

Company Registration Number: 10689559 (England & Wales)

Britannia Education Trust
(A company limited by guarantee)

Annual report and financial statements

For the year ended 31 August 2021

Britannia Education Trust
(A company limited by guarantee)

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Britannia Education Trust
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Reference and Administrative Details

Members	A Mawson C Poulter D Mann G Hicks H Thomas
Trustees	R Burton, Chair of Trustees ⁽¹⁾ C Poulter D Mann ⁽¹⁾ D Verroken (appointed 21 October 2021) E Boxer H Fernandes J Frith L Bingham ⁽¹⁾ L Dawes ⁽¹⁾ S Monaghan (appointed 17 March 2021) E Anderson (resigned 4 December 2020) G Williams (resigned 12 February 2021) M Tayob (resigned 19 July 2021) ⁽¹⁾ T Matthews (resigned 14 July 2021) ⁽¹⁾ ⁽¹⁾ Member of the Finance and Audit committee
Company registered number	10689559
Company name	Britannia Education Trust
Principal and registered office	Britannia Village Primary School Westwood Road West Silvertown London E16 2AW
Company secretary	R Thackery
Senior Leadership Team	L Bingham, Executive Headteacher O Moorhouse, Headteacher R Thackery, Business Manager C James, Chief Financial Officer (appointed 1 October 2021)
Independent auditor	Kreston Reeves LLP Chartered Accountants Statutory Auditor Montague Place Quayside Chatham Maritime Chatham Kent ME4 4QU

Britannia Education Trust
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Trustees' report
For the year ended 31 August 2021

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The Trust operates two 2 form entry schools that are within a 5 minute walk of each other:

Britannia Village Primary School (BVPS), an Academy for pupils aged 3 to 11 years serving a catchment area in West Silvertown, Newham. It has a pupil capacity of 420 plus a 30 FTE (60 part time) nursery and had a total roll of 422 plus 49 part time nursery in the Spring 2021 school census.

Royal Wharf Primary School (RWPS) which opened in September 2019 with reception pupils only and expanded to include Year 1 in the year 2020/2021. RWPS had a total roll of 119 (out of a possible 120) in the Spring 2021 school census.

Structure, governance and management

a. 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 Britannia Education Trust are also the directors of the charitable company for the purposes of company law.

Details of the Trustees who served during the year and to the date these accounts are approved are included in the Reference and Administrative Details on page 1.

b. Members' liability

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

c. Trustees' indemnities

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The Britannia Education Trust is covered through the Department for Education's Risk Protection Arrangements (RPA). The insurance provides £10,000,000 cover on any one claim and details of the costs are included in note 12 to the accounts.

d. Method of recruitment and appointment or election of Trustees

The arrangements are as set out in the Articles and Funding Agreement.

Trustees may be appointed by the Members, elected by parents or co-opted by the Board of Trustees and are in post for four years. The CEO is an ex officio member of the Board of Trustees. Parent Trustees are elected to office or appointed if there are insufficient candidates offering themselves for election. The Articles of Association allow members to appoint up to nine Trustees. There must also be a minimum of two Parent Trustees. The Board of Trustees may also appoint additional Trustees (Co-opted Trustees) under rule 58. Employees of the Trust (including the CEO) must not exceed one third of the total number of Trustees.

Trustees' report (continued)
For the year ended 31 August 2021

Structure, governance and management (continued)

e. Policies adopted for the induction and training of Trustees

The Charitable Company is committed to providing adequate opportunities for Trustees to undertake and receive suitable training so as to enable them to perform their role effectively. To this end the Trust provides an internal programme of continued professional development led by School staff and links with a number of local training providers. Trustees complete an annual skills audit, which alongside identifying strengths, also identifies areas they would like to develop. This is then used to inform targeted training in specific areas. In addition the Trust purchases a Service Level Agreement (SLA) from the local school's service Governors Support Section, which offers a comprehensive package of training and support.

All new Trustees are entitled to an induction to the role, according to their need, which may include, introductory sessions, mentoring and formal courses. This process will involve a meeting with the Chair of Trustees and CEO. All Trustees have access to a handbook plus copies of policies and procedures documents that are appropriate to the role they undertake as Trustees with particular emphasis on the committee work that they will undertake.

f. Organisational structure

The governance structure of the Trust is defined in the Memorandum and Articles of Association together with the Funding Agreement with the Department of Education. The Scheme of Delegation (Appendix C) sets out the level at which decisions are made.

The Board of Trustees, which meets on at least three occasions per year and each individual committee at least three times per year, is responsible for the strategic direction of the Trust and its Academies. The Board reviews progress towards educational objectives and results; monitors the budget; sets the budget for the following year; and sets the organisational staffing structure. A pay committee agrees the performance objectives of the CEO and reviews them. The CEO agrees and reviews the performance objectives of the Head(s) of School. The CEO is the designated Accounting Officer and has overall responsibility for the day to day financial management of the Charitable Company. Responsibility for low values of expenditure is delegated to specific budget holders who are responsible for managing their own departments within their allocated budgets. A system of financial controls is in place to manage this process.

The CEO/Executive Head oversees both Schools and is the current Head of Royal Wharf. BVPS is managed by the Head of School. The Senior Leadership Team (SLT) which includes three Deputy Heads, an Assistant Head, a Senior Manager and the School Business Manager assist the Head of School and Executive Head and have Trust wide elements to their roles and responsibilities as well as school specific.

Trustees' report (continued)
For the year ended 31 August 2021

Structure, governance and management (continued)

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

The Trust applies the School Teachers Pay and Conditions Document (STPCD) published annually by the DFE. The Trust has adopted the Local Authority pay policy which follows the STPCD regarding pay scales and ranges. This policy applies to all staff including key management personnel.

The Trust has adopted the Local Authority performance management policy. All staff, including the SLT, have clear performance management targets closely linked to the Trust's development plan. If all targets are met and clear evidence provided, the staff member receives an incremental point (until reaching the top of the pay range) in line with the policy, recommended by their line manager and authorised by the CEO.

For experienced teachers to gain access to the upper threshold, in addition, a professional portfolio must be presented to the Head of School for assessment. The Trustees receive anonymised reports detailing performance grades, meeting of targets and upper threshold payments.

For the CEO's appraisal, the Chair of the Trustees and up to two other Trustees meet to review the CEO's evidence against the agreed targets. If targets have been met the Chair of Trustees will approve the pay award. The procedure is minuted at Finance, Audit and HR Committee meetings.

h. Trade union facility time - table

Relevant union officials

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

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	-
51%-99%	-
100%	-
Percentage of pay bill spent on facility time	£
Total cost of facility time	-
Total pay bill	2,776,600
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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The Trust had no employees who acted as union officials during the period.

Trustees' report (continued)
For the year ended 31 August 2021

Structure, governance and management (continued)

i. Related Parties and other Connected Charities and Organisations

Owing to the nature of the Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, it is inevitable that from time to time transactions will take place with organisations in which Trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procedures. Any transaction where the Trustee may have a pecuniary interest is only undertaken in accordance with the 'at cost' principle described in the Academies Financial Handbook.

The Trust cooperates with the following organisations in pursuit of its charitable activities:

- SEND and Behaviour Support services are purchased from the Local Authority.
 - HR, Health and Safety, Governor and ICT services are purchased from The Education Space (formerly Newham Partnership Working).
 - The CEO and Head of BV School are members of the Newham Association of Primary Headteachers (NAPH).
 - The Creative Arts Partnership is a cluster of 5 schools. The Heads meet to plan joint school projects and discuss school improvement issues.
 - The Trust works with Oasis Academy Silvertown to aid transition from Year 6 to Year 7 and jointly sponsor a Westham Mentor who works across both Schools.
 - The Trust works with and supports the work of West Silvertown Foundation (WSF) to provide services and events to benefit the Trust's families. Transactions with WSF are considered as related party transactions as one Trustee is an employee.
 - The BV School has a fundraising group, the PTA, which is considered a connected party.
 - The Schools fundraise on behalf of several charities including the British Legion Poppy Appeal, Water Aid, Save The Children Fund, BBC Children in Need Appeal, Shelter and others.
- The Trust does not have a formal sponsor.

Objectives and activities

The principal object and aim of the Charitable Company is the operation of its Schools to provide free education and care for pupils of different abilities between the ages of 3 and 11.

The Trustees and Members have defined the main objectives of the Trust as follows:

- Our vision is to bring out the best in our pupils, our staff and our communities.
- We aim to give our pupils the best start in life through providing a creative and happy learning environment where achievement, mutual respect and self-esteem are valued.
- We aim to empower our pupils to have the necessary knowledge, skills, values, attitudes and understanding to make a positive contribution in a changing world both locally and globally.

We will:-

- Create safe, supportive, caring environments where children can flourish.
- Provide a broad, balanced, child-centred creative curriculum which is both accessible and appropriate to all our pupils.
- Demonstrate, expect and celebrate excellence in Achievement, Behaviour and Character.
- Develop and nurture an outstanding staff team.
- Be rigorous in the pursuit of inclusion and equity.
- Forge strong partnerships with parents and families.
- Work cooperatively within the Trust and with other schools, organisations and stakeholders.
- Equip children to become responsible global citizens, caring for the natural world and making wise, informed choices.
- Involve our schools in the community and the community in our schools.

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Trustees' report (continued)
For the year ended 31 August 2021

Objectives and activities (continued)

a. Objectives, strategies and activities

The Trust's main objectives for 2020 - 2021 were:

Governance

Ensure that Trustees have a range of relevant skills, know the Schools well and have the knowledge they need to make decisions that will result in excellence for pupils and the School communities.

Finance Strategy

Ensure probity, regularity and sustainability in managing the Trust finances. Ensure that value for money is obtained through robust internal controls and well managed relationships with suppliers. Adhere to regulatory and statutory requirements and follow best practices for financial planning. Manage reserves to ensure that resources are deployed to support all aspects of the Trust Development Plan.

Education Strategy

Ensure the long term sustainability and continuity of excellent high quality education and experiences for pupils in the Trust's Schools.

- Continue to focus on achieving high standards for our pupils with end of key stage assessment results being above the national average (CEO/Curriculum Committee/Heads of Schools/leaders)
- Keep the trust's curriculum provision under review, taking into consideration statutory changes, reliable educational research and the changing needs of our pupils. (CEO/Curriculum Committee/Heads of Schools/Subject leaders).

Staff recruitment and development

- Develop the Trust's teacher recruitment and retention strategy to address the current teacher shortage
- Develop staff to perform at their best.
- Ensure Succession planning for Schools' leadership.

Growth Strategy

Develop the long-term viability of the Trust:

- Establish Royal Wharf Primary School in its' new building from September 2020
- Continue to review how the Trust operates as Royal Wharf Primary School grows
- Explore the potential for adding other new schools to the MAT
- Have a positive influence within and beyond Newham

b. Public benefit

The Trustees believe that by working towards the objects and aims as detailed above, they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

Trustees' report (continued)
For the year ended 31 August 2021

Strategic report

Achievements and performance

Pupil numbers

Apart from Year 1 at RW where there is one place available, all other year groups are full and BV has over 60 pupils in some year groups where we have admitted siblings in order to keep families together.

Reception admissions for September 2021

Both schools will be full for September 2021 and have long waiting lists. As part of our transition process, despite the restrictions due to Covid-19, all new families have had an opportunity to tour the school, attend a Teddy Bear's picnic where they are able to meet other families and meet their reception teacher in school.

Teacher Recruitment and Retention

Retention is high with only 2 teachers leaving at the end of the year. Recruitment has been very successful and there are no current vacancies for teaching staff. We have recruited a mix of NQTs and more experienced teachers.

Support Staff Recruitment and Retention

Currently the trust's support staff are supplemented by a number of agency staff, some of whom have specialist SEND skills. We continue to offer permanent employment to some and this is a reliable strategy for gradually increasing the trust's support staff team with tried and tested staff. This year three agency teaching assistants have been taken on as permanent members of staff and at least a further 4 will do the same once they have completed 16 weeks of agency work in the autumn term.

A Head of Finance has also been recruited.

Governance

Despite 4 resignations this year, membership of the trust board remains above the 9 that we have specified as our minimum.

Recruiting a parent trustee for Royal Wharf has been delayed due to the pandemic but will happen in the autumn term.

School Improvement

The trust has strong school improvement capacity led by the trust's Senior Leadership Team who meet weekly with a focused agenda.

School improvements are detailed in the SDP (School Development Plan) and progress on the plan is recorded on the same document and reviewed at least termly. The trust's rigorous monitoring and evaluation cycle contributes to this self evaluation process which is reported to the Curriculum Committee termly.

The trust's CPD programme is used to promote high standards and consistency in all areas within the life of our schools. We are particularly proud that, despite barriers presented by the pandemic, Britannia Village managed to achieve the Primary Science Gilt Quality Mark this year.

Trustees' report (continued)
For the year ended 31 August 2021

Strategic report (continued)

Achievements and performance (continued)

Lockdown Teaching and Learning

Throughout the lockdown period our schools remained open to key worker and vulnerable pupils and hot meals continued to be provided on site for these pupils. The Trust also paid for all staff on site to have a free lunch as they were not allowed off site.

Senior leaders ensured that a broad and balanced teaching and learning curriculum was still available for all pupils. We are particularly proud of the swift and excellent provision which was available to all pupils from the first day of the lockdown in January.

The Trust issued free school meal vouchers for children staying at home from the very start of the lockdown, prior to the DFE voucher system being available, at the trust's expense.

Curriculum development

This year we have focused on slimming down the content of some topic themes in order to provide greater depth and quality. We have also adjusted the emphasis of some of the content.

We have endeavoured to develop pupils' appreciation of the importance of diversity in the light of the cultural diversity of the schools and the influence of the Black Lives Matters movement. For example, Year 4 studied the life of Septimus Severus, the first Caesar from a BAME background and Reception children looked at Mae C Jemison, the first black female astronaut, during their Space topic.

Essential skills - We have focused this year on ensuring that subjects within thematic topic lessons are clearly identified, for example History and Geography, key skills are taught and cross referenced to a summative key skills framework and that there is clear skills progression from one year group to another.

Wellbeing

There has been an emphasis this year on promoting pupils' wellbeing, particularly in the light of the pandemic and two lockdowns. This has been delivered primarily, but not exclusively, through PSHE lessons which cover a wide range of important topics that are revisited each year as children move through the school.

The lessons and resources have been very successful and have enabled teachers to deliver PSHE in a more structured way than previously, without placing significant demands on their planning time. They have provided a safe context within which children are able to explore a range of important issues. Regular times for quiet and reflection are planned into lessons.

School website improvements

Presentation has been improved by placing some page content onto sub pages.

Curriculum information is now easier to locate on the homepage and, from there, each subject features on the drop down menu. Subject leads are in the process of producing parent friendly subject overviews to be added to these pages.

Updating the two websites has been made more efficient by uploading live links to google documents. This means that updates are live and documents do not need to be removed and re-uploaded.

Pupil attendance

BV attendance (excluding nursery) - 96%. RW attendance - 95.1%. Average reported primary school attendance to the DFE on 6th July was 90%. Our excellent attendance demonstrates the confidence that our communities have in our Covid safety measures.

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Trustees' report (continued)
For the year ended 31 August 2021

Strategic report (continued)

Achievements and performance (continued)

Returning to normality following the pandemic

We were able to invite parents into the school grounds at the end of the summer term to see our Arts Festival exhibitions and we have been able to go ahead with some educational visits.

Extending our reach

We are now in our second year of the Ed Tech Demonstrator project which has enabled us to form temporary partnerships with over 40 schools and these partnerships could be built upon in the future. The majority of the training is delivered by the trust's ICT lead practitioner.

a. Key performance indicators

The key financial performance indicators set by the Trust are aimed at ensuring the financial viability of the organisation both short term and longer term. These are:

- setting and operating within a balanced budget as required by the Academy Trust Handbook (formerly the Academy Financial Handbook) - achieved
- maintaining positive cash flow forecast for at least 12 months – achieved
- keeping the level of staff cost below 80% - the actual end of year total staff cost was 75.1% of revenue income.

The Board of Trustees is confident that staffing levels are closely monitored to agreed Full Time Equivalent and staffing structures are approved by the Board of Trustees.

The Finance and Audit Committee also monitor premises costs to General Annual Grant (GAG) income, capitation spend for curriculum departments to GAG income, total income less grants and cash flow on a regular basis to ensure that the budget is set and managed appropriately.

b. Going concern

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

In making this statement the Board of Trustees have taken into due consideration the effects upon the Trust of the COVID-19 pandemic, the partial closure of the Schools during the period and the changes in practices introduced from the 2020 Autumn term.

Financial review

The principal source of funding for the Trust is the GAG and other grants that it received from the Education and Skills Funding Agency (ESFA). For the year ended 31 August 2021 the Trust received £4,784,920 of GAG and other funding.

This funding was used to provide high quality teaching and learning to pupils of both schools in the Trust. Royal Wharf Primary School grew by another year group of 60 pupils meaning an increase in teaching, support and management staff in the year. New equipment for the Royal Wharf Primary School building was purchased as well as ICT equipment and infrastructure. The trust continued to uphold the high standards of maintenance to Britannia Village Primary School premises and replaced equipment where appropriate.

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Trustees' report (continued)
For the year ended 31 August 2021

Strategic report (continued)

During the year the Trust spent £4,847,755 on general running costs. The carry forward for 20/21 is £(651,393) restricted general funding and £1,094,134 unrestricted funding.

Due to the accounting rules for the Local Government Pension under FRS102, the Trust is recognising a significant pension fund deficit of £1,804,000. This does not mean that an immediate liability for this amount crystallises and such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years.

a. Reserves policy

The Trustees are aware of the requirement to balance current and future needs and always aim to set a balanced budget with annual income balancing annual expenditure. The Trustees monitor estimated year-end carry forward figures via the monthly reports from the Business Manager. The budget plan identifies how any carry forward will be allocated in the plan for the following academic year, including the identification of any funds earmarked for a specific project or purpose.

The Trustees are looking at setting up a designated fund for the purpose of identified improvements to its school buildings. A decision on an amount has been postponed due to the COVID-19 pandemic, however the fund will come from the unrestricted reserves inherited on conversion.

Restricted reserves have been built up to sufficient levels to be spent on education provision at its academies in the coming years while Royal Wharf Primary School continues to grow its pupils on roll at one year group per academic year.

The Trust has adopted a GAG and reserves pooling policy. All reserves derived from GAG funding are pooled, held and managed by the Trust. All other non-GAG reserves are held by the individual academies within the Trust.

b. Investment policy

The aim of the policy is to ensure funds that the Trust does not immediately need to cover anticipated expenditure are invested to maximise the Trust's income but with minimal risk. The aim is to research where funds may be deposited applying prudence in ensuring there is minimum risk. The Trust does not consider the investment of surplus funds as a primary activity, rather as good stewardship and as and when circumstances allow.

Trustees' report (continued)
For the year ended 31 August 2021

c. Principal risks and uncertainties

The Trustees maintain a risk register identifying the major risks to which the Trust is exposed, and identifying actions and procedures to mitigate those risks. A formal review of the risk register process is undertaken on an annual basis and the internal control systems and the exposure to said risks are monitored on behalf of the Trustees at each Finance Committee meeting. The principal risks facing the Trust are outlined below; those facing the Schools at an operational level are addressed by its systems and by internal financial and other controls.

The Trustees Report that the Trust's financial and internal controls conform to guidelines issued by the ESFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

The level of financial risk is low. Cash flows can be reliably forecast, monitored and reported. Staff costs make up the majority of expenditure and are relatively stable with contingencies in place to cover such items as sickness and maternity.

The Trustees assess the other principal risks and uncertainties facing the Trust as follows:

- The uncertainties brought about by the ongoing COVID-19 pandemic are mainly a risk to the Trust's staffing capacity. However, the Trust has put a very comprehensive COVID-19 risk assessment in place to minimise the spread of infection and therefore protect both staff and pupils. There have been no confirmed cases in our school communities.
- The Trust has considerable reliance on continued Government funding through the ESFA and there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.
- A fall in pupil numbers would result in less funding however BVPS provides an outstanding quality of education and is oversubscribed for entry to younger year groups. In order to mitigate against pupils leaving in Years 5 and 6, senior leaders at the School were successful in a joint bid to establish a secondary feeder school in Silvertown which is now well established.
- Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.
- Reputational - the continuing success of the School's is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student progress and outcomes are closely monitored and reviewed.
- Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.
- Staffing - the success of the Schools are reliant on the quality of its staff and the Trustees monitor and review policies and procedures and recruitment to ensure continued development and training of staff as well as ensuring there is clear succession planning.
- Fraud and mismanagement of funds - The Trust has appointed Price Bailey LLP to carry out independent and external checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep up to date with financial practice requirements and develop their skills in this area.
- Financial instruments – the Trust only deals with bank balances, cash and trade creditors, with limited trade (and other) debtors. The risk in this area is considered to be low.
- Defined benefit pension liability – as the Government has agreed to meet the defined benefit pension liability of any school ceasing to exist the main risk to the Trust is an annual cash flow funding of part of the deficit. Trustees take these payments into account when setting the annual budget plan.

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Trustees' report (continued)
For the year ended 31 August 2021

• Legal claim made against the Trust – the Trust has RPA insurance and Gold legal support through Winckworth Sherwood. The Trust has also developed relevant policies and risk assessments and ensures that, through induction and training, staff are aware and follow them.
The Trust has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness.

Fundraising

The Trust only held small fundraising events during the year and collection days for various charities. The Trust does not work with professional fundraisers or companies who carry out fundraising on its behalf. During the year no complaints or issues have arisen as a result of the fund raising events.

Plans for future periods

The Trustees aim to:

- Ensure that catch up strategies for pupils adversely affected by COVID-19 are implemented
- Share the Trust's home learning skills and experiences with other schools
- Capital investment in improvements to Britannia Village Primary School
- In conjunction with Initial Teacher Training Partnerships, build on existing practices to recruit, develop and train staff to ensure a supply of good staff for future years.
- Consider strategies to ensure that both Schools achieve full pupil capacity in each year group.

Disclosure of information to auditor

Insofar as the Trustees are aware:

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

Auditor

The auditor, Kreston Reeves LLP, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 8 December 2021 and signed on its behalf by:



Rebecca Burton
Chair of Trustees

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Governance Statement

Scope of responsibility

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

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met 3 times during the year.

Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
R Burton, Chair of Trustees	3	3
C Poulter	2	3
D Mann	2	3
E Boxer	3	3
H Fernandes	3	3
J Frith	3	3
L Bingham	3	3
L Dawes	3	3
S Monaghan, appointed 17 March 2021	2	2
E Anderson, resigned 4 December 2020	0	0
G Williams, resigned 12 February 2021	1	1
M Tayob, resigned 19 July 2021	2	3
T Matthews, resigned 14 July 2021	3	3

Governance reviews:

The Board of Trustees has formally met three times during the year. The Board met fewer than six times during the year. The Board is satisfied that through the use of sub-committees it maintains effective oversight. The Governance structure and Scheme of Delegation are reviewed annually by the Board. As a result of the review, a further Trustees have been added to the Board bringing specific skills in education and inclusion. The current governance structure is deemed appropriate and effective. The Board of Trustees has engaged the National Governance Association to carry out an external governance review in the 2021-22 academic year to ensure continued effective oversight.

The **Finance and Audit Committee** is a sub-committee of the main board of Trustees. Its purpose is to ensure value for money, regularity and propriety in relation to the management of the Trust's funds and that the Trust's financial activities are conducted in line with funding agreements, the Academies Financial Handbook and the Trust's scheme of delegation.

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Governance Statement (continued)

Governance (continued)

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
D Mann	4	4
L Bingham	4	4
L Dawes	3	4
M Tayob	4	4
T Matthews, Chair	4	4
R Burton	4	4

L Bingham is ex-officio and therefore does not vote at meetings even though she forms part of the Committee.

Review of value for money

As accounting officer, the CEO 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 trust's use of its resources has provided good value for money during each academic year, and reports to the board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the Academy Trust has delivered improved value for money during the year by:

- Moving to cloud based technologies has meant that staff were able to work from home during the lockdown;
- Utilising resources available for free or low cost which enrich the curriculum such as free travel for educational visits where possible, Class Dojo, Google classroom, Flipgrid (for recording videos);
- Implementing a range of strategies that bring potential trainee teachers into our Schools reducing advertising costs for NQTs; and
- Joining a conglomerate of Newham Primary Schools to go out to tender for the Trust's catering contract; and
- Constantly reviewing suppliers for good quality and value resources, including on line purchases where appropriate and ensuring budget holders comply with limits set out in the financial procedures

Due to the ongoing COVID-19 pandemic the Trust incurred costs which impacted on value for money.

The Trust continued to support families who were eligible for FSM by providing local vouchers.

The Trust added to the good quality laptops and other equipment for staff so that they were able to deliver remote learning to pupils from their homes during lockdown.

The Trust paid for taxis for vulnerable staff unable to travel to School by public transport.

However whilst we were making such additional payments, we were also saving on normal expenditure. For example, the children were not in School and therefore unable to go out on planned educational visits and residential trips.

Overall the Trust was able to maintain value for money in spite of challenging and unusual circumstances.

Governance Statement (continued)

The purpose of the system of internal control

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

Capacity to handle risk

The board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 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 Audit Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

The Board of Trustees has decided to buy-in an internal audit service from Nexus Associates

The internal audit service providers role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. In particular the checks carried out in the current period included:

- testing of the Trust's cyber security systems and procedures

On an annual basis, the internal audit service provider reports to the board of Trustees, through the Finance and Audit 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.

Governance Statement (continued)

Review of effectiveness

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

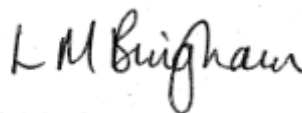
- the work of the internal audit service provider;
- the work of the external auditor;
- the school resource management self-assessment tool;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 8 December 2021 and signed on their behalf by:



R Burton
Chair of Trustees



L Bingham
Accounting Officer

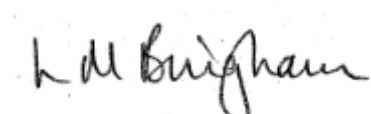
Britannia Education Trust
(A company limited by guarantee)

Statement on Regularity, Propriety and Compliance

As accounting officer of Britannia 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 Board of Trustees are able to identify any material irregular or improper use of all funds by the Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2020.

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



L Bingham
Accounting Officer
Date: 8 December 2021

Britannia Education Trust
(A company limited by guarantee)

Statement of Trustees' responsibilities
For the year ended 31 August 2021

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

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

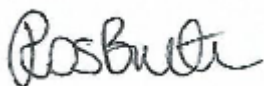
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 8 December 2021 and signed on its behalf by:



Rebecca Burton
Chair of Trustees

Independent auditor's Report on the financial statements to the Members of Britannia Education Trust

Opinion

We have audited the financial statements of Britannia Education Trust (the 'trust') for the year ended 31 August 2021 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 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 Academy Trust'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; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and 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 Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Academy Trust'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.

Independent auditor's Report on the financial statements to the Members of Britannia Education Trust
(continued)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- 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 Trustees' responsibilities statement, the Trustees (who are also the directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Independent auditor's Report on the financial statements to the Members of Britannia Education Trust
(continued)

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.

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

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the Academy Trust and the sector, and through discussion with the Trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to child protection and safeguarding, health and safety and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Statement of Recommended Practice, Academies Accounts Direction, Academies Financial Handbook, taxation, and pension legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or reduce expenditure, management bias in accounting estimates and judgemental areas of the financial statements such as the valuation of land and buildings and revenue and non-compliance with financial management and governance requirements which are consistent with the obligations of public funded bodies. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud, and review of the reports made by management and internal audit; and
- Assessment of identified fraud risk factors; and
- Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud; and
- Consideration of income streams, completeness of income and compliance with the obligations of funders including the ESFA; and
- Testing of internal controls procedures relating to expenditure potentially more susceptible to fraud and other irregularities including the misuse of public funding in areas such as cash, payroll and credit card expenditure; and
- Review of cash and credit card expenditure to confirm no evidence of personal benefit; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Checking and reperforming the reconciliation of key control accounts; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with relevant tax and regulatory authorities; and
- Review of internal controls and physical inspection of tangible assets susceptible to fraud or irregularity; and

Independent auditor's Report on the financial statements to the Members of Britannia Education Trust
(continued)

- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Academy Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Academy Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in my Auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of my Auditor's report. However, future events or conditions may cause the Academy Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Britannia Education Trust
(A company limited by guarantee)

Independent auditor's Report on the financial statements to the Members of Britannia Education Trust
(continued)

Use of our report

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



Susan Robinson BA FCA FCIE DChA MCMI (Senior statutory auditor)

for and on behalf of
Kreston Reeves LLP

Statutory Auditor
Chartered Accountants

Chatham Maritime

15 December 2021

Britannia Education Trust
(A company limited by guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to Britannia Education Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 20 April 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Britannia Education Trust during the year 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.

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

Respective responsibilities of Britannia Education Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Britannia Education Trust's funding agreement with the Secretary of State for Education dated 21 December 2017 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.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw to our conclusions includes:

- Reviewed the evidence used to support the Accounting Officer's sign off of the regularity statement
- Reviewed expenditure against specific terms of grant funding within the Funding Agreement
- Reviewed grants have been applied for the purposes intended
- Confirmed that internal control procedures exist relating to expenditure incurred of cash and credit cards
- Confirmed items claimed on cash and credit cards are not for personal benefit
- Reviewed expenditure and considered whether any supplies are from related parties
- Reviewed Board of Trustee minutes for declaration of interests
- Considered whether other income activities are permitted within the Academy Trust's charitable objects

Britannia Education Trust
(A company limited by guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to Britannia Education Trust and the Education & Skills Funding Agency (continued)
Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Reporting Accountant
Kreston Reeves LLP
Chartered Accountants

Date: 15 December 2021

Britannia Education Trust
(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 August 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:						
Donations and capital grants	4	187	-	6,786,654	6,786,841	25,184
Other trading activities	5	19,750	-	-	19,750	10,948
Investments	7	464	-	-	464	4,121
Charitable activities	6	414	4,547,452	-	4,547,866	4,048,416
Total income		20,815	4,547,452	6,786,654	11,354,921	4,088,669
Expenditure on:						
Charitable activities	8	3,581	4,542,157	302,017	4,847,755	3,741,490
Total expenditure		3,581	4,542,157	302,017	4,847,755	3,741,490
Net income		17,234	5,295	6,484,637	6,507,166	347,179
Transfers between funds	18	-	(76,445)	76,445	-	-
Net movement in funds before other recognised gains/(losses)		17,234	(71,150)	6,561,082	6,507,166	347,179
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	24	-	(198,000)	-	(198,000)	(165,000)
Net movement in funds		17,234	(269,150)	6,561,082	6,309,166	182,179
Reconciliation of funds:						
Total funds brought forward		1,076,900	(382,243)	4,108,414	4,803,071	4,620,892
Net movement in funds		17,234	(269,150)	6,561,082	6,309,166	182,179
Total funds carried forward		1,094,134	(651,393)	10,669,496	11,112,237	4,803,071

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

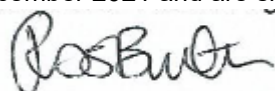
The notes on pages 29 to 54 form part of these financial statements.

Britannia Education Trust
(A company limited by guarantee)
Registered number: 10689559

Balance sheet
As at 31 August 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	15	10,656,146	3,948,192
Current assets			
Debtors	16	358,113	126,255
Cash at bank and in hand		2,337,340	2,439,529
		2,695,453	2,565,784
Creditors: amounts falling due within one year	17	(435,362)	(266,905)
Net current assets		2,260,091	2,298,879
Total assets less current liabilities		12,916,237	6,247,071
Net assets excluding pension liability		12,916,237	6,247,071
Defined benefit pension scheme liability	24	(1,804,000)	(1,444,000)
Total net assets		11,112,237	4,803,071
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	18	10,669,496	4,108,414
Restricted income funds	18	1,152,607	1,061,757
Restricted funds excluding pension asset	18	11,822,103	5,170,171
Pension reserve	18	(1,804,000)	(1,444,000)
Total restricted funds	18	10,018,103	3,726,171
Unrestricted income funds	18	1,094,134	1,076,900
Total funds		11,112,237	4,803,071

The financial statements on pages 26 to 54 were approved by the Trustees, and authorised for issue on 08 December 2021 and are signed on their behalf, by:



Rebecca Burton
Chair of Trustees

The notes on pages 29 to 54 form part of these financial statements.

Britannia Education Trust
(A company limited by guarantee)

Statement of cash flows
For the year ended 31 August 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	20	122,584	522,466
Cash flows from investing activities	21	(224,773)	(62,453)
Change in cash and cash equivalents in the year		(102,189)	460,013
Cash and cash equivalents at the beginning of the year		2,439,529	1,992,642
Cash and cash equivalents at the end of the year	22, 23	2,337,340	2,452,655

The notes on pages 29 to 54 form part of these financial statements

Notes to the financial statements
For the year ended 31 August 2021

1. General information

Britannia Education Trust is a charitable company limited by guarantee and an exempt charity incorporated in England and Wales. The registered office is Britannia Village Primary School, Westwood Road, West Silvertown, London, United Kingdom, E16 2AW. The principal activity of the Academy Trust is to provide an education for pupils that satisfies the requirements of the Education Act 2002.

2. Accounting policies

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

2.1 Basis of preparation of financial statements

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Britannia Education Trust meets the definition of a public benefit entity under FRS 102.

The Trust's functional and presentational currency is Pounds Sterling.

2.2 Going concern

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

While the impact of the COVID-19 pandemic has been assessed by the Trustees as far as reasonably possible, due to its unprecedented impact on the wider economy, it is difficult to evaluate with any certainty the potential outcomes on the Academy Trust's activities.

However, taking into consideration the UK Government's response and its continued support of schools, as well as the Academy Trust's own reserves and planning, the Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. The Trustees confirm that 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.

Notes to the financial statements
For the year ended 31 August 2021

2. Accounting policies (continued)

2.3 Income

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

- **Grants**

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

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

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

- **Donations**

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

- **Other income**

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

- **Donated fixed assets (excluding transfers on conversion or into the Trust)**

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as 'Income from Donations and Capital Grants' and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy Trust's accounting policies.

2.4 Expenditure

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

Notes to the financial statements
For the year ended 31 August 2021

2. Accounting policies (continued)

2.5 Interest receivable

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

2.6 Tangible fixed assets

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 requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Depreciation is provided on the following bases:

Long-term leasehold property	- 50 years straight line
Furniture and equipment	- 5 years straight line
Computer equipment	- 3-5 years straight line

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

2.7 Debtors

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

2.8 Cash at bank and in hand

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

2.9 Liabilities

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

Notes to the financial statements
For the year ended 31 August 2021

2. Accounting policies (continued)

2.10 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments.

Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

2.11 Operating leases

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

2.12 Pensions

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

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

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

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

Notes to the financial statements
For the year ended 31 August 2021

2. Accounting policies (continued)

2.13 Fund accounting

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

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

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

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

Notes to the financial statements
For the year ended 31 August 2021

3. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The Academy 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.

Multi-employer defined benefit pension scheme

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 24, 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.

Tangible fixed assets

The Academy Trust has recognised tangible fixed assets with a carrying value of £10,656,146 at the reporting date (see note 15). These assets are stated at their cost less provision for depreciation and impairment. The Academy Trust's accounting policy sets out the approach to calculating depreciation for immaterial assets acquired. For material assets such as land and buildings the Academy Trust determines at acquisition reliable estimates for the useful life of the asset, its residual value and decommissioning costs. These estimates are based upon such factors as the expected use of the acquired asset and market conditions. At subsequent reporting dates the Trustees consider whether there are any factors such as technological advancements or changes in market conditions that indicate a need to reconsider the estimates used.

Where there are indicators that the carrying value of tangible assets may be impaired the Academy Trust undertakes tests to determine the recoverable amount of assets. These tests require estimates of the fair value of assets less cost to sell and of their value in use. Wherever possible the estimate of the fair value of assets is based upon observable market prices less incremental cost for disposing of the asset. The value in use calculation is based upon a discounted cash flow model, based upon the Academy Trusts' forecasts for the foreseeable future which do not include any restructuring activities that the Academy Trust is not yet committed to or significant future investments that will enhance the asset's performance. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well expected future cash flows and the growth rate used for extrapolation purposes.

Critical areas of judgment:

Lease commitments

The Academy Trust has entered into a range of lease commitments in respect of plant and equipment. The classification of these leases as either financial or operating leases requires the Trustees to consider whether the terms and conditions of each lease are such that the Academy Trust has acquired the risks and rewards associated with the ownership of the underlying assets.

Notes to the financial statements
For the year ended 31 August 2021

3. Critical accounting estimates and areas of judgment (continued)

Multi-employer defined benefit pension scheme

Certain employees participate in a multi-employer defined benefit pension scheme with other companies in the region. In the judgement of the Trustees the Academy Trust does not have sufficient information of the plans assets and liabilities to be able to reliably account for its share of the defined obligation and plan assets. Therefore the scheme is accounted for as a defined contribution scheme, see note 24 for further details.

4. Income from donations and capital grants

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	187	-	-	187	14,962
Capital Grants	-	-	216,653	216,653	10,222
Donated fixed assets	-	-	6,570,001	6,570,001	-
	187	-	6,786,654	6,786,841	25,184
Total 2020	14,512	450	10,222	25,184	

Notes to the financial statements
For the year ended 31 August 2021

5. Funding for the Trust's provision of education

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	As restated Total funds 2020 £
DfE/ESFA Grants				
General Annual Grant (GAG)	-	3,205,659	3,205,659	3,081,958
Pupil Premium	-	178,765	178,765	154,338
Universal Infant Free School Meals	-	103,815	103,815	91,806
Other DfE Group grants	-	328,529	328,529	127,158
Start up grant	-	82,500	82,500	52,785
	-	3,899,268	3,899,268	3,508,045
Other Government grants				
Local Authority Grants	-	604,984	604,984	539,976
	-	604,984	604,984	539,976
Other funding				
Covid - 19 catch up grant	-	43,200	43,200	-
Catering Income	414	-	414	395
	414	43,200	43,614	395
	414	4,547,452	4,547,866	4,048,416
Total 2020 as restated	395	4,048,021	4,048,416	

The Trust received £43,200 of funding or catch up premium and costs incurred in respect of this funding totalled £43,200.

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the academy trust's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the DfE/ESFA grants heading. The prior year numbers have been reclassified.

Notes to the financial statements
For the year ended 31 August 2021

6. Other trading activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Other income	19,750	19,750	10,948
	<u> </u>	<u> </u>	<u> </u>
Total 2020	10,948	10,948	
	<u> </u>	<u> </u>	

7. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Investment income	464	464	4,121
	<u> </u>	<u> </u>	<u> </u>
Total 2020	4,121	4,121	
	<u> </u>	<u> </u>	

8. Expenditure

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	Total 2020 £
Direct costs	2,216,800	-	291,067	2,507,867	2,037,295
Allocated support costs	1,213,047	267,635	859,206	2,339,888	1,704,195
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	3,429,847	267,635	1,150,273	4,847,755	3,741,490
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total 2020	2,676,800	312,271	752,419	3,741,490	
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	

Notes to the financial statements
For the year ended 31 August 2021

9. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Educational operations	2,507,867	2,339,888	4,847,755	3,741,490
Total 2020	2,037,295	1,704,195	3,741,490	

Analysis of direct costs

	Educational operations 2021 £	Total funds 2021 £	Total funds 2020 £
Staff costs	2,216,800	2,216,800	1,779,425
Educational materials	183,227	183,227	225,070
Computer costs	24,517	24,517	23,637
Other direct costs	83,323	83,323	25,445
Agency staff costs	-	-	(16,282)
	2,507,867	2,507,867	2,037,295
Total 2020	2,037,295	2,037,295	

Notes to the financial statements
For the year ended 31 August 2021

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational operations 2021 £	Total funds 2021 £	Total funds 2020 £
Pension finance costs	22,000	22,000	20,000
Staff costs	962,824	962,824	717,576
Depreciation	302,017	302,017	194,097
Premises costs	269,720	269,720	118,174
Technology costs	76,676	76,676	79,076
Other support costs	362,868	362,868	281,688
Governance costs	56,981	56,981	88,568
Legal costs	34,659	34,659	8,935
Loss on disposal	1,920	1,920	-
Agency staff costs	250,223	250,223	196,081
	<u>2,339,888</u>	<u>2,339,888</u>	<u>1,704,195</u>
Total 2020	<u>1,704,195</u>	<u>1,704,195</u>	

10. Net income

Net income for the year includes:

	2021 £	2020 £
Operating lease rentals	208	284
Depreciation of tangible fixed assets	302,017	194,097
Loss on disposal of fixed assets	1,920	-
Fees paid to auditor for:		
- audit	9,275	7,860
- other services	5,000	6,360

Notes to the financial statements
For the year ended 31 August 2021

11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021	2020
	£	£
Wages and salaries	2,375,112	1,881,549
Social security costs	241,558	190,717
Pension costs	562,954	424,735
	3,179,624	2,497,001
Agency staff costs	250,223	179,799
	3,429,847	2,676,800

b. Staff numbers

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

	2021	2020
	No.	No.
Teachers	34	26
Administration and support	33	21
Management	8	7
	75	54

The average headcount expressed as full-time equivalents was:

	2021	2020
	No.	No.
Teachers	33	28
Management	8	6
Support	25	19
	66	53

c. Higher paid staff

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

Notes to the financial statements
For the year ended 31 August 2021

11. Staff (continued)

c. Higher paid staff (continued)

	2021	2020
	No.	No.
In the band £60,001 - £70,000	2	1
In the band £70,001 - £80,000	1	1
In the band £100,001 - £110,000	1	1
	<u>4</u>	<u>3</u>

d. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £320,463 (2020 - £607,812).

12. Central services

The Trust has provided the following central service to its academies during the financial year: financial services; educational support services; and human resources.

In accordance with the funding agreement with the DfE, the Trust pools the General Annual Grant (GAG) and therefore does not recharge out central services.

13. Trustees' remuneration and expenses

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

		2021	2020
		£	£
L Bingham	Remuneration	105,000 -	105,000 -
		110,000	110,000
	Pension contributions paid	25,000 -	20,000 -
		30,000	25,000
J Frith	Remuneration	5,000 -	5,000 -
		10,000	10,000
	Pension contributions paid	0 - 5,000	0 - 5,000
K Richardson (resigned 15 July 2020)	Remuneration		70,000 -
			75,000
	Pension contributions paid		5,000 -
			10,000

During the year ended 31 August 2021, no Trustee expenses have been incurred (2020 - £326 1 trustee).

Notes to the financial statements
For the year ended 31 August 2021

14. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000. The cost of this insurance is included in the total insurance cost.

15. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2020	4,129,674	273,420	262,117	4,665,211
Additions	6,651,520	144,164	216,207	7,011,891
Disposals	-	(5,623)	-	(5,623)
At 31 August 2021	<u>10,781,194</u>	<u>411,961</u>	<u>478,324</u>	<u>11,671,479</u>
Depreciation				
At 1 September 2020	275,276	215,821	225,922	717,019
Charge for the year	215,488	38,694	47,835	302,017
On disposals	-	(3,703)	-	(3,703)
At 31 August 2021	<u>490,764</u>	<u>250,812</u>	<u>273,757</u>	<u>1,015,333</u>
Net book value				
At 31 August 2021	<u>10,290,430</u>	<u>161,149</u>	<u>204,567</u>	<u>10,656,146</u>
At 31 August 2020	<u>3,854,398</u>	<u>57,599</u>	<u>36,195</u>	<u>3,948,192</u>

Long-term leasehold property additions comprises buildings occupied on a 125-year lease granted from Oxley Wharf Property 2 Limited and Oxley Wharf Property 4 Limited.

Britannia Education Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 August 2021

16. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	1,434	4,970
VAT recoverable	64,013	34,084
Prepayments and accrued income	292,666	87,201
	<u>358,113</u>	<u>126,255</u>

17. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	66,371	46,359
Abatement of GAG	3,707	-
Other taxation and social security	58,107	-
Other creditors	51,543	90,779
Accruals and deferred income	255,634	129,767
	<u>435,362</u>	<u>266,905</u>

	2021 £	2020 £
Deferred income at 1 September 2020	112,578	148,914
Resources deferred during the year	143,987	112,578
Amounts released from previous periods	(112,578)	(148,914)
	<u>143,987</u>	<u>112,578</u>

Deferred income received relates to Universal Infant Free School Meals income and other ESFA income relating to the Autumn Term 2021.

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Notes to the financial statements
For the year ended 31 August 2021

18. Statement of funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
General Funds	<u>1,076,900</u>	<u>20,815</u>	<u>(3,581)</u>	<u>-</u>	<u>-</u>	<u>1,094,134</u>
Restricted general funds						
General Annual Grant (GAG)	883,719	3,317,289	(2,971,956)	(76,445)	-	1,152,607
Pupil Premium	-	178,765	(178,765)	-	-	-
Universal Infant Free School Meals	-	103,815	(103,815)	-	-	-
Other DfE/ESFA Grants	177,588	342,599	(520,187)	-	-	-
Other Government Grants	-	604,984	(604,984)	-	-	-
Restricted donations	450	-	(450)	-	-	-
Pension reserve	(1,444,000)	-	(162,000)	-	(198,000)	(1,804,000)
	<u>(382,243)</u>	<u>4,547,452</u>	<u>(4,542,157)</u>	<u>(76,445)</u>	<u>(198,000)</u>	<u>(651,393)</u>
Restricted fixed asset funds						
Fixed asset funds	3,948,192	6,570,001	(302,017)	439,970	-	10,656,146
DfE Group capital grants	10,222	216,653	-	(213,525)	-	13,350
Capital contributions	150,000	-	-	(150,000)	-	-
	<u>4,108,414</u>	<u>6,786,654</u>	<u>(302,017)</u>	<u>76,445</u>	<u>-</u>	<u>10,669,496</u>
Total Restricted funds	<u>3,726,171</u>	<u>11,334,106</u>	<u>(4,844,174)</u>	<u>-</u>	<u>(198,000)</u>	<u>10,018,103</u>
Total funds	<u><u>4,803,071</u></u>	<u><u>11,354,921</u></u>	<u><u>(4,847,755)</u></u>	<u><u>-</u></u>	<u><u>(198,000)</u></u>	<u><u>11,112,237</u></u>

Notes to the financial statements
For the year ended 31 August 2021

18. Statement of funds (continued)

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

Unrestricted funds are applied to the general work of the Academy Trust to support activities inside and outside the curriculum.

GAG represents to be used to cover normal running costs of the Academy Trust.

Pupil premium is an ESFA grant given to schools for underprivileged children to help improve their education and reduce the attainment gap.

UFSM supports schools in delivering the legal requirement to offer free school meals to all reception, year 1 and year 2 pupils.

Other DfE/ESFA grants represent those grants provided for specific purposes teachers pay and teachers pension grants.

Other government grants represent those grants provided for specific purposes, such as early years and SEN funding, to provide additional support to the pupils where required.

The restricted fixed asset fund represents the tangible fixed assets including depreciation to the Balance Sheet date. Capital grants are also represented and provide the Academy Trust with its own capital money to address improvements to buildings and other facilities.

Notes to the financial statements
For the year ended 31 August 2021

18. Statement of funds (continued)

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

	Balance at 1 September 2019 £	As restated Income £	As restated Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
General Funds	1,046,924	29,976	-	-	-	1,076,900
Restricted general funds						
General Annual Grant (GAG)	510,474	3,081,958	(2,481,917)	(226,796)	-	883,719
Pupil Premium	-	154,338	(154,338)	-	-	-
Universal Infant Free School Meals	-	91,806	(91,806)	-	-	-
Other DfE/ESFA Grants	137,215	127,158	(86,785)	-	-	177,588
Other Government Grants	-	592,761	(592,761)	-	-	-
Restricted donations	11,786	450	(11,786)	-	-	450
Pension reserve	(1,151,000)	-	(128,000)	-	(165,000)	(1,444,000)
	(491,525)	4,048,471	(3,547,393)	(226,796)	(165,000)	(382,243)
Restricted fixed asset funds						
Fixed asset funds	4,065,493	-	(194,097)	76,796	-	3,948,192
DfE Group capital grants	-	10,222	-	-	-	10,222
Capital contributions	-	-	-	150,000	-	150,000
	4,065,493	10,222	(194,097)	226,796	-	4,108,414
Total Restricted funds						
	3,573,968	4,058,693	(3,741,490)	-	(165,000)	3,726,171
Total funds						
	4,620,892	4,088,669	(3,741,490)	-	(165,000)	4,803,071

Britannia Education Trust
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Notes to the financial statements
For the year ended 31 August 2021

18. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

	2021 £	2020 £
Britannia Village Primary School	-	515,109
Royal Wharf Primary School	-	274,957
Britannia Education Trust	2,246,741	1,348,591
Total before fixed asset funds and pension reserve	2,246,741	2,138,657
Restricted fixed asset fund	10,669,496	4,108,414
Pension reserve	(1,804,000)	(1,444,000)
Total	11,112,237	4,803,071

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2021 £	Total 2020 £
Britannia Village Primary School	1,838,619	516,667	519,400	24,863	2,899,549	2,855,282
Royal Wharf Primary School	568,804	119,168	174,245	51,226	913,443	482,579
Britannia Education Trust	-	158,366	486,819	87,561	732,746	209,532
Trust	2,407,423	794,201	1,180,464	163,650	4,545,738	3,547,393

Notes to the financial statements
For the year ended 31 August 2021

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	10,656,146	10,656,146
Current assets	1,094,134	1,587,969	13,350	2,695,453
Creditors due within one year	-	(435,362)	-	(435,362)
Provisions for liabilities and charges	-	(1,804,000)	-	(1,804,000)
Total	1,094,134	(651,393)	10,669,496	11,112,237

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	3,948,192	3,948,192
Current assets	1,076,900	1,328,662	160,222	2,565,784
Creditors due within one year	-	(266,905)	-	(266,905)
Provisions for liabilities and charges	-	(1,444,000)	-	(1,444,000)
Total	1,076,900	(382,243)	4,108,414	4,803,071

Notes to the financial statements
For the year ended 31 August 2021

20. Reconciliation of net income to net cash flow from operating activities

	2021 £	2020 £
Net income for the year (as per Statement of financial activities)	6,507,166	347,179
Adjustments for:		
Depreciation	302,017	194,097
Capital grants from DfE and other capital income	(216,653)	(10,222)
Interest receivable	(464)	(4,121)
Pension liability movements	162,000	128,000
Increase in debtors	(231,858)	(35,435)
Increase/(decrease) in creditors	168,457	(97,032)
Loss on disposal	1,920	-
Donated fixed assets	(6,570,001)	-
Net cash provided by operating activities	122,584	522,466

21. Cash flows from investing activities

	2021 £	2020 £
Dividends, interest and rents from investments	464	4,121
Purchase of tangible fixed assets	(441,890)	(76,796)
Capital grants from DfE Group	216,653	10,222
Net cash used in investing activities	(224,773)	(62,453)

22. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand and at bank	2,337,340	2,452,655
Total cash and cash equivalents	2,337,340	2,452,655

Notes to the financial statements
For the year ended 31 August 2021

23. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	2,439,529	(102,189)	2,337,340
	<u>2,439,529</u>	<u>(102,189)</u>	<u>2,337,340</u>

24. Pension commitments

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

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

Contributions amounting to £50,731 were payable to the schemes at 31 August 2021 (2020 - £37,295) and are included within creditors.

Teachers' Pension Scheme

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

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

Notes to the financial statements
For the year ended 31 August 2021

24. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £307,725 (2020 - £233,802).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £138,000 (2020 - £105,000), of which employer's contributions totalled £108,000 (2020 - £82,000) and employees' contributions totalled £ 30,000 (2020 - £23,000). The agreed contribution rates for future years are 21 per cent for employers and 5.5 - 12.5 per cent for employees.

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

Notes to the financial statements
For the year ended 31 August 2021

24. Pension commitments (continued)

Principal actuarial assumptions

	2021 %	2020 %
Rate of increase in salaries	3.90	3.30
Rate of increase for pensions in payment/inflation	2.90	2.30
Discount rate for scheme liabilities	1.65	1.60
Inflation assumption (CPI)	2.90	2.30
Inflation assumption (RPI)	3.90	3.30

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

	2021 Years	2020 Years
Retiring today		
Males	21.4	21.30
Females	24.0	23.90
Retiring in 20 years		
Males	22.90	22.80
Females	25.60	25.50

Sensitivity analysis

	2021 £000	2020 £000
Discount rate +0.1%	(69,000)	(54,000)
Discount rate -0.1%	68,000	55,000
Mortality assumption - 1 year increase	130,000	97,000
Mortality assumption - 1 year decrease	(125,000)	(93,000)
CPI rate +0.1%	59,000	48,000
CPI rate -0.1%	(60,000)	(47,000)

Notes to the financial statements
For the year ended 31 August 2021

24. Pension commitments (continued)

Share of scheme assets

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

	2021 £	2020 £
Equities	713,000	485,000
Gilts	96,000	45,000
Other bonds	-	88,000
Property	112,000	88,000
Cash and other liquid assets	66,000	64,000
Alternative Assets	181,000	147,000
Total market value of assets	1,168,000	917,000

The actual return on scheme assets was £120,000 (2020 - £28,000).

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

	2021 £	2020 £
Current service cost	(247,000)	(189,000)
Interest income	16,000	17,000
Interest cost	(38,000)	(37,000)
Administrative expenses	(1,000)	-
Total amount recognised in the Statement of financial activities	(270,000)	(209,000)

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

	2021 £	2020 £
At 1 September	2,361,000	1,995,000
Current service cost	247,000	189,000
Interest cost	38,000	37,000
Employee contributions	30,000	23,000
Actuarial losses	302,000	122,000
Benefits paid	(6,000)	(5,000)
At 31 August	2,972,000	2,361,000

Notes to the financial statements
For the year ended 31 August 2021

24. Pension commitments (continued)

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

	2021	2020
	£	£
At 1 September	917,000	844,000
Interest income	16,000	17,000
Actuarial (losses)/gains	104,000	(43,000)
Employee contributions	30,000	23,000
Employer contributions	108,000	82,000
Administration expenditure	(1,000)	(1,000)
Benefits paid	(6,000)	(5,000)
At 31 August	1,168,000	917,000

25. Operating lease commitments

At 31 August 2021 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021	2020
	£	£
Not later than 1 year	416	-
Later than 1 year and not later than 5 years	971	-
	1,387	-

26. Members' liability

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

27. Related party transactions

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

No related party transactions took place (2020: £Nil) in the period of account, other than the Trustees remuneration which has already been disclosed within note 13.