
BRIGHT FUTURES LEARNING TRUST

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

BRIGHT FUTURES LEARNING TRUST
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Joan Deans Roger Hawksworth Claire Lowe (appointed 16 September 2022, resigned 28 June 2022) Martin Digby (resigned 28 September 2022) Vic Shipp (resigned 17 March 2022)
Trustees	Helen Smith Gill Kozlowski Vic Shipp Carl Bowler (appointed 12 July 2022) Claire Lowe (appointed 26 September 2022, resigned 15 September 2022) Dave Meadon (resigned 23 March 2022) Pauline Alexander (resigned 19 July 2022) Jon Richens (resigned 27 September 2021) Matt Woodruff (appointed 23 May 2022, resigned 13 July 2022) Alan Gardner (resigned 21 October 2021)
Company registered number	07887259
Company name	Bright Futures Learning Trust
Principal and registered office	Goldsworth Primary School Bridge Barn Lane Woking Surrey GU21 6NL
Company secretary	Louise Webb - until 31st January 2022 and now unoccupied
Senior management team	Gill Kozlowski Ellen Rinttila Vicky Harbridge Caroline McLennan
Independent auditors	Landau Baker Limited Mountcliff House 154 Brent Street London NW4 2DR
Bankers	Lloyds Bank Plc 32 Commercial Way Woking Surrey GU21 6ER
Solicitors	Stone King

BRIGHT FUTURES LEARNING TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

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

Structure, governance and management

a. Constitution

- Bright Future Learning 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 Trust.
- The chief executive officer
- Up to 12 trustees appointed by the members by ordinary resolution
- Any co-opted trustees appointed by trustees who have not themselves been so appointed
- The total number of trustees, including the CEO, who are employees of the academy trust should not exceed one third of the total number of trustees
- Parent trustees are not required as provision is made for there to be two elected parent governors on each academy's local governing body.

The term of office for any trustee is 4 years. The chief executive's term of office runs parallel with their term of appointment. Subject to remaining eligible to be a particular type of trustee, any trustee may be reappointed or re-elected.

The trustees of Bright Futures Learning Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Bright Futures Learning Trust.

Details of the trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on the preceding pages of this document.

Bright Futures Learning Trust operates two primary schools, one infant and one junior school (both primaries and the infant school have nursery provision for 2 to 4 year olds) within the Woking area. Its academies have a combined pupil capacity of 1,626 and had a roll of 1,429 in the school census in October 2022.

b. Members' liability

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

c. Trustees' indemnities

Subject to the provisions of the Companies Act, every trustee or other officer of the academy shall be indemnified out of the assets of the academy against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the academy.

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

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of trustees

The management of the academy trust is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association and funding agreement as follows:

- The chief executive officer
- Up to 12 trustees appointed by the members by ordinary resolution
- Any co-opted trustees appointed by trustees who have not themselves been so appointed
- The total number of trustees, including the CEO, who are employees of the academy trust should not exceed one third of the total number of trustees
- Parent trustees are not required as provision is made for there to be two elected parent governors on each academy's local governing body.

The term of office for any trustee is 4 years. The chief executive's term of office runs parallel with their term of appointment. Subject to remaining eligible to be a particular type of trustee, any trustee may be reappointed or re-elected.

e. Policies adopted for the induction and training of trustees

The training and induction provided for new trustees will depend on their individual experience and expertise. Where necessary an induction will provide training on charity and educational, legal and financial matters. All new trustees are given a tour of the academies within the trust and the chance to meet with the chief executive, headteachers, staff and students. All governors are provided with copies of policies, procedures, minutes, budgets, plans and other documents that they will need to understand their role as trustees and directors of the trust.

f. Organisational structure

The academy trust has established a management structure to enable its efficient running. The structure consists of two levels: the trustees and the executives who are the senior leadership team.

The governing body / trust board has considered its role thoughtfully and decided that the role of the trustees is to approve the strategic direction and objectives of the academy trust and monitor its progress towards these objectives.

The governing body / trust board has approved a scheme of delegation which sets out a statement on the system of internal control, responsibilities, standing orders, and terms of reference. The chief executive is directly responsible for the day to day running of the academy trust and is assisted by the headteachers and senior leadership teams of each academy.

Trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the academy by use of budgets and making major decisions about the direction of the academy trust, including capital expenditure and senior staff appointments.

The chief executive assumes the accounting officer role.

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

Structure, governance and management (continued)

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

The Board has delegated the arrangement for setting the pay and remuneration for executive directors and senior management to the finance, audit and risk committee whose members comprise three trustees and the Chair of the Trust. This committee reviews the performance of the executive directors and ensures that succession planning is in line with the plans of the Trust.

This committee also sets the band of annual pay increases for all staff as guidelines for each of the academies' pay committees. The Trust scheme of delegation sets out the responsibility for pay increases for all staff to the academy headteachers and the pay committee.

Objectives and activities

a. Objects and aims

The principal objects of the Trust, as set out in its Articles of Association, are to:

- advance for the public benefit education in the United Kingdom, but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing all schools, offering a broad and balanced curriculum; and
- promote for the benefit of the inhabitants of Woking and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity, disablement, financial hardship, or social and economic circumstances for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

The principal object and activity of the Trust is the operation of Bright Futures Learning Trust to provide a broad and balanced education for pupils of all abilities in the Woking area. The governors have referred to the guidance issued by the Charity Commission in respect of public benefit when reviewing the aims and objectives of the academy.

In accordance with the articles of association, the academy trust has adopted a "Scheme of Government" approved by the Secretary of State for Education.

The Scheme of Government specifies, amongst other things, that the Trust will be at the heart of the community promoting community cohesion and sharing facilities; the basis for admitting students to the Trust, that the curriculum should be broad and balanced; there will be an emphasis on the needs of individual pupils including pupils with SEN; the basis for charging pupils.

b. Public benefit

As A Trust we make the best use of our skills, expertise and experience with regards to the community. Some examples of this are:

- Raising money for local, national and international charities.
- Hiring out facilities, including a swimming pool for additional lessons for local children and other exercise classes
- Taking part in local community events such as Armistice Day Parade

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

Strategic report

Achievements and performance

Bright Futures Learning Trust vision is defined as:

Ensuring every child has a bright future

Bright futures for children

We believe passionately that every child in our care should leave school with a bright future ahead of them. We are relentless in our work to provide the best education we can to enable our children to believe in themselves and the potential inside each one of them. We enable them to seek out opportunities to learn as much as they can and to imagine possibilities beyond their immediate experience. This in turn helps them to successfully and positively contribute to the world around them, leading them to live fulfilled, happy and extraordinary lives.

Bright futures for staff

We know that our staff are our greatest asset and, as such, we aim to provide an environment in which staff are empowered to develop their own 'bright future'. We encourage staff to work across the trust and gain experience in a variety of settings to become more skilful and develop greater knowledge. Staff work collaboratively to research the best teaching practices and to learn from each other and support one another. There are clear career paths and the trust cares for hard-working, talented staff, supporting them to follow the direction of their choice. We know that outstanding leadership is key for the children and their families and we seek to grow leaders with the courage, aspiration and integrity needed to become an outstanding leader, ensuring all in its community can enjoy a 'bright future'.

Our mission is:

- To build a primary education system at scale providing national top quartile attainment and progress outcomes
- Become the MAT of choice for teachers' and staff careers
- Inspire students and lead communities to change the world for the good.

The academy trust has experienced a period of significant change in the academic year 2021 to 2022. In the Autumn term of 2021, two of the academies were inspected by Ofsted and found to be requiring improvement. The leadership teams had already identified weaknesses and were taking necessary steps to strengthen the quality of education through resourcing, training, and reviewing the curriculum. The trust board had approved significant investment on improving resources, securing training and additional leadership capacity from reserves to strengthen provision at all academies. The main achievements are as follows:

Leadership and Management

- Appointment of a nursery lead and advisor to rapidly improve provision at all nurseries across the trust
- Secondment of an executive headteacher from a local school to support and drive forward school improvement
- Appointment of acting headteachers at Knaphill Lower School and Knaphill School following the departure of the federation headteacher
- Development of the curriculum in all schools through purchase of resources to support a high -quality, sequential, ambitious, broad and balanced curriculum
- Training and support of staff at all levels to deliver a high-quality curriculum effectively
- Implementation of high-quality phonics programmes in all academies

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

Strategic report (continued)

Achievements and performance (continued)

- Establishment of cross academy collaboration for subject leaders, senior leaders and special educational needs leaders
- Training and time given to additional planning to ensure high-quality lesson content
- Investment in more training for governors to improve effectiveness of governance
- Self-review and external review of governance leading to a robust action plan to improve governance at trust and local board levels, including a review of the scheme of delegation and the introduction of portfolio groups
- Appointment of new teaching staff leading to an improvement in the quality of teaching
- Staff have moved between academies to strengthen leadership and teaching where required

Quality of Education and Pupil Achievement

Investment in furniture and resources for the youngest year groups has led to more engaging and learning-centred environments which enable children to learn independence in their learning. Training for early years staff has improved planning and interactions with children, leading to a greater depth of learning in all areas of the early years curriculum.

Investment in high-quality phonics programmes and matching books is ensuring children are learning to read at an early age. A review of the reading and writing provision in all year groups and subsequent training led to a more coherent approach to the teaching of reading and writing in all schools.

A review of the maths provision in all academies identified strengths which can be shared across the trust. Subsequent training and collaboration between maths leaders has improved understanding of the maths curriculum.

The introduction of a purchased curriculum in the Knaphill and St. John's academies has led to a more coherent and sequential approach to the curriculum which enables progression for all throughout the primary phase. 2022 was the first year since the COVID pandemic that national tests were administered. The results for pupils at the trust academies are under key performance indicators:

Improved quality of teaching and the implementation of an ambitious and sequential curriculum as described above will ensure a much higher percentage of pupils will achieve the expected standard across the trust in the future.

Behaviour and Safeguarding

In both Ofsted inspections, safeguarding was found to be effective. Safeguarding reviews have been carried out at academies within the trust and recommendations have been implemented. Safeguarding training has been carried out at all academies which has included updates to Keeping Children Safe in Education.

Behaviour policies have been reviewed at the academies and staff have implemented these effectively, leading to fewer escalations of poor behaviour and better provision for children with additional needs that can affect behaviour.

Personal Development

Trust academies have continued to make personal development a high priority and have embedded understanding of 'zones of regulation' for children. Each academy has a good level of pastoral support with

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Strategic report (continued)

Achievements and performance (continued)

additional counselling and 'paws therapy' being introduced.

Values have been revisited in some academies in order to secure values-based education to improve personal development.

Extra-curricular activities have resumed post COVID and opportunities are once again wide and varied. Each academy has a school council or pupil parliament to ensure and develop pupil voice and deepen understanding of the British values of individual liberty and democracy.

a. Key performance indicators

A more detailed finance review of the in-year highlights is included later in this report.

2022 was the first year since the COVID pandemic that national tests were administered. The results for pupils at the trust academies are as follows:

Year 1 phonics screening:

Academy	% of pupils who passed the phonics screening check
Knaphill Lower School	54%
St. John's Primary School	60%
Goldsworth Primary School	88%

Key Stage 1 SATs % of pupils achieving the expected standard or above:

Academy	Reading	Writing	Maths
Knaphill Lower School	66%	65%	70%
St. John's Primary School	60%	40%	52%
Goldsworth Primary School	63%	55%	57%

Key Stage 2 SATs % of pupils achieving the expected standard or above:

Academy	Reading	Writing	GPS	Maths
Knaphill School	76%	63%	72%	70%
St. John's Primary School	43%	53%	43%	50%
*Goldsworth Primary School	88%	59%	82%	76%

*Please note, these results are yet to be confirmed due to some scripts being re-marked

Current Ofsted Judgements:

School	Date of Inspection	Outcome
Goldsworth Primary School	September 2010	Outstanding
St. John's Primary School	October 2021	Requires Improvement
Knaphill Lower School	November 2021	Requires Improvement
Knaphill School	April 2016	Good

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FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

Achievements and performance (continued)

b. 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 Statement of Accounting Policies.

Financial review

Most of the Trust's income is obtained from the Education & Skills Funding Agency (ESFA) in the form of grants the use of which is restricted to a particular purpose. The grants received from the DfE and other government bodies during the year ended 31 August 2022 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Trust also received grants for fixed assets from the ESFA. In accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK (United Kingdom) (FRS102), such grants are shown in the Statement of Financial Activities as restricted income in the restricted fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the period ended 31 August 2022, the total income was £8,679,407 and total expenditure of £10,106,361. The deficit of total expenditure over total incoming resources for the period was £1,426,954 (2021: deficit of £307,996).

Capital grants received from the ESFA were £425,610 (relating to £31,994 DFC & £393,616 Condition Improvement Fund (CIF) (2021: £545,719). The related expenditure was treated as major buildings improvements.

The net book value of fixed assets at 31 August 2022 was £22,952,207 (2021 - £23,171,368), which includes depreciation charges for the period of £589,132 (2021 - £559,610).

The fixed assets held by the Trust are used exclusively for providing education and associated support services to the pupils of the Trust.

The balance of total funds held at 31 August 2022 was £23,302,214 (2021 - £19,397,168) which comprised of the following:

- Restricted Funds (excluding Pension Liability) deficit of £901,119 (2021 - £271,435)
- Restricted Pension Liability Fund (£1,008,000) (2021 - £5,507,000)
- Restricted Fixed Asset Fund £23,161,434 (2021 - £23,313,706)
- Unrestricted Funds £2,049,899 (2021 - £1,319,027)

Principal revenue funding from the ESFA amounted to £6,596,767 (2021: £6,871,374) and revenue funding from the Local authority amounted to £754,917 (2021: £884,040).

A high percentage of this funding is spent on wages and salaries and support costs to deliver the academies' primary objective of the provision of education.

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

Strategic report (continued)

a. Reserves policy

The definition of reserves in the SORP is 'that part of a charity's income funds that is freely available for its general purposes'. This definition of reserves therefore normally excludes:

- permanent endowment funds
- expendable endowment funds
- restricted income funds
- any part of unrestricted
- funds not readily available for spending, specifically income funds which could only be realised by disposing of fixed assets held for charitable use

Reserves are therefore the resources the Academy has or can make available to spend for any or all of the Academy's purposes once it has met its commitments and covered its other planned expenditure. More specifically 'reserves' are income which becomes available to the Academy and is to be spent at the Trustees' discretion in furtherance of any of the Academy's objects (sometimes referred to as 'general purpose' income) but which is not yet spent, committed or designated (ie is 'free')

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. The Trustees will keep this level of reserves under review at each board meeting and aim to build and maintain the reserves level by entering into cost effective agreements whilst in keeping with the principal object of the Academy.

Total reserves at the end of the period amounted to £23,302,214. This balance includes unrestricted funds (free reserves) of £2,049,899, which are considered appropriate for the Academy Trust, and restricted funds deficit of £901,119 and a pension deficit of £1,008,000

The trustees have determined that the minimum level of free cash reserves should be approximately:

Goldsworth Primary	£85,000
St. John's Knaphill	£65,000
Knaphill Lower School	£50,000
Knaphill School	£50,000
Total	£245,000

The reason for this reserve is to provide sufficient working capital and to provide a cushion to deal with unexpected emergencies.

The above 2 sentences are more relevant this year due to the NAO requiring the DfE to report on any trusts holding in excess of 20% of their annual revenue income in reserves. If any of the reserves carried forward are earmarked for future expenditure, this is where it should be noted.

Within the reserves policy users should note that, because of accounting for the Local Government Pension Scheme (LGPS), the Trust recognises a significant pension fund deficit totalling to £1,008,000 (2021: £5,507,000). This deficit is included within restricted funds. This does not lead to an immediate liability for this amount. Similarly, if there were a pension surplus included in the restricted fund this would not create an immediately realisable asset that can be released straight away and expended for the specific purposes of that fund.

Users should also note that a surplus or deficit position of the pension scheme would generally result in a cash flow effect for the Trust in the form of an increase or decrease in employers' pension contributions over a period

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

of years. The Trust thus takes this fact into account when reviewing current business plans and budgets, ascertaining how the pension costs might affect budgets in the future. On the basis that increased pension contributions should generally be met from the Trust's budgeted annual income, whilst the deficit might not be eliminated, there should be no actual cash flow deficit on the fund or direct impact on the unrestricted reserves of the Trust due to the recognition of the deficit.

b. Investment policy

Investment policies are determined by the Trust Board. This ensures the level of funds the Trust holds can cover any immediate expenditure, without exposing the Trust to additional risk. Should any potential investment opportunity arise this would be escalated to the Trust Board for consideration.

As at 31 August 2022, no investments were held.

c. Principal risks and uncertainties

The Companies Act 2006 s417(3b) requires disclosure of the principal risks and uncertainties facing a company. The Trust is exposed to a number of financial risks including credit, cash flow and liquidity risks. Given the Trust's exposure to financial instruments being limited, the exposure principally relates to bank balances, cash and trade creditors, with limited trade (and other) debtors. The trust's system of internal controls ensures risk is minimal in these areas.

A risk register has been established and is updated regularly. Where appropriate, systems or procedures have been established to mitigate the risks the Trust faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

The trustees have assessed the major risks to which the Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Trust, and its finances. The trustees have implemented a number of systems to assess risks that the Academies face, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The Trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

It should also be noted that procedures are in place to ensure compliance with the health and safety regulations, pertaining to both staff and pupils.

Please refer to the Reserves Policy above for a description of the defined benefit pension scheme, in which there was a deficit at 31 August 2022. Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Fundraising

The Trust does not engage in any formal fundraising.

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

Plans for future periods

The Trust's plans for future periods are:

- To further develop the central services to become more efficient and streamlined, providing the best service possible to enable swift improvement for each school
- To further develop the trust board and local governing boards through recruitment of highly-skilled individuals who share our ethos, values and aims
- To further develop the curriculum in each school and bring a focus on innovative education, environmental education and community education
- To develop a clear staff training programme to ensure we are delivering the best quality teaching and learning
- To further develop the provision for children with special educational needs, providing an enabling environment for them to secure excellent outcomes for all
- To build effective partnerships with trusts and schools beyond ourselves to share best practice through meaningful collaboration and building capacity and capability
- To develop and grow leadership capability and capacity at all levels through training, networking and collaborating

Funds held as custodian on behalf of others

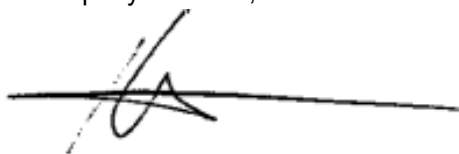
The Academy Trust and its trustees did not act as custodian trustee during the current or previous period.

Auditor

Insofar as the trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 14 December 2022 and signed on its behalf by:



Helen Smith
Chair of Trustees

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GOVERNANCE STATEMENT

Scope of responsibility

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

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

The board of trustees has delegated the day-to-day responsibility to the chief executive, 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 Brigh Future Learning Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The board of trustees has formally met 11 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
Helen Smith	9	11
Gill Kozlowski	11	11
Vic Shipp	8	11
Carl Bowler	2	2
Claire Lowe	1	2
Dave Meadon	5	6
Pauline Alexander	8	9
Jon Richens	0	1
Matt Woodruff	3	3
Alan Gardner	1	1

The board of trustees has undergone change during the year 2021/22. Vic Shipp was succeeded as Chair of Trustees by Helen Smith in March 2022. A number of trustees left their roles during the period, but the board was strengthened by experienced and skilled individuals joining from the board of members and from local governing boards. By the end of the year the board was smaller in size but focussed on delivering high quality governance for the trust.

Members, trustees, local governors and senior executive staff complete a register of pecuniary interests form annually and update this whenever there is a change in circumstances. Individuals are prompted at every board meeting to declare any potential conflicts. Any interests declared are published on the trust's website.

The board undertook several actions to evaluate and improve its effectiveness in 2021/22. Trustees conducted a self-review and a MAT assurance exercise to gather feedback from all those involved in governance in the trust. A National Leader of Governance was appointed to conduct an external review of governance within the trust. Trustees responded to these evaluations by creating a comprehensive action plan for improvement which has already had an impact, most notably in terms of communication and collaboration between trustees and local governors, and improved clarity and understanding of the scheme of delegation. The trust supports those in governance with training from

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The finance, audit & risk committee is a sub-committee of the main board of trustees. Its purpose is to support the trust board, CEO and executive team in their responsibilities to ensure the effective financial administration and oversight of the trust and the management of risk.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Helen Smith	3	3
Vic Shipp	2	2
Pauline Alexander	2	2
Alan Gardner	1	1

Review of value for money

As accounting officer, the chief executive has responsibility for ensuring that the Academy 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's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the Academy has delivered improved value for money during the year by:

- Sharing staff across the trust, including year team leaders, senior leaders and teachers
- Securing IT support and developing an IT strategy
- Securing finance function support to improve systems and processes and identify and implement efficiencies
- Appointing an HR Manager across the whole Trust and engaging different HR and legal support services
- Entering into shared service contracts such as photocopying, financial software and cleaning contracts
- Delivering shared training to staff in areas such as remote learning
- Securing school improvement expertise through the use of external consultants, secondment of an executive headteacher, a school improvement partner and an expert nursery lead and advisor
- Restructuring the leadership structure at Knaphill School and Knaphill Lower School to increase capacity and capability
- Ensuring training for staff focuses on the development of the curriculum and purchasing resources to support the broad, balanced, sequential curriculum desired
- Developing networks and partnerships within the trust and with outside partners to share best practice and develop a self-improving system
- Introducing a new management information system across the trust
- Inviting an external review of governance to take place
- Inviting a School Resource Management Advisor to conduct a review

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GOVERNANCE STATEMENT (CONTINUED)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Bright Futures Learning Trust Academy Trust for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

The board of trustees has decided to buy-in an internal audit service from Azets to carry out this function

The internal auditor's / reviewer's role includes giving advice on financial and other matters and performing a range of checks on the Trust's financial and other systems. In particular, the checks carried out in the current period included:

Central Trust

- Financial procedures, accounting records and systems
- Compliance and governance

Individual Schools

- Procurement
- Gifts and Hospitality

On an annual basis, the auditor / reviewer reports to the board of trustees, through the finance, audit and risk committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed,

BRIGHT FUTURES LEARNING TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The agreed schedule of work has been delivered as planned. The internal audit concluded a rating of matters meriting attention within Procurement and Gifts and Hospitality processes. An action plan is now in place to address matters requiring attention in the new financial year 2022-23.

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

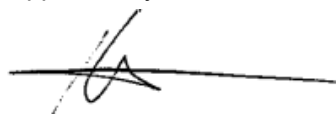
Review of effectiveness

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

- the work of the internal auditor / reviewer reviewer
- the financial management and governance self-assessment process or
- the school resource management self-assessment tool;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditors;

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the finance, audit and risk 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 14 December 2022 and signed on their behalf by:



Helen Smith
Chair of Trustees



Gill Kozlowski
Accounting Officer

BRIGHT FUTURES LEARNING TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Bright Futures Learning Trust I have considered my responsibility to notify the Academy board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2021.

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

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



Gill Kozlowski
Accounting Officer
Date: 14 December 2022

BRIGHT FUTURES LEARNING TRUST
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2022

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

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

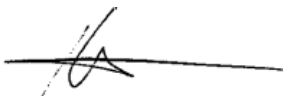
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

Approved by order of the members of the board of trustees on 14 December 2022 and signed on its behalf by:



Helen Smith
Chair of Trustees

BRIGHT FUTURES LEARNING TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF BRIGHT
FUTURES LEARNING TRUST**

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

BRIGHT FUTURES LEARNING TRUST
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF BRIGHT
FUTURES LEARNING TRUST (CONTINUED)**

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

BRIGHT FUTURES LEARNING TRUST
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF BRIGHT
FUTURES LEARNING TRUST (CONTINUED)**

Responsibilities of trustees

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

Auditors' responsibilities for the audit of the financial statements

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

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

We considered the nature of the industry and its control environment, and reviewed the academy's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the academy's operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty.
- We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;

BRIGHT FUTURES LEARNING TRUST
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF BRIGHT
FUTURES LEARNING TRUST (CONTINUED)**

- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

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

Use of our report

This report is made solely to the Academy'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's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

 FOR LANDAU BAKER LIMITED

Carly Pinkus (Senior statutory auditor)

for and on behalf of

Landau Baker Limited

Mountcliff House
154 Brent Street
London
NW4 2DR

14 December 2022

BRIGHT FUTURES LEARNING TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BRIGHT
FUTURES LEARNING TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 22 May 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Bright Futures Learning Trust during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Bright Futures Learning Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Bright Futures Learning Trust's funding agreement with the Secretary of State for Education dated 1 September 2020 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

BRIGHT FUTURES LEARNING TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BRIGHT
FUTURES LEARNING TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

The work undertaken to draw to our conclusion includes:

- review of management reporting documents.
- review of Trustees/Governors meeting minutes.
- confirming compliance with the Academy Trust's Scheme of Delegation.
- compliance with delegated authorities.
- consideration of whether any personal benefit has been derived from the Academy Trust's transactions by staff or related parties.
- adherence to tendering policies.

Conclusion

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

Landau Baker Limited

Reporting Accountant

Landau Baker Limited

Chartered Accountants
Statutory Auditors

Mountcliff House
154 Brent Street
London
NW4 2DR

Date: 14 December 2022

BRIGHT FUTURES LEARNING TRUST
(A company limited by guarantee)

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

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:						
Donations and capital grants	3	44,443	-	436,860	481,303	585,368
Other trading activities	5	846,165	-	-	846,165	543,974
Investments	6	242	-	-	242	221
Charitable activities	4	-	7,351,697	-	7,351,697	7,464,991
Total income		890,850	7,351,697	436,860	8,679,407	8,594,554
Expenditure on:						
Charitable activities	8	159,978	9,357,251	589,132	10,106,361	8,902,550
Total expenditure		159,978	9,357,251	589,132	10,106,361	8,902,550
Net movement in funds before other recognised gains/(losses)		730,872	(2,005,554)	(152,272)	(1,426,954)	(307,996)
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	23	-	5,332,000	-	5,332,000	(1,062,000)
Net movement in funds		730,872	3,326,446	(152,272)	3,905,046	(1,369,996)
Reconciliation of funds:						
Total funds brought forward		1,319,027	(5,235,565)	23,313,706	19,397,168	20,767,164
Net movement in funds		730,872	3,326,446	(152,272)	3,905,046	(1,369,996)
Total funds carried forward		2,049,899	(1,909,119)	23,161,434	23,302,214	19,397,168

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

The notes on pages 27 to 51 form part of these financial statements.

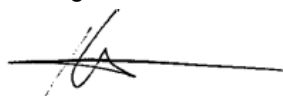
BRIGHT FUTURES LEARNING TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 07887259

BALANCE SHEET
AS AT 31 AUGUST 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	14	22,952,207	23,171,368
		<u>22,952,207</u>	<u>23,171,368</u>
Current assets			
Debtors	15	680,060	976,953
Cash at bank and in hand		1,647,347	1,721,812
		<u>2,327,407</u>	<u>2,698,765</u>
Creditors: amounts falling due within one year	16	(969,400)	(965,965)
Net current assets		1,358,007	1,732,800
Total assets less current liabilities		24,310,214	24,904,168
Net assets excluding pension liability		24,310,214	24,904,168
Defined benefit pension scheme liability	23	(1,008,000)	(5,507,000)
Total net assets		23,302,214	19,397,168
Funds of the Academy			
Restricted funds:			
Fixed asset funds	17	23,161,434	23,313,706
Restricted income funds	17	(901,119)	271,435
		<u>22,260,315</u>	<u>23,585,141</u>
Restricted funds excluding pension asset	17	22,260,315	23,585,141
Pension reserve	17	(1,008,000)	(5,507,000)
Total restricted funds	17	21,252,315	18,078,141
Unrestricted income funds	17	2,049,899	1,319,027
Total funds		23,302,214	19,397,168

The financial statements on pages 24 to 51 were approved by the trustees, and authorised for issue on 14 December 2022 and are signed on their behalf, by:

Helen Smith
Chair of Trustees



The notes on pages 27 to 51 form part of these financial statements.

BRIGHT FUTURES LEARNING TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £	<i>2021</i> £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	19	(141,596)	871,336
Cash flows from investing activities	20	67,131	<i>(158,900)</i>
Change in cash and cash equivalents in the year		(74,465)	712,436
Cash and cash equivalents at the beginning of the year		1,721,812	1,009,376
Cash and cash equivalents at the end of the year	21, 22	<u>1,647,347</u>	<u>1,721,812</u>

The notes on pages 27 to 51 form part of these financial statements

BRIGHT FUTURES LEARNING TRUST
(A company limited by guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

1.2 Going concern

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

1.3 Income

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

• **Grants**

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

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

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

• **Donations**

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

BRIGHT FUTURES LEARNING TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.4 Expenditure

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

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of financial activities as the related expenditure is incurred.

1.6 Interest receivable

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

1.7 Tangible fixed assets

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

BRIGHT FUTURES LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.7 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

Freehold land	- 125 years straight line
Long-term leasehold property	- 20-50 years straight line
Plant and machinery	- 3-5 years straight line

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

1.8 Debtors

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

1.9 Cash at bank and in hand

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

1.10 Liabilities

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 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.

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

1. Accounting policies (continued)

1.11 Pensions

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

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

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

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

1.12 Fund accounting

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

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

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

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

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

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

3. Income from donations and capital grants

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Donations	44,443	-	-	44,443	31,811
Capital Grants	-	-	436,860	436,860	545,719
Transfer from Local Authority on conversion to academy	-	-	-	-	7,838
	<u>44,443</u>	<u>-</u>	<u>436,860</u>	<u>481,303</u>	<u>585,368</u>
<i>Total 2021</i>	<u>31,811</u>	<u>7,838</u>	<u>545,719</u>	<u>585,368</u>	

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

4. Funding for the Academy's charitable activities

	Restricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
DfE/ESFA grants			
General Annual Grant (GAG)	5,848,610	5,848,610	5,608,545
Other DfE/ESFA grants			
Pupil Premium	302,231	302,231	285,395
UIFSM	180,060	180,060	167,071
Others	265,866	265,866	408,129
	<u>6,596,767</u>	<u>6,596,767</u>	<u>6,469,140</u>
Other Government grants			
Local Authority Grants	754,918	754,918	884,040
	<u>754,918</u>	<u>754,918</u>	<u>884,040</u>
COVID-19 additional funding (DfE/ESFA)			
Catch-up Premium	-	-	108,280
	<u>-</u>	<u>-</u>	<u>108,280</u>
	<u>7,351,685</u>	<u>7,351,685</u>	<u>7,461,460</u>
	<u><u>7,351,685</u></u>	<u><u>7,351,685</u></u>	<u><u>7,461,460</u></u>

5. Income from other trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Letting income	56,405	56,405	99,477
Income from other charitable activities	789,760	789,760	444,497
	<u>846,165</u>	<u>846,165</u>	<u>543,974</u>
	<u><u>846,165</u></u>	<u><u>846,165</u></u>	<u><u>543,974</u></u>
<i>Total 2021</i>	<u><u>543,974</u></u>	<u><u>543,974</u></u>	

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

6. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Investment income	242	242	221
<i>Total 2021</i>	221	221	

7. Expenditure

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £	<i>Total 2021 £</i>
Educational operations:					
Direct costs	5,836,294	-	848,778	6,685,072	6,921,959
Allocated support costs	1,693,456	559,657	1,168,176	3,421,289	1,980,591
	<u>7,529,750</u>	<u>559,657</u>	<u>2,016,954</u>	<u>10,106,361</u>	<u>8,902,550</u>
<i>Total 2021</i>	<u>6,883,645</u>	<u>565,945</u>	<u>1,452,960</u>	<u>8,902,550</u>	

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

8. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Educational operations	6,685,072	3,421,289	10,106,361	8,902,550
<i>Total 2021</i>	<u>6,921,959</u>	<u>1,980,591</u>	<u>8,902,550</u>	

Analysis of direct costs

	Educational operations 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Staff costs	5,240,760	5,240,760	5,785,887
Teaching supply costs	595,534	595,534	337,649
Educational supplies	259,996	259,996	232,933
Technology costs	121,436	121,436	85,630
Other direct costs	198,793	198,793	448,108
Recruitment	17,272	17,272	31,752
Educational consultancy	251,281	251,281	-
	<u>6,685,072</u>	<u>6,685,072</u>	<u>6,921,959</u>

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

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2022 £	<i>Total funds 2021 £</i>
Pension finance costs	97,000	70,000
Staff costs	800,747	649,276
Depreciation	589,132	559,610
Support staff supply costs	156,709	-
Maintenance of premises and equipment	140,871	129,039
Rent & rates	17,240	84,531
Insurance	26,448	26,604
Utilities	161,920	118,508
Other support costs	78,322	2,199
Governance	54,501	15,333
Catering	312,735	-
Cleaning	213,178	184,998
Security and transport	5,075	2,493
Staff development	31,411	-
Non cash pension costs	736,000	138,000
	<u>3,421,289</u>	<u>1,980,591</u>

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2022 £	<i>2021 £</i>
Depreciation of tangible fixed assets	589,132	559,610
Fees paid to auditors for:		
- audit	9,130	9,450
- other services	4,740	4,000
	<u>9,870</u>	<u>13,450</u>

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

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2022 £	2021 £
Wages and salaries	4,622,957	4,684,264
Social security costs	379,400	406,988
Pension costs	1,039,150	1,343,911
	<u>6,041,507</u>	<u>6,435,163</u>
Teaching supply costs	595,534	310,482
Non cash pension costs	736,000	138,000
Support staff supply costs	156,709	-
	<u>7,529,750</u>	<u>6,883,645</u>

b. Staff numbers

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

	2022 No.	2021 No.
Teaching	134	125
Administration and support	66	84
Management	3	6
	<u>203</u>	<u>215</u>

c. Higher paid staff

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

	2022 No.	2021 No.
In the band £60,001 - £70,000	5	1
In the band £70,001 - £80,000	-	1
In the band £90,001 - £100,000	-	1
In the band £100,001 - £110,000	1	-
	<u>1</u>	<u>-</u>

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

10. Staff (continued)

d. Key management personnel

The key management personnel of the Academy comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £395,399 (2021 - £442,473).

11. Central services

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

- Executive Principal
- Legal and professional services
- Financial and administration
- Drafting of Trust Policies

The Academy charges for these services on the following basis:

The trust charged for these services on the basis of actual costs apportioned by the pupil numbers; except where the exact time spend in each school is known.

The actual amounts charged during the year were as follows:

	2022 £	2021 £
Central staff	243,450	246,828
Central supplies and services	60,490	67,216
Total	303,940	314,044

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NOTES TO THE FINANCIAL STATEMENTS
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12. Trustees' remuneration and expenses

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

		2022	<i>2021</i>
		£	£
G Kozlowski	Remuneration	100,000 -	<i>95,000 -</i>
		105,000	<i>100,000</i>
	Pension contributions paid	20,000 -	<i>20,000 -</i>
		25,000	<i>25,000</i>

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

13. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the year ended 31 August 2022 was £26,439 (*2021 - £26,604*). The cost of this insurance is included in the total insurance cost.

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NOTES TO THE FINANCIAL STATEMENTS
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14. Tangible fixed assets

	Long-term leasehold property £	Plant and machinery £	Total £
Cost or valuation			
At 1 September 2021	26,001,607	262,534	26,264,141
Additions	88,253	281,718	369,971
At 31 August 2022	<u>26,089,860</u>	<u>544,252</u>	<u>26,634,112</u>
Depreciation			
At 1 September 2021	2,886,114	206,659	3,092,773
Charge for the year	549,704	39,428	589,132
At 31 August 2022	<u>3,435,818</u>	<u>246,087</u>	<u>3,681,905</u>
Net book value			
At 31 August 2022	<u>22,654,042</u>	<u>298,165</u>	<u>22,952,207</u>
<i>At 31 August 2021</i>	<u>23,115,493</u>	<u>55,875</u>	<u>23,171,368</u>

15. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	53,846	24,464
Other debtors	114,992	539,972
Prepayments and accrued income	511,222	412,517
	<u>680,060</u>	<u>976,953</u>

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

16. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	336,670	423,427
Other taxation and social security	115,650	102,357
Other creditors	137,359	142,131
Accruals and deferred income	379,721	298,050
	<u>969,400</u>	<u>965,965</u>
	2022 £	2021 £
Deferred income at 1 September 2021	142,185	88,346
Resources deferred during the year	124,145	142,185
Amounts released from previous periods	(142,185)	(88,346)
	<u>124,145</u>	<u>142,185</u>

At the balance sheet date the academy trust was holding funds received in advance for the year 2022/23.

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

17. Statement of funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds					
General Funds - all funds	1,319,027	890,850	(159,978)	-	2,049,899
Restricted general funds					
General Annual Grants (GAG)	81,785	5,848,610	(6,831,514)	-	(901,119)
Pupil premium	-	302,231	(302,231)	-	-
UIFSM	-	180,060	(180,060)	-	-
Other Df/E/ESFA Grants	39,914	265,879	(305,793)	-	-
Local Authority Grants	93,800	754,917	(848,717)	-	-
Catch-up premium	55,936	-	(55,936)	-	-
Pension reserve	(5,507,000)	-	(833,000)	5,332,000	(1,008,000)
	<u>(5,235,565)</u>	<u>7,351,697</u>	<u>(9,357,251)</u>	<u>5,332,000</u>	<u>(1,909,119)</u>
Restricted fixed asset funds					
Restricted Fixed Asset Funds - all funds	23,313,706	436,860	(589,132)	-	23,161,434
Total Restricted funds	<u>18,078,141</u>	<u>7,788,557</u>	<u>(9,946,383)</u>	<u>5,332,000</u>	<u>21,252,315</u>
Total funds	<u><u>19,397,168</u></u>	<u><u>8,679,407</u></u>	<u><u>(10,106,361)</u></u>	<u><u>5,332,000</u></u>	<u><u>23,302,214</u></u>

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

Restricted fixed assets funds have been increased by capital grants provided by DfE and reduced by depreciation charges.

Restricted general fund have been increased by revenue grants provided by DfE and reduced by expenditure incurred in the operation of the academy.

The restricted funds can only be used in terms of limitations imposed by the Funding Agreement with the DfE and the terms of any specific grant.

Unrestricted funds have been increased by voluntary contributions by parents and reduced by expenditure incurred in the operation of the academy.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the

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

17. Statement of funds (continued)

amount of GAG it could carry forward at 31 August 2022.

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

	<i>Balance at 1 September 2020</i>					<i>Balance at 31 August 2021</i>
	£	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	£
		£	£	£	£	
Unrestricted funds						
General Funds - all funds	1,236,340	579,537	(94,566)	(402,284)	-	1,319,027
Restricted general funds						
General Annual Grant (GAG)	45,905	5,616,383	(5,982,787)	-	-	81,785
Pupil premium	-	285,395	(285,395)	-	-	-
UIFSM	-	167,071	(167,071)	-	-	-
Other Df/E/ESFA Grants	15,474	408,129	(383,689)	-	-	39,914
Local Authority Grants	27,848	884,040	(818,088)	-	-	93,800
Catch-up premium	-	108,280	(52,344)	-	-	55,936
Pension reserve	(3,886,000)	-	(559,000)	-	(1,062,000)	(5,507,000)
	<u>(3,796,773)</u>	<u>7,469,298</u>	<u>(8,248,374)</u>	<u>-</u>	<u>(1,062,000)</u>	<u>(5,235,565)</u>
Restricted fixed asset funds						
DfE/ESFA capital grants	3,105,619	537,881	(83,384)	-	-	3,560,116
Inherited on conversion	20,221,978	7,838	(476,226)	-	-	19,753,590
	<u>23,327,597</u>	<u>545,719</u>	<u>(559,610)</u>	<u>-</u>	<u>-</u>	<u>23,313,706</u>
Total Restricted funds	<u>19,530,824</u>	<u>8,015,017</u>	<u>(8,807,984)</u>	<u>-</u>	<u>(1,062,000)</u>	<u>18,078,141</u>

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

Total funds	20,767,164	8,594,554	(8,902,550)	(402,284)	(1,062,000)	19,397,168
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Total funds analysis by academy

Fund balances at 31 August 2022 were allocated as follows:

	2022 £	2021 £
Goldsworth Primary School	609,499	666,786
St Johns Primary School	216,743	270,829
The Knaphill Lower School	139,988	266,098
Knaphill School	182,550	386,749
Total before fixed asset funds and pension reserve	1,148,780	1,590,462
Restricted fixed asset fund	23,161,434	23,313,706
Pension reserve	(1,008,000)	(5,507,000)
Total	23,302,214	19,397,168

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2022 £	Total 2021 £
Goldsworth Primary School	2,560,322	483,991	89,227	646,603	3,780,143	3,853,015
St Johns Primary School	931,417	158,871	33,450	286,372	1,410,110	1,348,184
The Knaphill Lower School	1,067,709	98,507	44,689	237,250	1,448,155	1,360,190
Knaphill School	1,108,685	131,707	50,943	358,472	1,649,807	1,467,506
Central services	168,161	820,380	41,687	198,786	1,229,014	314,045
Academy	5,836,294	1,693,456	259,996	1,727,483	9,517,229	8,342,940

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NOTES TO THE FINANCIAL STATEMENTS
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18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	22,952,207	22,952,207
Current assets	2,049,899	68,281	209,227	2,327,407
Creditors due within one year	-	(969,400)	-	(969,400)
Provisions for liabilities and charges	-	(1,008,000)	-	(1,008,000)
Total	2,049,899	(1,909,119)	23,161,434	23,302,214

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Restricted fixed asset funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	-	-	23,171,368	23,171,368
Current assets	1,319,027	1,237,400	142,338	2,698,765
Creditors due within one year	-	(965,965)	-	(965,965)
Provisions for liabilities and charges	-	(5,507,000)	-	(5,507,000)
Total	1,319,027	(5,235,565)	23,313,706	19,397,168

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

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

	2022 £	2021 £
Net expenditure for the year (as per Statement of financial activities)	(1,426,954)	(307,996)
Adjustments for:		
Depreciation	589,132	559,610
Capital grants from DfE and other capital income	(436,860)	(376,817)
Interest receivable	(242)	(221)
Defined benefit pension scheme cost less contributions payable	736,000	489,000
Defined benefit pension scheme finance cost	97,000	70,000
Decrease in debtors	296,893	65,741
Increase in creditors	3,435	372,019
Net cash (used in)/provided by operating activities	(141,596)	871,336

20. Cash flows from investing activities

	2022 £	2021 £
Dividends, interest and rents from investments	242	221
Purchase of tangible fixed assets	(369,971)	(535,938)
Capital grants from DfE Group	436,860	376,817
Net cash provided by/(used in) investing activities	67,131	(158,900)

21. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand and at bank	1,647,347	1,721,812
Total cash and cash equivalents	1,647,347	1,721,812

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

22. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	1,721,812	(74,465)	1,647,347
	<u>1,721,812</u>	<u>(74,465)</u>	<u>1,647,347</u>

23. Pension commitments

The Academy'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 Surrey County Council Pension Fund. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 August 2022.

Contributions amounting to £75,594 were payable to the schemes at 31 August 2022 (2021 - £112,400) and are included within creditors.

Teachers' Pension Scheme

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

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury 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 employer's pension costs paid to TPS in the year amounted to £671,258 (2021 - £683,350).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £407,000 (2021 - £409,000), of which employer's contributions totalled £309,000 (2021 - £312,000) and employees' contributions totalled £ 98,000 (2021 - £97,000). The agreed contribution rates for future years are 24.9 per cent for employers and between 5.5-12.5 per cent for employees.

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

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

23. Pension commitments (continued)

Principal actuarial assumptions

Surrey County Council Pension Fund

	2022	<i>2021</i>
	%	%
Rate of increase in salaries	3.95	3.8
Rate of increase for pensions in payment/inflation	3.05	2.9
Discount rate for scheme liabilities	4.25	1.65

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

	2022	<i>2021</i>
	Years	Years
<i>Retiring today</i>		
Males	22.1	22.3
Females	24.5	24.7
<i>Retiring in 20 years</i>		
Males	23.1	23.4
Females	26.2	26.4

Sensitivity analysis

Surrey County Council Pension Fund

	2022	<i>2021</i>
	£000	£000
Discount rate +0.1%	161	1,400
Salary rates + 0.1%	13	110
Mortality assumption - 1 year increase	243	-
CPI rate +0.1%	150	1,270

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23. Pension commitments (continued)

Share of scheme assets

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

	At 31 August 2022 £	At 31 August 2021 £
Equities	3,845,000	3,704,000
Corporate bonds	708,000	790,000
Property	405,000	346,000
Cash and other liquid assets	101,000	98,000
Total market value of assets	5,059,000	4,938,000

The actual return on scheme assets was £(377,000) (2021 - £(66,000)).

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

	2022 £	2021 £
Current service cost	1,045,000	801,000
Interest income	(181,000)	(136,000)
Interest cost	84,000	66,000
Total amount recognised in the Statement of financial activities	948,000	731,000

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

	2022 £	2021 £
At 1 September	10,445,000	7,565,000
Current service cost	1,045,000	801,000
Interest cost	181,000	136,000
Employee contributions	98,000	97,000
Actuarial (gains)/losses	(5,669,000)	1,870,000
Benefits paid	(33,000)	(24,000)
At 31 August	6,067,000	10,445,000

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23. Pension commitments (continued)

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

	2022 £	2021 £
At 1 September	4,938,000	3,679,000
Interest income	84,000	66,000
Actuarial (losses)/gains	(337,000)	808,000
Employer contributions	309,000	312,000
Employee contributions	98,000	97,000
Benefits paid	(33,000)	(24,000)
At 31 August	5,059,000	4,938,000

24. Operating lease commitments

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

	2022 £	2021 £
Not later than 1 year	13,230	-
Later than 1 year and not later than 5 years	19,834	-
	33,064	-

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.

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26. Related party transactions

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

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