

Company registration number 07841435 (England and Wales)

BISHOP BEWICK CATHOLIC EDUCATION TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

BISHOP BEWICK CATHOLIC EDUCATION TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Bishop R Byrne D Fox J Ledger (resigned 2 December 2022) Rev S Lerche Rev C P Leighton
Trustees	D J Harrison (Chair of Trustees) G Hardy (Chair of Audit Committee) K McCourt W Agle (Resigned 31 August 2022) J Gorlach M McGrady J P Scullion V Goatman (Resigned 31 January 2022) A Bath (Chief Executive Officer and Accounting Officer) (Resigned 10 November 2022) A Miller (Appointed 1 September 2022) P Chadwick (Appointed 1 September 2022)
Key management personnel	
- Chief Executive Officer and Accounting Officer	A Bath
- Chief Operating Officer	D Douglass
- SEND Lead	N Taylor (Appointed 1 September 2022)
- IT Lead	M Ashton-Thompson
- Director School improvement (Primary)	A James (Appointed 1 September 2022)
- Director School improvement (Secondary)	J Foster
Company registration number	07841435 (England and Wales)
Registered office	Fenham Hall Drive Newcastle upon Tyne NE4 9YH
Independent auditor	RSM UK Audit LLP 1 St. James' Gate Newcastle upon Tyne United Kingdom NE1 4AD
Bankers	Lloyds Bank 102 Grey Street Newcastle upon Tyne NE1 6AG
Solicitors	Muckle LLP Time Central 32 Gallowgate Newcastle upon Tyne NE1 4BF

BISHOP BEWICK CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT

The Trustees (who are also Directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements and auditor's report of the charitable company from 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a Directors report and a Strategic report under company law.

The trust operates 34 primary and 5 secondary academies in the north east of England. Its academies have a combined pupil capacity of 13,342 and had a roll of 12,911 in the school census on 6 October 2022 (figures exclude nursery and 6th form provision).

It is our Trust's belief that 'A great education has the power to transform lives', enabling children to succeed, regardless of background or personal circumstances. It is at the core of why Catholic schools were established and what drives the ambition all our schools have for their children.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association (dated 1 April 2020) are the primary governing documents of the Trust.

The Trustees of Bishop Bewick Catholic Education Trust are also the directors of the charitable company for the purpose of company law. The charitable company operates as Bishop Bewick Catholic Education Trust.

Details of the Trustees who served during the year are included in the Reference and Administrative Details on page 1.

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.

Trustees' indemnities

Companies Act 2006 s236 requires disclosure concerning qualifying third-party indemnity provisions. As required in the Trust's Articles of Association indemnity insurance has been taken out to cover the liability of Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of trust or breach of duty of which they may be guilty in relation to the Trust. Provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard of whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Trustees.

Method of recruitment and appointment or election of Trustees

The Trustees are appointed in accordance with the provisions set out in the Memorandum and Articles of Association. The members, in line with the Articles, must appoint no less than 3 but are not subject to a maximum of Trustees. In practice, the members see 8 Trustees as the optimum. The Diocesan Bishop shall always appoint such number of Foundation Trustees as to ensure that the number of Foundation Trustees exceeds the other Trustees (including any Co-opted Trustees) by at least two. The board of Trustees is made up of individuals who have the variety of skills requisite for a board of Trustees. The Chair of the Board will be duly elected on an annual basis.

In recruiting Trustees, the board of Trustees seeks interest from individuals with the skills and experience which complement those already in post. As stated in the Articles, the Trustees may appoint Trustees (other than persons who are employees of the Company) through such process as they may determine provided that any appointment will have first been approved by the Diocesan Department for Education in Hexham and Newcastle.

BISHOP BEWICK CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new Trustees depends on their existing experience. Where necessary induction and training is provided on charity, educational, legal and financial matters. All new Trustees are given a tour of the schools and the chance to meet with staff and students. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only one or two new Trustees a year, induction tends to be done informally and is tailored specifically to the individual.

Organisational structure

The organisational structure of the Trust is based on the principles that:

The Members of the Company define the Object, Purpose and Ethos of the Company.

The Trustees, who form the Trust Board, have overall responsibility and ultimate decision-making authority for all the work of the Company, including the establishing and running of schools and, in particular, each academy as a school. This is largely exercised through strategic planning and the setting of policy. It is managed through the business planning, monitoring of budgets, performance appraisal, the setting and monitoring of standards and the implementation of quality assurance processes.

The Trustees have the power to direct change where required to ensure that the Object, Purpose and Ethos of the Company are met.

The Trustees delegate their responsibilities for the day-to-day operation of each academy and the whole of the funding granted by the Department of Education for the benefit of that academy directly to a Local Governing Committee (LGC) through a Scheme of Delegation (the Scheme). The Headteacher of each school is an ex officio member of the LGC.

The Chief Executive Officer (CEO) is the Accounting Officer. The Executive Team, consisting of the CEO and the Executive leaders, control the Trust/schools at an executive level by implementing the policies laid down by the Trustees and reporting back to them regularly. Reporting to Trustees is done through a range of papers and standing items on agendas across the range of relevant sub committees and full Board meetings. Through the Scheme of Delegation, the CEO delegates the responsibility for the authorisation of spend of budgets (within the thresholds as specified in the Scheme of Delegation) and the appointment of staff to Headteachers at their schools. As per the Scheme of Delegation, the Trust's Finance Committee and Chief Operating Officer (COO) are required to approve spend at higher procurement thresholds. Some school spending control is further devolved by the Headteacher to members of their Senior Leadership Team (SLT) with financial limits above which the Headteacher must countersign.

Individual academy SLTs include the Headteacher, Deputy Headteachers, and Assistant Headteachers. These managers are responsible for the day-to-day operation of the school, in particular organising teaching staff, facilities and students.

To assist the Trustees in their work, the Trust has established the following sub-committees:

- Standards Committee
- Finance & Resources Committee
- Audit and Risk Committee
- Remuneration Committee (Meets annually re: CEO pay)

BISHOP BEWICK CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

The Trust consists of the following 39 schools:

School name	No.	Phase	Date joined BBCET	Years within the Trust	New to BBCET in academy year 2021-22
Sacred Heart Catholic High School	1	Secondary	Previously members of Sacred Heart Partnership of schools (Aug 2017 - Aug 2020)	5	
St Michael's Primary School	2	Primary		5	
Sacred Heart Primary School	3	Primary		5	
Bishop Bewick CET established 01/04/2020					
St Mary's Catholic High School	4	Secondary	01/06/2020	2	
St Benet Biscop High School	5	Secondary	01/06/2020	2	
Ss Peter & Paul Primary School	6	Primary	01/06/2020	2	
St. Cuthbert's Catholic High School, Newcastle	7	Secondary	01/12/2020	1	
St Thomas More Catholic High School, North Shields	8	Secondary	01/12/2020	1	
Our Lady and St Anne's RC Primary School Newcastle	9	Primary	01/12/2020	1	
St. Catherine's RC Primary School, Newcastle	10	Primary	01/01/2021	1	
St. Cuthbert's RC Primary School, Walbottle	11	Primary	01/12/2020	1	
St. Charles' RC Primary School, Gosforth	12	Primary	01/04/2021	1	
St. Lawrence's RC Primary School, Byker	13	Primary	01/12/2020	1	
St Wilfrid's RC Primary School, Blyth	14	Primary	01/12/2020	1	
St Bede's RC Primary School, Bedlington	15	Primary	01/12/2020	1	
St. Bede's RC Primary School, Newcastle	16	Primary	01/04/2021	1	
St Mark's RC Primary School, Westerhope	17	Primary	01/04/2021	1	
St. George's RC Primary School, Bells Close	18	Primary	01/04/2021	1	
English Martyrs' RC Primary School, Fenham	19	Primary	01/04/2021	1	
St. Alban's RC Primary School Newcastle	20	Primary	01/04/2021	1	
St Paul's RC Primary School, Alnwick	21	Primary	01/04/2021	1	

BISHOP BEWICK CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

St Cuthbert's RC Primary School, North Shields	22	Primary	01/08/2021	1	
St Joseph's RC Primary School, North Shields	23	Primary	01/08/2021	1	
St Mary's RC Primary School, Cullercoats	24	Primary	01/08/2021	1	
Star of the Sea RC VA Primary, Whitley Bay	25	Primary	01/08/2021	1	
St Oswald's Catholic Primary School, Gosforth	26	Primary	01/10/2021	0	Yes
St Joseph's Catholic Primary School, Elswick	27	Primary	01/10/2021	0	Yes
St Teresa's Catholic Primary School, Heaton	28	Primary	01/10/2021	0	Yes
St Aidan's Catholic Primary School, Wallsend	29	Primary	01/10/2021	0	Yes
St Bernadette's Catholic Primary School Wallsend	30	Primary	01/10/2021	0	Yes
St Columba's Catholic Primary School, Wallsend	31	Primary	01/10/2021	0	Yes
St. Cuthbert's Catholic Primary School, Kenton	32	Primary	01/04/2022	0	Yes
St. John Vianney Catholic Primary School, Westerhope	33	Primary	01/04/2022	0	Yes
St Vincent's Catholic Primary School, Newcastle	34	Primary	01/04/2022	0	Yes
St Mary's Catholic Primary School, Forest Hall	35	Primary	01/04/2022	0	Yes
St Robert's Catholic First School, Morpeth	36	First	01/04/2022	0	Yes
St Cuthbert's Catholic First School, Bewick	37	First	01/04/2022	0	Yes
St Aidan's Catholic Primary, Ashington	38	Primary	01/04/2022	0	Yes
St Stephen's Catholic Primary School, Newcastle	39	Primary	01/07/2022	0	Yes

BISHOP BEWICK CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

Arrangements for setting pay and remuneration of key management personnel

The Trust has a pay policy which has been adopted by the Board. There are two committees which have delegated authority to carry out the policy. They are the Standards Committee and the Remuneration Committee. The Standards Committee is responsible for the review of performance and pay for Headteachers advised by the Chief Executive. The Chief Executive is also responsible for appraisal and recommendation to the Standards Committee of pay awards of key management personnel within the Trust. The Chief Executive may delegate responsibility for all other staff appraisals but remains responsible for recommendations regarding pay progression. Headteachers are employed in accordance with the provisions of the School Teachers' Pay and Conditions Document (STP& CD). Senior support staff pay and conditions are in accordance with the National Joint Council for Local Government Services. The salary range of the Chief Executive was agreed and set by the Trustees of the Trust Board's Staffing Committee following a review/benchmarking exercise carried out by an HR company AVEC (now EPM Ltd.) of comparable national roles. Annual pay awards for the Chief Executive are agreed by a separate Remuneration Committee (membership from the Trust Board).

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	1
Full-time equivalent employee number	0.40

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Total cost of facility time	17,783
Total pay bill	65,316,000
Percentage of the total pay bill spent on facility time	<1%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	-
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Related parties, connected charities and co-operation with other organisations

Further details are stated in note 27 to the Financial Statements.

The Trust and its schools work in direct partnership with Diocese of Hexham & Newcastle.

Streamlined energy and carbon reporting

This content is included under that heading within the strategic report section.

BISHOP BEWICK CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

Engagement with employees (including disabled persons)

The Trust consults its staff through formal and informal methods including staff surveys, consultation committees and regular staff meetings. Staff are kept informed of specific policies directly by management. The Trust's website provides staff with access to Trust policies. The Trust consults with national trade union bodies through the Joint Consultative Committee (JCC). The Trust recognises the following Trade Unions for individual and collective representation, consultation and negotiation purposes: NEU, NASUWT, NAHT, ASCL, GMB, UNISON and Unite. The Trust is committed to ensuring that existing members of staff, job applicants, and volunteers are treated fairly in an environment which is free from any form of discrimination with regard to the protected characteristics as outlined by the Equality Act 2010. The Trust's Equality and Diversity Policy outlines the Trust's approach to this issue and specific reference is made within this guidance to job applicants. Applications from candidates with disabilities are welcomed. All staff, when they have been appointed, are asked to undertake a medical placement questionnaire. This process provides information to the employer, which can be discussed with the employer where an employee has a disability for which a reasonable adjustment is required. Equalities data is collected with respect to Teacher Pay Progression in order to identify whether or not the data indicates that employees with protected characteristics are disadvantaged.

Engagement with suppliers, customers and others in a business relationship with the Trust

The Trust seeks to engage actively and positively with all stakeholders in the local community and in the wider educational landscape. Collaborative relationships with suppliers, parents, educational partners and community leaders are seen as key enablers to achieving success in all of the Trust's operations. During the year the Trust has further promoted this engagement through specific initiatives including:

- Regular communication and engagement with prospective and current parents of pupils attending the Trust's schools to enhance the understanding of the provision to each student, and to fully coordinate support to students by the school.
- Promoting and encouraging student opportunities to engage in local voluntary and other projects to support the community.
- Engagement with other educational Trusts and partners at local and national levels to share best practice and to provide peer support across Trusts and individual schools.
- Active dialogue with our 3 Local Authorities on matters which impact children and families in the community as well as relate to operation of each school.
- Engaging with local businesses and colleges to promote career and educational opportunities for students for mutual benefit.
- Seeking all possible opportunities to engage with local suppliers in each academy area.
- Seeking regular communication with all suppliers and ensuring good commercial practices of prompt payment and clear communication to optimise arrangements for supply of goods and services to each school.
- During the year the Trust continued to follow government's policies and guidance with regard to the COVID-19 pandemic. The Trust has continued to make prompt payments to suppliers to avoid cash flow problems. During the financial year, the Trust remained committed to prompt payment terms to ensure fair payment practices.

Our relationships with partners and suppliers are key to our effectiveness. The Trust actively seeks to engage in service reviews with all key suppliers. These reviews are focussed on a two-way relationship with the Trust based with an aim of helping one another to achieve an optimum service as efficiently as possible and according to the best value for money. Where the Trust has procured outsourced services, we seek to ensure that staff and management from that contractor are supported as an equal member of the school community and stakeholders.

BISHOP BEWICK CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

OBJECTIVES AND ACTIVITIES

Objects and aims

a. The Trust's objects ("the Objects") are specifically restricted to the advancement of the Catholic religion in the Diocese by such means as the Diocesan Bishop may think fit and proper by, but without prejudice to the generality of the foregoing the establishing, maintaining, carrying on, managing and developing of Catholic schools in the United Kingdom conducted in accordance with the principles, and subject to the regulations and discipline of the Catholic Church.

b. Subject to the approval of the Diocesan Bishop, during the period that the objects are being fulfilled and form the majority of the activities of the Trust, the advancement of education by the establishing, maintaining, carrying on, managing and developing of schools which are not Catholic in the United Kingdom.

At the heart of our Catholic Trust is the belief that **'A great education has the power to transform lives'**. The Trust's five Goals (Aims), rooted in Gospel values (Matthew 5: 1-12), provide a set of expectations and aspirations for the Trustees, leaders, staff and students of our schools. Our goals are:

5 Goals	
Love (thy neighbour as thyself)	<ul style="list-style-type: none"> • Everyone feels part of a wider Trust, not just their individual school • All staff care about the other schools in the Trust, they want them to succeed
Opportunity	<ul style="list-style-type: none"> • Our staff are aspirational for all students, regardless of their background • They are pioneers who embrace wider horizons • All our students have high aspirations for their futures, know what they need to do and achieve the necessary qualifications • Our students leave us for high tariff destinations • Many students across our schools achieve places at Oxford and Cambridge and other top-quality universities: this is equally true for disadvantaged students
Collaboration	<ul style="list-style-type: none"> • Schools willingly share their expertise and areas of strength • Schools willingly share resources for the good of others • Schools are open about where they need support. • Schools are open to both give and receive support • There is no rivalry between our schools, we take pride in everyone's success
Development	<ul style="list-style-type: none"> • Staff remain within our Trust and see their future with us • We build strong capacity across schools for leadership and other key roles • Staff are happy • Parents feel involved and listened to • All levels of governance are supported and developed
Aspiration	<ul style="list-style-type: none"> • All schools offer high quality, broad curriculums and wider curriculum provision to students • All students can find something at their school to help them develop their unique talents • Our students demonstrate faith in action. They are involved in their wider community, support charitable works and demonstrate good manners, respect and kindness towards all

BISHOP BEWICK CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

Objectives, strategies and activities

The Trust's model is one of aligned autonomy. Our school leaders are aligned because they share the same mission and values. The Trust believes in the sharing of best practice and the power of the whole to be greater than the sum of its parts. As we continue to develop, staff can see the benefits of collective resources, agility in response to issues and the weight in reputation to effect changes previously not thought possible. Central services deliver more efficiently than schools in isolation.

However, although there are a great many areas in which conformity brings huge benefits, we equally value autonomy because leadership and personal accountability are founded on ownership and self-direction. We recognise that conformity may reduce innovation and risks driving away the best staff. We strive to find the optimal balance between consistency across our schools and self-determination by their leaders.

Attracting and developing the best staff is one of our key goals. We do this through our leadership development programmes and our School Centred Initial Teacher Training (SCITT). The education sector has always had an issue of recruitment and retention. We are passionate about the professional development of our staff and invest heavily in a range of programmes. In getting the right people into our Trust we can affect the greatest impact on the children in our care.

In the Trust's expansion plan, we specified that we would grow by 14 schools during the academy financial year 2021-22. This involved the conversion of 14 Voluntary Aided Catholic Primary schools. The Trust's expansion is now complete, with all planned schools having joined, creating a MAT of 39 schools (5 High Schools, 32 Primary schools and 2 First schools).

There remained some challenges of the COVID-19 pandemic in the early part of 2021-22, However, both Secondary and Primary colleagues maintained online learning when needed. All schools provided education within their settings for the most vulnerable. Despite the uncertainties, schools dealt impressively with the extraordinary demands of preparing children for the summer 2022 examinations. It should be remembered that Post 16 students had never sat a formal examination prior to their A levels. The KS2, GCSE and A level results can be seen in the academic outcomes section of this report.

Social mobility has remained paramount in the aspirations of the Trust's leadership this year. In addition to the academic and pedagogic pressures on schools during the pandemic, leaders and staff in schools have also dealt extremely well with child welfare issues. School teams have dealt with staff absence, disruptions/slower access to external educational and welfare support services.

Despite the legacy challenges resulting from the COVID-19 pandemic, the Trust's working parties continued to meet. Leadership and curriculum groups ensured that we drove the Trust's many academic, pastoral and operational objectives. Whilst not exhaustive, these key groups include:

Leadership Group (Headteachers from across the Trust), Governance, Curriculum Leadership (All major subject areas), Pastoral leaders, Accounts, Finance & Estates and the Achievement data leads group.

Due to its growth, the Trust secured additional office space for its school improvement team. This extra capacity, combined with the finance office space and those in Sacred Heart High School has created an effective operational head office location in Fenham, Newcastle. The Trust continues to review the size and role of its central team. The Trusts ensures that schools receive timely, high quality support at a cost to schools which all stakeholders feel is value for money.

BISHOP BEWICK CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

Public benefit

The Trust's aims and achievements are set out within this report. The activities set out in this report have been undertaken to further the academy's charitable purposes for the public benefit. In setting their objectives and planning activities the Trustees have complied with the duty set out in the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

STRATEGIC REPORT

Achievements and performance

The Trustees monitor the performance of our schools through a range of national and Trust level metrics. In addition to the Trust, Local Governing Committees also monitor achievement at school level. The Trust's educational outcomes (public examination measures) are considered the Trust KPIs.

Key Performance Indicators

Secondary academies

The Trust has 5 Secondary academies. The examination data shown on the next page shows the aggregated GCSE outcomes since summer 2019. The Centre Assessed Grades (CAGs) of summer 2020 and Teacher Assessed Grades (TAGs) of summer 2021 have no national benchmarks, nor can they be mapped against grades achieved in 2019. Summer term 2022 saw a return to formal examinations and national attainment expectations pitched at the mid-point between the outcomes of 2019 and 2021. Whilst formal national examination benchmarks will not be available until February 2023, initial results from the Fischer Family Trust (FFT) suggest that all 5 schools compare well against their pre-covid positions and the national picture. In achieving high academic outcomes despite the two years of covid, our schools have ensured that hundreds of students gained access to the best further education courses and careers.

Primary academies

The Trust currently has 32 primary & 2 First schools, this includes 14 new academies who joined during the year. The Key Stage 2 data for 2022 is not comparable with previous outcomes. No national targets were set, but where schools did assessments these outcomes were reviewed against their own previous records to benchmark.

Educational Outcomes Summer 2022

A summary of the Trust's educational outcomes (Considered to be the Trust KPI's) is shown in the tables overleaf and split between secondary and primary academies.

BISHOP BEWICK CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

STRATEGIC REPORT

Achievements and performance

Key Stage 4 GCSE Outcomes - Trust weighted aggregate

All Students	2022	2021 (TAGS)	2020 (CAGS)	2019
A8 (Point score)	5.5	5.6	5.6	5.3
P8 (Point Score)	0.28	0.16	0.35	0.45
En 4+ (%)	89	87	82	78
Ma 4+ (%)	80	83	83	71
E&M 4+ (%)	78	81	83	69
En 5+ (%)	79	69	68	62
Ma 5+ (%)	61	63	50	43
E&M 5+ (%)	58	58	48	42
EBacc 4+ (% of Yr11)	38	42	45	29
EBacc 5+ (% of Yr11)	31	30	31	20
Pupil Premium				
A8 (Point score)	4.3	4.7	5.2	4.3
P8 (Point Score)	-0.31	-0.18	0.20	0.24
En 4+ (%)	73	76	74	64
Ma 4+ (%)	55	71	79	54
E&M 4+ (%)	56	66	69	53
En 5+ (%)	56	53	59	41
Ma 5+ (%)	37	47	40	21
E&M 5+ (%)	34	40	39	19
EBacc 4+ (% of Yr11)	21	26	33	19
EBacc 5+ (% of Yr11)	12	17	18	13

NB: Results for both 2020 'CAGS' and 2021 'TAGS' were based on awarding grades without examinations. Data includes schools that were part of the Trust before the final census date in each Academic year.

BISHOP BEWICK CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

Key Stage 2 SATs Outcomes - Trust weighted aggregate

All Students	2022	2021 (TAGs)	2020 (CAGs)	2019
Expected				
Reading %	79	75	85	79
Writing %	73	67	85	88
Mathematics %	75	68	82	88
Combined %	63	61	74	76
Greater Depth				
Reading %	31	38	28	30
Writing %	16	25	26	24
Mathematics %	23	23	36	30
Combined %	10	16	21	12
Progress				
Reading	+0.3	-0.7	1.2	3.0
Writing	+0.3	-1.0	2.5	3.0
Mathematics	0	-1.3	1.9	2.5
Pupil Premium				
Expected				
Reading %	69	63	78	79
Writing %	57	53	78	89
Mathematics %	61	55	71	89
Combined %	47	47	61	74
Greater Depth				
Reading %	19	28	13	37
Writing %	8	16	13	32
Mathematics %	13	14	13	32
Combined %	4	12	9	21

BISHOP BEWICK CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

Reading	-0.1	-1.9	0.6	8.9
Writing	-0.6	-2.6	1.7	4.5
Mathematics	-1.0	-2.6	0.7	2.0

NB: KS2 Results for both 2020 'CAGS' and 2021 'TAGS' were based on awarding grades without examinations. Data includes schools that were part of the Trust before the final census date in each Academic year.

In 2021 the submission of data by schools was voluntary and so this represents a partial data set.

Ofsted Inspections

The Trust had one Section 5 Ofsted inspection (St Cuthbert's Primary School, Newcastle) in the period 1st September 2021 – 31st August 2022. The inspection resulted in a 'Good' grade (Report publication pending). St Benet Biscop High school received a monitoring visit (March 2022), the Inspector's view was that 'Leaders and those responsible for governance are taking effective action toward the school becoming a good school.'

The Trust currently has 3 schools which Ofsted graded 'Require Improvement': St Cuthbert's Catholic High school, St Benet Biscop High school and St Peter & Paul's Primary school. The Trust's Secondary & Primary school improvement leads believe that all three schools are making significant progress in all areas.

Initial Teacher Training

Sacred Heart High School's SCITT was successful in achieving re-accreditation for its Initial Teacher Training provision. Nationally and regionally ITT recruitment was significantly down last academic year. The SCITT's recruitment target for the cohort 2021-22 was 70, so in light of the national picture it was pleasing to see 69 trainees begin the course in September 2021. The majority of trainees are Secondary phase. However, the Trust would be keen to expand its ITT Primary provision should DfE reintroduce bursaries.

Promoting the success of the charitable company

The Trust, as one of the four Trusts in the Hexham and Newcastle Diocese, is in a strong position through its own scale, and that of scale and shared expertise of the four Trusts. By virtue of the size of the Trust the success of each individual school is ensured.

The likely consequences of any decision in the long term

The Trust completed its growth strategy as planned. Now at 39 schools, the Trust will consolidate its position, exploring options through procurement, shared expertise and innovation. At this point, there are currently no plans at Diocesan or Trust level for any further growth. The Trust continues to follow all DfE and ESFA guidance to ensure compliance and security of the Trust and its schools.

The impact of the company's operations on the community and the environment

We recognise our responsibility to care for the environment and aim to minimise our environmental impact in all our activities. As well as covering environmental issues in our school curriculum, the Trust encourages all staff and students to participate in initiatives to reduce negative environmental impacts. These include the promotion of recycling of waste, procurement of energy efficient items and appropriate actions by all staff and students to minimise energy consumption and reduce non-recyclable waste.

The impact of the company's operations on employees and business relationships is included within the Trustees report on page 7.

BISHOP BEWICK CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

The desirability of the company maintaining a reputation for high standards of business conduct

Public trust in the Trust and its constituent schools is fundamental to our future success. The Trust adheres to the Nolan Principles (2017) and has embedded the 'The Seven Principles of Public Life' into its vision document, adopted across the Trust - 'What makes an excellent Catholic school'. Central in our recruitment, training and appraisal at all levels are our organisational values and behaviours, used to ensure that we maintain the highest ethical standards for current and future employees. Our procurement processes and use of supplier policies ensure that our Trust's values are a key part of our selection process. We pay due regard to the behaviours of our suppliers in our supply chain.

The need to act fairly as between members of the company

In terms of members of the Trust, fairness in our dealings is upheld through having a clear and well communicated strategy, and financial discipline backed by strong internal controls. We have transparent reporting at regular intervals through the year, continual access to senior management and a track record of successful growth through new school joiners which have been appropriately integrated into the Trust. We aim to be a fully inclusive organisation and we will not unfairly discriminate against our students, staff or any other member of our community and stakeholders. Our policies and actions are rooted in the Equality Act 2010.

COVID Impact and response

The educational impact of the pandemic is complex and widespread. Our school leaders believe it is showing in behaviour records, attendance rates, achievement in some cohorts of pupils and in the longer term attitudes of some pupils to school & schooling. It is impossible to quantify the true impact of the pandemic on educational outcomes as Ofqual made changes both to syllabus, examination papers and grading profiles. The Trust recognises the enormous efforts of staff in dealing with the short- and longer-term challenges of the pandemic. Trustees wish to extend thanks to all staff for the work they have done to ensure that our pupils have achieved well despite the challenges.

The Trust continues to manage the short & longer-term impacts of the pandemic through:

- Regular school improvement meetings of school leadership teams
- Updates to Audit and Risk Committee and the Trust Board
- School risk management plans
- Online materials for students (as required)
- Providing additional 'catch-up' support Early Years & for targeted groups of pupils/ students
- Regular monitoring of student engagement & wellbeing post-covid

Financial review

The majority of the Trust's income is obtained from the ESFA in which our schools are located in the form of recurrent grants, the use of which is restricted. The grants received from the ESFA 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 receives grants for fixed assets from the Department for Education. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2019), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

Total Income for the year was £103,009k (2021: £88,636k) which is after transfers from local authority on conversion of £15,468k (2021: £8,856k) and transfers of existing academies into the trust of £nil (2021: £24,321k).

The Trust received capital funding in the year totaling £3,056k (2021: £1,593k).

The surplus of £15,110k (2021: £15,602k) is after transfers amounting to £15,468k (2021: £33,177k) and an impairment charge of £nil (2021: £18,235k) against the land and buildings following a review of the valuation held.

BISHOP BEWICK CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

The restricted general fund as reported in note 20 excluding pension liability is £15,803k (2021: £9,313k) and the unrestricted fund balance is £2,340k (2021: £2,037k) as at 31 August 2022 giving a total reserve balance before fixed assets fund and pension reserve of £18,143k (2021: £11,350k).

During the year, the Trust grew by 14 Primary schools (2021: 17 Primary schools and 2 High schools). The total amounts received on transfer were £15,468k (2021: £33,177k) and the value of the land and buildings received on transfer recognised in the accounts was £16,340k (2021: £37,075k).

The net book value of tangible and intangible fixed assets at 31 August 2022 was £91,263k (2021: £72,252k). Movements in tangible fixed assets are shown in note 14 to the accounts. The increase was due to the transfers and the normal additions during the year. The restricted fixed asset fund is then reduced by annual depreciation charges over the expected useful life of the assets concerned. The assets were used exclusively for providing education and associated support services to academy students.

The deficit in LGPS pension funds is recognised on the balance sheet in accordance with the provisions of FRS102. The total deficit in the scheme as at 31 August 2022 was £3,098k (2021: £24,021k). Movements in the pension fund are reported in note 26 of the Financial Statements. The pension liability is underwritten by the Government if settlement was ever required.

The balance sheet discloses cash and bank balances of £14,548k (2021 £14,246k).

Financial and Risk Management Objectives and Policies

Financial policies operate throughout the Trust, primarily the Financial Regulations manual and Scheme of Delegation which outline the roles and responsibilities of Trustees, Governors, Headteachers and all other staff in the use of the Trust's resources. The nature of academy business is that the financial instruments that are dealt with are largely bank balances, cash, creditors and debtors. The Trust considers its exposure to financial instruments to be minimal and such information is not material to an assessment of the Trust's assets, liabilities, financial position, and its results. The Trust is however exposed to the LGPS pension schemes as outlined in note 26 where there is detailed disclosure of the current position as independently actuarially assessed. Additional liabilities associated with those academies with PFI buildings are outlined in note 22.

Going concern

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

Reserves policy

The Trustees have approved a Reserves Policy which requires individual academies to maintain a revenue reserve (consisting of restricted general and unrestricted reserves consistent with ESFA guidance) of approximately 8% of General Annual Grant (GAG) income. Budgets or forecasts which show a position outside of this range must be accompanied by a robust business case for Trust Board approval. At 31st August 2022 the revenue reserves across the Trust were £18,143k (2021: £11,350k) against a target of £5,412k (2021: £3,398k). As part of budget setting, the Trustees review the level of reserves each year. This review will consider the nature of income and expenditure streams, the need to match income with commitments and the need to set aside funds for future replacement programmes. The Trust Board will also need to consider what reserves need to be set aside in view of the growth in net liabilities under its pension schemes. In particular, the Trust Board will need to ensure that academy budgets include an allowance for the inevitable increases in employer contribution that will follow from the next actuarial reviews. As we move in 2022-23 some schools have plans to use their reserves post-conversion for school improvement. The budget pressures on all schools mean that most will need to use reserves to absorb these immediate inflationary pressures (energy, salary) in the coming year.

BISHOP BEWICK CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

Academy trust funds that can only be realised by disposing of tangible fixed assets were £91,263k (2021: £75,252k).

The academy trust's share of the Local Government Pension Scheme currently has a deficit of £3,098k (2021: £24,021k). Under the Charities SORP, it is necessary to charge projected deficits on the Local Government Pension Scheme (LGPS), which is provided to support staff, to a restricted fund. This results in reducing reserves shown in the total funds of the academy trust. It should be noted that this does not present the academy trust with any current liquidity problem. During the year the employer contributions were assessed, and employer contribution rates adjusted to bring a further reduction in this pension deficit in future, although this may not be achieved until stock market investment values start to recover.

Investment policy

The Trust operates a very risk averse policy to treasury management. All funds are currently invested with Lloyds Bank. The majority of funds are in a 32-day notice account, which attracts a variable interest driven by the current bank base-rate. Some funds, deemed in excess of that required for cashflow are invested in 12 month term deposits (2.00%). Interest rates are reviewed across a number of banks to ensure the Trust is getting the best return on the balances we hold. This policy maximises investment return whilst minimising risks to the principal sum. The Trust has an ethical approach to investment and acts accordingly.

Key performance indicators

The monthly management accounts are prepared and reviewed in PSF. The Year-to-date figures are imported into IMP at month end. The salary reconciliation and budget forecast monitoring is done IMP, and discussed with each school leader.

The Trust's financial key performance indicators include:

GAG funding £67,650k (2021: £42,479k)

Net current assets £20,071k (2021: £12,391k)

Staff costs as a percentage of income (excluding transfer on conversion) were 75% (2021: 74%).

The Trustees have considered the Trust's financial performance set for the year and consider the performance to be satisfactory.

Principal risks and uncertainties

The principal risks and uncertainties relate to the rapid growth of Trust combined with the associated risk in changes in the level of funding from the DfE/ESFA. Operationally, the Trust recognises that during this period of planned growth, there is an increased need to effectively manage both the volume of its transactions/payables together with the close monitoring of an appropriate cashflow. In addition, the Trust is a member of the Local Government Pension Scheme (LGPS), which results in the recognition of a significant deficit on the Trust balance sheet.

The Trustees have assessed the major risks to which the Trust is exposed. In particular, Trustees have reviewed those risks relating to teaching, provision of facilities and other operational areas of the Trust, and its finances. The Trustees have implemented several systems to assess risks that the Trust faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school visits) and in relation to the control of finance.

In common with other Trusts, the Trust is subject to several risks and uncertainties. The Trust has in place procedures to identify and mitigate financial risks. 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.

The Trust has fully implemented the requirements of the Safer Recruitment procedures and all relevant staff have received training in this area. All staff have received Child Protection & safeguarding training as specified in the KCSIE (Sept 2022).

The Trust has purchased a risk management assurance service from RSM ('4Risk'). This facilitates a school specific risk register per school, which in turn informs a Trust level risk register. In addition, the Trust has also purchased a Health and Safety audit management package from Judicium, an accident/incident reporting function in 'Every' (Supplier Sandgate) and appointed a Trust Health and Safety Manager.

BISHOP BEWICK CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

Fundraising

The Trust does not currently work with commercial participators or professional fundraisers and does not engage third parties to undertake fundraising activities on its behalf. Should individuals wish to complain about any fundraising activities conducted by the Trust, they should follow the complaints or whistleblowing policy as appropriate.

Streamlined energy and carbon reporting

Environmental measures

The Trust and its schools are committed to reducing their impact on the environment. We educate staff & students and collectively act as organisation on areas in which we feel changes in behaviour and/or our practices can positively reduce our carbon footprint and other environmental measures. Most recently we have looked to change to LED lights, reduce single glazing and put in measures to reduce non-recyclable waste.

UK Greenhouse gas emissions and energy use data for the period 1 September 2021 to 31 August 2022 and 1 September 2020 to 31 August 2021.

	2022 kWh	2021 kWh
<i>Energy consumption</i>		
Aggregate of energy consumption in the year	17,079,993	9,920,702

	2022 metric tonnes	2021 metric tonnes
<i>Emissions of CO2 equivalent</i>		
Scope 1 - direct emissions		
- Gas combustion	2,361.00	1,300.00
- Fuel consumed for owned transport	7.00	11.00
	2,368.00	1,311.00
Scope 2 - indirect emissions		
- Electricity purchased	795.00	663.00
Scope 3 - other indirect emissions		
- Fuel consumed for transport not owned by the Trust	3.00	2.00
	3,166.00	1,976.00
<i>Intensity ratio</i>		
Tonnes CO2e per pupil	0.26	0.24

Quantification and reporting methodology

We have followed the 2020 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2022 UK Government's Conversion Factors for Company Reporting.

BISHOP BEWICK CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2 equivalent per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

The Trust recognises its role and that of its schools in terms of impact on the environment, be this as an employer or educator; as a critical service provider; as a consumer; as an investor; as a partner; as part of the supply chain; and within communities. In line with government and community expectations, year on year, the Trust aims to improve its energy efficiency and reduce CO2 consumption across its estate. The Trust's Energy Sustainability Strategy, to be discussed and ratified by Trustees in Autumn 2022, sets the overarching approach the Trust will take beyond 2022. In addition to Trust wide initiatives, central to the policy is the requirement for individual schools to play their part in identifying and enacting change in the practice wherever possible.

Sustainability is embedded at all levels and in the forefront of thinking for all policies and projects and consequently at the heart of all decision making in the Trust. Energy reduction is a key feature of the Trust's Estates management strategy and asset management plan. To date we have invested c.£380k in replacing inefficient fluorescent tube lighting with LED lights in 15 schools. In 2022/23 a further 7 schools will fall into scope, amounting to an estimated £320k of additional investment. This academic year the Trust invested just over £500k in improving heating systems at 4 of our schools. In 2022/23 we plan to invest a further £650k in improving heating systems in a range of schools. Perhaps most significantly, the Trust has agreed to invest over £1.6m on window projects at 7 of our schools, replacing single glazed windows with new double-glazed units. We expect these projects to be delivered by August 2023.

Plans for future periods

The Trust completed its planned growth to 39 schools during the academy year 2021-2022. The final Primary school conversion was on 1st July 2022 (St Stephen's).

During 2021-2022 the Trust has significantly expanded its school improvement work. The focus was on developing outstanding curriculums across all phases, with leadership groups focusing on areas such as strong pastoral systems and catch-up curriculum. The outcomes of this work are reflected in our 2022 achievement and performance table. The Trust continues to work with our schools to maximise achievement and increase the opportunities for pupils across the Trust.

Specific plans for 2022/23 include:

- The appointment of a Trust-wide SEND lead
- Expand our SEND offer across all settings. Focus on the most vulnerable and ensuring all pupils in our schools fulfil their potential
- The appointment of a Director School Improvement (Primary) – to drive improvement across the Primary phase
- The appointment of a lead for the Directory of School to school support
- Major focus on deployment of school improvement team from our Directory of Support and embedding a culture of school improvement
- Developing our people strategy to ensure we have the staff we need at all levels of the business, including a specific Catholic leadership focus.
- Effective use of SCA monies to ensure schools are fit for purpose and environmentally sound
- Delivering major building projects where a lack of capacity or practicability demand significant changes

BISHOP BEWICK CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

AUDITOR

RSM UK Audit LLP has indicated its willingness to continue in office.

Statement as to disclosure of information to auditors

The Trustees have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The Trustee's Report is approved by order of the Board of Trustees and the Strategic Report (included therein) is approved by the Board of Trustees in their capacity as the directors at a meeting on ~~14.12.22~~ and signed on its behalf by:



D J Harrison

Chair of Trustees

BISHOP BEWICK CATHOLIC EDUCATION TRUST

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that the 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 of the Trust, as Accounting Officer, for ensuring financial controls conform to the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreements between the Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or a breakdown in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the statement of Trustees' responsibilities. As described in the Trustees' report, the Trustees delegate several functions to the Local Governing Committee (LGC) of each academy. These LGCs meet as appropriate, a minimum of three times, throughout the year in order to govern the affairs of the individual academies, including budget monitoring.

Annually, the LGC of each academy undertakes a review of its own effectiveness comprising an assessment of its past activities, aims and objectives. The results are shared with the Trust Board and used to inform any training or Trust input members of the LGC may require.

The Board of Trustees has formally met 6 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustees	Meetings attended	Out of possible
D J Harrison (Chair of Trustees)	6	6
G Hardy (Chair of Audit Committee)	6	6
K McCourt	6	6
W Agle (Resigned 31 August 2022)	6	6
J Gortach	6	6
M McGrady	6	6
J P Scullion	6	6
V Goatman (Resigned 31 January 2022)	2	2
A Bath (Chief Executive Officer and Accounting Officer) (Resigned 10 November 2022)	0	6
A Miller (Appointed 1 September 2022)	0	0
P Chadwick (Appointed 1 September 2022)	0	0

BISHOP BEWICK CATHOLIC EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

Mrs Goatman resigned as a Trustee in January 2022, and Father Aglely resigned at the end of the academic year 21/22. Two new Trustees joined the Trust Board in the autumn term 2022 to strengthen the skill set of the Board: Paula Chadwick brings her insight and experience to the Trust as a senior academic at Durham University, and Alison Miller as a recently retired Headteacher with many years of experience of primary school leadership. During the year, the work of the Board was focused around: overseeing the final phases of onboarding schools into the Trust; school improvement (schools standards and performance); Trust strategic and development planning (including expansion and policy making); and the usual standing items dealing with areas such as finance/budget, estates, health/safety and safeguarding.

2021-2022 continued to be challenging for the Board in terms of managing the demands placed upon it by the growth in schools, culminating at the end of the academic year in all 39 schools having joined the Trust.

The Board and its three sub-committees received a significant amount of information throughout the year from the Trust's Executive team, school leaders and internal auditors. Minutes show that, overall, Board members were happy with the quality and frequency of information, and attendance at meetings was very good. Trust staff have continued to look at various reporting tools to give Trustees better oversight of financial, academic performance and business risks, for example, a single, cohesive risk reporting system (4Risk) will be put in place which will be rolled out across the Trust and all its schools.

Governance reviews

The Trustees are satisfied with the overall governance arrangements and have implemented plans for continuous improvement of these arrangements. An external review of governance is taking place in the autumn term 2022.

Governance arrangements, including financial regulations and a scheme of delegation, were originally created for the establishment of the Trust on 1 April 2020 and the scheme was updated in December 2021. During the year, the Trustees have reviewed the governance arrangements of the Trust. A review of governance arrangements takes place annually (as part of its annual update in respect to regularity changes) and includes feedback from academies and governing committees. The latest review of Board effectiveness including skills sets took place in Autumn term 2022.

Finance & Resources Committee

The Finance & Resources Committee is a sub-committee of the main Board of Trustees. It operates separate to the Audit & Risk committee, in line with best practice for Trusts of our size. The Finance & Resources Committee's purpose is to support both the Trustees of the Board in their responsibilities for financial issues of performance management, budgeting, budgetary control, treasury management and business planning by reviewing the comprehensiveness of assurances in meeting the Trust Board's accounting needs.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
D J Harrison (Chair of Trustees)	3	3
G Hardy (Chair of Audit Committee)	3	3
M McGrady	3	3
J P Scullion	3	3
V Goatman (Resigned 31 January 2022)	1	1

NB – CEO attends this subcommittee as required.

BISHOP BEWICK CATHOLIC EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

Risk & Audit Committee

The Risk and Audit Committee is also a sub-committee of the main Board of Trustees. It was newly established in April 2021 and membership renewed in the autumn term 2021 and then annually. Its purpose is to support both the Chief Executive of the Trust and the Board in their responsibilities for issues of risk, internal control and governance by reviewing the comprehensiveness of assurances in meeting the Trust Board's accounting needs. As part of its role, the Committee selects an external and internal auditor and oversees their work.

Attendance during the year at a meeting of the Committee was as follows:

Trustees	Meetings attended	Out of possible
D J Harrison (Chair of Trustees)	3	3
G Hardy (Chair of Audit Committee)	3	3
M McGrady	3	3

NB – CEO attends this subcommittee as required.

Review of value for money

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

The accounting officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data or by using a framework where appropriate. The accounting officer for the Trust has delivered improved value for money during the year by:

- Significantly increasing expenditure on school improvement managed through central Trust funds.
- Undertaking full due diligence processes for schools and academies wishing to join the Trust and ensuring that all reasonable precautions and mitigations were put in place for those new schools joining.
- Ensuring premises related services such as planned preventative maintenance, catering equipment maintenance and the supply and servicing of fire-fighting equipment are achieved through competitive tender to secure VFM.
- Continued savings in copier leasing and running costs through benchmarking of rates.

The Trust remains committed to maximising value for money. Moving forward, the Trust will continue to identify and pursue opportunities to achieve procurement savings arising from the scale. In addition, a key part of the appraisal of our ongoing operation as a Trust will be robust reviews of both the costs and opportunities presented with our growth. Ensuring increased resources are devoted to school improvement and the condition of the buildings across all the academies.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Trust's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place at the Trust for the year ended 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 Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks that has been in place for the 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.

BISHOP BEWICK CATHOLIC EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees.
- regular reviews by the finance and resources 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 continue to buy-in an internal audit service from Azets (Formerly Tait Walker LLP).

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

- Purchases and payments
- Petty cash, expenses and debit & credit card expenditure
- Fixed assets
- Investments
- Month end procedures and management accounts
- ICT and website compliance
- Compliance with delegated authorities
- Review of implementation of recommendations

On a three per year basis, the auditor 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 an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The Trust's internal auditor, Azets have followed their schedule of work for 2021-22 and to date produced three reports (Autumn, Spring and Summer) and also their final annual report. The final annual report is very positive and the report's conclusion states that the overall assurance rating attributed to the Trust is considered to be substantial, and therefore the Trust can take comfort that the systems in place are generally in line with expectations. They identified a few areas where the processes could be improved and the report detailed these as 12 being "Low" and 2 "Medium" weakness.

All actions/recommendations of the internal audit from the Autumn 2021 report have been addressed by the Trust's management.

Managing conflicts of interest

The Trust requires all Trustees, governors and senior staff across the Trust with purchasing roles to complete a declaration of pecuniary interest at the start of each financial year. The responses are collated and in respect of governors posted onto the website of each school in the governance section. At the start of every meeting of the Trustees, the chair or acting chair will always ask Trustees if they have any conflicts of interest to declare. The accounts team use these annual declarations to check against their supplier records to ensure we do not have a related party that we are unaware of. Currently the only known related parties for the Trust are those associated with the Diocese of Hexham and Newcastle, and the Youth Ministry Team.

BISHOP BEWICK CATHOLIC EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

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
- the work of the external auditor
- 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 trust who have responsibility for the development and maintenance of the Internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the audit and risk committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the Board of Trustees on 14.12.22 and signed on its behalf by:



A Bath
Accounting officer



D J Harrison
Chair

BISHOP BEWICK CATHOLIC EDUCATION TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

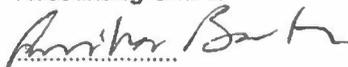
As accounting officer of Bishop Bewick Catholic Education Trust, I have considered my responsibility to notify the Trust Board of Trustees and the Education and Skills Funding Agency ('ESFA') of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by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

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

During October 2021 the Trust identified that it had been the subject to a cyber incident which impacted a supplier payment amounting to £8,000 (before the receipt of any insurance claim). The incident has been reported to the ESFA and the board of Trustees. In February 2022 the Trust fully recovered the £8,000 in relation to the associated incident. The Trust's financial controls and training have been reviewed and additional controls and checks have been put in place to reduce the risk of recurrence.

I confirm that no other 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.

A Bath
Accounting Officer



BISHOP BEWICK CATHOLIC EDUCATION TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Bishop Bewick Catholic Education Trust for the purposes of company law) are responsible for preparing the Trustees' report (including the strategic report) and the financial statements in accordance with the 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 in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 that 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 14.12.22 and signed on its behalf by:



D J Harrison
Chair

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BISHOP BEWICK CATHOLIC EDUCATION TRUST

Opinion

We have audited the financial statements of Bishop Bewick Catholic Education Trust (the "charitable company") for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), 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 charitable company'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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 charitable company'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.

Other information

The other information comprises the Information Included in the Annual Report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report which includes the Directors Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BISHOP BEWICK CATHOLIC EDUCATION TRUST (CONTINUED)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors Report or the Strategic Report included within the Trustees' Report.

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 26, the Trustees (who are also the directors of the charitable company 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which the audit was considered capable of detecting Irregularities, Including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BISHOP BEWICK CATHOLIC EDUCATION TRUST (CONTINUED)

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Education and Skills Funding Agency's Academy Trust Handbook and Academies Accounts Direction. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the Education Inspection Framework under the Education Act 2005 (as amended), Keeping Children Safe in Education under the Education Act 2002, the UK General Data Protection Regulation (UK GDPR) and the Data Protection Act 2018. We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates in the preparation of the financial statements.

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

Use of our report

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

RSM UK Audit LLP

Clare Leece (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
1 St. James' Gate
Newcastle upon Tyne
United Kingdom
NE1 4AD

15 December 2022

BISHOP BEWICK CATHOLIC EDUCATION TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2022 £000	Total 2021 £000
Income and endowments from:						
Donations and capital grants	3	-	34	3,056	3,090	1,618
Donations - transfers from local authority on conversion	29	-	(872)	16,340	15,468	8,856
Donations - transfers of existing academy into the trust		-	-	-	-	24,321
Charitable activities:						
- Funding for educational operations	4	76	80,551	-	80,627	52,128
- Funding for teaching schools	4	-	3	-	3	93
Other trading activities	5	3,467	346	-	3,813	1,619
Investments	6	8	-	-	8	1
Total		<u>3,551</u>	<u>80,062</u>	<u>19,396</u>	<u>103,009</u>	<u>88,636</u>
Expenditure on:						
Charitable activities:						
- Educational operations	8	3,248	82,161	2,487	87,896	72,941
- Teaching schools	8	-	3	-	3	93
Total	7	<u>3,248</u>	<u>82,164</u>	<u>2,487</u>	<u>87,899</u>	<u>73,034</u>
Net income/(expenditure)		303	(2,102)	16,909	15,110	15,602
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit obligations	26	-	29,515	-	29,515	(913)
Net movement in funds		303	27,413	16,909	44,625	14,689
Reconciliation of funds						
Total funds brought forward		2,037	(14,708)	76,231	63,560	48,871
Total funds carried forward		<u>2,340</u>	<u>12,705</u>	<u>93,140</u>	<u>108,185</u>	<u>63,560</u>

BISHOP BEWICK CATHOLIC EDUCATION TRUST**BALANCE SHEET****AS AT 31 AUGUST 2022**

	Notes	2022 £000	2021 £000
Fixed assets			
Tangible assets	14	91,263	75,252
Current assets			
Stocks	15	7	7
Debtors	16	2,366	2,378
Investments		9,957	714
Cash at bank and in hand		14,548	14,246
		<u>26,878</u>	<u>17,345</u>
Current liabilities			
Creditors: amounts falling due within one year	17	(6,807)	(4,954)
Net current assets		<u>20,071</u>	<u>12,391</u>
Total assets less current liabilities		<u>111,334</u>	<u>87,643</u>
Creditors: amounts falling due after more than one year	18	(51)	(62)
Net assets before defined benefit pension scheme liability		<u>111,283</u>	<u>87,581</u>
Defined benefit pension scheme liability	26	(3,098)	(24,021)
Total net assets		<u>108,185</u>	<u>63,560</u>
Funds of the Trust:			
Restricted funds	20		
- Restricted fixed asset funds		93,140	76,231
- Restricted income funds		15,803	9,313
- Pension reserve		(3,098)	(24,021)
Total restricted funds		<u>105,845</u>	<u>61,523</u>
Unrestricted income funds	20	2,340	2,037
Total funds		<u>108,185</u>	<u>63,560</u>

The financial statements on pages 30 to 61 were approved by the Board of Trustees and authorised for issue on 14/12/2022 and are signed on their behalf by:



 D J Hardson
 Chair of Trustees

BISHOP BEWICK CATHOLIC EDUCATION TRUST

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £000	£000	2021 £000	£000
Cash flows from operating activities					
Net cash provided by operating activities	23		5,751		3,576
Cash flows from investing activities					
Dividends, interest and rents from investments		8		1	
Capital grants from DfE Group		3,056		1,593	
Purchase of tangible fixed assets		(2,158)		(1,284)	
Purchase of investments		(9,243)		-	
Cash funds transferred on conversion	29	2,978		7,420	
Net cash (used in)/provided by investing activities			(5,359)		7,730
Cash flows from financing activities					
New other loan		-		28	
Repayment of other loan		(90)		(80)	
Net cash used in financing activities			(90)		(52)
Net increase in cash and cash equivalents in the reporting period			302		11,254
Cash and cash equivalents at beginning of the year			14,246		2,992
Cash and cash equivalents at end of the year			14,548		14,246

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

General information

Bishop Bewick Catholic Education Trust is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the Trustees' report.

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

Basis of preparation

The financial statements of the Trust have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements 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. The Trust is a public benefit entity under FRS 102 and has therefore applied the relevant public benefit requirements of FRS 102.

The financial statements are presented in sterling which is also the functional currency of the Trust.

Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

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 Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have prepared budgets for each school in the Trust. Based on this review and the current cash and reserves held by the Trust, the Trustees have concluded that the Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Transfer from local authority on conversion and transfers of existing academies

The conversion from a state-maintained school to an academy trust and the transfer of schools into the academy trust, involved the transfer of identifiable assets and liabilities and the operation of the schools for £nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The net assets transferred on conversion from the maintained school to the academy trust and from existing academies have been valued at their fair values. The fair value has been derived based on that of equivalent items. The amount has been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Donations – transfer to the academy trust on conversion and Donations – transfer of existing academy into the trust respectively in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transaction are set out in note 29.

Income

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

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies (Continued)

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 period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised 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.

Other income

Other income, including the hire of facilities, catering, income for school trips, school to school support, tuition, examinations and funds received for a staff secondment, is recognised in the period it is receivable and to the extent the Trust has provided the goods or services.

Investment income

Interest receivable is included in the Statement of Financial Activities on a receivable basis, and is stated inclusive of related tax credits.

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 are allocated on the portion of the asset's use.

Charitable activities

These are costs incurred on the Trust's educational operations to further its charitable aims for the benefit of the beneficiaries, including support costs and costs relating to the governance of the Trust apportioned to charitable activities.

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies (Continued)

Tangible fixed assets and depreciation

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 that require 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.

The playing field land at one of the Trust's schools is held on a 125 year lease from Newcastle City Council. The land at the Trust's schools on which the main school buildings are situated are held on a licence from the trustees of the RC Diocese of Hexham & Newcastle. The substance of the arrangements are such that the schools are able to obtain future economic benefits from unrestricted use of the assets and hence as the risks and rewards have been transferred to the academy, the assets have been recognised within tangible fixed assets. The initial acquisition was recognised at fair value.

Depreciation is provided on all tangible fixed assets other than freehold land, so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Long term leasehold property	Straight line over 50 years
Assets under construction	Not depreciated
Computer equipment	Straight line over 3 years
Fixtures and fittings	Straight line over 10 years
Motor vehicles	Straight line over 5 years

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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.

Property subject to Private Finance Initiative (PFI)

Buildings that the Trust occupies were constructed under a PFI arrangement. As the Trust has the right to the transfer of the buildings on 31 March 2037, the risks and rewards of ownership have transferred and as such the Trust has recognised the assets used under the contracts within tangible fixed assets at its fair value.

Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Leased assets

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

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies (Continued)

Investments

Current asset investments are financial instruments and comprise short-term investments in a bank notice deposit account.

Stock

Catering stocks are valued at the lower of cost and estimated selling price less costs to complete and sell.

Financial Instruments

The Trust has chosen to adopt Sections 11 and 12 of FRS 102 in full in respect of financial instruments.

Financial assets and liabilities

Financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

Financial assets, which include trade debtors, other debtors and accrued income, are initially measured at transaction price (including transaction costs) and subsequently carried at amortised cost, being transaction price less any amounts settled and impairment losses.

Financial liabilities, which include trade creditors, other creditors and accruals, are initially measured at transaction price (including transaction costs) and subsequently carried at amortised cost, being transaction price less any amounts settled.

Concessionary loans are initially measured at transaction price being the amounts received and subsequently measured at amortised cost.

Financial assets and financial liabilities are offset only when there is a current legally enforceable right to set off the recognised amounts and the intention to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flow expire or are settled, or substantially all the risks and the rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Taxation

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

Pensions benefits

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

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies (Continued)

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a projected unit credit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently there is insufficient information to use defined benefit accounting, it is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

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

Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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 Education and Skills Funding Agency and the Department for Education.

Agency arrangements

The academy trust acts as an agent in the administering of 16-19 bursary funds from the ESFA and SCITT bursary payments from the Student Loan Company. Payments received from the ESFA and Student Loan Company, and subsequent disbursements to students are excluded from the Statement of Financial Activities as the academy does not have control over the charitable application of the funds. The Academy can use up to 5% of the allocation towards its own administration costs for the 16-19 bursary funds and this is recognised in the Statement of Financial Activities. The funds received and paid and any balances held are disclosed in note 28.

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

2 Critical accounting estimates and areas of judgement (Continued)

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 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 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.

Critical areas of judgement

Management are required to make a judgement as to the appropriate accounting treatment and presentation of properties constructed under a PFI arrangement. They do this on a case by case basis with reference to the specific contracts. The considerations include:

- Right to access/ restrictions to use
- Risks and rewards of ownership
- Substance of transaction

As the Trust has the right to the transfer of the buildings on 31 March 2037, the risks and rewards of ownership have transferred and as such the Trust has recognised the assets used under the contracts within tangible fixed assets at its fair value.

3 Donations and capital grants

	Unrestricted funds £000	Restricted funds £000	Total 2022 £000	Total 2021 £000
Capital grants	-	3,056	3,056	1,593
Other donations	-	34	34	25
	<u>-</u>	<u>3,090</u>	<u>3,090</u>	<u>1,618</u>

The income from donations and capital grants was £3,090,000 (2021: £1,618,000) of which £34,000 was restricted (2021: £25,000) and £3,056,000 was restricted fixed assets (2021: £1,593,000).

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

4 Funding for the Trust's educational operations

	Unrestricted funds £000	Restricted funds £000	Total 2022 £000	Total 2021 £000
DfE / ESFA grants				
General annual grant (GAG)	-	67,650	67,650	42,479
Other DfE / ESFA grants:				
- Pupil premium	-	4,243	4,243	2,538
- Conversion income	-	200	200	600
- SCITT income	-	1,084	1,084	1,506
- Teacher's pay grant	-	131	131	613
- Teacher's pension	-	305	305	1,239
- Early years income	-	1,993	1,993	527
- Others	-	3,839	3,839	1,707
	-	79,445	79,445	51,209
Other government grants				
Other government grants	-	113	113	120
COVID-19 additional funding (DfE / ESFA)				
Other DfE / ESFA COVID-19 funding	-	993	993	630
	-	993	993	630
COVID-19 additional funding (non-DfE / ESFA)				
Other non-DfE / ESFA COVID-19 funding	76	-	76	169
	76	-	76	169
Teaching schools income	-	3	3	93
	76	80,554	80,630	52,221

The income from funding for charitable activities was £80,630,000 (2021: £52,221,000) of which £76,000 was unrestricted (2021: £799,000) and £80,554,000 was restricted (2021: £51,422,000).

Other DfE/ESFA grants are largely made up of universal infant free school meal funding, rates rebate funding, PE grant, SEN funding, mainstream grants and supplementary grants. Other government grants consists of LAC funding.

The Trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under exceptional government funding.

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

4 Funding for the Trust's educational operations (Continued)

The Trust received £485k of funding for recovery premium (2021: £630k of funding for catch-up premium) and costs incurred in respect of this funding totalled £485k (2021: £630k). The Trust also received £508k (2021: £nil) of School-led tutoring funding. Costs incurred in respect of this funding totalled £508k (2021: £nil).

In addition, the Trust received £76k (2021: £169k) of funding for COVID-19 mass testing funding and costs incurred in respect of this funding totalled £76k (2021: £169k) which has resulted in the fund being fully spent in the year.

5 Other trading activities

	Unrestricted funds £000	Restricted funds £000	Total 2022 £000	Total 2021 £000
Hire of facilities	123	-	123	34
Catering income	1,217	-	1,217	437
School fund income	86	-	86	96
Other income	2,041	346	2,387	1,052
	<u>3,467</u>	<u>346</u>	<u>3,813</u>	<u>1,619</u>

The income from other trading activities was £3,813,000 (2021: £1,619,000) of which £3,467,000 was unrestricted (2021: £1,528,000) and £346,000 was restricted (2021: £91,000).

6 Investment income

	Unrestricted funds £000	Restricted funds £000	Total 2022 £000	Total 2021 £000
Interest from short term deposits	8	-	8	1
	<u>8</u>	<u>-</u>	<u>8</u>	<u>1</u>

The income from funding for investment income was £8,000 (2021: £1,000) of which £8,000 was unrestricted (2021: £1,000).

7 Expenditure

	Staff costs £000	Non Pay Expenditure		Total 2022 £000	Total 2021 £000
		Premises £000	Other £000		
Academy's educational operations					
- Direct costs	56,912	-	3,476	60,388	38,225
- Allocated support costs	8,401	9,685	9,422	27,508	34,716
Teaching schools					
- Direct costs	3	-	-	3	93
	<u>65,316</u>	<u>9,685</u>	<u>12,898</u>	<u>87,899</u>	<u>73,034</u>

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

7 Expenditure (Continued)

Net income/(expenditure) for the year includes:	2022 £000	2021 £000
Operating lease rentals	1,023	850
Impairment of tangible fixed assets	-	18,235
Depreciation of tangible fixed assets	2,487	2,081
Net interest on defined benefit pension liability	443	256
Fees payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services are as follows:		
- Audit	70	55
- Other services	23	18
	<u> </u>	<u> </u>

Included within operating lease rentals of £1,023k (2021: £850k) are amounts relating to property subject to PFI arrangements of £796k (2021: £796k).

8 Charitable activities

	Unrestricted funds £000	Restricted funds £000	Total 2022 £000	Total 2021 £000
Direct costs				
Educational operations	-	60,388	60,388	38,225
Teaching schools	-	3	3	93
Support costs				
Educational operations	3,248	24,260	27,508	34,716
	<u>3,248</u>	<u>84,651</u>	<u>87,899</u>	<u>73,034</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The expenditure on educational operations was £87,896,000 (2021: £72,941,000) of which £3,248,000 was unrestricted (2021: £1,579,000), £82,161,000 was restricted (2021: £51,046,000) and £2,487,000 was restricted fixed assets (2021: £20,316,000).

The expenditure on teaching schools was £3,000 (2021: £93,000) of which £3,000 was restricted (2021: £93,000).

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

8 Charitable activities (Continued)

	Educational operations £000	Total 2022 £000	Total 2021 £000
Analysis of support costs			
Support staff costs	8,401	8,401	5,077
Depreciation	2,487	2,487	20,316
Technology costs	1,550	1,550	744
Premises costs	7,198	7,198	4,245
Legal costs	1,931	1,931	1,155
Other support costs	5,857	5,857	3,084
Governance costs	84	84	95
	<u>27,508</u>	<u>27,508</u>	<u>34,716</u>

9 Staff

Staff costs

Staff costs during the year were:

	2022 £000	2021 £000
Wages and salaries	44,866	28,876
Social security costs	4,518	2,671
Pension costs	14,121	8,539
Staff costs - employees	<u>63,505</u>	<u>40,086</u>
Agency staff costs	1,745	676
Staff restructuring costs	66	18
Total staff expenditure	<u>65,316</u>	<u>40,780</u>

Staff restructuring costs comprise:

Redundancy payments	-	18
Severance payments (including special severance payments)	66	-
	<u>66</u>	<u>18</u>

Exit payments

The Trust paid 5 exit payments in the year, as follows:

0 - £25,000	4
£25,001 - £50,000	1
	<u>5</u>

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

9 Staff (Continued)

Special staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £35k (2021: £nil). Individually the payments were £3k, £7k and £25k.

Staff numbers

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

	2022 Number	2021 Number
Teachers	719	576
Administration and support	999	386
Management	117	95
	<u>1,835</u>	<u>1,057</u>

Higher paid staff

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

	2022 Number	2021 Number
£60,001-£70,000	26	15
£70,001-£80,000	11	5
£80,001-£90,000	2	2
£90,001-£100,000	3	3
£100,001-£110,000	4	1
£150,001-£160,000	-	1
£170,001-£180,000	1	-
	<u>47</u>	<u>27</u>

Key management personnel

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer national insurance and pension contributions) received by key management personnel for their services to the Trust was £848,472 (2021: £777,784).

10 Central services

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

- financial services;
- educational support services;
- support with the conversion to the academy trust.

The Trust charges for these services on the basis of a flat percentage of income of 3.75%. New schools joining the Trust during the year were charged a reduced fee.

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

10 Central services (Continued)

The amounts charged during the year were as follows:	2022 £000	2021 £000
St Mary's Catholic School	302	203
St Benet Biscop Catholic Academy	250	169
SS Peter and Paul's Catholic Primary Academy	-	22
Sacred Heart Catholic High School	309	211
St Michael's RC Primary School	39	26
Sacred Heart Catholic Primary School	35	24
St Cuthbert's Catholic High School	268	163
St Thomas More Catholic High School	338	211
Our Lady & St Anne's RC Primary	38	20
St Cuthberts RCVA Primary	35	2
St Lawrence's RC Primary	41	22
St Wilfrids RCVA Primary	46	25
St Bede's RC Primary	37	12
St Catherine's RCVA Primary	33	14
St Charles RC Primery	32	10
St Bede's RCVA Primary	33	14
St Mark's RCVA Primery	36	11
St George's RCVA Primary	24	7
English Martyrs' RC Primary	72	22
St Alban's RCVA Primary	36	11
St Paul's RC Primary School	29	9
St Cuthbert's RC Primary	32	16
St Josephs RC Primary	48	3
St Mary's RC Primary	32	2
Star of the Sea RC Primary	59	4
St Aidan's RC Catholic Primary School	15	-
St John Vianney RC Primary School	28	-
St Roberts Catholic First School	10	-
St Cuthberts Catholic First School	6	-
St Vincents Catholic Primary School	18	-
St Cuthberts Catholc Primary School	16	-
St Teresa's Catholic Primary School	13	-
St Oswald's Catholic Primary School	13	-
St Joseph's Catholic Primary School	14	-
St Marys Catholic Primary School	14	-
St Columba's Catholic Primary School	13	-
St Stephen's Catholic Primary School	6	-
St Bernadettes Catholic Primary School	17	-
St Aidan's RC Primary School	15	-
	<u>2,402</u>	<u>1,233</u>

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

11 Trustees' remuneration and expenses

During the year ended 31 August 2022, no trustee received any remuneration (including expenses).

The Chief Executive Officer is not a trustee, but is the Accounting Officer and receives remuneration in respect of services they provide in that role.

The value of Trustees' remuneration and other benefits was as follows:

A Bath (Chief Executive Officer):

Remuneration £171,421 (2021: £155,302)

Employer's pension contributions paid £40,592 (2021: £36,775)

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

12 Trustees and officers' insurance

The academy trust has opted into the Department of Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £1,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme

13 Intangible fixed assets

	Computer software £000
Cost	
At 1 September 2021 and at 31 August 2022	16
Amortisation	
At 1 September 2021 and at 31 August 2022	16
Carrying amount	
At 31 August 2022	-
At 31 August 2021	-

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

14 Tangible fixed assets

	Long term leasehold property £000	Assets under construction £000	Computer equipment £000	Fixtures and fittings £000	Motor vehicles £000	Total £000
Cost						
At 1 September 2021	98,252	-	1,566	1,601	132	101,551
Transfer of assets on conversion	16,340	-	-	-	-	16,340
Additions	107	749	414	888	-	2,158
At 31 August 2022	114,699	749	1,980	2,489	132	120,049
Depreciation and impairment						
At 1 September 2021	24,995	-	806	439	59	26,299
Charge for the year	1,885	-	379	200	23	2,487
At 31 August 2022	26,880	-	1,185	639	82	28,786
Net book value						
At 31 August 2022	87,819	749	795	1,850	50	91,263
At 31 August 2021	73,257	-	760	1,162	73	75,252

With regard to the long term leasehold property included above, this should be read in conjunction with the statement below and the accounting policy.

With respect to the buildings from which the academy trust operates, these are legally owned by the Diocese of Hexham and Newcastle. The Trust is able to use the buildings under the terms of supplemental lease agreements. The substance of the arrangement is such that the Trust is able to obtain future economic benefits from unrestricted use of the asset. As such, the buildings are recognised as a fixed asset recorded at their fair value at the time of conversion. This is treated as the deemed cost.

15 Stocks

	2022 £000	2021 £000
Catering stock	7	7

16 Debtors

	2022 £000	2021 £000
Trade debtors	183	145
VAT recoverable	329	463
Other debtors	18	11
Prepayments and accrued income	1,836	1,759
	2,366	2,378

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

17 Creditors: amounts falling due within one year

	2022 £000	2021 £000
Other loans	11	90
Trade creditors	2,029	785
Other taxation and social security	1,167	962
Other creditors	1,504	1,480
Accruals and deferred income (see note 19)	2,096	1,637
	<u>6,807</u>	<u>4,954</u>

18 Creditors: amounts falling due after more than one year

	2022 £000	2021 £000
Other loans	51	62
	<u>51</u>	<u>62</u>
Analysis of loans	2022 £000	2021 £000
Wholly repayable within five years	62	152
Less: included in current liabilities	(11)	(90)
	<u>51</u>	<u>62</u>

Included within other loans are amounts payable within one year of £11k (2021: £90k) and after more than one year of £51k (2021: £62k) in respect of Salix loans which are not subject to interest and are repayable in instalments over a period of 8 years from the loan agreements date.

19 Deferred income

	2022 £000	2021 £000
Deferred Income is included within:		
Creditors due within one year	17	355
	<u>17</u>	<u>355</u>
Deferred income at 1 September 2021	355	136
Released from previous years	(355)	(136)
Resources deferred in the year	17	355
	<u>17</u>	<u>355</u>
Deferred income at 31 August 2022	17	355

At the reporting date, the Trust held funds received in advance of £17k (2021: £17k) in respect of trip income, £nil (2021: £207k) in respect of Early years fundings, £nil (2021: £35k) in respect of conversion grants, £nil (2021: £56k) in respect of rate rebate funding and £nil (2021: £40k) in respect of teaching fund grants.

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

20 Funds

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2022 £000
Restricted general funds					
General Annual Grant (GAG)	9,313	67,650	(61,160)	-	15,803
Other DfE/ESFA grants:					
- Pupil premium	-	4,243	(4,243)	-	-
- SCITT income	-	1,084	(1,084)	-	-
- Teachers' pay grant	-	131	(131)	-	-
- Teachers' pension grant	-	305	(305)	-	-
- Other grants	-	6,032	(6,032)	-	-
Other DfE/ESFA COVID-19 funding	-	993	(993)	-	-
Other government grants	-	113	(113)	-	-
Teaching schools	-	3	(3)	-	-
Other restricted income	-	3,358	(3,358)	-	-
Pension reserve	(24,021)	(3,850)	(4,742)	29,515	(3,098)
	<u>(14,708)</u>	<u>80,062</u>	<u>(82,164)</u>	<u>29,515</u>	<u>12,705</u>
Restricted fixed asset funds					
Inherited on conversion	72,644	16,340	(1,169)	-	87,815
DfE group capital grants	2,214	3,056	(357)	-	4,913
Capital expenditure from GAG	1,328	-	(916)	-	412
Capital expenditure from premises school fund	45	-	(45)	-	-
	<u>76,231</u>	<u>19,396</u>	<u>(2,487)</u>	<u>-</u>	<u>93,140</u>
Total restricted funds	<u>61,523</u>	<u>99,458</u>	<u>(84,651)</u>	<u>29,515</u>	<u>105,845</u>
Unrestricted funds					
General funds	2,037	3,551	(3,248)	-	2,340
	<u>2,037</u>	<u>3,551</u>	<u>(3,248)</u>	<u>-</u>	<u>2,340</u>
Total funds	<u>63,560</u>	<u>103,009</u>	<u>(87,899)</u>	<u>29,515</u>	<u>108,185</u>

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

20 Funds (Continued)

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

General Annual Grant

General Annual Grant must be used for the normal running of the academy including salaries and related costs, overheads, repairs and maintenance and insurance. Under the funding agreement with the Secretary of State, Sacred Heart Catholic High School was subject to a limit on the amount of GAG that it could carry forward at 31 August 2022. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes. The Trust has not exceeded these limits during the years ended 31 August 2022 and 31 August 2021.

The funding agreements of the remaining schools are not subject to a limit on the GAG available to carry forward.

Other DfE/ESFA grants

Other DfE/ESFA grants funds relating to Pupil Premium, SCITT, Teachers' pay grant, Teachers' pension grant, Early Years funding and other funding have arisen from funding received for the furtherance of the Trust's activities that are not funded through the General Annual Grant. Catch-up and recovery premium funding and Other DfE/ESFA COVID-19 funding has been received to aid the Trust in dealing with the impact of the COVID-19 pandemic on both the students and the schools' ability to provide teaching.

Teaching school

Teaching School funds are to help student teachers complete Initial Teacher Training within the school.

Other government grants

Other government grants funds relating to LAC Funding have arisen from funding received for the furtherance of the Trust's activities.

Other restricted funds

Other restricted funds have arisen from non-grant related income that the Trust has received. The monies have to be used for the benefit of the Trust, but there are no restrictions on when these monies can be spent. These have been fully spent in the year.

Pension reserve

The pension reserve is the liability due to the deficit on the Local Government Pension Scheme. Further details are shown in note 26.

Restricted fixed asset funds

This represents capital grants and transfers from other funds to purchase fixed assets. Depreciation is charged against each fund over the useful life of the associated assets. The Capital expenditure from GAG fixed assets fund has been set up to recognise the tangible assets purchased by the Academy Trust following the conversion that have been funded from the GAG. This fund was created by a transfer from the GAG fund of an amount equivalent to the cost of the tangible assets involved. In the prior year, £804k was transferred from restricted General Annual Grant funds to Capital expenditure from GAG funds to cover capital expenditure incurred.

Unrestricted funds

Unrestricted funds can be used for any purpose, at the discretion of the trustees, within the objects of the academy trust.

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

20 Funds (Continued)

Funds prior year

	Balance at 1 September 2020 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2021 £000
Restricted general funds					
General Annual Grant (GAG)	910	46,737	(37,530)	(804)	9,313
Other DfE/ESFA grants:					
- Pupil premium	-	2,538	(2,538)	-	-
- SCITT Income	-	1,506	(1,506)	-	-
- Teachers' pay grant	-	613	(613)	-	-
- Teachers' pension grant	-	1,239	(1,239)	-	-
- Other grants	-	2,834	(2,834)	-	-
Other government grants	-	120	(120)	-	-
Teaching schools	-	93	(93)	-	-
Other restricted income	-	2,344	(2,344)	-	-
Pension reserve	(9,567)	(11,219)	(2,322)	(913)	(24,021)
	<u>(8,657)</u>	<u>46,805</u>	<u>(51,139)</u>	<u>(1,717)</u>	<u>(14,708)</u>
Restricted fixed asset funds					
Inherited on conversion	53,396	37,910	(18,662)	-	72,644
DfE group capital grants	749	1,593	(128)	-	2,214
Capital expenditure from GAG	1,602	-	(1,078)	804	1,328
Capital expenditure from premises school fund	493	-	(448)	-	45
	<u>56,240</u>	<u>39,503</u>	<u>(20,316)</u>	<u>804</u>	<u>76,231</u>
Total restricted funds	<u>47,583</u>	<u>86,308</u>	<u>(71,455)</u>	<u>(913)</u>	<u>61,523</u>
Unrestricted funds					
General funds	1,288	2,328	(1,579)	-	2,037
	<u>1,288</u>	<u>2,328</u>	<u>(1,579)</u>	<u>-</u>	<u>2,037</u>
Total funds	<u>48,871</u>	<u>88,636</u>	<u>(73,034)</u>	<u>(913)</u>	<u>63,560</u>

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

20 Funds (Continued)

Total funds analysis by academy

	2022	2021
	£000	£000
Fund balances at 31 August 2022 were allocated as follows:		
St Mary's Catholic School	1,579	1,070
St Benet Biscop Catholic Academy	1,452	894
SS Peter and Paul's Catholic Primary Academy	(128)	(71)
Sacred Heart Catholic High School	1,732	1,588
St Michael's RC Primary School	248	132
Sacred Heart Catholic Primary School	171	173
St Cuthbert's Catholic High School	4,951	3,801
St Thomas More Catholic High School	1,293	1,036
Our Lady & St Anne's RC Primary	381	201
St Cuthberts RCVA Primary	240	(10)
St Lawrence's RC Primary	102	147
St Wilfrids RCVA Primary	238	201
St Bede's RC Primary	262	248
St Catherine's RCVA Primary	121	130
St Charles RC Primery	171	209
St Bede's RCVA Primary	78	79
St Mark's RCVA Primery	219	198
St George's RCVA Primary	170	221
English Martyrs' RC Primary	607	548
St Alban's RCVA Primary	234	256
St Paul's RC Primary School	197	159
St Cuthbert's RC Primary	197	202
St Josephs RC Primary	405	(10)
St Mary's RC Primary	174	(39)
Star of the Sea RC Primary	289	12
St Aidan's RC Catholic Primary School	122	-
St John Vianney RC Primary School	329	-
St Roberts Catholic First School	100	-
St Cuthberts Catholic First School	98	-
St Vincents Catholic Primary School	542	-
St Cuthberts Catholic Primary School	174	-
St Teresa's Catholic Primary School	267	-
St Oswald's Catholic Primary School	96	-
St Joseph's Catholic Primary School	91	-
St Marys Catholic Primary School	141	-
St Columba's Catholic Primary School	(15)	-
St Stephen's Catholic Primary School	20	-
St Bernadettes Catholic Primary School	189	-
St Aidan's RC Primary School	224	-
Central services	382	(25)
	<u>18,143</u>	<u>11,350</u>
Total before fixed assets fund and pension reserve	<u>18,143</u>	<u>11,350</u>

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

20 Funds (Continued)

	2022 £000	2021 £000
Total before fixed assets fund and pension reserve	18,143	11,350
Restricted fixed asset fund	93,140	76,231
Pension reserve	(3,098)	(24,021)
Total funds	<u>108,185</u>	<u>63,560</u>

The Trust notes the deficit reserves held at SS Peter and Paul's Catholic Primary Academy and St Columba's Catholic Primary School. The Trust has taken steps to return both schools to a surplus position and is forecasting surpluses over the coming years to reduce the deficits noted above.

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

20 Funds (Continued)

Total cost analysis by academy

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

	Teaching and educational support staff £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2022 £000	Total 2021 £000
St Mary's Catholic School	5,771	557	327	1,757	8,412	8,003
St Benet Biscop Catholic Academy	4,794	609	262	1,189	6,854	6,910
SS Peter and Paul's Catholic Primary Academy	764	34	42	276	1,116	1,066
Sacred Heart Catholic High School	6,428	819	1,163	1,536	9,946	10,120
St Michael's RC Primary School	943	14	32	287	1,276	1,236
Sacred Heart Catholic Primary School	986	20	69	269	1,344	1,214
St Cuthbert's Catholic High School	4,838	383	311	1,522	7,054	5,150
St Thomas More Catholic High School	7,616	499	330	985	9,430	6,839
Our Lady & St Anne's RC Primary	810	38	21	278	1,147	896
St Cuthberts RCVA Primary	830	8	15	227	1,080	90
St Lawrence's RC Primary	1,079	4	37	401	1,521	1,068
St Wilfrids RCVA Primary	1,208	28	49	277	1,562	1,165
St Bede's RC Primary	800	19	33	290	1,142	442
St Catherine's RCVA Primary	855	6	30	292	1,183	699
St Charles RC Primary	810	11	51	316	1,188	433
St Bede's RCVA Primary	861	21	37	259	1,178	862
St Mark's RCVA Primary	997	34	29	242	1,302	526
St George's RCVA Primary	631	14	21	202	868	332
English Martyrs' RC Primary	1,666	23	83	564	2,336	881
St Alban's RCVA Primary	972	9	39	299	1,319	523
St Paul's RC Primary School	735	50	30	213	1,028	416
St Cuthbert's RC Primary	690	9	40	278	1,017	705
St Josephs RC Primary	1,299	13	23	310	1,645	118
St Mary's RC Primary	779	46	33	202	1,060	111
Star of the Sea RC Primary	1,405	23	49	338	1,815	120
St Aidan's RC Catholic Primary School	832	15	27	240	1,114	-
St John Vianney RC Primary School	608	25	22	152	807	-
St Roberts Catholic First School	264	23	6	76	369	-
St Cuthberts Catholic First School	164	16	4	54	238	-

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

20 Funds

	Teaching and educational support staff £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2022 £000	Total 2021 £000 (Continued)
St Vincents Catholic Primary School	393	14	19	195	621	-
St Cuthberts Catholic Primary School	393	13	29	154	589	-
St Teresa's Catholic Primary School	714	13	44	255	1,026	-
St Oswald's Catholic Primary School	675	11	33	225	944	-
St Joseph's Catholic Primary School	802	14	32	313	1,161	-
St Marys Catholic Primary School	274	41	11	79	405	-
St Columba's Catholic Primary School	863	16	18	209	1,106	-
St Stephen's Catholic Primary School	148	19	7	49	223	-
St Bernadettes Catholic Primary School	1,099	26	39	262	1,426	-
St Aidan's RC Primary School	332	32	19	82	465	-
Central services	787	533	9	1,024	2,353	1,704
	<u>56,915</u>	<u>4,102</u>	<u>3,475</u>	<u>16,178</u>	<u>80,670</u>	<u>51,629</u>

21 Analysis of net assets between funds

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed asset Funds £000	Total Funds £000
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	-	151	91,112	91,263
Current assets	2,340	22,510	2,028	26,878
Current liabilities	-	(6,807)	-	(6,807)
Non-current liabilities	-	(51)	-	(51)
Pension scheme liability	-	(3,098)	-	(3,098)
Total net assets	<u>2,340</u>	<u>12,705</u>	<u>93,140</u>	<u>108,185</u>

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

21 Analysis of net assets between funds (Continued)

	Unrestricted	Restricted funds:		Total
	Funds	General	Fixed asset	Funds
	£000	£000	£000	£000
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	-	134	75,118	75,252
Current assets	2,037	14,195	1,113	17,345
Current liabilities	-	(4,954)	-	(4,954)
Non-current liabilities	-	(62)	-	(62)
Pension scheme liability	-	(24,021)	-	(24,021)
Total net assets	2,037	(14,708)	76,231	63,560

22 Long-term commitments

Operating leases

At 31 August 2022 the total of the Trust's future minimum lease payments under non-cancellable operating leases was:

	2022	2021
	£000	£000
Amounts due within one year	952	834
Amounts due between one and five years	3,370	3,205
Amounts due after five years	7,626	8,422
	11,948	12,461

Included within the trust's total commitments under operating leases were property subject to PFI arrangements of £11,605k (2021: £12,400k).

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

23 Reconciliation of net income to net cash flow from operating activities

	Notes	2022 £000	2021 £000
Net income for the reporting period (as per the statement of financial activities)		15,110	15,602
Adjusted for:			
Net surplus on conversion to academy	29	(15,468)	(8,856)
Net surplus on transfer of academy in the trust		-	(24,321)
Capital grants from DfE and other capital income		(3,056)	(1,593)
Interest receivable	6	(8)	(1)
Pension costs less contributions payable	26	4,299	2,066
Pension scheme finance costs	26	443	256
Depreciation of tangible fixed assets		2,487	20,316
Movements in working capital:			
Decrease in stocks		-	1
Decrease/(increase) in debtors		12	(1,905)
Increase in creditors		1,932	2,945
Stocks, debtors and creditors transferred on conversion		-	(934)
Net cash provided by operating activities		5,751	3,576

24 Analysis of changes in net funds

	1 September 2021 £000	Cash flows £000	Other non- cash changes £000	31 August 2022 £000
Cash	14,246	302	-	14,548
Loans falling due within one year	(90)	90	(11)	(11)
Loans falling due after more than one year	(62)	-	11	(51)
	<u>14,094</u>	<u>392</u>	<u>-</u>	<u>14,486</u>

25 Members' liability

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

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

26 Pension and similar obligations

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

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

Contributions amounting to £950k (2021: £999k) were payable to the schemes at 31 August 2022 and are included within creditors.

The LGPS obligation relates to the employees of the Trust, who were the employees transferred as part of the conversion of maintained schools who were already members of the scheme and new employees who were eligible to and did join the Scheme whose cumulative retirement benefit was transferred to the Trust in the year. The obligation in respect of employees who transferred represents their cumulative service to the date of transfer.

During the year 14 maintained schools transferred into the Trust. The obligation in respect of employees who transferred with the schools to the Trust representing their cumulative service to the predecessor employer was recognised in the SoFA as part of the gain on transfer as set out in note 29.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in all 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. The Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Trust has set out below the information available on the scheme.

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:

- Total scheme liabilities for service (pensions currently payable and the estimated cost of future benefits) of £218 billion.
- Value of notional assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) of £196 billion.
- Notional past service deficit of £22 billion.
- Discount rate is 2.4% in excess of CPI.

As a result of the valuation, new employer contribution rates were set at 23.68% (including a 0.08% administration levy) of pensionable pay from September 2019 onwards (compared to 16.48% during 2018/19). The next valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to the TPS in the period amounted to £7,682k (2021: £5,198k).

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

26 Pension and similar obligations (Continued)

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 18.1% for employers and 5.5 to 12.5% 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.

Total contributions made	2022 £000	2021 £000
Employer's contributions	2,140	1,275
Employees' contributions	660	375
Total contributions	<u>2,800</u>	<u>1,650</u>

Principal actuarial assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March 2019 updated to 31 August 2022 by a qualified independent actuary.

	2022 %	2021 %
Rate of increase in salaries	4.2	3.8
Rate of increase for pensions in payment/inflation	2.7	2.3
Discount rate for scheme liabilities	4.1	1.7
Inflation assumption (CPI)	<u>2.7</u>	<u>2.3</u>

A gain (or loss) is recognised in the valuation of defined benefit obligations when pension increases are lower (or higher) than those initially assumed. The policy to date has been to recognise the Pension Increase Order (PI Order) laid during relevant financial year. However this year, due to the current higher levels of inflation, the valuation of the obligations has taken into account the current experience of inflation. As such, the valuation shown above has taken into account the expected impact of the higher level of CPI on the forthcoming PI Order and allowance has been made to reflect a CPI rate of 9.9% to 31 August 2022.

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

	2022 Years	2021 Years
Retiring today		
- Males	21.8	21.9
- Females	23.5	25.1
Retiring in 20 years		
- Males	25.0	23.6
- Females	<u>26.7</u>	<u>26.9</u>

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

26 Pension and similar obligations (Continued)

A gain (or loss) is recognised in the valuation of defined benefit obligations when pension increases are lower (or higher) than those initially assumed. The policy to date has been to recognise the Pension Increase Order (PI Order) laid during relevant financial year. However this year, due to the current higher levels of inflation, the valuation of the obligations has taken into account the current experience of inflation. As such, the valuation shown above has taken into account the expected impact of the higher level of CPI on the forthcoming PI Order and allowance has been made to reflect a CPI rate of 9.9% to 31 August 2022.

The Trust's share of the assets in the scheme	2022	2021
	Fair value	Fair value
	£000	£000
Equities	20,862	17,385
Gilts	620	657
Other bonds	7,213	6,285
Multi Asset Credit	1,706	-
Cash	698	1,251
Property	4,304	2,502
Other assets	3,374	3,190
Total fair value of assets	38,777	31,270

The actual return on scheme assets was £33,000 (2021: £3,675,000).

Amount recognised in the statement of financial activities	2022	2021
	£000	£000
Current service cost	6,439	3,341
Net interest cost	443	256
Total operating charge	6,882	3,597

Changes in the present value of defined benefit obligations	2022
	£000
At 1 September 2021	55,291
Obligations acquired on conversion	9,143
Current service cost	6,439
Interest cost	1,063
Employee contributions	660
Actuarial (gain)/loss	(30,102)
Benefits paid	(619)
At 31 August 2022	41,875

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

26 Pension and similar obligations (Continued)

Changes in the fair value of the Trust's share of scheme assets	
	2022 £000
At 1 September 2021	31,270
Assets acquired on conversion	5,293
Interest income	620
Return on plan assets (excluding net interest on the net defined pension liability)	(587)
Employer contributions	2,140
Employee contributions	660
Benefits paid	(619)
	<hr/>
At 31 August 2022	38,777
	<hr/> <hr/>

27 Related party transactions

All transactions involving related parties or connected parties are conducted at arm's length and in accordance with the requirements of the Academy Trust Handbook 2021, including notifying the ESFA of all transactions made on or after 1 September 2021 and obtaining their approval where required, the trust's financial regulations and normal procurement procedures, unless otherwise stated.

During the year the Trust entered into transactions with the Diocese. The contributions made by Trust to its Diocese for services it receives associated with securing the Trust's religious character and ethos, which only the Diocese can provide, are regarded as meeting the at cost requirement.

Related party expenditure transaction:

During the year the Trust was invoiced £38,731 (2021: £nil) in respect of extra-curriculum activities from Youth Ministry Trust, a charitable company controlled by the Diocese.

Key management personnel compensation disclosure is included in note 9 and disclosure of trustee remuneration and expenses are included in note 11.

There are no other related party transactions to disclose.

28 Agency arrangements

The Trust administers the disbursement of the new discretionary support for learners, 16-19 bursary funds, on behalf of the ESFA. In the year it received £265k and disbursed £205k. Included in other creditors is £105k (2021: £45k) at the year-end to be disbursed in 2022/23.

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

29 Conversion to an academy

On 1 October 2021, 1 April 2022 and 1 July 2022 14 schools converted to Academy Trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to the Trust from the Local Authority for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair values and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities.

Academy	Location	Date of conversion	
St Aidan's RC Catholic Primary School	North Tyneside	1 October 2021	
St John Vianney RC Primary School	Newcastle	1 April 2022	
St Roberts Catholic First School	Northumberland	1 April 2022	
St Cuthberts Catholic First School	Northumberland	1 April 2022	
St Vincents Catholic Primary School	Newcastle	1 April 2022	
St Cuthberts Catholic Primary School	Newcastle	1 April 2022	
St Teresa's Catholic Primary School	Newcastle	1 October 2021	
St Oswald's Catholic Primary School	Newcastle	1 October 2021	
St Joseph's Catholic Primary School	Newcastle	1 October 2021	
St Marys Catholic Primary School	North Tyneside	1 April 2022	
St Columba's Catholic Primary School	Newcastle	1 October 2021	
St Stephen's Catholic Primary School	North Tyneside	1 July 2022	
St Bernadettes Catholic Primary School	North Tyneside	1 October 2021	
St Aidan's RC Primary School	Northumberland	1 April 2022	

	Unrestricted funds	Restricted funds:		Total
	£000	General	Fixed asset	2022
Net assets transferred:		£000	£000	£000
Freehold land and buildings	-	-	16,340	16,340
Cash	-	2,978	-	2,978
Pension scheme deficit	-	(3,850)	-	(3,850)
	-	(872)	16,340	15,468

	Unrestricted funds	Restricted funds:		Total
	£000	General	Fixed asset	2022
Funds surplus/(deficit) transferred:		£000	£000	£000
Fixed assets funds	-	-	16,340	16,340
LGPS pension funds	-	(3,850)	-	(3,850)
Other funds	-	2,978	-	2,978
	-	(872)	16,340	15,468

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BISHOP BEWICK CATHOLIC EDUCATION TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

Conclusion

We have carried out an engagement in accordance with the terms of our engagement letter dated 7 June 2022 and further to the requirements of the Education and Skills Funding Agency ('ESFA') as included in the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts, to obtain limited assurance about whether the expenditure disbursed and income received by Bishop Bewick Catholic Education Trust during the period 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.

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

Basis for conclusion

The framework that has been applied is set out in the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts. We are independent of Bishop Bewick Catholic Education Trust in accordance with the ethical requirements that are applicable to this engagement and we have fulfilled our ethical requirements in accordance with these requirements. We believe the assurance evidence we have obtained is sufficient to provide a basis for our conclusion.

Responsibilities of Bishop Bewick Catholic Education Trust's accounting officer and Trustees

The accounting officer is responsible, under the requirements of Bishop Bewick Catholic Education Trust's funding agreement with the Secretary of State for Education dated 1 August 2011 and the Academy Trust Handbook extant from 1 September 2021, for ensuring that expenditure disbursed and income received are applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. The accounting officer is also responsible for preparing the Statement of Regularity, Propriety and Compliance. The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the proper conduct and financial operation of Bishop Bewick Catholic Education Trust and appointment of the accounting officer.

Reporting Accountant's responsibilities for reporting on regularity

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 extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts.

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 the procedures performed vary in nature and timing from, and are less in extent than for a reasonable assurance engagement; consequently a limited assurance engagement 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.

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 period 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON
REGULARITY TO BISHOP BEWICK CATHOLIC EDUCATION TRUST AND THE
EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)**

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including the specific requirements of the funding agreement with the Secretary of State for Education, the Academy Trust Handbook 2021 published by the Education and Skills Funding Agency and high level financial control areas where we identified a risk of material irregularity is likely to arise. It also included areas assessed as presenting a higher risk of Impropriety. We undertook detailed testing, on a sample basis, based on the identified areas where a material irregularity is likely to arise, or potential impropriety where such areas are in respect of controls, policies and procedures that apply to classes of transactions. Our work was undertaken with due regard to the 'Evidence to support conclusion on regularity' guidance in the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts.

This work was integrated with our audit on the financial statements and evidence was also derived from the conduct of that audit to the extent it supports the regularity conclusion.

Use of our report

This report is made solely to Bishop Bewick Catholic Education Trust and the ESFA in accordance with the terms of our engagement letter dated 7 June 2022. Our work has been undertaken so that we might state to the Bishop Bewick Catholic Education Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Bishop Bewick Catholic Education Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

RSM UK Audit LLP

RSM UK Audit LLP
Chartered accountants
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NE1 4AD

Dated: 15 December 2022