

Company Registration No. 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 2021

BISHOP BEWICK CATHOLIC EDUCATION TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

Bishop R Bryne
D Fox
J Ledger
Rev S Lerche
Rev C P Leighton

Trustees

D M Kendall (Resigned 16 December 2020)
H C Thompson (Resigned 16 December 2020)
V Goatman
J P Scullion
D J Harrison (Chair of Trustees)
G Hardy (Chair of Audit Committee)
K McCourt
W Agle (Appointed 25 November 2020)
J Gorch (Appointed 25 November 2020)
M McGrady (Appointed 12 November 2020)

Key management personnel

- Chief Executive Officer	A Bath
- Trustee of Partnerships	J Foster
- Chief Operating Officer	D Douglass
- IT Lead	M Ashton-Thompson
- Data Head	M Cousins

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 1st September 2020 to 31 August 2021. The annual report serves the purposes of both a Directors report and a Strategic report under company law.

The academy Trust operates 31 Catholic primary/secondary academies in the North East of England (25 schools in the period 1st Sept 2020 to 31st Aug 2021). Its academies have a combined pupil capacity of 14,128 and had a roll of 12,755 in the school census on 2nd December 2021.

It is our Trust's belief that a great education transforms 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 academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The trustees of Bishop 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 Academy'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 academy 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 representation from some of the schools in the Trust 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 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 Chief Executive 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 at their school. As per the Scheme of Delegation, the Trust finance committee and COO are required to approve spend at higher procurement thresholds. Some school spending control is further devolved by the Headteacher to members of their school's Senior Leadership Team with financial limits above which the Headteacher must countersign.

Individual academy Senior Leadership Teams (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 three 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)

During the year, the Trust consisted of the following 25 schools:

School name	Phase	Date joined BBCET	Years with the Trust	New to BBCET in academy year 2020-21
Sacred Heart Catholic High School	Secondary	Previously members of Sacred Heart Partnership of schools (Aug 2017 - Aug 2020)	4	
St Michael's Primary School	Primary		4	
Sacred Heart Primary School	Primary		4	
Bishop Bewick CET established 01/04/2020				
St Mary's Catholic High School	Secondary	01/06/2020	1	
St Benet Biscop High School	Secondary	01/06/2020	1	
Ss Peter & Paul Primary School	Primary	01/06/2020	1	
St. Cuthbert's Catholic High School, Newcastle	Secondary	01/12/2020	0	Yes
St Thomas More Catholic High School, North Shields	Secondary	01/12/2020	0	Yes
Our Lady and St Anne's RC Primary School Newcastle	Primary	01/12/2020	0	Yes
St. Catherine's RC Primary School, Newcastle	Primary	01/01/2021	0	Yes
St. Cuthbert's RC Primary School, Walbottle	Primary	01/12/2020	0	Yes
St. Charles' RC Primary School, Gosforth	Primary	01/04/2021	0	Yes
St. Lawrence's RC Primary School, Byker	Primary	01/12/2020	0	Yes
St Wilfrid's RC Primary School, Blyth	Primary	01/12/2020	0	Yes
St Bede's RC Primary School, Bedlington	Primary	01/12/2020	0	Yes
St. Bede's RC Primary School, Newcastle	Primary	01/04/2021	0	Yes
St Mark's RC Primary School, Westerhope	Primary	01/04/2021	0	Yes
St. George's RC Primary School, Bells Close	Primary	01/04/2021	0	Yes
English Martyrs' RC Primary School, Fenham	Primary	01/04/2021	0	Yes
St. Alban's RC Primary School Newcastle	Primary	01/04/2021	0	Yes
St Paul's RC Primary School, Alnwick	Primary	01/04/2021	0	Yes

BISHOP BEWICK CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

St Cuthbert's RC Primary School, North Shields	Primary	01/08/2021	0	Yes
St Joseph's RC Primary School, North Shields	Primary	01/08/2021	0	Yes
St Mary's RC Primary School, Cullercoats	Primary	01/08/2021	0	Yes
Star of the Sea RC VA Primary, Whitley Bay	Primary	01/08/2021	0	Yes

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 for the year ended 31 March 2021

Number of employees who were relevant union officials during the relevant period	8
Full-time equivalent employee number	1.00

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Total cost of facility time	17,800
Total pay bill	38,006,001
Percentage of the total pay bill spent on facility time	0.05%

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 and other connected charities and organisations

Further details are stated in note 28 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 and communicates with 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 Trust's and partners at local and national levels to share best practice and to provide peer support across Trust's 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.
- In particular, the Trust fully adopted the Government's policies and guidance during the Covid-19 pandemic and sought to maximise its support to all suppliers through the crisis in order to sustain their support and services in the future. The Trust has made prompt payments to suppliers to avoid any cash flow problems with our suppliers. 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 Company'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 in 4(a) are being fulfilled and form the majority of the activities of the Company, 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 transforms lives**'. The Trust's five Goals [Aims], rooted in Gospel values (Matthew 5: 1-12), provide a set of expectations and aspirations for the 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. Although we are still growing, our school leaders are aligned because they share the same mission and values. We believe 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 20 schools during the academy financial year 2020-21. This involved the transfer of 2 schools (both SATs) and the conversion of a further 18 Voluntary Aided Catholic Primary schools. We were delighted to welcome 19 of the 20 schools as planned. Unfortunately, St. Aidan's Catholic Primary school in Northumberland was unable to convert according to the schedule due to ongoing discussions between the Diocese of Hexham & Newcastle and Northumberland LA. However, the Trust remains confident that the school will join before 1st April 2022 (the scheduled end of the Trust's expansion plan to 39 schools).

Throughout the challenges of the Covid 19 pandemic, both Secondary and Primary colleagues fully embraced the need to provide of online learning (both securing access via PCs & wifi and preparing the teaching materials). All schools successfully balanced the need to provide education within settings for the most vulnerable, as well as online. Whilst there were no Key Stage 2 examinations, our 5 high schools dealt impressively with the extraordinary demands of testing and moderating at both GCSE and A Level. All high schools successfully produced the Teacher Assessed Grades (TAGs) as specified by Ofqual. These results can be seen in the academic outcomes section of this report. Due to the work of staff and students, the vast majority were able to continue on to their preferred university & 6th Form destinations as planned.

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 child welfare issues. School teams have dealt with staff absence, disruptions/slower access to external educational support services and the many logistical issues of providing all eligible children for Free School Meals with a daily meal or voucher.

Despite the online challenges of 2020-21, the Trust established several working parties, leadership and curriculum groups to drive forward its many academic, pastoral and operational objectives. Whilst not exhaustive, these groups include:

Leadership Group (Headteachers from across the Trust), Governance working party, Curriculum Leadership (English, Maths, Geography & Science), Pastoral leaders, Finance & Estates working party and the Achievement data leads group.

Due to its growth, the Trust as planned, secured additional office space for its central finance team. This extra capacity, combined with the remodelling of office space in Sacred Heart High School has created an effective operational head office location. The Trust also internally seconded 3 Finance Partners from primary schools to support the budget setting and monitoring of all primary schools, but especially to help those new to academisation.

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 KPI's.

Key Performance Indicators

Secondary academies

The Trust has 5 Secondary academies, this includes 2 academies that transferred in during the academy year 2020/21. The examination data shown on the next page shows the aggregated GCSE outcomes since summer 2019. The last two sets of results were Centre Assessed Grades (CAGs) in summer 2020 and Teacher Assessed Grades (TAGs) in summer 2021. Neither years' results have national benchmarks, nor can they be mapped against grades achieved in 2019. No national targets were set, but schools did review outcomes against their own previous records. However, there is no doubt that the figures for GCSE Maths & English reflect a significant achievement for students across the high schools. In attaining these key gateway qualifications students have given themselves access to further education courses and careers and in doing so, real life opportunities.

Primary academies

The Trust currently has 26 primary academies, this includes 17 new academies that joined in 2020/21 between 1st December 2020 and 1st August 2021 (22 Primaries in the period 1st Sept 2020 to 31st Aug 2021). A final tranche of 8 primaries will join by 1st April 2022 (taking the Trust to its planned 39 schools). The Key Stage 2 data for 2021 is not comparable with previous outcomes. The DfE did not mandate the reporting of Key Stage 2 assessment in summer 2021. Consequently, no national targets were set, but where schools did assessments these outcomes were reviewed against their own previous records to benchmark. Headteachers have also shared with the Trust leadership that the levels of pupil absence and staff absence make analysis of such outcomes unfortunately meaningless this academic year.

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

BISHOP BEWICK CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

A summary of the Trust's educational outcomes (Considered to be the Trust KPI's) is shown in the tables below and split between secondary and primary academies. Key Stage 4 GCSE Outcomes - Trust weighted aggregate

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

NB: Results for both 2020 ('CAGS') and 2021 ('TAGS**') were based awarding grades without examinations. Data includes schools that were part of BBCET 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	2021**	2020*	2019
Expected			
Reading %	75	85	79
Writing %	67	85	88
Mathematics %	68	82	88
Combined %	61	74	76
Greater Depth			
Reading %	38	28	30
Writing %	25	26	24
Mathematics %	23	36	30
Combined %	16	21	12
Progress			
Reading	-0.7	1.2	3.0
Writing	-1.0	2.5	3.0
Mathematics	-1.3	1.9	2.5
Pupil Premium			
Expected			
Reading %	63	78	79
Writing %	53	78	89
Mathematics %	55	71	89
Combined %	47	61	74
Greater Depth			
Reading %	28	13	37
Writing %	16	13	32
Mathematics %	14	13	32
Combined %	12	9	21

BISHOP BEWICK CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

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

NB: Results for both 2020 ('CAGS') and 2021 ('TAGS'**) were based on awarding grades without examinations. Data includes schools that were part of BBCET 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 Catholic High School) in the period 1st September 2020 – 31st August 2021. The inspection resulted in a Requires Improvement grade [Good in Sixth-form provision].

St Cuthbert's Catholic High school joined the Trust on the 1st Dec 2020. A new Headteacher and Chair of Governors subsequently took up their posts on 1st January 2021. The school was inspected at the end of the same academic year, between the 30th June to 1st July 2021 (a Section 8 inspection converted to Section 5). Some complex legacy issues in terms of pupil behaviour, quality of the curriculum and senior leadership were highlighted by the inspection team. The school's new leadership was praised for the work it had done to correct shortcomings in the time available, they are implementing an action plan to address these issues.

Initial Teacher Training

The Trust's Initial Teacher Training provision continues to grow. The recruitment target for the cohort 2020-21 was 50, so it was pleasing to see 59 trainees graduating with Qualified Teacher Status in July 2021.

BISHOP BEWICK CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

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 continues to grow as planned. We are confident that we will reach our goal of 39 schools by 1st April 2022, at which point the Trust will consolidate. At this point, there are currently no plans at Diocesan or Trust level for it to grow any further. 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 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 8.

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

Public trust in the Trust and in 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 key vision document, adopted across the Trust - 'What makes an excellent Catholic school'. Central in our recruitment, training and appraisal at all levels, we use our organisational values and behaviours to ensure that we maintain the highest ethical standards for current and future employees. Our procurement and use of supplier policies also 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 academy 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.

BISHOP BEWICK CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

COVID-19 Impact and response

The key educational impact from COVID-19 is reported in the summary table of educational outcomes. The Trust recognises the enormous efforts of all staff in dealing with the various (and ongoing) challenges of the pandemic. Trustees wish to extend thanks to all staff for the work they have done to ensure that our students have achieved despite the pandemic.

The Trust continues to manage the impact of COVID-19 through:

- Regular (weekly) meetings of school leaders
- Regular updates to Audit and Risk committee and the Trust Board
- Detailed school risk management plans (including individual school risk registers)
- As required, providing classroom learning as well as remote based learning for pupils and students. Remote learning depending on the phase of the school was provided through a combination of printed home learning and online teaching and resources (Teams via Office 365 and Google classroom)
- Providing additional 'catch-up' support for targeted groups of pupils/ students
- Regular monitoring of student engagement & wellbeing (including safeguarding) particularly for remote study
- Regular monitoring of staff safety and wellbeing through line management structures
- Revised financial forecasts for 2020-21 (particularly where catering was most impacted)
- Some schools furloughed staff in the 3rd national lockdown** (Catering)

During school holidays and the lockdown period the Trust's schools were able to provide free school meals to our most vulnerable students either on-site or via the national (or local LA) funded voucher schemes.

**Note: Period of national lockdown affecting schools was 6th January 2021 to 1st June 2021.

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 2021 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 2015), 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 £88,636k (2020: £43,795k) which is after transfers from local authority on conversion of £8,856k (2020: £nil) and transfers of existing academies into the trust of £24,321k (2020: £28,836k).

The Trust has also received capital funding in the year of £1.6m.

The surplus of £15,602k (2020: £27,367k) is after £33,177k transfers (2020: £28,836k) and an impairment charge of £18,235k (2020: £nil) against the land and buildings following a review of the valuation held.

The restricted general fund as reported in note 20 excluding pension liability is £9,313k (2020: £910k) and the unrestricted fund balance is £2,947k (2020: £1,188k) as at 31 August 2021 giving a total reserve balance of £11,350k (2020: £2,198k).

During the year, the Trust grew by 17 Primary schools and 2 High schools. The total amounts received on transfer were £33,177k and the value of the land and buildings received on transfer recognised in the accounts was £37,075k.

BISHOP BEWICK CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

The net book value of tangible and intangible fixed assets at 31 August 2021 was £75,252k (2020 £56,374k). 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 2021 was £24,021k (2020: £9,567k). 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 contributions due on the pension scheme are included in the Trust's budget.

The balance sheet discloses cash and bank balances of £14,246k (2020 £2,992k).

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 directors, 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 Directors has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

The Trust continues to monitor the impact of COVID19 and likelihood of lockdowns/future lockdowns. Directors will keep under constant review any risks to income or direct/indirect costs of the pandemic to the Trust. School management teams are asked to report regularly on all COVID related costs. The Trust will continue to recover all monies, as appropriate, from Government financial support schemes.

Reserves policy

The trustees have approved a Reserves Policy which requires individual academies to maintain a revenue reserve (consisting of 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 2021 the revenue reserves across the Trust were £2,037k (2020 £1,288k) against a target of £3,398k. As part of budget setting, the directors 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.

BISHOP BEWICK CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

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 current account, which attracts interest of around 0.1%. Some funds, deemed in excess of that required for cashflow are invested in term deposits. This approach is reviewed each month and is subject to change. 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 reviewed each month end with the Head Teacher and were applicable the Business Managers of the schools. Any budget variances are reviewed and discussed.

The Trust financial indicators include:

GAG funding £42,479k (2020: £12,102k)

Net current assets £12,391k (2020: £2,182k)

Staff costs as a percentage of income (excluding transfer on conversion) were 74% (2020: 79%).

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 on-going Covid-19 pandemic adds risk both in terms provision of learning (remote and in school) together with income generated through school meal sales and lettings income.

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 2021).

Fundraising

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

BISHOP BEWICK CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

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 2020 to 31 August 2021

	2021	2020
	kWh	kWh
<i>Energy consumption</i>		
Aggregate of energy consumption in the year	9,920,702	2,969,285
	<hr/> <hr/>	<hr/> <hr/>
	2021	2020
	metric tonnes	metric tonnes
<i>Emissions of CO2 equivalent</i>		
Scope 1 - direct emissions		
- Gas combustion	1,300.00	348.00
- Fuel consumed for owned transport	11.00	5.00
	<hr/>	<hr/>
	1,311.00	353.00
Scope 2 - indirect emissions		
- Electricity purchased	663.00	252.00
Scope 3 - other indirect emissions		
- Fuel consumed for transport not owned by the trust	2.00	-
	<hr/>	<hr/>
Total gross emissions	1,976.00	605.00
	<hr/> <hr/>	<hr/> <hr/>
<i>Intensity ratio</i>		
Tonnes CO2e per pupil	0.24	0.24
	<hr/> <hr/>	<hr/> <hr/>

Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2021 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

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

BISHOP BEWICK CATHOLIC EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

Measures taken to improve energy efficiency

We have begun to install LED lighting across all sites and installing double glazing where required. We have also increased online video chat (Teams & zoom) to reduce travel for staff meetings and external visits.

Plans for future periods

The Trust will complete its planned growth to 39 schools during the academy year 2021-2022. This will see the final tranche of 7 Primary schools join on the 1st April 2022. We remain hopeful that the issues preventing the conversion of St Aidan's Primary school (previously in tranche 2) will be resolved and that the school will join the Trust in early Spring 2022.

In 2021-2022 the Trust will significantly expand its school improvement work. There will be a significant focus on developing outstanding curriculums across all phases, leadership groups with remits around areas such as strong pastoral systems and catch-up curriculum. We will continue to work with our schools to maximise achievement and increase the opportunities for pupils across the Trust. Our 5 goals are set out on page 8. In summary, we aim to:

- Build a staff culture that cares about all schools in our Trust
- Be aspirational for the achievements of all students
- Have schools & staff who willingly share their resources, expertise and areas of strength
- Build strong capacity across schools in leadership and other key roles
- Ensure all schools offer high quality, broad curriculums and wide extra-curriculum provision to all students

Specific plans for 2021/22 include:

- A major focus on repairing the impact of Coronavirus on academic and social aspects of our pupils.
- Ensuring our schools are increasing environmentally sustainable
- Establishing and delivering on a major programme of building improvements across our schools' estate

AUDITOR

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

Statement as to disclosure of information to auditor

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 16 December 2021 and signed on its behalf by:



D J Harrison

Chair

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 M Kendall (Resigned 16 December 2020)	1	1
H C Thompson (Resigned 16 December 2020)	1	1
V Goatman	6	6
J P Scullion	5	6
D J Harrison (Chair of Trustees)	6	6
G Hardy (Chair of Audit Committee)	6	6
K McCourt	6	6
W Agle (Appointed 25 November 2020)	4	5
J Gorch (Appointed 25 November 2020)	4	5
M McGrady (Appointed 12 November 2020)	4	5

BISHOP BEWICK CATHOLIC EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

Mrs D Kendall and Ms H Thompson resigned as Trustees of BBCET in November 2020, to allow them both to continue their roles as Governors in Sacred Heart Catholic High School's LGC. Three new Trustees joined the Trust Board in November 2020 to strengthen the skill sets of the Board. Mrs J Gorchal brings a wealth of experience to the Trust as both a serving Senior Leader in school and Ofsted inspector. Both Father W Agle and Mr M McGrady bring significant experience of finance/accountancy in the public and private sector respectively. During the year, the majority of the work of the Board was focused around 3 key areas; overseeing the addition of 19 schools, managing the risks of Covid-19 in schools and, developing with the Trust's Executive team, goals and metrics as the Trust completes its growth and moves towards maturity.

2020-2021 was particularly challenging for the Board in terms of managing the demands placed upon it by the growth in schools whilst inducting new Board members. The growth in the Trust also necessitated the Board establishing an additional, standalone Audit and Risk committee, work previously undertaken by those in the Finance and Resources Committee.

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 Board members were happy with the quality and frequency of information. However, it has been recognised by both Board members and the Executive team that further work needs to be done to streamline reporting. The data and reports which would be associated with 39 schools in April 2022 under our current reporting model would be unwieldy to say the least. Trust staff are looking at a host of reporting tools to give Trustees better future oversight of financial, academic performance and business risks.

Governance reviews

The Trustees are satisfied with the overall governance arrangements and have implemented plans for continuous improvement of these arrangements.

Governance arrangements, including financial regulations and a scheme of delegation, were created for the establishment of the Trust on 1 April 2020. 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 December 2020.

Finance & Resources Committee

The Finance Committee is a sub-committee of the main Board of Trustees. This year the Finance & Resources Committee has been separated out from the work of the newly established Audit & Risk (Operating as a separate committee, in line with best practice for Trusts of our size). The Finance & Resources Committee's purpose is to support both the Trustee of the Trust and 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.

Note: The Trust Board meeting in October 2020 was used as a vehicle to discuss finance-related items, instead of having a standalone Finance and Resources Committee in October. There were two reasons for this; firstly, it was at a time in the Board's evolution where several new Trustees were pending (creating flux in committee membership) and secondly, Covid-related attendee pressures. The attendance at the Finance & Resources meetings held do show fluctuation in attendance, but in each case the meetings were quorate.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
V Goatman	1	2
J P Scullion	0	2
D J Harrison (Chair of Trustees)	2	2
G Hardy (Chair of Audit Committee)	1	2
M McGrady (Appointed 12 November 2020)	2	2

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. Its purpose is to support and challenge 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 (Appointed 12 November 2020)	3	3

Review of value for money

As accounting officer, the Chief Executive has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received. The accounting officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data or by using a framework where appropriate. The accounting officer for the academy 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

During the year the Trust has given due regard to the relevant Procurement Policy notes, during the lockdown period when schools were open for vulnerable children and the children of key workers.

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 new academies will be a robust review of both the cost to the Trust of the new member academies and the opportunity presented to increase resources devoted to school improvement 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 2021 and up to the date of approval of the annual report and financial statements.

BISHOP BEWICK CATHOLIC EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trusts significant risks that has been in place for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The Risk and Control Framework

The academy 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 buy-in an internal audit service from 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
- Payroll
- HR
- Risk Management
- Financial systems and segregation of duties
- Accounting for VAT
- Corporation tax
- Policies & filing compliance

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.

BISHOP BEWICK CATHOLIC EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

Due to the rapid expansion of the Trust, Trustees appointed Tait Walker on 29 April 2021 as the Trust's internal auditor. Recognising the challenges of Covid, Tait Walker have followed their schedule of work. The report to the Risk & Audit committee, presented on the 20th July 2021, reported on all the areas listed above. The report's findings highlighted in particular the following remedial activity was required:

- Executive pay documented & policy established/approved by Board
- Grievance & disciplinary policies are finalised and approved by Board
- Fixed assets register finalised – to include all assets held by the Trust

All actions/recommendations of the internal audit have been addressed by the Trust's management. Grievance & disciplinary policies are complete, but currently under review by union official through the JCC. The Trust's growth will remain an issue in terms of having a full fixed asset register until after its final tranche of academies join in April 2022.

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 16 December 2021 and signed on its behalf by:

Anita Bath

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 Academies Financial Handbook 2020.

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 Academies Financial Handbook 2020.

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the board of trustees and ESFA. If any instances are identified after the date of this statement, these will be notified to the board of trustees and ESFA:

Financial issues

- A financial issue occurred after the year end. In accordance with the Academy Trust Handbook, the CEO and CFO notified all relevant bodies including the ESFA, as well as the Board of Trustees, of a cyber incident which impacted a supplier payment of £8k in October 2021.

Anita Bath

A Bath
Accounting Officer

16 December 2021

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 2020 to 2021;
- 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 16 December 2021 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 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the 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 2020 to 2021 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 2021 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 2020 to 2021 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

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

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.

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 25, 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.

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

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.

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 Academies Financial Handbook and Annual 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 and 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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the 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.



Claire 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
20 December 2021

BISHOP BEWICK CATHOLIC EDUCATION TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2021 £000	Total 2020 £000
Income and endowments from:						
Donations and capital grants	3	-	25	1,593	1,618	53
Donations - transfers from local authority on conversion	31	-	(5,069)	13,925	8,856	-
Donations - transfers of existing academy into the trust	32	-	336	23,985	24,321	28,836
Charitable activities:						
- Funding for educational operations	4	799	51,329	-	52,128	14,303
- Funding for teaching schools	30	-	93	-	93	27
Other trading activities	5	1,528	91	-	1,619	572
Investments	6	1	-	-	1	4
Total		<u>2,328</u>	<u>46,805</u>	<u>39,503</u>	<u>88,636</u>	<u>43,795</u>
Expenditure on:						
Charitable activities:						
- Educational operations	8	1,579	51,046	20,316	72,941	16,401
- Teaching schools	30	-	93	-	93	27
Total	7	<u>1,579</u>	<u>51,139</u>	<u>20,316</u>	<u>73,034</u>	<u>16,428</u>
Net income/(expenditure)		749	(4,334)	19,187	15,602	27,367
Transfers between funds	20	-	(804)	804	-	-
Other recognised gains/(losses)						
Actuarial losses on defined benefit obligations	26	-	(913)	-	(913)	(1,708)
Net movement in funds		749	(6,051)	19,991	14,689	25,659
Reconciliation of funds						
Total funds brought forward		<u>1,288</u>	<u>(8,657)</u>	<u>56,240</u>	<u>48,871</u>	<u>23,212</u>
Total funds carried forward		<u>2,037</u>	<u>(14,708)</u>	<u>76,231</u>	<u>63,560</u>	<u>48,871</u>

Included in restricted fixed asset fund expenditure of £20,316k is an impairment charge of £18,235k.

BISHOP BEWICK CATHOLIC EDUCATION TRUST**BALANCE SHEET****AS AT 31 AUGUST 2021**

	Notes	2021		2020	
		£000	£000	£000	£000
Fixed assets					
Tangible assets	14		75,252		56,374
Current assets					
Stocks	15	7		8	
Debtors	16	2,378		473	
Investments		714		714	
Cash at bank and in hand		14,246		2,992	
			17,345		4,187
Current liabilities					
Creditors: amounts falling due within one year	17	(4,954)		(2,005)	
Net current assets			12,391		2,182
Total assets less current liabilities			87,643		58,556
Creditors: amounts falling due after more than one year	18		(62)		(118)
Net assets before defined benefit pension scheme liability			87,581		58,438
Defined benefit pension scheme liability	26		(24,021)		(9,567)
Total net assets			63,560		48,871
Funds of the trust:					
Restricted funds	20				
- Restricted fixed asset funds			76,231		56,240
- Restricted income funds			9,313		910
- Pension reserve			(24,021)		(9,567)
Total restricted funds			61,523		47,583
Unrestricted income funds	20		2,037		1,288
Total funds			63,560		48,871

The financial statements on pages 29 to 61 were approved by the board of trustees and authorised for issue on 16 December 2021 and are signed on their behalf by:



D J Harrison

Chair of Trustees

BISHOP BEWICK CATHOLIC EDUCATION TRUST

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £000	£000	2020 £000	£000
Cash flows from operating activities					
Net cash provided by/(used in) operating activities	23		3,576		(1,064)
Cash flows from investing activities					
Dividends, interest and rents from investments		1		4	
Capital grants from DfE Group		1,593		43	
Purchase of tangible fixed assets		(1,284)		(86)	
Cash funds transferred on conversion		7,420		3,015	
Purchase of investments		-		(3)	
Net cash provided by investing activities			7,730		2,973
Cash flows from financing activities					
New other loan		28		-	
Repayment of other loan		(80)		(20)	
Net cash used in financing activities			(52)		(20)
Net increase in cash and cash equivalents in the reporting period			11,254		1,889
Cash and cash equivalents at beginning of the year			2,992		1,103
Cash and cash equivalents at end of the year			14,246		2,992

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

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 2019 to 2020 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, ie 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 and those due to join in the 21/22 financial year, as well as considering the reserves which will be transferred into the Trust as the additional schools join. Based on this review and the current cash and reserves held by the Trust, the directors have concluded that the academy has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy 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.

Conversion to an academy trust and transfers of existing academies

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school 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 from St Thomas More High School and St Cuthbert's Catholic High School to the academy trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with corresponding amounts recognised in Donations – transfer of existing academy into the trust and transfers from local authority on conversion 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 31 and 32.

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 2021

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 2021

1 Accounting policies (Continued)

Tangible fixed assets and depreciation

Assets costing £1,000 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.

With regards to Sacred Heart Catholic High School, the playing field land is held on a 125 year lease from Newcastle City Council and the land on which the main school buildings for Sacred Heart Catholic High School, St Michael's RC Primary School and Sacred Heart Primary School are situated is held on a licence from the trustees of the RC Diocese of Hexham & Newcastle. The substance of the arrangement is 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
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 of 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 2021

1 Accounting policies (Continued)

Investments

Current asset investments are stated at market value.

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.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets measured at fair value through the profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. A financial asset of financial liability that is payable or receivable in one year is measured at the undiscounted amount expected to be received or paid net of impairment, unless it is a financing transaction. If an agreement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

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 2021

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, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net 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 29.

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 2021

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 2021. 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 subject to PFI. 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

3 Donations and capital grants

	Unrestricted funds £000	Restricted funds £000	Total 2021 £000	Total 2020 £000
Capital grants	-	1,593	1,593	43
Other donations	-	25	25	10
	<u>-</u>	<u>1,618</u>	<u>1,618</u>	<u>53</u>
	<u><u>-</u></u>	<u><u>1,618</u></u>	<u><u>1,618</u></u>	<u><u>53</u></u>

The income from donations and capital grants was £1,618,000 (2020: £53,000) of which £25,000 was restricted (2020: £10,000) and £1,593,000 was restricted fixed assets (2020: £43,000).

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

4 Funding for the trust's educational operations

	Unrestricted funds £000	Restricted funds £000	Total 2021 £000	Total 2020 £000
DfE / ESFA grants				
General annual grant (GAG)	-	42,479	42,479	12,102
Other DfE / ESFA grants:				
- Pupil premium	-	2,538	2,538	710
- Conversion income	-	600	600	-
- SCITT income	-	1,506	1,506	480
- Teacher's pay grant	-	613	613	119
- Teacher's pension	-	1,239	1,239	342
- Early years income	-	527	527	129
- Others	-	1,707	1,707	405
	-	51,209	51,209	14,287
Other government grants				
Other government grants	-	120	120	16
COVID-19 additional funding (DfE / ESFA)				
Other DfE / ESFA COVID-19 funding	630	-	630	-
	630	-	630	-
COVID-19 additional funding (non-DfE / ESFA)				
Other non-DfE / ESFA COVID-19 funding	169	-	169	-
	169	-	169	-
Teaching schools income	-	93	93	27
	799	51,422	52,221	14,330

The income from funding for educational operations was £52,221,000 (2020: £14,330,000) of which £799,000 was unrestricted (2020: £nil) and £51,422,000 was restricted (2020: £14,330,000).

Other DfE group grants are made up of pupil premium, SC Initial Teacher Training, Strategic School Improvement Fund, Teachers pay grant, Teachers pension grant, early years block fund, primary school PE & meal grants and year 7 catch up grants. Other government grants are made up of LAC funding.

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

5 Other trading activities

	Unrestricted funds £000	Restricted funds £000	Total 2021 £000	Total 2020 £000
Hire of facilities	34	-	34	5
Catering income	437	-	437	297
School fund income	96	-	96	150
Other income	961	91	1,052	120
	<u>1,528</u>	<u>91</u>	<u>1,619</u>	<u>572</u>

The income from other trading activities was £1,619,000 (2020: £572,000) of which £1,528,000 was unrestricted (2020: £534,000) and £91,000 was restricted (2020: £38,000).

6 Investment income

	Unrestricted funds £000	Restricted funds £000	Total 2021 £000	Total 2020 £000
Interest from short term deposits	<u>1</u>	<u>-</u>	<u>1</u>	<u>4</u>

The income from funding for investment income was £1,000 (2020: £4,000) of which £1,000 was unrestricted (2020: £4,000).

7 Expenditure

	Staff costs £000	Non Pay Expenditure		Total 2021 £000	Total 2020 £000
		Premises £000	Other £000		
Academy's educational operations					
- Direct costs	35,610	-	2,615	38,225	11,259
- Allocated support costs	5,077	24,561	5,078	34,716	5,142
Teaching schools					
- Direct costs	93	-	-	93	27
	<u>40,780</u>	<u>24,561</u>	<u>7,693</u>	<u>73,034</u>	<u>16,428</u>

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

7 Expenditure (Continued)

Net income/(expenditure) for the year includes:	2021 £000	2020 £000
Operating lease rentals	850	386
Impairment of tangible fixed assets	18,235	-
Depreciation of tangible fixed assets	2,081	1,109
Amortisation of intangible fixed assets	-	5
Net interest on defined benefit pension liability	256	53
Fees payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services are as follows:		
- Audit	55	16
- Other services	18	3

Included within operating lease rentals of £850k are amounts relating to property subject to PFI arrangements of £796k

8 Charitable activities

	Unrestricted funds £000	Restricted funds £000	Total 2021 £000	Total 2020 £000
Direct costs				
Educational operations	80	38,145	38,225	11,259
Teaching schools	-	93	93	27
Support costs				
Educational operations	1,499	33,217	34,716	5,142
	<u>1,579</u>	<u>71,455</u>	<u>73,034</u>	<u>16,428</u>

The expenditure on charitable activities was £72,941,000 (2020: £16,401,000) of which £1,579,000 was unrestricted (2020: £486,000), £51,046,000 was restricted (2020: £14,801,000) and £20,316,000 was restricted fixed assets (2020: £1,114,000).

The expenditure on teaching schools was £93,000 (2020: £27,000) of which £93,000 was restricted (2020: £27,000).

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

8 Charitable activities (Continued)

	Educational operations £000	Total 2021 £000	Total 2020 £000
Analysis of support costs			
Support staff costs	5,077	5,077	1,527
Depreciation and amortisation	20,316	20,316	1,114
Technology costs	744	744	234
Premises costs	4,245	4,245	1,378
Legal costs	1,155	1,155	216
Other support costs	3,084	3,084	644
Governance costs	95	95	29
	<u>34,716</u>	<u>34,716</u>	<u>5,142</u>

9 Staff

Staff costs

Staff costs during the year were:

	2021 £000	2020 £000
Wages and salaries	28,876	8,736
Social security costs	2,671	863
Pension costs	8,539	2,198
Staff costs - employees	<u>40,086</u>	<u>11,797</u>
Agency staff costs	676	126
Staff restructuring costs	18	-
Total staff expenditure	<u>40,780</u>	<u>11,923</u>

Staff restructuring costs comprise:

Redundancy payments	<u>18</u>	<u>-</u>
---------------------	-----------	----------

Staff numbers

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

	2021 Number	2020 Number
Teachers	576	166
Administration and support	386	122
Management	95	19
	<u>1,057</u>	<u>307</u>

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

9 Staff (Continued)

Higher paid staff

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

	2021 Number	2020 Number
£60,001-£70,000	15	4
£70,001-£80,000	5	1
£80,001-£90,000	2	1
£90,001-£100,000	3	1
£100,001-£110,000	1	-
£150,001-£160,000	1	1
	<u> </u>	<u> </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 £777,784 (2020: £709,404).

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%.

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

10 Central services (Continued)

The amounts charged during the year were as follows:	2021 £000	2020 £000
St Mary's Catholic School	203	-
St Benet Biscop Catholic Academy	169	-
SS Peter and Paul's Catholic Primary Academy	22	-
Sacred Heart Catholic High School	211	-
St Michael's RC Primary School	26	47
Sacred Heart Catholic Primary School	24	41
St Cuthbert's Catholic High School	163	-
St Thomas More Catholic High School	211	-
Our Lady & St Anne's RC Primary	20	-
St Cuthberts RCVA Primary	2	-
St Lawrence's RC Primary	22	-
St Wilfrids RCVA Primary	25	-
St Bede's RC Primary	12	-
St Catherine's RCVA Primary	14	-
St Charles RC Primery	10	-
St Bede's RCVA Primary	14	-
St Mark's RCVA Primery	11	-
St George's RCVA Primary	7	-
English Martyrs' RC Primary	22	-
St Alban's RCVA Primary	11	-
St Paul's RC Primary School	9	-
St Cuthbert's RC Primary	16	-
St Josephs RC Primary	3	-
St Mary's RC Primary	2	-
Star of the Sea RC Primary	4	-
	<u>1,233</u>	<u>88</u>

11 Trustees' remuneration and expenses

One of the trustees has been paid remuneration or has received other benefits from an employment with the trust. The Chief Executive Officer only receives remuneration in respect of services they provide undertaking the role of Chief Executive Officer under their contracts of employment, and not in respect of their services as director.

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

A Bath (Chief Executive Officer):

Remuneration £155,302 (2020: £135,835)

Employer's pension contributions paid £36,775 (2020: £32,150)

During the year ended 31 August 2021, £nil expenses for travel and subsistence were reimbursed to trustees (2020: £nil).

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

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

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 directors and officers indemnity element from the overall cost of the RPA scheme

13 Intangible fixed assets

	Computer software £000
Cost	
At 1 September 2020 and at 31 August 2021	16
Amortisation	
At 1 September 2020 and at 31 August 2021	16
Carrying amount	
At 31 August 2021	-
At 31 August 2020	-

14 Tangible fixed assets

	Long term leasehold property £000	Computer equipment £000	Fixtures and fittings £000	Motor vehicles £000	Total £000
Cost					
At 1 September 2020	60,692	797	785	83	62,357
Transfer of asset	37,075	225	584	26	37,910
Additions	485	544	232	23	1,284
At 31 August 2021	98,252	1,566	1,601	132	101,551
Depreciation					
At 1 September 2020	5,058	544	336	45	5,983
Charge for the year	1,702	262	103	14	2,081
Impairment	18,235	-	-	-	18,235
At 31 August 2021	24,995	806	439	59	26,299
Net book value					
At 31 August 2021	73,257	760	1,162	73	75,252
At 31 August 2020	55,634	253	449	38	56,374

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

14 Tangible fixed assets (Continued)

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. Bishop Bewick Catholic Education Trust is able to use the buildings under the terms of supplemental lease agreements. The substance of the arrangement is such that Bishop Bewick Catholic Education 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

	2021	2020
	£000	£000
Catering stock	7	8
	<u>7</u>	<u>8</u>

16 Debtors

	2021	2020
	£000	£000
Trade debtors	145	77
VAT recoverable	463	46
Other debtors	11	6
Prepayments and accrued income	1,759	344
	<u>2,378</u>	<u>473</u>

17 Creditors: amounts falling due within one year

	2021	2020
	£000	£000
Other loans	90	86
Trade creditors	785	447
Other taxation and social security	962	381
Other creditors	1,480	602
Accruals and deferred income (see note 19)	1,637	489
	<u>4,954</u>	<u>2,005</u>

Included within other loans is £90k (2020: £86k) of Salix loans which are being repaid over a period of 8 years subject to no interest.

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

18 Creditors: amounts falling due after more than one year

	2021	2020
	£000	£000

Other loans	62	118
	<u> </u>	<u> </u>

	2021	2020
	£000	£000

Wholly repayable within five years	152	204
Less: included in current liabilities	(90)	(86)
	<u> </u>	<u> </u>

Amounts included above	62	118
	<u> </u>	<u> </u>

19 Deferred income

	2021	2020
	£000	£000

Deferred income is included within: Creditors due within one year	355	136
	<u> </u>	<u> </u>

Deferred income at 1 September 2020	136	30
Released from previous years	(136)	(26)
Resources deferred in the year	355	132
	<u> </u>	<u> </u>

Deferred income at 31 August 2021	355	136
	<u> </u>	<u> </u>

At the balance sheet date the academy trust was holding funds received in advance for school trips and early years income.

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

20 Funds

	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)	-	-
- Teacher's pay grant	-	613	(613)	-	-
- Teacher's pension	-	1,239	(1,239)	-	-
- Others	-	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
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 2021

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 2021. 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 year ended 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

This represents primarily pupil premium, SEN funding, SC Initial Teacher Training, Teachers pay grant, Teachers pension grant, teaching schools income, early years block fund, primary school PE & meal grants and COVID grants.

SEN funding is income to support students with Special Educational Needs.

Pupil premium is additional funding to be spent as the academy sees fit to support deprived children.

Teaching school

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

Other government grants

This includes LAC funding.

Other restricted funds

Other restricted funds includes donations and other income. 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.

Unrestricted funds

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

Transfers between funds represent fixed assets purchased out of the premises school fund and fixed assets financed from GAG.

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

20 Funds (Continued)

Funds prior year

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2020 £000
Restricted general funds					
General Annual Grant (GAG)	84	12,236	(11,368)	(42)	910
Other DfE / ESFA grants:					
- Universal infant free school meals	-	-	-	-	-
- Pupil premium	-	710	(710)	-	-
- SCITT income	-	480	(480)	-	-
- Teacher's pay grant	-	119	(119)	-	-
- Teacher's pension	-	342	(342)	-	-
- Others	53	534	(587)	-	-
Other government grants	-	16	(16)	-	-
Teaching schools	-	27	(27)	-	-
Other restricted income	-	738	(738)	-	-
Pension reserve	(1,636)	(5,782)	(441)	(1,708)	(9,567)
	<u>(1,499)</u>	<u>9,420</u>	<u>(14,828)</u>	<u>(1,750)</u>	<u>(8,657)</u>
Restricted fixed asset funds					
Transfer of academies	20,029	33,794	(427)	-	53,396
DfE group capital grants	776	43	(70)	-	749
Capital expenditure from GAG	2,152	-	(592)	42	1,602
Capital expenditure from premises school fund	518	-	(25)	-	493
	<u>23,475</u>	<u>33,837</u>	<u>(1,114)</u>	<u>42</u>	<u>56,240</u>
Total restricted funds	<u>21,976</u>	<u>43,257</u>	<u>(15,942)</u>	<u>(1,708)</u>	<u>47,583</u>
Unrestricted funds					
General funds	1,236	538	(486)	-	1,288
	<u>1,236</u>	<u>538</u>	<u>(486)</u>	<u>-</u>	<u>1,288</u>
Total funds	<u>23,212</u>	<u>43,795</u>	<u>(16,428)</u>	<u>(1,708)</u>	<u>48,871</u>

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

20 Funds (Continued)

Total funds analysis by academy

	2021	2020
	£000	£000
Fund balances at 31 August 2021 were allocated as follows:		
St Mary's Catholic School	1,070	362
St Benet Biscop Catholic Academy	894	590
SS Peter and Paul's Catholic Primary Academy	(71)	(132)
Sacred Heart Catholic High School	1,588	1,281
St Michael's RC Primary School	132	84
Sacred Heart Catholic Primary School	173	123
St Cuthbert's Catholic High School	3,801	-
St Thomas More Catholic High School	1,036	-
Our Lady & St Anne's RC Primary	201	-
St Cuthberts RCVA Primary	(10)	-
St Lawrence's RC Primary	147	-
St Wilfrids RCVA Primary	201	-
St Bede's RC Primary	248	-
St Catherine's RCVA Primary	130	-
St Charles RC Primery	209	-
St Bede's RCVA Primary	79	-
St Mark's RCVA Primery	198	-
St George's RCVA Primary	221	-
English Martyrs' RC Primary	548	-
St Alban's RCVA Primary	256	-
St Paul's RC Primary School	159	-
St Cuthbert's RC Primary	202	-
St Josephs RC Primary	(10)	-
St Mary's RC Primary	(39)	-
Star of the Sea RC Primary	12	-
Central services	(25)	(110)
	<hr/>	<hr/>
Total before fixed assets fund and pension reserve	11,350	2,198
Restricted fixed asset fund	76,231	56,240
Pension reserve	(24,021)	(9,567)
	<hr/>	<hr/>
Total funds	63,560	48,871
	<hr/> <hr/>	<hr/> <hr/>

The academy Trust 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 2021

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 2021 £000	Total 2020 £000
St Mary's Catholic School	5,505	478	270	1,750	8,003	1,854
St Benet Biscop Catholic Academy	4,865	564	282	1,199	6,910	1,437
SS Peter and Paul's Catholic Primary Academy	750	82	28	206	1,066	228
Sacred Heart Catholic High School	6,347	749	1,452	1,572	10,120	9,018
St Michael's RC Primary School	868	-	23	345	1,236	1,217
Sacred Heart Catholic Primary School	904	-	18	292	1,214	1,155
St Cuthbert's Catholic High School	3,343	248	138	1,421	5,150	-
St Thomas More Catholic High School	5,474	399	189	777	6,839	-
Our Lady & St Anne's RC Primary	697	1	12	186	896	-
St Cuthberts RCVA Primary	72	-	1	17	90	-
St Lawrence's RC Primary	755	20	41	252	1,068	-
St Wilfrids RCVA Primary	936	28	20	181	1,165	-
St Bede's RC Primary	322	-	12	108	442	-
St Catherine's RCVA Primary	508	12	10	169	699	-
St Charles RC Primery	328	6	11	88	433	-
St Bede's RCVA Primary	702	8	13	139	862	-
St Mark's RCVA Primery	433	-	12	81	526	-
St George's RCVA Primary	242	2	11	77	332	-
English Martyrs' RC Primary	640	36	23	182	881	-
St Alban's RCVA Primary	364	-	16	143	523	-
St Paul's RC Primary School	323	11	13	69	416	-
St Cuthbert's RC Primary	483	9	14	199	705	-
St Josephs RC Primary	106	-	-	12	118	-
St Mary's RC Primary	62	18	-	31	111	-
Star of the Sea RC Primary	108	-	-	12	120	-
Central services	566	340	6	792	1,704	50
	<u>35,703</u>	<u>3,011</u>	<u>2,615</u>	<u>10,300</u>	<u>51,629</u>	<u>14,959</u>

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

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 2021 are represented by:				
Tangible fixed assets	-	134	75,118	75,252
Current assets	2,037	14,195	1,113	17,345
Creditors falling due within one year	-	(4,954)	-	(4,954)
Creditors falling due after one year	-	(62)	-	(62)
Defined benefit pension liability	-	(24,021)	-	(24,021)
Total net assets	<u>2,037</u>	<u>(14,708)</u>	<u>76,231</u>	<u>63,560</u>

	Unrestricted Funds £000	Restricted funds: General £000	Fixed asset £000	Total Funds £000
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	134	56,240	56,374
Current assets	1,324	2,863	-	4,187
Creditors falling due within one year	(36)	(1,970)	-	(2,005)
Creditors falling due after one year	-	(118)	-	(118)
Defined benefit pension liability	-	(9,567)	-	(9,567)
Total net assets	<u>1,288</u>	<u>(8,658)</u>	<u>56,240</u>	<u>48,871</u>

22 Long-term commitments, including operating leases

At 31 August 2021 the total of the trust's future minimum lease payments under non-cancellable operating leases was:

	2021 £000	2020 £000
Amounts due within one year	834	849
Amounts due between one and five years	3,205	3,237
Amounts due after five years	8,422	9,217
	<u>12,461</u>	<u>13,303</u>

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

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

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

	2021 £000	2020 £000
Net income for the reporting period (as per the statement of financial activities)	15,602	27,367
Adjusted for:		
Net surplus on conversion to academy	(8,856)	-
Net surplus on transfer of academy in the trust	(24,321)	(28,836)
Capital grants from DfE and other capital income	(1,593)	(43)
Interest receivable	(1)	(4)
Pension costs less contributions payable	2,066	388
Pension scheme finance costs	256	53
Depreciation of tangible fixed assets	20,316	1,109
Amortisation of intangible fixed assets	-	5
Movements in working capital:		
Decrease in stocks	1	-
(Increase) in debtors	(1,905)	(75)
Increase in creditors	2,945	1,298
Stocks, debtors and creditors transferred on conversion	(934)	(2,326)
Net cash provided by/(used in) operating activities	<u>3,576</u>	<u>(1,064)</u>

24 Analysis of changes in net funds

	1 September 2020 £000	Cash flows £000	Transfers in (note 31 and 32) £000	31 August 2021 £000
Cash	2,992	3,834	7,420	14,246
Loans falling due within one year	(86)	(4)	-	(90)
Loans falling due after more than one year	(118)	56	-	(62)
	<u>2,788</u>	<u>3,886</u>	<u>7,420</u>	<u>14,094</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 2021

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 2019, and of the LGPS 31 March 2019.

Contributions amounting to £999,000 (2020: £386,000) were payable to the schemes at 31 August 2021 and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in 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. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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 2019/20). The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to the TPS in the period amounted to £5,198,000 (2020: £1,554,000).

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

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

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

26 Pension and similar obligations (Continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 18.1% for employers and 5.5 to 11.4% for employees.

The LGPS obligation relates to the employees of the trust, being existing employees and employees who joined as part of school transfers (note 31 and 32) from the maintained school and new employees who joined the scheme in the period. The obligation in respect of employees who transferred represents their cumulative service at both the predecessor school and the trust at the balance sheet date.

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	2021	2020
	£000	£000
Employer's contributions	1,275	256
Employees' contributions	375	89
	<hr/>	<hr/>
Total contributions	1,650	345
	<hr/> <hr/>	<hr/> <hr/>

Principal actuarial assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March 2019 updated to 31 August 2021 by a qualified independent actuary.

	2021	2020
	%	%
Rate of increase in salaries	3.8	3.8
Rate of increase for pensions in payment/inflation	2.3	2.3
Discount rate for scheme liabilities	1.7	1.7
Inflation assumption (CPI)	2.3	2.3
	<hr/> <hr/>	<hr/> <hr/>

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

	2021	2020
	Years	Years
Retiring today		
- Males	21.9	21.8
- Females	25.1	25.0
Retiring in 20 years		
- Males	23.6	23.5
- Females	26.9	26.8
	<hr/> <hr/>	<hr/> <hr/>

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

26 Pension and similar obligations (Continued)

The trust's share of the assets in the scheme	2021 Fair value £000	2020 Fair value £000
Equities	17,385	5,009
Gilts	657	225
Other bonds	6,285	2,144
Cash	1,251	178
Property	2,502	861
Other assets	3,190	945
Total fair value of assets	31,270	9,362

The actual return on scheme assets was £3,675,000 (2020: £136,000).

Amount recognised in the statement of financial activities	2021 £000	2020 £000
Current service cost	3,341	644
Net interest cost	256	53
Total operating charge	3,597	697

Changes in the present value of defined benefit obligations	2021 £000
At 1 September 2020	18,929
Obligations acquired on conversion	28,076
Current service cost	3,341
Interest cost	599
Employee contributions	375
Actuarial loss	4,245
Benefits paid	(274)
At 31 August 2021	55,291

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

26 Pension and similar obligations (Continued)

Changes in the fair value of the trust's share of scheme assets

	2021 £000
At 1 September 2020	9,362
Assets acquired on conversion	16,857
Interest income	343
Return on plan assets (excluding net interest on the net defined pension liability)	3,332
Employer contributions	1,275
Employee contributions	375
Benefits paid	(274)
	<hr/>
At 31 August 2021	31,270
	<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 AFH 2020, including notifying the ESFA of all transactions made on or after 1 September 2020 and obtaining their approval where required, the trust's financial regulations and normal procurement procedures, unless otherwise stated.

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

Income related party transaction:

During the year the Trust received £nil (2020: £1,808) from Youth Ministry Team Director (School Retreats), a company in which a trustee has control.

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.

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

28 Post balance sheet events

Since year end the following schools have also joined the trust on 1 October 2021:

- St Bernadette's Catholic Primary
- St Columba's Catholic Primary
- St Teresa's Catholic Primary
- St Oswald's Catholic Primary

29 Agency arrangements

The academy administers the disbursement of the new discretionary support for learners, 16-19 bursary funds, on behalf of the ESFA. In the year it received £75,011 and disbursed £89,284. Included in other creditors is £45,271 (2020: £59,544) at the year-end to be disbursed in 2020/21.

In addition the academy administers the disbursement of bursary funds, on behalf of the School Loans Company. In the year it received £nil and disbursed £11,850. Included in other creditors is £nil (2020: £11,850) at the year-end.

30 Teaching schools trading account

	2021		2020	
	£000	£000	£000	£000
Direct income				
Other external funding		93		27
Direct costs				
Direct staff costs	93		27	
Total operating costs		(93)		(27)
Surplus from teaching schools		-		-
Teaching schools balances at 1 September 2020		-		-
Teaching schools balances at 31 August 2021		-		-

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

31 Acquisitions - Schools transferred from local authority on conversion

On 1 December 2020, 1 January 2021, 1 February 2021 and 1 April 2021 17 schools converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Bishop Bewick Catholic Education 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	Local Authority	Date of conversion	
Our Lady & St Anne's RC Primary	Newcastle	1 December 2020	
St Cuthberts RCVA Primary	Newcastle	1 December 2020	
St Lawrence's RC Primary	Newcastle	1 December 2020	
St Wilfrids RCVA Primary	Northumberland	1 December 2020	
St Bede's RC Primary	Newcastle	1 December 2020	
St Catherine's RCVA Primary	Newcastle	1 January 2021	
St Charles RC Primery	Newcastle	1 April 2021	
St Bede's RCVA Primary	Northumberland	1 April 2021	
St Mark's RCVA Primery	Newcastle	1 April 2021	
St George's RCVA Primary	Newcastle	1 April 2021	
English Martyrs' RC Primary	Newcastle	1 April 2021	
St Alban's RCVA Primary	Newcastle	1 April 2021	
St Paul's RC Primary School	Northumberland	1 April 2021	
St Cuthbert's RC Primary	North Tyneside	1 August 2021	
St Josephs RC Primary	North Tyneside	1 August 2021	
St Mary's RC Primary	North Tyneside	1 August 2021	
Star of the Sea RC Primary	North Tyneside	1 August 2021	

	Unrestricted	Restricted funds:		Total
	funds	General	Fixed asset	2021
Net assets transferred:	£000	£000	£000	£000
Freehold land and buildings	-	-	13,925	13,925
Cash	-	2,228	-	2,228
Pension scheme deficit	-	(7,297)	-	(7,297)
	-	(5,069)	13,925	8,856

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

31 Acquisitions - Schools transferred from local authority on conversion (Continued)

Funds surplus/(deficit) transferred:	Unrestricted	Restricted funds:		Total
	funds	General	Fixed asset	2021
	£000	£000	£000	£000
Fixed assets funds	-	-	13,925	13,925
LGPS pension funds	-	(7,297)	-	(7,297)
Other funds	-	2,228	-	2,228
	<u>-</u>	<u>(5,069)</u>	<u>13,925</u>	<u>8,856</u>

The total net income comprises total net income of £625k contributed by the above schools between the date of the transfer and the 31 August 2021.

32 Transfer of existing academies into the trust

On 1 December 2020, St Thomas More Catholic Academy and St Cuthbert's Catholic High School transferred into the trust. All the operations and assets and liabilities were transferred to Bishop Bewick Catholic Education Trust for £nil consideration.

The substance of the transfer is that of a gift and it has been accounted for on that basis. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net loss 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 SOFA.

St Thomas More Catholic Academy

Net assets acquired	Transfer in recognised £000
Freehold land and buildings	10,625
Debtors	207
Creditors due within one year	(619)
Creditors due after one year	(23)
Cash and cash equivalents	1,635
Pension scheme	(2,585)
Total net assets	<u>9,240</u>

The total net income comprises total net income of £163k contributed by St Thomas More Catholic Academy between the date of the transfer and the 31 August 2021.

BISHOP BEWICK CATHOLIC EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

32 Transfer of existing academies into the trust (Continued)

St Cuthbert's Catholic High School

	Transfer in recognised £000
Net assets acquired	
Freehold land and buildings	13,360
Debtors	324
Creditors due within one year	(823)
Cash and cash equivalents	3,557
Pension scheme	(1,337)
	<hr/>
Total net assets	15,081
	<hr/> <hr/>

The total net income comprises total net income of £462k contributed by St Cuthbert's Catholic High School between the date of the transfer and the 31 August 2021.

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 20 June 2017 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 2020 to 31 August 2021 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 2020 to 31 August 2021 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 Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. 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 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 2020 to 31 August 2021 have not been applied to purposes identified 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 Academies Financial Handbook 2020 published by the Education and Skills Funding Agency and high level financial control areas where we identified a material risk of 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 20 June 2017. 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.



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Newcastle upon Tyne
United Kingdom
NE1 4AD

20 December 2021
Dated:
