Roberts (Parent Trustee)  
Mr T Smith (Parent Trustee, appointed 28<sup>th</sup> February 2020)  
Mr D Taylor (Foundation Trustee)  
Mr S A Websdell (Foundation Trustee, appointed 1<sup>st</sup> September 2019)  
The Reverend M Woods (Ex-officio)

#### Secretary

Mrs L Hood

## **Bishop Rawstorne Church of England Academy Trust**

### **Reference and Administrative Details**

**Year Ended 31<sup>st</sup> August 2020**

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#### **Senior Leadership Team**

Assistant Headteacher	Mr P Almond
Headteacher	Mr J P Cowley
Assistant Headteacher	Mr A Duckworth
Business and Finance Manager	Mrs L Hood
Assistant Headteacher	Mrs C Lane
Deputy Headteacher	Mr P Rawlinson
Assistant Headteacher	Mrs H Winter
Assistant Headteacher	Mr J Wood

#### **Principal and Registered Office**

Highfield Road  
Croston  
Leyland  
PR26 9HH

#### **Company Registration Number**

07672781

#### **Independent Auditor**

CWR Chartered Accountants  
20 Mannin Way  
Lancaster Business Park  
Caton Road  
Lancaster  
LA1 3SW

#### **Bankers**

Lloyds Bank  
Church Street  
Blackburn  
BB2 1JQ

#### **Solicitors**

Browne Jacobson  
Mowbray House  
Castle Meadow Road  
Nottingham  
NG2 1BJ



# **Bishop Rawstorne Church of England Academy Trust**

## **Trustees' Report**

### **Year Ended 31<sup>st</sup> August 2020**

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The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period from the 1<sup>st</sup> September 2019 to the 31<sup>st</sup> August 2020. The annual report serves the purposes of both a trustees' report, and a directors' report including a strategic report under company law.

The Academy Trust operates an academy for students aged 11 to 16 serving a catchment area which includes the five foundation parishes of Bretherton, Croston, Eccleston, Mawdesley with Bispham and Wrightington with Heskin and the named parishes of Appley Bridge, Banks, Douglas in Parbold, Hesketh with Becconsall, Hoole, Leyland St James, Rufford and Tarleton. Students are also drawn from outer parishes depending on the number of applications received. It has a student capacity of 950 and had a roll of 951 in the January 2020 school census.

## **1. Structure, Governance and Management**

### **1.1 Constitution**

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The trustees of Bishop Rawstorne Church of England Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Bishop Rawstorne Church of England Academy Trust.

Details of the trustees who served throughout the year except as noted are included in the Reference and Administrative Details on page 2.

### **1.2 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.

### **1.3 Trustees' Indemnities**

Since the incorporation of the charitable company, the trustees have been indemnified in respect of their legal liability for financial loss arising as a result of a negligent act, accidental error or omission in the course of their official duties. As explained in note 10 to the Financial Statements the trustees have unlimited professional indemnity.

### **1.4 Method of Recruitment and Appointment or Election of Trustees**

The Members appoint a minimum of eleven trustees of whom:

- I. A minimum of three are appointed by the Diocesan Board of Education;
- II. A minimum of seven are nominated by the Parochial Church Councils; and
- III. The Incumbent shall be a Trustee Ex-Officio.

The proportions of the Board of Trustees of Bishop Rawstorne C of E Academy are as follows:

- Up to three staff trustees, appointed by the members through such a process as they may determine. The members shall make all necessary arrangements for, and determine all matters relating to, an election of the staff trustees.
- Up to one Local Authority (LA) trustee, appointed by the LA.
- Three parent trustees, elected by parents of registered students at the academy. A parent trustee must be a parent of a student at the academy at the time when he/she is elected. The members shall make all necessary arrangements for, and determine all matters relating to, an election of the parent trustees. Any election of parent trustees which is contested shall be held by secret ballot.
- Arrangements for the election shall provide for every person entitled to vote, an opportunity by post or, if they prefer, by having his/her ballot paper returned to the academy trust by a registered student at the academy.

*(Continued)*

# **Bishop Rawstorne Church of England Academy Trust**

## **Trustees' Report**

### **Year Ended 31<sup>st</sup> August 2020**

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- The Headteacher, treated for all purposes as an Ex Officio Trustee. If the Headteacher chooses not to be a trustee, the position remains vacant.
- Up to one sponsor trustee, appointed by the members.
- 
- Up to one community trustee, appointed by the members.
- Eleven Foundation trustees, appointed by the Parochial Church Councils of Eccleston, Croston, Wrightington, Bretherton and Mawdesley.

#### **1.5 Policies and Procedures Adopted for the Induction and Training of Trustees.**

As there are normally only two or three new trustees a year, induction tends to be done informally and is tailored specifically to the individual. All trustees receive copies of all minutes and new trustees are invited to all main sub-committee meetings. A named trustee has responsibility for training and trustees are encouraged to access training courses provided by the LA. The Board of Trustees has a service level agreement with the Lancashire County Council's Governor Services Department. This agreement allows for any or all of the members of the Board of Trustees to attend any of the training courses provide by Lancashire County Council. Bespoke courses are provided in house.

#### **1.6 Organisational Structure**

The trustees' core responsibilities are to set and agree strategy with the Headteacher, to hold the Headteacher to account for the delivery of that strategy and educational outcomes and to supervise and monitor the financial performance of the academy ensuring probity and good value for money. The academy's senior leadership team comprises the Headteacher, the Deputy Headteacher, five Assistant Headteachers and the Business and Finance Manager. The Headteacher takes the role of Accounting Officer for the trust.

The senior leadership team controls the academy at an executive level implementing the policies laid down by the trustees and reporting back to them. As a group the senior leadership team is responsible for the authorisation of spending within agreed budget limits and the appointment of staff. Some spending control is devolved to departmental budget holders, with limits above which a member of the senior leadership team must countersign.

#### **1.7 Arrangements for Setting Pay and Remuneration of Key Management Personnel**

The Board of Trustees has adopted a whole school pay policy which will be reviewed on an annual basis. It has been developed to comply with the current School Teachers' Pay and Conditions Document and is in line with the Guidance on School Teachers' Pay and Conditions. Pay scales for senior staff are set and reviewed in accordance with this policy. Pay decisions are overseen by the Board of Trustees who will act with integrity, confidentiality, objectivity and honesty in the best interests of the school.

Support staff are covered by the NJC scheme conditions of service and the academy has adopted the Lancashire County Council's pay and grading structure under the NJC scheme of conditions of service.

Trustees are volunteers and receive no pay or remuneration.

#### **1.8 Related Parties and Other Connected Charities and Organisations**

Connected to the academy is an entity called Bishop Rawstorne Church of England International Language College Trust, a charity registered with the Charity Commission whose charity number is 1063725. The objects of this charity are to assist the furtherance and advancement of the education of the students who attend Bishop Rawstorne Church of England Academy.

*(Continued)*



## Bishop Rawstorne Church of England Academy Trust

### Trustees' Report

#### Year Ended 31<sup>st</sup> August 2020

##### 1.9 Trade Union Facility Time

Information, as it applies to the Academy Trust, is included below to satisfy requirements of the Trade Union (Facility Time Publication Requirements) Regulations 2017 for the period from 1<sup>st</sup> September 2019 to 31<sup>st</sup> August 2020 (the relevant period).

##### *Relevant union officials:*

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

##### 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

Provide the total cost of facility time	£132
Provide the total pay bill	£3,943,874
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time / total pay bill) x 100	0.003%

##### Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	N/A
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## 2. Objectives and Activities

### 2.1 Objects and Aims

Unlike other Church of England schools, Bishop Rawstorne is truly a community school with the vast majority of our students being drawn from the main foundation parishes.

It remains our challenge to ensure that the care and support we provide to our students, our nurturing yet challenging environment and the outstanding academic attainment achieved year-on-year continues, to make Bishop Rawstorne the school of choice for parents.

Bishop Rawstorne is committed to developing its students as confident, aspiring and well-rounded young adults fully prepared to make a significant contribution to society.

(Continued)

# **Bishop Rawstorne Church of England Academy Trust**

## **Trustees' Report**

**Year Ended 31<sup>st</sup> August 2020**

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### **2.2 Objectives, Strategies and Activities**

As a 'converter academy' we exist to advance education in the Chorley area in the county of Lancashire in the Diocese of Blackburn. Our school was the vision of Bishop Rawstorne and we first opened our doors in 1960. Our initial objective was to ensure a smooth and seamless conversion of the school from foundation to academy status. In doing this the Board of Trustees was determined to maintain the traditional ethos, values, standards and achievements of the school, whilst continuing to work to fulfil the school's medium and longer-term development plans.

The aims of the academy are to provide outstanding education for all in an outstanding Christian academy.

The main principles being:

- Educating for 'Life in all its fullness' by: Educating for Wisdom, Knowledge and Skills; Educating for Hope and Aspiration; Educating for Community and Living Well Together; Educating for Dignity and Respect.
  - Ensuring staff consistently deliver outstanding teaching and learning opportunities.
  - Preparing our young people to be outstanding citizens of tomorrow.
  - Inspire and motivate staff and students to give the best of themselves.
  - Develop our ITT provision.
  - Develop our National Computing Hub.
  - Continue to develop a curriculum fit for purpose, exciting and motivating to enable our young people to be excited by life-long learning.
  - Display self-discipline.
  - Foster good behaviour.
  - Have pride in ourselves and in our school.
  - Embrace new opportunities for students and staff.
  - To fully develop the social, moral, spiritual and cultural development of all our young people underpinned by our Christian values.

Development Plan, objectives for the academic year 2020/2021:

- Priority one: Health and safety
- Priority two: Transition
- Priority three: Academic catch up

Accommodation and resources for learning:

- To continually look at building projects and requirements.
- To continue to look at new funding streams for further development of the site.

### **2.3 Public Benefit**

The trustees have considered the Charity Commission's guidance on Public Benefit. The key public benefit delivered by Bishop Rawstorne Church of England Academy is the maintenance and development of the high-quality Christian education provided by the academy.

In doing this Bishop Rawstorne Church of England Academy not only offers a broadly-based academic education but aims to educate the whole individual.

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# **Bishop Rawstorne Church of England Academy Trust**

## **Trustees' Report**

**Year Ended 31<sup>st</sup> August 2020**

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### **3. Strategic Report**

#### **3.1 Achievements and Performance**

- Due to the nature of results being based on teacher assessment this year, we cannot compare results to previous examined years.
- Results were in line with previous years to ensure the 2020 learners were not penalised for the significant time they were out of school due to the Covid-19 pandemic.

#### **3.2 Key Performance Indicators**

The academy monitors its performance on examination results achieved, Ofsted and Statutory Inspection of Anglican and Methodist Schools (SIAMS) reports received. It complies with all the terms and conditions of its Funding Agreement with the Education and Skills Funding Agency (ESFA) and manages its reserves in line with the policies set out below.

#### **3.3 Going Concern**

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

### **4. Financial Review**

#### **4.1 Operating and Financial Review**

Most of the academy's income is obtained from the Department for Education (DfE) in the form of its General Annual Grant (GAG), the use of which is restricted to particular purposes; i.e. the objectives of the academy trust. The GAG received during the year covered by this report and the associated expenditure are shown as restricted funds in the Statement of Financial Activities (SOFA).

On conversion to academy status on the 17<sup>th</sup> August 2011, all of the fixed assets of the former voluntary aided school were transferred to the new academy trust, and are shown as restricted asset funds. The balance sheet restricted fixed asset fund is reduced by depreciation charges over the expected useful life of the assets concerned, as explained in note 1 to the Financial Statements.

The academy invested £75,000 in the refurbishment of the students' toilets and staff workroom in the science block to improve facilities for students and staff.

In June 2020, the academy was successful in bidding for a Wolfson grant of £60,000 to contribute to the cost of refurbishing 2 science laboratories that are at the end of their useful life. The total cost of the project is £101,000 with the remainder of the costs to be funded by the academy. Work on the project will commence in October 2020.

Expenditure for the year covered by this report was covered by the GAG received from the DfE together with other incoming resources. The combined General Restricted Fund and Unrestricted Fund show a cumulative reserve, before the actuarial losses on defined benefit pension schemes, of £1,619,000. This operating surplus is the result of detailed and accurate budgeting and tight budgetary control procedures which have been firmly embedded in the academy trust's daily financial management.

The academy held revenue fund balances at the 31<sup>st</sup> August 2020 of £1,619,000 comprising £776,000 of restricted funds and £843,000 of unrestricted general funds. In addition to this, the pension reserve shows a deficit of £1,798,000. Further details of the carry forward balances on each fund can be found in note 15 to the accounts.

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# **Bishop Rawstorne Church of England Academy Trust**

## **Trustees' Report**

### **Year Ended 31<sup>st</sup> August 2020**

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The trustees are concerned by the large deficit that the Local Government Pension Fund is reporting. (See note 26 to the Financial Statements).

#### **4.2 Reserves Policy**

The trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

Under its Funding Agreement with the Secretary of State for Education Bishop Rawstorne Church of England Academy has no carried forward restriction on its reserves at the year end.

The trustees' Finance, Resources and Audit Committee has reviewed these reserve levels and believes that they should provide sufficient working capital to cover delays between spending and receipt of grants and to allow for unexpected emergencies such as urgent maintenance. Under normal circumstances the trustees would aim to maintain reserves of between 5% and 10% of GAG as an appropriate cushion.

As at the 31<sup>st</sup> August 2020 the Academy had reserves based upon its GAG of 14.6%.

#### **4.3 Investment Policy**

Apart from the cash held for the operation of the Academy, Bishop Rawstorne Church of England Academy has no material investments. With respect to its cash holdings the Board of Trustees has adopted a low risk strategy. The main current account held by the academy is an interest-bearing account. The Academy also has a 32-day notice account which attracts a higher interest rate. This account is used when cash balances are high.

#### **4.4 Principal Risks and Uncertainties**

The principal risk and uncertainty facing the academy at the moment is the Covid-19 pandemic. The academy has invested in IT resources so that it can continue to educate students on line should they or the staff not be able to attend. The current situation also poses a risk to the mental health and wellbeing of students and staff and therefore the Board of Trustees priorities for 20/21 are focused primarily on the wellbeing of students and staff.

Another risk to the academy is the maintenance of student numbers as funding is directly related to the number of students on roll. However, the academy is oversubscribed and there has been no reduction in the number of applications received for 2020/21 admissions. In addition, the fact that there has been no drop in the birth rate in the local area and that additional housing has been built nearby means that there is unlikely to be a reduction in the number of students on roll for the foreseeable future.

The trustees have assessed the major risks to which the academy is exposed. The trustees have implemented a number of systems to assess risks in the operational areas of the academy and in relation to the control of finance. A risk register has been completed and is reviewed annually by the Finance, Resources and Audit Committee.

The academy is situated in a rural area and historically, the grounds have not been securely fenced however the academy has been successful in securing CIF funding to address the risks posed by this. Procedures are in place to vet and badge visitors and all staff are conscious of the hazards associated with the bus lay-by in the academy grounds, which is heavily supervised at the appropriate times.

The continuing existence of the academy can best be guaranteed by the standards of education in its widest sense, which it provides. This is the preferred school for many families who could easily favour another. Anything less than over subscription could signal the beginning of financial and educational problems. Furthermore, the status of the academy as an ITT and School Direct training provider could be endangered by many factors such as government policies leaving it with high staffing costs and reduced income. Whilst the academy successfully operates as a single academy trust, the trustees are aware that a change in government policy could threaten this status.

*(Continued)*

## **Bishop Rawstorne Church of England Academy Trust**

### **Trustees' Report**

#### **Year Ended 31<sup>st</sup> August 2020**

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Where significant financial risk still remains, it is ensured there is adequate cover through the Risk Protection Arrangement (RPA) scheme. The academy has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

#### **4.5 Fundraising**

The academy raises additional funds through the Bishop Rawstorne Church of England International Language College Trust, which is a registered charity and claims gift aid on donations received. Parents of all new year 7 students are provided with information on how to donate if they wish to make voluntary contributions. The objectives of the Charity are the advancement of the education of the students of Bishop Rawstorne Church of England Academy and the local and business community through the development of the Academy, including the provision of facilities and educational items.

#### **5. Plans for Future Periods**

The plan and priority for the immediate future is to ensure the successful catch-up for all students following the closure of the school and the disruption caused by being unable to attend due to the covid-19 pandemic.

Bishop Rawstorne Church of England Academy will also continue to work to maintain the performance of its students at all levels. Additionally, it will continue to look at the curriculum content to ensure future pathways for students. In particular it will ensure that the English Baccalaureate is available at the heart of our ambitions with as many students as possible in each year group taking the EBacc range of subjects. The English Baccalaureate was introduced in 2010 and whilst not a qualification in itself, it recognises where students have secured a grade 5 or better across a core of academic subjects – English, mathematics, history or geography, the sciences and a language. However, we understand that modern foreign languages are not subjects that all want to pursue to GCSE and therefore we need to ensure we use the time gained to best effect in KS4.

Bishop Rawstorne Church of England Academy aims to continue to drive regional and national strategies as a member of a Teaching School Hub and School Direct training provider. The academy continues to work with alliance schools to develop an Initial Teacher Training model which allows us to train the next generation of outstanding teachers. The academy is focussed to deliver outstanding teaching and learning through ensuring staff are highly trained and determined to deliver outstanding lessons. It continues in its ambition to raise even further, better outcomes for our students in both terminal examinations and levels of progress. It re-emphasises the total commitment of trustees and leaders to ensure all students have full religious education lessons and a rich Christian educational experience.

The trustees recognise that through outstanding financial management, they have been able to invest in and improve very significantly the quality of the building environment and the upgrading of many areas of the academy. They have ambitions for this to continue but recognise however, that future plans will be dependent on funding availability. Increases in employers' NI contributions and pension contributions have also had an impact on the funds available for future investments. The trustees also recognise that many classrooms are small and that the intake needs to be at current admission levels unless significant capital funding can be obtained.

#### **6. Auditor**

In so far as the trustees are aware:

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

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**Bishop Rawstorne Church of England Academy Trust**

**Trustees' Report**

**Year Ended 31<sup>st</sup> August 2020**

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The trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on .....8.11.20.....and signed on the board's behalf by:

  
.....

**Mr A Marston**  
**Chair of Trustees**



# Bishop Rawstone Church of England Academy Trust

## Governance Statement

Year Ended 31<sup>st</sup> August 2020

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### 1. Scope of Responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Principal, 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 Bishop Rawstone Church of England Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

### 2. Governance

The information on governance included here supplements that described in the Trustee' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees adapted the planned meeting schedule and format of meetings for 2019/2020 to accommodate the restrictions and guidelines implemented by the Government for the period of national lockdown and throughout the coronavirus pandemic. The Board has formally met three times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr Andrew Marston (Chair)	3	3
Mr Stephen Gregson (Vice Chair)	2	3
Mr Paul Cowley (Headteacher)	3	3
Mr Adam Ainscough	1	1
Mrs Sian Belfield	0	2
Reverend Andrew Brown	2	3
Mrs Joanna Cast	2	3
Mrs Kathleen Cooper	2	3
Mrs Sheila Cooper	3	3
Mrs Teresa Cowell	3	3
Mrs Ronda Culshaw	1	2
Mrs Suzanne Dixon	1	2
Mrs Wendy Gibbons	3	3
Mrs Julie Hughes	2	3
Mr John Latham	1	3
Mrs Sally Mackrill	1	1
Miss Ellen Palmer	1	1
Mr Karl Roberts	2	3
Mr Thomas Smith	1	1
Mr David Taylor	3	3
Mr Alistair Websdell	3	3
Reverend Michael Woods	3	3

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## Bishop Rawstorne Church of England Academy Trust

### Governance Statement

Year Ended 31<sup>st</sup> August 2020

The Governance Committee is a sub-committee of the Board of Trustees. Its purpose is to be:

1. Responsible for the appointment and election processes to recruit new trustees to the Trust Board.
2. Responsible for the appointment of the Chair and Vice Chair.
3. Annually co-ordinate the membership of each committee.
4. Assign the Link Trustee roles on an annual basis.
5. Co-ordinate all Trust Board business (including allocating tasks and functions to individual committees).
6. Finalise the meeting schedule for the year.
7. Oversee and evaluate the annual skills audit and trustees' personal reviews.
8. Implement an annual 360-degree appraisal for the chair.
9. Oversee an annual review of the Clerk to Governors.
10. Facilitate appropriate training for all members of the Trust Board.
11. Succession planning for the roles of Chair and Vice Chair.
12. Regularly review the effectiveness of governance at the Academy using self-review and external support as appropriate.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr Andrew Marston (Chair)	2	3
Mr Stephen Gregson (Vice Chair)	3	3
Mr Paul Cowley (Headteacher)	3	3
Mrs Sheila Cooper	3	3
Mrs Suzanne Dixon	0	1
Mrs Julie Hughes	1	2

The school converted to academy status in 2011 but kept the composition of the Board largely the same. An External Review of Governance was undertaken in 2015 and resulted in a number of changes in committee structures and operating arrangements. The Governance Committee keeps the school's governance under regular review including the committee terms of reference, membership, chairs, clerking arrangements and trustee training. Following an internal review in July 2019 it was agreed that the Audit Committee be subsumed into the Finance and Resources Committee and that the Teaching School Committee was no longer required, and instead two link governors would be assigned to overseeing the work of the Teaching School. In addition to this, a Curriculum Committee was re-established for 2019/2020 onwards, to focus on curriculum design, monitor curriculum implementation and evaluate the impact of the curriculum and the overall quality of education provided for all students.

The Board receives regular detailed reports on the performance of the school and holds a full Board of Trustees meeting at the start of the autumn term to undertake a full and detailed analysis of results from the previous year prior to assessing performance and agreeing priorities for the coming year. Trustees are confident that the information they receive is timely and accurate and enables them to hold the senior leadership team to account. Trustees closely monitor the school's financial position in the light of continuing uncertainty about school funding and have agreed a number of significant changes that have helped to ensure a balanced budget.

Two trustees completed their terms of office during the year and two trustees resigned. In the last 12 months, 4 trustees (3 foundation and 1 parent) were appointed and 2 foundation trustees and 1 sponsor trustee were also re-appointed.

(Continued)



# **Bishop Rawstorne Church of England Academy Trust**

## **Governance Statement**

### **Year Ended 31<sup>st</sup> August 2020**

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The major focus of the Academy Board is to set out the ethos and vision for the school and to make sure that our Headteacher and senior staff are delivering that for the best possible education for all of our students within the financial resources that are available. We closely monitor the work of the Senior Leaders and staff throughout the year through reports, data and visits to ensure that the School Improvement Plan is on track and our priorities for the school and the students are being addressed.

At the start of the year, the Board set four priorities:

- Continue to prepare for Ofsted and SIAMS Inspection;
- Re-establish a Curriculum Committee;
- Improve engagement with key stakeholders;
- Provide visible support for staff wellbeing.

Although we made a strong start in the Autumn term, the developing pandemic crisis began to limit our progress through the Spring term up to the point that lockdown started and our meetings were postponed. The school was all but closed from mid-March till the end of June, with only Year 10 returning on a rota basis for the last few weeks. Our staff did a tremendous job in supporting our students' learning during this difficult period but, inevitably, a substantial part of the year's work was disrupted.

The Board's priorities had to be set aside and meetings suspended until late in the Summer Term to focus on the wellbeing of our staff and students, as well as preparing for a full return of all our students for the new academic year. Consequently, we have not had the opportunity to formally review progress over the 2019/20 but, we clearly have not made the progress we intended. Inevitably, there have been some tensions and difficulties in operating during the pandemic but the vast majority of students and parents have been very positive about the way in which the school has responded.

Our results in GCSE's, based on Teacher assessments this year rather than examinations, were outstanding once again and are a tribute to the hard work and commitment of our staff, students and parents. It demonstrates once again that Bishop Rawstorne provides a rigorous academic environment for our students as well as a broad and diverse range of enrichment activities underpinned by our Christian distinctiveness which is at the heart of our vision for the school.

The Board's priorities for 2020/21 are focussed primarily on the wellbeing of our staff and students, as well as trying making up lost ground during a year which already seems likely to suffer further disruption. Hopefully, we will be able to move forward and start to plan more effectively for the future of our school as the new year progresses.

**The Finance & Resources Committee** is a sub-committee of the Board of Trustees. Its purpose is:

#### **Finance Responsibilities**

- To provide guidance and assistance to the Headteacher and the trust board on all financial matters.
- To recommend to the trust board internal financial regulations on the financial management of the academy, in accordance with guidance issued by the ESFA as set out in the Academies Financial Handbook.
- To review and approve the three-year financial plan, taking into account the priorities of the academy's improvement/development plan and government policy.
- To consider budget plans presented by the Headteacher and to make recommendations to the trust board for approval.
- To examine budget monitoring reports and investigate and resolve any significant variances on behalf of the trust board.
- To approve virements between budget headings where the value is in excess of the sum delegated to the Headteacher under the academy's internal financial regulations.
- To review, make recommendations on and approve all finance policies of the academy including those relating to charges, lettings and income.

*(Continued)*

# **Bishop Rawstorne Church of England Academy Trust**

## **Governance Statement**

**Year Ended 31<sup>st</sup> August 2020**

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- To consider the appropriate level of reserves and balances bearing in mind guidance produced by the Secretary of State.
- To consider the annual audited accounts of all funds prior to presentation to the trust board.
- To review and approve the Trustees Report to form part of the statutory accounts of the trust board and for filing in accordance with the Companies Act requirements.
- To consider audit reports and other relevant reports and make recommendations to the trust board.
- To consider and advise on any financial matter referred to it by the trust board.
- To respond on behalf of the trustees and trust board to any consultations.

### **Staffing responsibilities**

- To consider, advise and make appropriate recommendations to the Headteacher on all aspects of HR strategy including policy and procedures.
- To ensure that all the procedures relating to the recruitment, selection and appointment of staff are in place and that they are kept under review following any changes in legislation.
- To support the Headteacher, where necessary, with the appointment of senior members of staff.
- To ensure that consultation is carried out as required (e.g. over pay policy) with all staff or with recognised trade unions.
- To check that the arrangements for staff appraisal and performance management are in place and being developed.
- To monitor the programme of staff development and training and ensure it meets the needs of the academy development/improvement plan and of the staff.
- Review annually the unit total of the academy and the effect, if any, on the ISR.

*Note: (The appointment of a Headteacher or Deputy Headteacher is not a function of this Committee. Headteachers cannot take part in the appointment process for their successor).*

### **Premises responsibilities**

- To consider, advise and make appropriate recommendations to the Headteacher on all aspects of the premises strategy, including statutory policies and procedures.
- Monitor the academy's capital expenditure programme to ensure it is on time, on budget and on specification.
- Review capital proposals and make recommendations to the trust board.
- Ensure all capital acquisitions and disposals accord with the overall strategy.
- Ensure the effective use of premises, particularly in relation to utilisation and efficiency.
- To receive reports from the lettings agents, regarding the advertising and letting of the land and buildings out of academy session times.
- To ensure that the academy complies with all relevant legislation pertaining to premises.

### **Audit responsibilities**

This committee will manage the checking of financial controls in the way that they deem most appropriate for the school. Options include: internal audit, additional work by the external auditor, the work of a 'responsible officer' and/or work by 'peer review'. The adequacy of arrangements will be established as part of the process leading to the accounting officer's annual statement and, where appropriate, through the self-assessment review of financial management and governance, FMGS.

- To have in place a process for checking financial systems, controls, transactions and risks (internal scrutiny).
- To achieve internal scrutiny which delivers objective and independent assurance.
- To provide assurance to trustees that risks are being adequately identified and managed by:
  - reviewing the risks to internal financial control at the academy.
  - agreeing a programme of work to address, and provide assurance on, those risks.
- To inform the governance statement that accompanies the annual accounts and, so far as is possible, provide assurance to the external auditors.



## Bishop Rawstorne Church of England Academy Trust

### Governance Statement

Year Ended 31<sup>st</sup> August 2020

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(Continued)

- To consider and advise the trust board on the assessment of overall audit needs.
- To advise the trust board on the appointment and remuneration of external auditors and the scope of their work.
- To guide the external auditor on the nature and scope of the audit as necessary.
- To consider and advise the trust board on external audit reports and management letters.
- To appoint the peer review (if this method is chosen) and set the overall scope of the checks.
- To review reports from the peer review on the effectiveness of the financial procedures and controls.
- To consider and advise the trust board on peer review and internal audit reports.
- To receive and review relevant reports relating to audit such as those prepared by the National Audit Office.
- To prepare an annual report for submission to the trust board on the work of the committee including an opinion on the effectiveness of the internal control system and the pursuit of value for money together with an assurance on risk management.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mrs Sheila Cooper (Chair)	2	2
Mrs Sian Belfield	0	1
Mrs Kathleen Cooper	2	2
Mr Paul Cowley (Headteacher)	2	2
Mr Stephen Gregson	1	2
Mr Andrew Marston	1	2
Mr Karl Roberts	2	2
Mr David Taylor	2	2
Mr Alistair Websdell	1	2

**The Curriculum Committee** is a sub-committee of the Board of Trustees. Its purpose is to:

1. Ensure that the school's curriculum is balanced and broadly based, using a variety of different evidence sources to evaluate the overall effectiveness of the curriculum, in order to support the improvement of the curriculum offer.
2. Review the aims of the school curriculum in relation to the current statutory requirements, including those for Religious Education, Collective Worship and Relationships and Sex (RSE) Education.
3. Review the curriculum design to ensure all students are given access to knowledge and skills for future employment.
4. Advise on ways in which trustees can be involved in any curriculum aspects of the School Improvement Plan.
5. Monitor the impact of curriculum policies and planning on students' learning.
6. Monitor the progress and evaluate the impact of Key Stage 3 strategy, including literacy and numeracy across the curriculum.
7. Request and receive reports, as and when required, from key members of staff e.g. curriculum leaders and senior leaders.
8. Ensure that there are effective procedures in place for the quality assurance of teaching and learning, the curriculum, inclusion and the sharing of good practice throughout the school.
9. Ensure that committee members and other trustees keep themselves informed of the key initiatives and take part in appropriate training and development activities and incorporate into meetings where necessary.
10. Review committee progress on a regular basis, taking into account performance, constitution and terms of reference to make sure that the committee is operating at its full potential.
11. Be mindful of the requirements of the Equalities Act 2010.

(Continued)

## Bishop Rawstorne Church of England Academy Trust

### Governance Statement

Year Ended 31<sup>st</sup> August 2020

Attendance at meetings in the year was as follows: (summer meeting cancelled)

Trustee	Meetings attended	Out of a possible
Mrs Julie Hughes (Chair)	2	2
Mrs Joanna Cast	2	2
Mrs Teresa Cowell	1	2
Mr Paul Cowley (Headteacher)	1	2
Mrs Ronda Culshaw	2	2
Mrs Kathleen Cooper	1	1
Mrs Suzanne Dixon	2	2
Mrs Wendy Gibbons	2	2
Mr John Latham	2	2
Mr Andrew Marston	2	2

### 3. Review of Value for Money

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

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

#### Principles of Best Value

The Board of Trustees applies the principles of best value:

- |                  |  |
|------------------|--|
| <b>Challenge</b> | - regularly reviewing the functions of the academy, challenging how and why services are provided and setting targets and performance indicators for improvement. Challenging proposals and examining them for effectiveness, efficiency and cost. |
| <b>Compare</b>   | - monitoring outcomes and comparing performance with similar academies   |
| <b>Consult</b>   | - consulting appropriate stakeholders especially students and parents, about the services which the academy provides   |
| <b>Compete</b>   | - securing competition to ensure that goods and services are purchased in the most economic, efficient and effective manner to meet the needs of the academy.  |

#### Application of Best Value Principles

Examples of current practices which demonstrate the application of Best Value principles and any planned developments in academy policy and practices to enhance best value within the Academy are identified in this statement.

(Continued)



## **Bishop Rawstorne Church of England Academy Trust**

### **Governance Statement**

**Year Ended 31<sup>st</sup> August 2020**

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#### **Improving educational results**

We have ensured that resources are directed to where they are most needed and most effective in improving outcomes for all students for example by:

- Targeting resources in key areas such as literacy, numeracy and phonics
- Targeting support where it is most needed, for example Pupil Premium and SEN students
- Appointing a senior leader with specific responsibility for curriculum development
- Focusing on the needs of particular students and ensuring that the support they receive is relevant to them by increasing parents' involvement in their child's education, particularly for the 'hard to reach' students.
- Implementing a staff performance management system which ensures staff consistently deliver outstanding teaching and learning opportunities
- Introducing a mentoring system for GCSE students
- Further developing our network of alliance schools to support, encourage and raise attainment in other schools and to share good practice.
- Developing our status as a School Direct provider of Initial Teacher Training (ITT) and working with our alliance schools and HEI partners to develop an ITT model so that we can train the next generation of outstanding teachers.
- establishing our NCCE National Computing Hub
- Appointing a Pastoral Liaison and Intervention Manager
- Updating our communication systems by introducing a new online parental and student communication system
- Achievement of an outstanding SIAMS (Statutory Inspection of Anglican and Methodist Schools) inspection.
- Introducing a staff wellbeing programme to ensure staff are healthy and well both mentally and physically which is crucial to whole school success

The effectiveness of these strategies is monitored and evidenced in our outstanding GCSE results.

#### **Financial and governance oversight**

The Board of Trustees receives regular monitoring reports and is active in its role of challenging robustly. Trustees are invited to challenge decisions and ask relevant questions. The work of the Board of Trustees is further informed by Responsible Officer reports.

#### **Better purchasing**

Examples of steps taken to ensure value for money during the procurement process include:

- Reviewing all contracts annually
- Adopting a formal tendering process for major purchases of supplies and services
- Requesting references from other schools when contracting with a new supplier
- To use LASBM approved partners where possible
- To collaborate with other schools to obtain further discount on purchases

#### **Income generation**

Income generation potential is maximised by:

- working in partnership with a lettings company to market and manage lettings.
- effective marketing and promotion of our 3G all-weather pitch which is available to the local community to let which will provide a long-term income stream to the academy
- using our Teaching School status to deploy our SLEs, NLE and NLG to support other schools
- recruiting trainee teachers to our School Direct programme

*(Continued)*

# **Bishop Rawstorne Church of England Academy Trust**

## **Governance Statement**

**Year Ended 31<sup>st</sup> August 2020**

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### **Reviewing controls and managing risks**

The Finance Resources and Audit Committee has been established to regularly review controls and risks to the Academy. Regular budget monitoring reports are issued to budget holders, the Senior Leadership Team and the Board of Trustees.

Actions taken to manage risk include:

- the academy is a member of the Risk Protection Arrangements (RPA) scheme
- professional expertise is sought for specialist advice where needed

### **Future Objectives**

- To maintain staffing levels at a maximum of 80% of income
- To introduce further efficiency savings to minimise the effect of increased staffing costs and reduced funding
- To review the Best Value statement at each autumn term meeting

### **4. 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 the Academy Trust's 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 Bishop Rawstorne Church of England Academy Trust for the year ended 31<sup>st</sup> August 2020 and up to the date of approval of the annual report and financial statements.

### **5. Capacity to Handle Risk**

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

### **6. The Risk and Control Framework**

The academy trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Finance, Resources 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, and;
- identification and management of risks.

*(Continued)*



# Bishop Rawstorne Church of England Academy Trust

## Governance Statement

**Year Ended 31<sup>st</sup> August 2020**

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The Board of Trustees has decided to appoint Redrambler Ltd as internal auditor. The role includes giving advice on financial and other matters and performing a range of checks on the academy trust's financial and other systems. On a twice-yearly basis, the internal auditor reports to the board of trustees, through the Finance, Resources and Audit Committee on the operation of the systems of control and on the discharge of the trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

In particular, the checks carried out in the current period included:

- general observations
- testing of payroll systems
- testing of income systems
- testing of purchase systems
- testing of accounting systems including control account / bank reconciliations

The RO function in 2019/2020 has been fully delivered in line with the ESFA's requirements and no material control issues arose as a result of the RO's work.

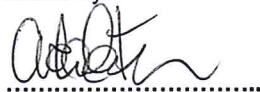
### 7. Review of Effectiveness

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

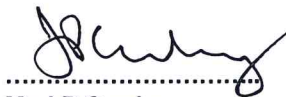
- the work of the Responsible Officer;
- the work of the external auditor;
- the school resource management self-assessment tool
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Audit and Risk Management 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 8/12/20 and signed on its behalf by:



**Mr A Marston**  
Chair of Trustees



**Mr J P Cowley**  
Accounting Officer

## **Bishop Rawstorne Church of England Academy Trust**

### **Statement on Regularity, Propriety and Compliance**

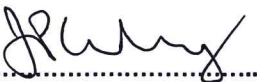
**Year Ended 31<sup>st</sup> August 2020**

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As Accounting Officer of Bishop Rawstorne Church of England Academy Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2019.

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.



.....  
**Mr J P Cowley**  
**Accounting Officer**

Date: ..... 8/12/20 .....

## Bishop Rawstorne Church of England Academy Trust

### Statement of Trustees' Responsibilities

Year Ended 31<sup>st</sup> August 2020

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The trustees (who 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 Directors' Report) and the financial statements in accordance with the Academies Accounts Direction published by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls which conform to the requirements both of propriety and good financial management. They are also responsible for ensuring that grants received from the Education & Skills Funding Agency and Department for Education have been applied for the purposes intended.

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

Approved by order of the members of the Board of Trustees on .....8/12/20..... and signed on its behalf by:

  
.....

**Mr A Marston**  
**Chair of Trustees**



## **Bishop Rawstorne Church of England Academy Trust**

### **Independent Auditor's Report to the Members of Bishop Rawstorne Church of England Academy Trust**

**Year Ended 31<sup>st</sup> August 2020**

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#### **Opinion**

We have audited the financial statements of Bishop Rawstorne Church of England Academy Trust (the 'Academy Trust') for the year ended 31<sup>st</sup> August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flows and the 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 and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*, the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at the 31<sup>st</sup> August 2020, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education & Skills Funding Agency.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Academy Trust 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.

#### **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' annual report, other than the financial statements and our auditor's report thereon. Other information includes the trustees' report (incorporating the strategic report and the directors' report), the governance statement, and the Accounting Officer's statement. 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.

*(Continued)*

## **Bishop Rawstorne Church of England Academy Trust**

### **Independent Auditor's Report to the Members of Bishop Rawstorne Church of England Academy Trust**

**Year Ended 31<sup>st</sup> August 2020**

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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.

#### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

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

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' 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 22, the trustees (who are also the directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

*(Continued)*



## **Bishop Rawstorne Church of England Academy Trust**

### **Independent Auditor's Report to the Members of Bishop Rawstorne Church of England Academy Trust**

**Year Ended 31<sup>st</sup> August 2020**

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#### **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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### **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.

  
.....  
Mr Robert Mitchell ACA (Senior Statutory Auditor)  
For and on behalf of CWR Chartered Accountants  
20 Mannin Way  
Lancaster Business Park  
Caton Road  
Lancaster  
LA1 3SW

Date: .....17/12/2020.....

## **Bishop Rawstorne Church of England Academy Trust**

### **Independent Reporting Accountant's Assurance Report on Regularity to Bishop Rawstorne Church of England Academy Trust and the Education & Skills Funding Agency**

#### **Year Ended 31<sup>st</sup> August 2020**

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In accordance with the terms of our engagement letter dated 31<sup>st</sup> August 2020 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Bishop Rawstorne Church of England Academy Trust during the year from the 1<sup>st</sup> September 2019 to the 31<sup>st</sup> August 2020 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 Bishop Rawstorne Church of England Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Bishop Rawstorne Church of England Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Bishop Rawstorne Church of England Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

#### **Respective responsibilities of Bishop Rawstorne Church of England Academy Trust's Accounting Officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of Bishop Rawstorne Church of England Academy Trust's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1<sup>st</sup> September 2019, 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 2019 to 2020. 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 from the 1<sup>st</sup> September 2019 to the 31<sup>st</sup> August 2020 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 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusions includes:

- Obtaining evidence including those tests relevant to the circumstances of the Academy Trust as prescribed in Section 4 of Annex B of the Academies Accounts Direction 2019 to 2020 issued by the ESFA; and
- Planning and performing any additional tests we deemed necessary to express an opinion on regularity.

*(Continued)*

**Bishop Rawstorne Church of England Academy Trust**


**Independent Reporting Accountant's Assurance Report on Regularity to Bishop Rawstorne Church of England Academy Trust and the Education & Skills Funding Agency**

**Year Ended 31<sup>st</sup> August 2020**

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**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year from the 1<sup>st</sup> September 2019 to the 31<sup>st</sup> August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

  
.....  
Mr Robert Mitchell ACA (Senior Statutory Auditor)  
For and on behalf of CWR Chartered Accountants  
20 Mannin Way  
Lancaster Business Park  
Caton Road  
Lancaster  
LA1 3SW

Date: .....17/12/2020.....



# Bishop Rawstorne Church of England Academy Trust

## Statement of Financial Activities incorporating Income & Expenditure Account

Year Ended 31<sup>st</sup> August 2020

	Notes	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2020 £000	Total 2019 £000
<b>Income and endowments from:</b>						
Donations and capital grants	2	1	225	80	306	524
Charitable activities:						
Funding for the Academy	3	-	5,051	-	5,051	4,429
Trust's educational operations						
Teaching schools	28	14	42	-	56	59
Other trading activities	4	155	-	-	155	209
Investments	5	3	-	-	3	3
<b>Total</b>		<b>173</b>	<b>5,318</b>	<b>80</b>	<b>5,571</b>	<b>5,224</b>
<b>Expenditure on:</b>						
Charitable activities:						
Academy trust's educational operations	6/7	84	4,993	93	5,170	5,036
Teaching schools	7/28	14	38	-	52	60
<b>Total</b>		<b>98</b>	<b>5,031</b>	<b>93</b>	<b>5,222</b>	<b>5,096</b>
<b>Net income/(expenditure)</b>		<b>75</b>	<b>287</b>	<b>(13)</b>	<b>349</b>	<b>128</b>
<b>Transfers between funds</b>	15	-	(70)	70	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial losses on defined benefit pension schemes	15/ 26	-	(78)	-	(78)	(469)
<b>Net movement in funds</b>		<b>75</b>	<b>139</b>	<b>57</b>	<b>271</b>	<b>(341)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward	15	768	(1,161)	8,128	7,735	8,076
<b>Total funds carried forward</b>	<b>15</b>	<b>843</b>	<b>(1,022)</b>	<b>8,185</b>	<b>8,006</b>	<b>7,735</b>

All income and expenditure derive from continuing activities.

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

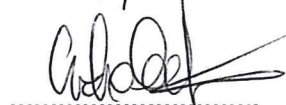
# Bishop Rawstorne Church of England Academy Trust

## Balance Sheet

Year Ended 31<sup>st</sup> August 2020

	Notes	2020 £000	2020 £000	2019 £000	2019 £000
<b>Fixed assets</b>					
Tangible assets	11		8,155		8,128
<b>Current assets</b>					
Debtors	12	217		152	
Cash at bank and in hand		1,783		1,417	
		<u>2,000</u>		<u>1,569</u>	
<b>Liabilities</b>					
Creditors: Amounts falling due within one year	13	<u>(312)</u>		<u>(296)</u>	
<b>Net current assets</b>			<u>1,688</u>		<u>1,273</u>
<b>Total assets less current liabilities</b>			9,843		9,401
Creditors: Amounts falling due after more than one year	14		(39)		(49)
<b>Net assets excluding pension liability</b>			<u>9,804</u>		<u>9,352</u>
Defined benefit pension scheme liability	26		(1,798)		(1,617)
<b>Net assets including pension liability</b>			<u>8,006</u>		<u>7,735</u>
<b>Funds of the Academy Trust:</b>					
<b>Restricted funds</b>					
Fixed asset fund	15	8,185		8,128	
Restricted income fund	15	776		456	
Pension reserve	15	<u>(1,798)</u>		<u>(1,617)</u>	
<b>Total restricted funds</b>			7,163		6,967
<b>Unrestricted income funds</b>	15		843		768
<b>Total funds</b>			<u>8,006</u>		<u>7,735</u>

The financial statements on pages 28 to 51 were approved by the trustees, and authorised for issue on the 8/12/20 and are signed on their behalf by:



Mr A Marston  
Chair of Trustees

Company Limited by Guarantee  
Registration Number: 07672781

**Bishop Rawstorne Church of England Academy Trust**

**Statement of Cash Flows**

**Year Ended 31<sup>st</sup> August 2020**

	Notes	2020 £000	2019 £000
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	19	413	288
<b>Cash flows from investing activities</b>	21	(37)	(252)
<b>Cash flows from financing activities</b>	20	(10)	(9)
<b>Change in cash and cash equivalents in the reporting period</b>		<u>366</u>	<u>27</u>
<b>Cash and cash equivalents at 1<sup>st</sup> September 2019</b>		1,417	1,390
<b>Cash and cash equivalents at 31<sup>st</sup> August 2020</b>	22/23	<u>1,783</u>	<u>1,417</u>

# **Bishop Rawstone Church of England Academy Trust**

## **Notes to the Financial Statements**

**Year Ended 31<sup>st</sup> August 2020**

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### **1 Accounting policies**

#### **General information and basis of preparation**

Bishop Rawstone Church of England Academy Trust is a company limited by guarantee incorporated in England. The address of the registered office is given in the Reference and Administrative Details given on page 2 of these financial statements and the principal place of business is Highfield Road, Croston, Leyland, PR26 9HH. The nature of the Academy Trusts operations and principal activities are set out in the Trustees' Report on page 4.

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102) 2019), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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.

#### **Going concern**

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

#### **Income**

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

- **Grants receivable**

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

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

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

- **Donations**

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



# Bishop Rawstorne Church of England Academy Trust

## Notes to the Financial Statements

Year Ended 31<sup>st</sup> August 2020

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### 1 Accounting policies (continued)

#### Income (continued)

- **Other income**

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

- **Donated goods, facilities and services**

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

#### 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.

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

#### Tangible fixed assets

Assets costing £3,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

# **Bishop Rawstorne Church of England Academy Trust**

## **Notes to the Financial Statements**

### **Year Ended 31<sup>st</sup> August 2020**

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#### **1 Accounting policies (continued)**

##### **Tangible fixed assets (continued)**

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

Long leasehold buildings	Over 125 years straight line
Fixtures, Fittings and equipment	33% straight line
Plant and machinery	33% straight line
Motor vehicles	25% straight line

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

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

The building valuation represents the value of leasehold assets as per the ESFA valuation carried out in 2016 by a RICS approved valuer. In this valuation the leasehold buildings were valued at £7,972,000. The assets were valued using a depreciated replacement cost model and are to be depreciated over a 125-year period (see note 11).

##### **Liabilities**

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the 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**

Provisions are recognised when the Academy Trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

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.

##### **Leased assets**

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

##### **Financial instruments**

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 12. Prepayments are not financial instruments.



# **Bishop Rawstorne Church of England Academy Trust**

## **Notes to the Financial Statements**

**Year Ended 31<sup>st</sup> August 2020**

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### **1 Accounting policies (continued)**

#### **Financial instruments (continued)**

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 13 and 14. Taxation and social security are not included in the financial instrument's 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 charity's wholly owned subsidiary are held at face value less any impairment.

#### **Taxation**

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

#### **Pensions Benefits**

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

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

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net operating income/(expenditure) are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability 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.

#### **Fund Accounting**

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

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

# Bishop Rawstorne Church of England Academy Trust

## Notes to the Financial Statements

### Year Ended 31<sup>st</sup> August 2020

#### 1 Accounting policies (continued)

##### Fund Accounting (continued)

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.

##### 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 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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, 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<sup>st</sup> March 2016 has been used by the actuary in valuing the pensions liability at 31<sup>st</sup> August 2020. 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.

#### 2 Donations and capital grants

	Unrestricted Funds £000	Restricted Funds £000	Total 2020 £000	Total 2019 £000
ESFA Capital grants	-	20	20	88
Trips and other non-public funds	-	225	225	419
Other donations	1	60	61	17
	<u>1</u>	<u>305</u>	<u>306</u>	<u>524</u>

£1,000 (2019 - £17,000) of income from donations and capital grants was attributable to unrestricted funds, £225,000 (2019 - £419,000) was attributable to restricted general funds and £80,000 (2019 - £88,000) was attributable to restricted fixed asset funds.

£20,000 (2019 - £88,000) of government grants were received for capital and maintenance works.



# Bishop Rawstorne Church of England Academy Trust

## Notes to the Financial Statements

Year Ended 31<sup>st</sup> August 2020

### 3 Funding for Academy Trust's educational operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2020 £000	Total 2019 £000
<b>DfE/ESFA grants</b>				
General Annual Grant (GAG)	-	4,498	4,498	4,255
Other DfE Group grants	-	520	520	153
	<u>-</u>	<u>5,019</u>	<u>5,018</u>	<u>4,408</u>
<b>Other Government grants</b>				
Local Authority grants	-	25	25	21
Other Government Grants	-	8	8	-
	<u>-</u>	<u>33</u>	<u>33</u>	<u>21</u>
	<u>-</u>	<u>5,051</u>	<u>5,051</u>	<u>4,429</u>

£nil (2019 - £nil) of funding for Academy Trust's educational operations was attributable to unrestricted funds, £5,051,000 (2019 - £4,429,000) was attributable to restricted general funds and £nil (2019 - £nil) was attributable to restricted fixed asset funds.

£5,051,000 (2019 - £4,429,000) of government grants were received for the purposes of the day to day running costs of the Academy and its charitable objectives.

### 4 Other trading activities

	Unrestricted Funds £000	Restricted Funds £000	Total 2020 £000	Total 2019 £000
Hire of facilities	12	-	12	56
Catering income	20	-	20	34
Sale of educational goods and services	13	-	13	10
Exam related fees	1	-	1	1
School Direct Income	109	-	109	108
	<u>155</u>	<u>-</u>	<u>155</u>	<u>209</u>

£155,000 (2019 - £209,000) of income from other trading activities was attributable to unrestricted funds, £nil (2019 - £nil) was attributable to restricted general funds and £nil (2019 - £nil) was attributable to restricted fixed asset funds.

### 5 Investment income

	Unrestricted Funds £000	Restricted Funds £000	Total 2020 £000	Total 2019 £000
Short term deposits	3	-	3	3
	<u>3</u>	<u>-</u>	<u>3</u>	<u>3</u>

£3,000 (2019 - £3,000) of investment income was attributable to unrestricted funds, £nil (2019 - £nil) was attributable to restricted general funds and £nil (2019 - £nil) was attributable to restricted fixed asset funds.

# Bishop Rawstorne Church of England Academy Trust

## Notes to the Financial Statements

Year Ended 31<sup>st</sup> August 2020

### 6 Expenditure

	Staff Costs £000	Non-Pay Expenditure Premises £000	Other Costs £000	Total 2020 £000	Total 2019 £000
Academy Trust's educational operations					
Direct costs	3,545	74	563	4,182	4,050
Allocated support costs	530	383	75	988	986
Teaching School:					
Direct costs	27	-	8	35	46
Allocated support costs	14	-	3	17	14
	<u>4,116</u>	<u>457</u>	<u>649</u>	<u>5,222</u>	<u>5,096</u>

£84,000 (2019 - £69,000) of the above expenditure on the Academy Trust's educational operations was attributable to unrestricted funds, £4,993,000 (2019 - £4,873,000) was attributable to restricted general funds and £93,000 (2019 - £94,000) was attributable to restricted fixed asset funds.

£14,000 (2019 - £11,000) of the above expenditure on the Academy Trust's Teaching School expenditure was attributable to unrestricted funds, £38,000 (2019 - £48,000) was attributable to restricted general funds and £nil (2019 - £nil) was attributable to restricted fixed asset funds.

Net income/expenditure for the year includes:

	2020 £000	2019 £000
Operating lease rentals	18	12
Depreciation	93	94
(Gain)/loss on disposal of fixed assets	-	-
Fees payable to the auditor for:		
Audit	6	4
Other services	4	7
	<u>121</u>	<u>117</u>

No additional transactions have taken place under Section 5.2 of the 2019 Academies Financial Handbook which require additional disclosure.

# Bishop Rawstorne Church of England Academy Trust

## Notes to the Financial Statements

Year Ended 31<sup>st</sup> August 2020

### 7 Charitable activities

	<b>Total 2020 £000</b>	<b>Total 2019 £000</b>
Direct costs – educational operations	4,182	4,050
Direct costs – teaching school	35	46
Support costs – educational operations	988	986
Support costs – teaching school	17	14
	<b>5,222</b>	<b>5,096</b>

<b>Analysis of direct costs</b>	<b>Educational operations £000</b>	<b>Teaching school £000</b>	<b>Total 2020 £000</b>	<b>Total 2019 £000</b>
Direct staff costs	3,545	27	3,572	3,238
Depreciation	74	-	74	75
Learning resources	117	-	117	118
Technology costs	46	-	46	48
Examination fees	71	-	71	71
School trips and visits	225	-	225	419
Other direct costs	104	8	112	127
<b>Total direct costs</b>	<b>4,182</b>	<b>35</b>	<b>4,217</b>	<b>4,096</b>

<b>Analysis of support costs</b>	<b>Educational operations £000</b>	<b>Teaching school £000</b>	<b>Total 2020 £000</b>	<b>Total 2019 £000</b>
Support staff costs	530	14	544	586
Depreciation	19	-	19	19
Premises costs	364	-	364	331
Other support costs	63	3	66	50
Governance costs	12	-	12	14
<b>Total support costs</b>	<b>988</b>	<b>17</b>	<b>1,005</b>	<b>1,000</b>



# Bishop Rawstorne Church of England Academy Trust

## Notes to the Financial Statements

Year Ended 31<sup>st</sup> August 2020

### 8 Staff

#### (a) Staff costs

	2020 £000	2019 £000
Staff costs during the period were:		
Wages and salaries	2,955	2,858
Social security costs	304	289
Pension costs	799	650
	<u>4,058</u>	<u>3,797</u>
Agency staff costs	36	27
Staff restructuring costs	22	-
	<u>4,116</u>	<u>3,824</u>
Staff restructuring costs comprise:		
Redundancy payments	22	-
Severance payments	-	-
Other restructuring costs	-	-
	<u>22</u>	<u>-</u>

#### (b) Non-statutory / non-contractual staff severance payments

There were no non-statutory / non-contractual severance payments paid in either the current or previous period.

#### (c) Staff numbers

The average number of persons employed by the Academy Trust during the year, and the full-time equivalents, was as follows:

	2020 Number	2020 Full-time equivalent	2019 Number	2019 Full-time equivalent
Teachers	51	48	51	50
Administration and support	27	18	26	17
Management	8	8	8	8
	<u>86</u>	<u>74</u>	<u>85</u>	<u>75</u>

# Bishop Rawstorne Church of England Academy Trust

## Notes to the Financial Statements

Year Ended 31<sup>st</sup> August 2020

### 8 Staff (continued)

#### (d) Higher paid staff

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

	2020 No.	2019 No.
£60,001 - £70,000	-	-
£70,001 - £80,000	1	1
£80,001 - £90,000	-	-
£90,001 - £100,000	1	1
	<u>2</u>	<u>2</u>

#### (e) Key management personnel

The key management personnel of the Academy Trust comprise the trustees and the senior leadership team as listed on page 2. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £695,000 (2019: £642,000).

### 9 Related party transactions - Trustees' remuneration and expenses

One or more trustees have been paid remuneration or have received other benefits from employment with the 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, and not in respect of their role as trustees. The value of trustees' remuneration and other benefits was as follows:

J P Cowley (Headteacher and trustee):

Remuneration	£95,000 - £100,000 (2019: £95,000 - £100,000)
Employers' pension contributions	£20,000 - £25,000 (2019: £15,000 - £20,000)

W Gibbons (staff trustee):

Remuneration	£15,000 - £20,000 (2019: £15,000 - £20,000)
Employers' pension contributions	£0 - £5,000 (2019: £nil - £5,000)

E Palmer (staff trustee, retired 6<sup>th</sup> September 2019):

Remuneration	£0 - £5,000 (2019: £40,000 - £45,000)
Employers' pension contributions	£0 - £5,000 (2019: £5,000 - £10,000)

During the year ended 31<sup>st</sup> August 2020, no travel and subsistence expenses were reimbursed or paid directly to trustees (2019: £nil).

Other related party transactions involving the trustees are set out in note 27.

### 10 Trustees' and officers' insurance

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

# Bishop Rawstorne Church of England Academy Trust

## Notes to the Financial Statements

Year Ended 31<sup>st</sup> August 2020

### 11 Tangible fixed assets

	Leasehold Land and Buildings £000	Furniture and Equipment £000	Computer Hardware £000	Motor Vehicles £000	Total £000
<b>Cost</b>					
At 1 <sup>st</sup> September 2019	8,413	55	127	53	8,648
Additions	107	2	11	-	120
Disposals	-	-	-	-	-
At 31 <sup>st</sup> August 2020	8,520	57	138	53	8,768
<b>Depreciation</b>					
At 1 <sup>st</sup> September 2019	327	54	105	34	520
Charged in period	68	1	18	6	93
Disposals	-	-	-	-	-
At 31 <sup>st</sup> August 2020	395	55	123	40	613
<b>Net book values</b>					
At 31 <sup>st</sup> August 2019	8,086	1	22	19	8,128
At 31 <sup>st</sup> August 2020	8,125	2	15	13	8,155

### 12 Debtors

	2020 £000	2019 £000
Trade debtors	17	42
VAT recoverable	10	6
Other debtors	141	53
Prepayments and accrued income	49	51
	<u>217</u>	<u>152</u>

### 13 Creditors: amounts falling due within one year

	2020 £000	2019 £000
Trade creditors	48	41
Other taxation and social security	74	73
Other creditors	138	123
Accruals and deferred income	52	59
	<u>312</u>	<u>296</u>



# Bishop Rawstorne Church of England Academy Trust

## Notes to the Financial Statements

### Year Ended 31<sup>st</sup> August 2020

#### 14 Creditors: amounts falling due after more than one year

	2020 £000	2019 £000
Loans	39	49
	<u>39</u>	<u>49</u>

Other creditors relate to a loan received to fund energy efficient projects in the academy funded via the ESFA Salix scheme with no interest charged on the balance outstanding. The cost of repaying the loan will be offset by the energy cost savings resulting from the works carried out. Loan repayments are made in September and March of each year for the life of the loan.

The total repayable after more than five years is £1,000.

#### 15 Funds

	Balance at 1 <sup>st</sup> September 2019 £000	Income £000	Expenditure £000	Gains, Losses and Transfers £000	Balance at 31 <sup>st</sup> August 2020 £000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	443	4,498	(4,216)	(70)	655
Pupil premium	-	82	(82)	-	-
Other DfE/ESFA grants	8	438	(342)	-	104
Local Authority grants	-	25	(25)	-	-
Other government grants	-	8	-	-	8
Teaching school	5	42	(38)	-	9
Other restricted funds	-	225	(225)	-	-
Pension reserve	(1,617)	-	(103)	(78)	(1,798)
	<u>(1,161)</u>	<u>5,318</u>	<u>(5,084)</u>	<u>(95)</u>	<u>(1,022)</u>
<b>Restricted fixed asset funds</b>					
DfE/ESFA capital grants	-	20	-	(20)	-
Wolfson grant	-	60	-	(30)	30
Other capitalised assets	42	-	(25)	13	30
ESFA building valuation	8,086	-	(68)	107	8,125
	<u>8,128</u>	<u>80</u>	<u>(93)</u>	<u>70</u>	<u>8,185</u>
<b>Total restricted funds</b>	<u>6,967</u>	<u>5,398</u>	<u>(5,124)</u>	<u>(78)</u>	<u>7,163</u>
<b>Total unrestricted funds</b>	<u>768</u>	<u>173</u>	<u>(98)</u>	<u>-</u>	<u>843</u>
<b>Total funds</b>	<u>7,735</u>	<u>5,571</u>	<u>5,222</u>	<u>(78)</u>	<u>8,006</u>

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

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31st August 2020. At the period end the carry forward of GAG funding was £655,000.

# **Bishop Rawstorne Church of England Academy Trust**

## **Notes to the Financial Statements**

### **Year Ended 31<sup>st</sup> August 2020**

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#### **15 Funds (continued)**

Other DfE/ESFA grants include monies received outside of GAG funding for example the Teacher Pay Grant, Teacher Pension Grant and monies for the ICT Hub. At the period end the carry forward of these grants was £104,000.

Local Authority grants represent amounts payable to the Academy predominantly from Lancashire County Council. This includes funds which relate specifically to Special Educational Needs (SEN) funding. As at the 31st August 2020 these funds had been spent in full.

Other government grants represent income received from Sport England. At the period end the carry forward of this grant was £8,000.

The National College and Teaching School grants include income received in relation to the Teaching School status the Academy has obtained. Teaching schools give outstanding schools a leading role in the training and professional development of teachers, support staff and headteachers, as well as contributing to the raising of standards through school-to-school support. As at the year end £9,000 of the funding received was unspent.

Other restricted funds include monies from trips & non-public funds. During the period the trips & non-public funds had no excess expenditure over income.

The pension reserve represents the value of the Academy's share of the deficit in the Local Government Pension Scheme. The value of the deficit had increased to £1,798,000 at the 31st August 2020.

DfE/ESFA capital grants represent capital monies received during the period from the ESFA, predominantly from the Capital Improvement Fund. All of these funds had been utilised at the year end.

Other capitalised assets represent the value of assets purchased since conversion to academy status. These will be depreciated in line with the accounting policies set out in note 1. This also includes an amount of £30,000 carried forward in relation to income received but not spent from Wolfson Foundation.

The ESFA building valuation represents the value of leasehold assets as per the ESFA valuation carried out in 2016 by a RICS approved valuer. In this valuation the leasehold buildings were valued at £7,972,000. The assets were valued using a depreciated replacement cost model and are to be depreciated over a 125-year period.

Unrestricted funds represent funds generated via activities such as from Teaching School / Schools Direct activities, lettings, catering and bank interest receivable. The surplus on this fund at the period end was £843,000 and these funds can be used at the discretion of the Trustees to meet the charitable objectives of the Academy.

# Bishop Rawstorne Church of England Academy Trust

## Notes to the Financial Statements

### Year Ended 31<sup>st</sup> August 2020

#### 15 Funds (continued)

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

	Balance at 1 <sup>st</sup> September 2018 £000	Income £000	Expenditure £000	Gains, Losses and Transfers £000	Balance at 31 <sup>st</sup> August 2019 £000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	380	4,255	(4,123)	(69)	443
Pupil premium	-	83	(83)	-	-
Other DfE/ESFA grants	9	70	(71)	-	8
Local Authority grants	-	21	(21)	-	-
Teaching school	6	48	(49)	-	5
Other restricted funds	-	419	(419)	-	-
Pension reserve	(992)	-	(156)	(469)	(1,617)
	<b>(597)</b>	<b>4,896</b>	<b>(4,922)</b>	<b>(538)</b>	<b>(1,161)</b>
<b>Restricted fixed asset funds</b>					
DfE/ESFA capital grants	173	88	-	(261)	-
Other capitalised assets	19	-	(27)	50	42
ESFA building valuation	7,860	-	(67)	293	8,086
	<b>8,052</b>	<b>88</b>	<b>(94)</b>	<b>82</b>	<b>8,128</b>
<b>Total restricted funds</b>	<b>7,455</b>	<b>4,984</b>	<b>(5,016)</b>	<b>(456)</b>	<b>6,967</b>
<b>Total unrestricted funds</b>	<b>621</b>	<b>240</b>	<b>(80)</b>	<b>(13)</b>	<b>768</b>
<b>Total funds</b>	<b>8,076</b>	<b>5,224</b>	<b>(5,096)</b>	<b>(469)</b>	<b>7,735</b>

#### 16 Analysis of net assets between funds

Fund balances at 31<sup>st</sup> August 2020 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	8,155	8,155
Current assets	843	1,127	30	2,000
Current liabilities	-	(312)	-	(312)
Non-current liabilities	-	(39)	-	(39)
Pension scheme liability	-	(1,798)	-	(1,798)
<b>Total net assets</b>	<b>843</b>	<b>(1,022)</b>	<b>8,185</b>	<b>8,006</b>



# Bishop Rawstorne Church of England Academy Trust

## Notes to the Financial Statements

Year Ended 31<sup>st</sup> August 2020

### 16 Analysis of net assets between funds (continued)

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

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	8,128	8,128
Current assets	768	801	-	1,569
Current liabilities	-	(296)	-	(296)
Non-current liabilities	-	(49)	-	(49)
Pension scheme liability	-	(1,617)	-	(1,617)
<b>Total net assets</b>	<b>768</b>	<b>(1,161)</b>	<b>8,128</b>	<b>7,735</b>

### 17 Capital commitments

	2020 £000	2019 £000
Contracted for, but not provided in the financial statements	71	-

### 18 Commitments under operating leases

#### Operating leases

At 31<sup>st</sup> August 2020 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2020 £000	2019 £000
Amounts due within one year	20	13
Amounts due between one and five years	35	25
Amounts due after five years	-	-
	<b>55</b>	<b>38</b>

### 19 Reconciliation of net income/(expenditure) to net cash inflow from operating activities

	2020 £000	2019 £000
Net income for the reporting period (as per the Statement of Financial Activities)	349	128
Adjusted for:		
Depreciation (note 11)	93	94
Capital grants from DfE and other capital income	(80)	(88)
Interest receivable (note 5)	(3)	(3)
Defined benefit pension scheme cost less contributions payable (note 26)	74	129
Defined benefit pension scheme finance cost (note 26)	29	27
Increase in debtors	(65)	(4)
Increase in creditors	16	5
<b>Net cash provided by operating activities</b>	<b>413</b>	<b>288</b>

# Bishop Rawstorne Church of England Academy Trust

## Notes to the Financial Statements

Year Ended 31<sup>st</sup> August 2020

### 20 Cash flows from financing activities

	2020 £000	2019 £000
Repayments of borrowing	(10)	(9)
Cash inflows from borrowing	-	-
<b>Net cash used in financing activities</b>	<b>(10)</b>	<b>(9)</b>

### 21 Cash flows from investing activities

	2020 £000	2019 £000
Dividends, Interest and rent from investments	3	3
Proceeds from sale of tangible fixed assets	-	-
Purchase of tangible fixed assets	(120)	(343)
Capital grants from DfE/ESFA	20	88
Capital funding received from sponsors and others	60	-
<b>Net cash used in investing activities</b>	<b>(37)</b>	<b>(252)</b>

### 22 Analysis of cash and cash equivalents

	2020 £000	2019 £000
Cash at bank and in hand	1,783	1,417
Notice deposits (less than 3 months)	-	-
<b>Total cash and cash equivalents</b>	<b>1,783</b>	<b>1,417</b>

### 23 Analysis of changes in net debt

	At 1 <sup>st</sup> September 2019	Cash flows	Other non-cash changes	At 31 <sup>st</sup> August 2020
Cash	1,417	366	-	1,783
	1,417	366	-	1,783
Loans falling due within one year	(10)	10	(10)	(10)
Loans falling due after more than one year	(49)	-	10	(39)
	(59)	10	-	(49)
<b>Total</b>	<b>1,358</b>	<b>376</b>	<b>-</b>	<b>1,734</b>

### 24 Contingent Liabilities

During the period of the funding agreement, in the event of the sale or disposal by other means of any leasehold building the Academy is required to either re-invest the proceeds or to repay the Secretary of State for Education or the Diocese the proceeds of the sale or disposal as these two bodies would jointly have an interest in the proceeds of any sale.

**25 Members' Liability**

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

**26 Pension and similar obligations**

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

The latest actuarial valuation of the TPS was 31<sup>st</sup> March 2016 and of the LGPS 31<sup>st</sup> March 2016.

Contributions amounting to £10,000 (2019: £9,000) were payable to the schemes at 31<sup>st</sup> August 2020 and are included within creditors.

**Teachers' Pension Scheme**

**Introduction**

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

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

**Valuation of the Teachers' Pension Scheme**

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

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

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

The pension costs paid to TPS in the period amounted to £816,000 (2019: £612,000).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).



# Bishop Rawstorne Church of England Academy Trust

## Notes to the Financial Statements

### Year Ended 31<sup>st</sup> August 2020

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#### 26 Pension and similar obligations (continued)

##### Teachers' Pension Scheme (continued)

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

##### Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31<sup>st</sup> August 2020 was £147,000 (2019: £134,000), of which employer's contributions totalled £117,000 (2019: £107,000), and employees' contributions totalled £30,000 (2019: £27,000). The agreed contribution rates for future years are 21% for employers and the rate for employees remains dependant on the earnings of the employee.

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

As described in note 1 the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

Principal Actuarial Assumptions	At 31 <sup>st</sup> August 2020	At 31 <sup>st</sup> August 2019
Rate of increase in salaries	3.9%	3.5%
Rate of increase for pensions in payment / inflation	2.5%	2.1%
Discount rate for scheme liabilities	1.8%	1.8%
Inflation assumption (CPI)	2.4%	2.0%

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

	At 31 <sup>st</sup> August 2020	At 31 <sup>st</sup> August 2019
<i>Retiring today</i>		
Males	22.3	22.8
Females	25.0	25.5
<i>Retiring in 20 years</i>		
Males	23.8	25.1
Females	26.8	28.2

# Bishop Rawstorne Church of England Academy Trust

## Notes to the Financial Statements

Year Ended 31<sup>st</sup> August 2020

### 26 Pension and similar obligations (continued)

#### Local Government Pension Scheme (continued)

##### Sensitivity analysis

		Sensitivity 1	Sensitivity 2	Sensitivity 3	Sensitivity 4
	Central	+0.1% pa	+0.1% pa	+0.1% pa	1 year inc in
	£000	discount rate	inflation	pay growth	life expectancy
		£000	£000	£000	£000
Liabilities	3,637	3,564	3,711	3,650	3,740
Assets	(1,839)	(1,839)	(1,839)	(1,839)	(1,839)
Deficit	1,798	1,725	1,872	1,811	1,901
Projected service cost	184	180	188	184	190
Projected net interest	31	32	33	31	33

#### Local Government Pension Scheme (continued)

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

	Fair value at 31 <sup>st</sup> August 2020	Fair value at 31 <sup>st</sup> August 2019
Equities	839	860
Government Bonds	-	-
Other Bonds	127	29
Property	250	158
Cash and other liquid assets	33	32
Other	590	720
<b>Total market value of assets</b>	<b>1,839</b>	<b>1,799</b>

The actual return on scheme assets was £15,000 (2019: £200,000).

#### Amounts recognised in the statement of financial activities

	2020 £000	2019 £000
Current service cost (net of employer contributions)	(63)	(29)
Past service cost	(8)	(98)
Interest income	33	43
Interest expense	(62)	(70)
Benefit changes, gain/(loss) on curtailment and gain/(loss) on settlement	-	-
Admin expenses	(3)	(2)
<b>Total operating charge</b>	<b>(103)</b>	<b>(156)</b>

# Bishop Rawstorne Church of England Academy Trust

## Notes to the Financial Statements

Year Ended 31<sup>st</sup> August 2020

### 26 Pension and similar obligations (continued)

#### Local Government Pension Scheme (continued)

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

	2020 £000	2019 £000
<b>At 1<sup>st</sup> September</b>	3,416	2,473
Current service cost	178	136
Past service cost	8	98
Interest cost	62	70
Employee contributions	27	27
Actuarial (gain)/loss	(35)	625
Benefits paid	(19)	(13)
<b>At 31<sup>st</sup> August</b>	<b>3,637</b>	<b>3,416</b>

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

	2020 £000	2019 £000
<b>At 1<sup>st</sup> September</b>	1,799	1,481
Interest income	33	43
Return on plan assets (excluding interest income)	-	-
Administrative Expenses	(3)	(2)
Assets distributed on settlements	-	-
Actuarial gain/(loss)	(113)	156
Employer contributions	115	107
Employee contributions	27	27
Benefits paid	(19)	(13)
Effect of non-routine settlements	-	-
<b>At 31<sup>st</sup> August</b>	<b>1,839</b>	<b>1,799</b>

### 27 Related Party Transactions

Owing to the nature of the Academy Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1<sup>st</sup> April 2019 and obtaining their approval where required, and with the Academy Trust's financial regulations and normal procurement procedures.

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 9.



# Bishop Rawstorne Church of England Academy Trust

## Notes to the Financial Statements

Year Ended 31<sup>st</sup> August 2020

### 28 Teaching school trading account

	2020 £000	2020 £000	2020 £000	2019 £000	2019 £000	2019 £000
<b>Income</b>						
<i>Direct income:</i>						
Grant income		42			48	
<i>Other income:</i>						
Fundraising and other trading activities		14			11	
			56			59
<b>Expenditure</b>						
<i>Direct costs:</i>						
Direct staff costs	27			43		
Other direct costs	8			3		
Total direct costs		35			46	
<i>Other costs:</i>						
Support staff costs	14			10		
Training and support costs	-			2		
Other support costs	3			2		
Total other costs		17			14	
Total expenditure			52			60
<b>Surplus/(deficit) from all sources</b>			4			(1)
<b>Teaching school balances brought forward</b>			5			6
<b>Teaching school balances carried forward</b>			9			5