

Company registration number 13129766 (England and Wales)

THE BEAM EDUCATION TRUST

**(A COMPANY LIMITED BY
GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022**

Haines Watts

Chartered Accountants & Registered Auditors
Bridge House
157A Ashley Road
Altrincham
Cheshire
WA14 2UT

THE BEAM EDUCATION TRUST

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THE BEAM EDUCATION TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members	John Duncan Hazel Fryman (Resigned 23.03.2022) Beverley Jameson David Littlewood Jeff Marshall
Trustees (Directors)	Andrew Abernethy (Appointed 06.09.2022) Joanne Bridge Lynne Hollingsworth Beverley Jameson Karina Middlehurst Clare Swann Jacqui Waby Julie Hughes (Resigned 27.04.2022) Darren Manuel (Resigned 12.01.2022) Susan Nixon (Resigned 24.03.22)
Company secretary	Carsten Kressel
<u>Senior leadership team</u>	
<ul style="list-style-type: none">• CEO/Accounting Officer• CFO• Head teachers	Gillian Marsland Trevor Green (appointed 01.08.2022) Gillian Marsland, Oughtrington Primary School Jane Rooney, Statham Primary School Alison Rostron, Thelwall Infant School Lesley Sweeney, Ravenbank Primary School
Company name	The Beam Education Trust
Principal and registered office	Oughtrington Primary School, Howard Avenue, Lymm, Cheshire, WA139EH
Company registration number	013129766
Independent auditor	Haines Watts, Bridge House, Ashley Road, Hale, Altrincham, Cheshire, WA14 2UT
Bankers	Lloyds Bank PLC, Horsemarket Street, Warrington, Cheshire, WA1 1TP
Solicitors	Shoosmiths, The XYZ Building, 2 Hardman Boulevard, Spinningfields, Manchester, M3 3AZ

THE BEAM EDUCATION TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

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

The Beam Education Trust operates 4 primary schools serving catchment areas in Warrington, Cheshire which are:

Oughtrington Primary School (a converter Primary School)
Ravenbank Primary School (a converter Primary School)
Statham Primary School (a converter Primary School)
Thelwall Infant School (a converter Infant and Nursery School)

The schools have a combined pupil capacity of 1185 and have a roll of 1124.

Structure, governance and management

Constitution

The Beam Education Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the trust. The Trustees of The Beam Education Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as The Beam Trust.

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

The Beam Education Trust incorporated on 12 January 2021 and subsequently commenced operating as an academy trust on 1 May 2021. The prior year financial statements reflected the 4 month period to 31 August 2021. These financial statements reflect the results for this 12 month period to 31 August 2022.

Members' liability

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

Trustees' indemnities

In accordance with normal commercial practice The Beam Education Trust purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on trust business. Since 1 May 2021, The Beam Education Trust has been a member of the Government's risk protection arrangement (RPA). This provides cover up to £10,000,000 in any one membership year in respect of trustees' and governors' liability and provides unlimited cover in respect of actual or alleged breaches of professional duty.

Method of recruitment and appointment or election of trustees

The management of the trust is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association.

Policies and procedures adopted for the induction and training of trustees

All trustees have been chosen as their skills complement each other to make up the board. Trustees have worked hard with the CEO, external agencies and the senior leadership team to establish a shared understanding of The Beam Education Trust's vision and values.

The trustees have access to copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they need to undertake their role as trustees. Further training is tailored to meet needs based on their existing experience and any gaps. The board of trustees has bought in to the NGA at gold level to provide training, advice and support to the trustees. Any gaps are identified and trustees proactively seek additional support and directors for the board. The trustees have access to The Confederation of School Trusts and associated training.

THE BEAM EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

The Governance Professional ensures that trustees are provided with opportunities to receive training in accordance with their role.

The Chairs' Forum meet termly with an aim to:

- Understood the trust's improvement plan priorities and how they align with each school's improvement plan.
- Secure the relationships, communication and exchange of best practice that will strengthen governance across the trust.
- Contribute to the development of the trust.

Organisational structure

The board of trustees has established committees and appoints trustees to serve on each of the committees annually. The committees for the period of the report were:

- A Board of Trustees, which include:
 - A Resources Committee (HR, operations, asset management, finances and audit)
 - An Educational Effectiveness and Improvement Committee
 - A Chairs' Forum
 - A Local Governing Body (LGB) for each school within the trust
 - A senior leadership team within each school
 - A senior leadership team for the trust

The trustees are responsible for the overall direction of the trust and its strategic management. This involves determining the guiding principles within which the trust operates, setting general policy, adopting a strategic plan and ratifying individual schools' budgets and maintaining robust financial oversight. The board monitors the activities of the schools within the trust to ensure educational outcomes and optimum operational efficiency. The trustees take decisions about major capital expenditure and senior staff appointments. They are also responsible for ensuring that the trust meets all its statutory obligations and, through the CEO, the LGBs and the senior leadership teams of its individual schools that it complies with financial regulations. The CEO is the Accounting Officer of the trust.

Arrangements for setting pay and remuneration of key management personnel

Remuneration for teaching staff within the trust is set by the LGB in accordance with the Pay Policy, which follows the School Teachers Pay and Conditions Document.

The senior leaders' pay awards are subject to the scrutiny of the LGB following the completion of a successful performance management review.

Centrally employed leaders / managers pay has been determined by the trustees and are benchmarked against external multi academies and businesses.

The CEO is responsible for the performance management of the head teachers of the individual schools, although they may delegate this task to a suitable national leader of education (NLE). The CEO/NLE are assisted by a trustee and a member of the LGB. The determination of their salaries must be in accordance with the provisions laid down in the School Teachers Pay and Conditions Document (STCPD). The Board of Trustees set the performance objectives for the CEO with an external independent educational partner. The subsequent assessment of achievement against these objectives informs the annual assessment of the CEO's salary by the board.

Trade union facility time

Information in accordance with Schedule 2 of the Trade Union (Facility Time Publication Requirements) Regulations 2018 is as follows:

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent number
None	n/a

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Total cost of facility time	£0
Total pay bill	£0
Facility time as percentage of total pay bill	£0

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	0
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Related parties and other connected charities and organisations

The members, trustees, senior staff and their families are regarded as related parties in accordance with the definitions in the Charities SORP. During this financial accounting period there have been no related party transactions.

Engagement with employees (including disabled persons)

The Beam Education Trust takes its obligations to inform and consult with employees seriously and makes increasing use of technology to ensure that communication is effective and easy to access by all. The trust shares all measures which may affect staff through the head teacher network who cascade to their individual school teams and follow up with staff individually.

To allow staff to monitor the trust's financial and operational performance, the financial statements are posted on the trust website annually.

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

The trust supports local businesses by allowing each school to maintain its own approved supplier list, fostering local relationships and rewarding good customer service, whilst also maintaining oversight and checks on value for money.

Each of the trust's schools plays an active role in its community and many are involved in local community initiatives and partnerships. Within the trust, schools have established lettings arrangements, providing facilities to the community during evenings, weekends and school holidays.

Objectives and activities

Objects and aims

The academy trust's objects as defined by its articles of association are:

"To advance, for the public benefit, education in the UK in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools offering broad and balanced curriculums."

The vision of The Beam Education Trust is: celebrating individuality and working collaboratively to achieve educational excellence.

Objectives, strategies and activities

Celebrating the individuality of our schools, our pupils and our staff, The Beam Education Trust is focussed on the future and driven to provide the best possible learning experiences. We think differently, innovate and support children at every level, helping them to achieve their full potential. Our schools share knowledge and best practice working together to achieve our shared vision.

THE BEAM EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Our values are collaboration, ambition, respect, innovation and trust.

Our key strategic priorities for 2021 / 2022 were to implement sound and cohesive systems across all four schools, conduct performance reviews of each school, enhance outdoor imaginative play, to further improve the health and safety throughout the schools and further improve teaching and learning throughout the schools.

- 1. To implement sound and cohesive systems across all four schools**
Establish consistent platforms to support all stakeholders in The Beam Education Trust.
- 2. To conduct performance reviews of each school**
To identify common themes, strengths and areas for development. Utilising expertise and resources from each school to strengthen all four schools.
- 3. Enhance outdoor imaginative play**
Enhance creative and imaginative play at lunch times in all schools.
- 4. Further improve teaching and learning in each school**
Further adapt the curriculum to enhance teaching and learning across each school.

Public benefit

In setting our objectives and planning our activities, the board of trustees has given careful consideration to the general guidance on public benefit.

The public benefit delivered by the trust is the provision of a high quality education to each of its pupils. The Beam Education Trust endeavours to ensure that this education is accessible to every child.

The trust also provides opportunities for children, their parents and the local communities that are served by each school through a range of extracurricular activities.

The Beam Education Trust is an equal opportunity employer, and strives to give full and fair consideration to all applicants for employment, training and promotions, irrespective of disability, gender, race, colour or sexual orientation.

Strategic report

Achievements and performance

- 1. To implement sound and cohesive systems across all four schools**
External reviews of IT, governance, financial systems and communication undertaken. IT audit completed across schools. Governance reviewed and action plan developed. Scheme of Delegation reviewed and tightened. Harmonisation of financial systems and procedures set up, training undertaken and procedures embedded. Shared platform for communication developed and embedded.
- 2. To conduct performance reviews of each school**
Performance review schedule developed including harmonisation of performance management, curriculum reviews and EYFS reviews. Strengths and areas for development identified. Talent mapping and succession planning tool developed. School improvement team identified led by appointed school improvement adviser.
- 3. Enhance outdoor imaginative play**
Joint training undertaken, audits completed and action plans developed in each school. Budgets set, risk benefit analysis undertaken and working parties set up. School councils working together across the Trust.
- 4. Further improve teaching and learning in each school**
All schools have continued to focus on delivering a broad and balanced curriculum offer. Curriculum reviews have taken place in science, geography and computing, ensuring progression and sequencing supports a rich and vibrant offer for children. Reviews have been shared with governors at every level.

All schools have a rigorous phonics and early reading scheme in place.

THE BEAM EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Key performance indicators

Ofsted Inspections during 2021/22: No schools inspected during this period.

Direct costs as a percentage of total costs were 67% (2021: 66%).

Support costs as a percentage of total costs were 33% (2021: 34%).

Total payroll costs as a percentage of recurring income were 73% (2021: 77%).

Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements.

Promoting the success of the company

The trustees recognise their obligations to promote the long term success of the trust, protecting its emerging local, regional and national reputation, and ensuring the highest standards of integrity and fairness in the relationships between schools, staff and business partners alike. It achieves engagement with stakeholders through:

- Maintaining a 'high autonomy' scheme of delegation, allowing schools to maintain local relationships and to be at the heart of their communities
- Using the trust website for external and internal communications
- Maintaining broad and dispersed leadership, with local governing bodies for all schools and including all the schools' head teachers in the trust's senior leadership team.
- Ensuring head teachers are fully empowered in budget setting for their schools and engaged in the trust's policy drafting process.

All head teachers and managers have unlimited access to an experienced HR, supported by a legal retainer. Policies, including the whistle blowing policy, are communicated through the shared drive, LGBs and the trust website.

There is a termly Chairs' Forum who feedback to the LGB and governors have access to advice and guidance through online subscriptions and shared drives. There has been trust wide CPD and collaborative working for all teaching staff and office staff to share best practice and update skills.

Financial review

The financial results of The Beam Education Trust are detailed in the following pages. It is considered that the finances are sound and well established. The principal financial management policies adopted are laid down by the Academy Trust Handbook published by the ESFA and requirements as laid down by the Multi Academy's Financial Procedures.

The principal funding source is grant income from the ESFA. All expenditure of this grant income is planned to fulfil the objectives and strategies of the multi academy trust.

During the year ended 31 August 2022 total resources expended were £6,378,000 and the surplus of income over expenditure was £2,320,000 which included depreciation of £202,000.

After adjusting for actuarial gains on the pension scheme of £2,337,000, the movement in funds during the period was £2,320,000.

The assets were used exclusively for providing education and the associated support services to the pupils of the trust.

The Beam Education Trust has a pension asset of £229,000 as at 31 August 2022 which is included in restricted reserves. The pension value as at 31 August 2022 has been determined by the actuary which is now showing the academy trust as having a pension asset as at 31 August 2022. In accordance with applicable accounting standards, the asset value has been deemed to be recognisable on the basis that the academy trust has expectations of reduced future employer contributions at some point during the life of the plan. Although a pension asset is arising, this does not create an immediately realisable asset that can be expended for the specific purposes of the pension fund.

THE BEAM EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Reserves policy

The trustees continually monitor the reserves of the charitable company. This process encompasses the nature of income and expenditure streams and the need to match commitments with income and nature of reserves.

It is the board of trustee's general policy to continue to build reserves which can be used for future educational purposes.

The multi academy trust had total funds at 31 August 2022 of £12,583,000 including a pension surplus of £229,000 and restricted fixed asset funds of £11,477,000. The level of free reserves as at 31 August 2022 totalled £877,000.

The trustees regularly review the level of reserves and aim to maintain them at a minimum of 5% of GAG income. Budgeted GAG income for 2022/23 is £5,018,102 and hence the minimum target is £250,905.

Investment policy

Investments are carried out in accordance with the powers vested in the board of trustees.

Principal risks and uncertainties

The trustees have assessed the major risks to which The Beam Education Trust is exposed and have a comprehensive, and recently updated risk register. The risk register has been reviewed and updated by the trustees, CEO and CFO and reported termly during the year to the Resources Committee. The risk register details the principal risks and strategies in place to manage them.

The trustees have established appropriate policies and procedures to mitigate the risks that each school faces. Robust policies are in place at all schools such as performance management, educational achievement assessment and monitoring, safer recruitment practices and internal finance controls.

At their meetings, trustees consider and monitor all potential risks arising from the trust's operations. Trustees assess the materiality and likelihood of risks occurring and determine the actions that are needed to reduce and mitigate these risks. Where significant financial risk still remains, trustees have ensured that they have adequate insurance cover. Trustees are satisfied that these systems are consistent with guidelines issued by the Charities Commission.

All financial systems, procedures and internal controls are subject to on-going review at senior leadership level as part of the day-to-day management of each school, the trust's internal audit service and through a central programme of internal scrutiny. In respect of financial risk, a system of internal control has been established and trustees continually review financial procedures and controls as necessary.

The principal risks identified during the 2021-22 year include the ongoing Covid-19 pandemic, with associated staff absence, wellbeing and educational attainment, risk of insufficient reserves, particularly in the smaller primary schools, reduced numbers in EYFS, increase in energy prices and cost of living, a lack of specific governance skills and a lack of senior leader time.

These risks are being mitigated in a number of ways:

- Ongoing support for all schools following the Covid-19 pandemic, including regular head teacher meetings, and development of school-specific catch-up plans
- Close monitoring and oversight of schools' financial performance. 5-year forecasts. Internal scrutiny of income and expenditure. Capital spending requirements incorporated into 5-year plans.
- Identification of governance skills gaps, buying in to governance support packages and recruitment drive through the one year celebration of the trust
- Trustee-led support for succession planning and back-up plans. Head teacher involvement in trust-wide activities and support
- Energy contracts guaranteed until May 2024.

THE BEAM EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Fundraising

The approach to fundraising taken by the academy trust is through:

- Lettings of the school buildings
- Management of wraparound care in two schools
- Nursery in one school
- Voluntary donations
- Fundraising

During the last academic year there was no work with any commercial participators or professional fundraisers.

Fundraising is carried out separately at schools across the trust. The funds raised are collected and banked to purchase specific items for individual schools. Fundraising activities include events such as Bonfire Night and Christmas fayres, quizzes, film nights and performances.

During 2021 – 22 there have been no fundraising complaints.

All fundraising meets the requirements of the Charity Commission publication "Charity fundraising: a guide to trustee duties (CC20)"

Plans for future periods

The trustees will continue to pursue their core objective to provide the highest educational opportunities for all children and enable them to reach their full potential. They will continue to actively promote The Beam Education Trust and continue to build on the foundations and ultimately secure financial stability for future operations.

Our Strategic Plan 2022 - 2025:

Education development

- To further develop the quality of education across The Beam Trust.
- To utilise the strengths within The Beam Trust to further improve outcomes for Reception children.
- To further develop achievement for all children.
- To further develop the quality and consistent pedagogy in the teaching of early reading.
- To further develop children's attitudes to learning.

People development

- To further build The Beam Trust's training and CPD offer to support career pathways and progression within the organisation and build capacity to deliver objectives and grow. Mapping talents, skills and interests and planning succession.
- To further build governors and trustees key role in the development of the vision, values and strategy of the Trust. Effectively holding leaders to account for the quality of education, management of resources and supporting the vision, values and strategy.

Business development and partnerships

- Further embed financial systems and processes in each school.
- Increase financial efficiencies across the trust.
- Build the capacity and core offer to enable growth.
- To improve the integration, administration and management of key business systems.
- Implement systems and processes to accurately record and report on key data.
- To develop systems and processes to manage The Beam Trust's estate efficiently and effectively.
- To build on existing partnerships.
- To consolidate and harmonise IT platforms, applications, services and offerings ensuring best value for money across the trust.

THE BEAM EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)


FOR THE YEAR ENDED 31 AUGUST 2022

Auditor

Insofar as the trustees are aware:

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

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on *14.12.2022*.....and signed on the board's behalf by:



.....
Beverley Jameson
Chair of trustees

THE BEAM EDUCATION TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that The Beam 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 The Beam 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 have formally met 5 times in the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee (Director)	Meetings attended	Out of a possible
Lynne Hollingsworth	5	5
Julie Hughes (resigned 27.04.2022)	4	4
Beverley Jameson (chair)	5	5
Joanne McLaughlin	2	5
Karina Middlehurst	5	5
Sue Nixon (resigned 24.03.2022)	4	4
Clare Swann	5	5
Jacqui Waby	2	5
Senior Leadership		
Gillian Marsland (CEO and Accounting Officer)	5	5
Lisa Peacock (CFO)	5	5

The resource committee is a sub-committee of the main board. Its purpose is to provide a holistic trust-wide review of business across the trust, and support the trustees in their work. Their focus is HR, operations and asset management, finances and audit. They have formally met seven times this year:

Trustee (Director)	Meetings attended	Out of a possible
Julie Hughes (chair)	6	6
Karina Middlehurst	7	7
Sue Nixon	6	6
Jacqui Waby	4	7
Senior Leadership		
Gillian Marsland (CEO and Accounting Officer)	7	7
Lisa Peacock (CFO)	7	7

THE BEAM EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

The standards committee is a sub-committee of the main board. Its purpose is to provide a trust-wide review of educational effectiveness and improvement, and support the trustees in their work. They have formally met 4 times this year:

Trustee (Director)	Meetings attended	Out of a possible
Lynne Hollingsworth	4	4
Joanne McLaughlin	4	4
Clare Swann (chair)	4	4
Senior Leadership		
Gillian Marsland (CEO and Accounting Officer)	4	4

Governance reviews

The board is committed to the highest standards of probity and excellence and recognises the need for proficiency in a range of areas from business and financial management, accountancy, personnel, educational leadership and school governance. Having completed an audit of their individual skills and following an External Review of Governance, the trustees are confident that as a body, they possess a high level and broad scope of expertise and business acumen relevant to their duties. The trustees are aware of the need for additional trustees and succession planning and are currently recruiting for new trustees and governors.

Conflicts of interest

The Beam Education Trust ensures that the register of interests is complete and up to date, and the information on this register is used in the day-to-day management and governance of the academy trust. Where relevant, The Beam Education Trust avoids conflicts of interest in its ownership or control of any subsidiaries, joint ventures or associates.

Review of value for money

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

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

Appointing a School Improvement Adviser to work across the Trust, along with coaching staff from each school into a School Improvement Team. This has reduced training costs, improved school improvement initiatives and reduced the cost of individual School Improvement Partners.

Worked with other trusts to share training on coaching and areas of school improvement.

Reviewing the utility contracts for all schools through a robust procurement process enabled us to enter into a five year fixed contract prior to the increased energy costs. This has extended to telephones throughout the Trust.

Central procurement of health and safety consultancy has reduced costs to individual schools for support and training.

Central procurement of learning resources, equipment licences and schemes has not yet taken place but in future years, this will result in substantial savings across all schools through bulk purchasing using economies of scale. This will allow school leaders to redirect savings towards other projects.

THE BEAM EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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 the trust's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Beam Education Trust for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the 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 multi academy trust's significant risks that has been in place for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The risk and control framework

The Beam Education 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 general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines; and
- Identification and management of risks.

The board of trustees has decided to employ Warrington BC as internal auditor. The internal auditor's role includes giving advice on financial matters and performing a range of checks on the trust's financial systems. In particular the checks carried out in the current period included:

- testing of payroll systems;
- testing of purchase systems;
- testing of control accounts / bank reconciliations;
- testing of website compliance; and
- testing of income control.

On an annual basis, auditor reports to the board of trustees, through the finance and general purposes 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.

Review of effectiveness


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

- the work of the internal auditor
- the work of the external auditor; and
- the financial management and governance self-assessment process of the school resource management self-assessment tool;

THE BEAM EDUCATION TRUST
GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

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

Approved by order of the members of the board of trustees on 14/12/2021 and signed on its behalf by:


.....
Beverley Jameson
Chair of trustees


.....
Gillian Marsland
Accounting officer

THE BEAM EDUCATION TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2022

As accounting officer of The Beam Education Trust, I have considered my responsibility to notify the academy 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 academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

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

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

Several instances were identified where alcohol was purchased for school events throughout the year. Alcohol is prohibited from being purchased as per the Academy Trust Handbook 2021 section 2.35.


.....
Gillian Marsland
Accounting officer

Date: 14/12/2022

THE BEAM EDUCATION TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2022

The trustees (who are also the directors of The Beam Education Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2021 to 2022 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 accounts for each financial year. Under company law, the trustees must not approve the accounts 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 accounts, the trustees are required to:

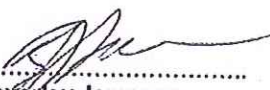
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Approved by order of the members of the board of trustees on 14/11/2022 and signed on its behalf by:


.....
Beverley Jameson
Chair of trustees

THE BEAM EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BEAM EDUCATION TRUST

FOR THE YEAR ENDED 31 AUGUST 2022

Opinion

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

In our opinion the accounts:

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

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 accounts' 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 accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the accounts 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 accounts 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 accounts 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.

THE BEAM EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BEAM EDUCATION TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report, including the incorporated 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 accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error. In preparing the accounts, 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 charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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 group's or the parent charitable company's 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.

THE BEAM EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BEAM EDUCATION TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

- 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 on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Identify and test journal entries, in particular any journal entries posting with unusual account combinations.
- 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 group's or parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 our auditor's report. However, future events or conditions may cause the group or parent charitable company 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 (ie. gives a true and fair view).
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

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

Use of our report

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

..... *Haines Watts*

Candice Beynon FCCA (Senior Statutory Auditor)

for and on behalf of Haines Watts

Chartered Accountants

Statutory Auditor

Bridge House

Ashley Road

Hale

Altrincham

WA14 2UT

Date: *14/12/2022*

THE BEAM EDUCATION TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2022

In accordance with the terms of our engagement letter dated 15 July 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Beam Education Trust during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of The Beam Education Trust's accounting officer and the reporting accountant
The accounting officer is responsible, under the requirements of The Beam Education Trust's funding agreement with the Secretary of State for Education dated 29 April 2021 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

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 BEAM EDUCATION TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2022

The work undertaken to draw to our conclusion includes:

- We have confirmed that the activities conform to the academy trust's framework of authorities. As identified by review of minutes, management accounts, discussion with the accounting officer and other key management personnel.
- We have carried out an analytical review as part of the consideration of whether general activities of the academy trust are within the academy trust's framework of authorities.
- We have considered the evidence supporting the accounting officer's statement on regularity, propriety and compliance and have evaluated the general control environment of the academy trust and extended the procedures required for financial statements to include regularity.
- We have assessed and tested a sample of the specific control activities over regularity of a particular activity. In performing sample testing of expenditure, we have considered whether the activity is permissible within the academy trust's framework of authorities. We confirm that each item tested has been appropriately authorised in accordance with the academy trust's delegated authorities and that the internal delegations have been approved by the board of trustees, and conform to the limits set by the Department for Education.
- Formal representations have been obtained from the board of trustees and the accounting officer acknowledging their responsibilities including disclosing all non-compliance with laws and regulations specific to the authorising framework, access to accounting records, provision of information and explanations, and other matters where direct evidence is not available.
- In performing sample testing of expenditure, we have reviewed against specific terms of grant funding within the funding agreement. We have reviewed the list of suppliers and have considered whether supplies are from related parties and have reviewed minutes for evidence of declaration of interest, and whether or not there was involvement in the decision to order from this supplier.
- We have performed sample testing of other income and tested whether activities are permitted within the academy trust's charitable objects.

Conclusion

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

Several instances were identified where alcohol was purchased for school events throughout the year. Alcohol is prohibited from being purchased as per the Academy Trust Handbook 2021 section 2.35.

Haines Watts

.....
Haines Watts
Reporting Accountant

Date:14/12/2022

THE BEAM EDUCATION TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2022 £'000	Total 2021 £'000
Income and endowments from:						
Donations and capital grants	3	-	145	195	340	56
Donations - transfer from local authority on conversion		-	-	-	-	10,501
Charitable activities:						
- Funding for educational operations	4	-	5,540	-	5,540	1,964
Other trading activities	5	372	109	-	481	84
Total		372	5,794	195	6,361	12,605
Expenditure on:						
Raising funds	6	11	-	-	11	1
Charitable activities:						
- Educational operations	8	63	6,102	202	6,367	2,043
Total	6	74	6,102	202	6,378	2,044
Net income/(expenditure)		298	(308)	(7)	(17)	10,561
Transfers between funds	16	(42)	(7)	49	-	-
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit pension schemes	18	-	2,337	-	2,337	(298)
Net movement in funds		256	2,022	42	2,320	10,263
Reconciliation of funds						
Total funds brought forward		530	(1,702)	11,435	10,263	-
Total funds carried forward		786	320	11,477	12,583	10,263

THE BEAM EDUCATION TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

FOR THE YEAR ENDED 31 AUGUST 2022

Comparative information ended 31 August 2021	Notes	Unrestricted	Restricted funds:		Total
		funds	General	Fixed asset	2021
		£'000	£'000	£'000	£'000
Income and endowments from:					
Donations and capital grants	3	-	1	55	56
Donations - transfer from local authority on conversion		458	(1,392)	11,435	10,501
Charitable activities:					
- Funding for educational operations	4	-	1,964	-	1,964
Other trading activities	5	73	11	-	84
Total		531	584	11,490	12,605
Expenditure on:					
Raising funds	6	1	-	-	1
Charitable activities:					
- Educational operations	8	-	1,988	55	2,043
Total	6	1	1,988	55	2,044
Net income/(expenditure)		530	(1,404)	11,435	10,561
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	18	-	(298)	-	(298)
Net movement in funds		530	(1,702)	11,435	10,263
Reconciliation of funds					
Total funds brought forward		-	-	-	-
Total funds carried forward		530	(1,702)	11,435	10,263

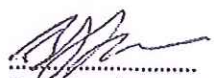
THE BEAM EDUCATION TRUST

BALANCE SHEET

AS AT 31 AUGUST 2022

	Notes	2022		2021	
		£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	12		11,461		11,402
Current assets					
Debtors	13	282		850	
Cash at bank and in hand		1,445		329	
		<u>1,727</u>		<u>1,179</u>	
Current liabilities					
Creditors: amounts falling due within one year	14	(834)		(528)	
Net current assets			893		651
Net assets excluding pension liability			<u>12,354</u>		<u>12,053</u>
Defined benefit pension scheme asset/(liability)	18		229		(1,790)
Total net assets			<u>12,583</u>		<u>10,263</u>
Funds of the academy trust:					
Restricted funds	16				
- Fixed asset funds			11,477		11,435
- Restricted income funds			91		88
- Pension reserve			229		(1,790)
Total restricted funds			<u>11,797</u>		<u>9,733</u>
Unrestricted income funds	16		786		530
Total funds			<u>12,583</u>		<u>10,263</u>

The accounts were approved by the trustees and authorised for issue on 14/12/2022 and are signed on their behalf by:


 Beverley Jameson
 Chair of trustees

Company registration number 13129766

THE BEAM EDUCATION TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £'000	£'000	2021 £'000	£'000
Cash flows from operating activities					
Net cash provided by/(used in) operating activities	19		1,182		(162)
Cash funds transferred on conversion			-		458
			<u>1,182</u>		<u>296</u>
Cash flows from investing activities					
Capital grants from DfE Group		195		29	
Capital funding received from sponsors and others		-		26	
Purchase of tangible fixed assets		(261)		(22)	
		<u></u>		<u></u>	
Net cash (used in)/provided by investing activities			<u>(66)</u>		<u>33</u>
Net increase in cash and cash equivalents in the reporting period			<u>1,116</u>		<u>329</u>
Cash and cash equivalents at beginning of the year			<u>329</u>		<u>-</u>
Cash and cash equivalents at end of the year			<u><u>1,445</u></u>		<u><u>329</u></u>

THE BEAM EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

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

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

1.1 Basis of preparation

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

1.2 Going concern

The trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company 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 accounts 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 accounts.

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

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

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

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.

THE BEAM EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

Other income

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

Donated goods, facilities and services

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

Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations 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.

Transfer of assets on conversion

Where assets and liabilities are received by the academy trust on conversion to an academy, the transferred net assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. Income equal to the net assets transferred on conversion is recognised within donations and capital grant income.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

THE BEAM EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

1.5 Tangible fixed assets and depreciation

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding that require the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities. 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, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Leasehold land and buildings	Buildings - 50 years, Land - 125 years
Assets under construction	nil until brought into use
Computer equipment	3 years
Fixtures, fittings & equipment	5 years

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

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

1.6 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.

1.7 Leased assets

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

1.8 Financial instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

THE BEAM EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. 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.

1.9 Taxation

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

1.10 Pensions benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the academy trust.

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

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

1.11 Fund accounting

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

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

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.

THE BEAM EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

The trustees have considered the apportionment of depreciation between direct and support costs. The majority of fixed assets are almost entirely used for the provision of education and only a small part for support services. Therefore a 90% direct cost and 10% support cost apportionment is considered appropriate.

3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
Capital grants	-	195	195	29
Other donations	-	145	145	27
	<u>-</u>	<u>340</u>	<u>340</u>	<u>56</u>

THE BEAM EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

4 Funding for the academy trust's charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
DfE/ESFA grants				
General annual grant (GAG)	-	4,811	4,811	1,611
Other DfE/ESFA grants:				
- UIFSM	-	204	204	75
- Pupil premium	-	212	212	68
- Start up grants	-	-	-	100
- PE and sport premium	-	74	74	25
- Others	-	91	91	-
	<u>-</u>	<u>5,392</u>	<u>5,392</u>	<u>1,879</u>
Other government grants				
Local authority grants	-	148	148	47
	<u>-</u>	<u>148</u>	<u>148</u>	<u>47</u>
COVID-19 additional funding				
DfE/ESFA				
Catch-up premium	-	-	-	38
	<u>-</u>	<u>-</u>	<u>-</u>	<u>38</u>
Total funding	<u>-</u>	<u>5,540</u>	<u>5,540</u>	<u>1,964</u>

Local authority grants comprise high needs funding of £54,000 (2021: £11,000), Early Years Funding of £91,000 (2021: £25,000) and £3,000 (2021: £12,000) of other grants.

There were no unfulfilled conditions or other contingencies in respect of government grant funding.

5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
Hire of facilities	37	-	37	4
Music tuition (can modify)	230	-	230	-
Parental contributions	-	78	78	11
Other income	105	31	136	69
	<u>372</u>	<u>109</u>	<u>481</u>	<u>84</u>

THE BEAM EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

6 Expenditure

	Staff costs £'000	Non-pay expenditure Premises £'000	Other £'000	Total 2022 £'000	Total 2021 £'000
Expenditure on raising funds					
- Direct costs	-	-	11	11	1
Academy's educational operations					
- Direct costs	3,737	181	379	4,297	1,356
- Allocated support costs	1,174	323	573	2,070	687
	<u>4,911</u>	<u>504</u>	<u>963</u>	<u>6,378</u>	<u>2,044</u>
Net income/(expenditure) for the year includes:				2022	2021
				£'000	£'000
Fees payable to auditor for:					
- Audit				-	8
- Other services				-	1
Operating lease rentals				26	2
Depreciation of tangible fixed assets				202	55
Net interest on defined benefit pension liability				32	9
				<u>32</u>	<u>9</u>

7 Central services

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

- human resources;
- financial services;
- legal services;
- educational support services; and
- others as arising.

The academy trust charges for these services on the basis of 3% of General Annual Grant income received.

The amounts charged during the year were as follows:

	2022 £'000	2021 £'000
Oughtrington Primary School	51	17
Ravenbank Primary School	51	17
Satham Primary School	25	8
Thelwall Infant School	17	6
	<u>144</u>	<u>48</u>

THE BEAM EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

8 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
Direct costs				
Educational operations	-	4,297	4,297	1,356
Support costs				
Educational operations	63	2,007	2,070	687
	<u>63</u>	<u>6,304</u>	<u>6,367</u>	<u>2,043</u>
Analysis of costs			2022	2021
			£'000	£'000
Direct costs				
Teaching and educational support staff costs			3,737	1,222
Staff development			25	5
Depreciation			181	49
Technology costs			53	15
Educational supplies and services			140	26
Educational consultancy			77	28
Other direct costs			84	11
			<u>4,297</u>	<u>1,356</u>
Support costs				
Support staff costs			1,185	361
Depreciation			21	6
Technology costs			66	24
Maintenance of premises and equipment			87	21
Cleaning			56	17
Energy costs			67	17
Rent, rates and other occupancy costs			68	23
Insurance			21	7
Security and transport			3	-
Catering			257	81
Interest on defined benefit pension scheme			32	9
Legal costs			4	49
Other support costs			174	60
Governance costs			29	12
			<u>2,070</u>	<u>687</u>

THE BEAM EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

9 Staff

Staff costs

Staff costs during the year were:

	2022 £'000	2021 £'000
Wages and salaries	3,471	1,105
Social security costs	307	96
Pension costs	1,035	351
Staff costs - employees	4,813	1,552
Agency staff costs	98	27
Staff development and other staff costs	4,911	1,579
	36	9
Total staff expenditure	4,947	1,588

Staff numbers

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

	2022 Number	2021 Number
Teachers	54	54
Administration and support	105	105
Management	5	5
	164	164

Higher paid staff

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

	2022 Number	2021 Number
£60,001 - £70,000	2	-
£70,001 - £80,000	1	-
£80,001 - £90,000	1	-

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 key management personnel employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust in the year was £441,457 (2021: 4 month period was £147,946).

THE BEAM EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

10 Trustees' remuneration and expenses

None of the trustees received remuneration or were reimbursed expenses during the year ended 31 August 2022 (2021: £nil).

11 Trustees' and officers' insurance

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

12 Tangible fixed assets

	Leasehold land and buildings £'000	Assets under construction £'000	Computer equipment £'000	Fixtures, fittings & equipment £'000	Total £'000
Cost					
At 1 September 2021	11,435	-	22	-	11,457
Additions	-	182	18	61	261
At 31 August 2022	11,435	182	40	61	11,718
Depreciation					
At 1 September 2021	54	-	1	-	55
Charge for the year	188	-	9	5	202
At 31 August 2022	242	-	10	5	257
Net book value					
At 31 August 2022	11,193	182	30	56	11,461
At 31 August 2021	11,381	-	21	-	11,402

The net book value of land and buildings comprises:

	2022 £'000	2021 £'000
Long leaseholds (over 50 years)	11,193	11,381

Leasehold land and buildings have been professionally valued by Eddisons as at the conversion date of 1 May 2021 at a depreciated replacement cost. The land and buildings are on a 125 year lease with Warrington Metropolitan Borough Council for a peppercorn rent.

THE BEAM EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

13 Debtors	2022 £'000	2021 £'000
Trade debtors	5	-
VAT recoverable	51	63
Prepayments and accrued income	226	787
	<u>282</u>	<u>850</u>
	<u><u>282</u></u>	<u><u>850</u></u>
14 Creditors: amounts falling due within one year	2022 £'000	2021 £'000
Trade creditors	128	43
Other taxation and social security	75	161
ESFA creditors	8	-
Other creditors	110	15
Accruals and deferred income	513	309
	<u>834</u>	<u>528</u>
	<u><u>834</u></u>	<u><u>528</u></u>
15 Deferred income	2022 £'000	2021 £'000
Deferred income is included within:		
Creditors due within one year	176	170
	<u>176</u>	<u>170</u>
Deferred income at 1 September 2021	170	-
Released from previous years	(170)	-
Resources deferred in the year	176	170
	<u>176</u>	<u>170</u>
Deferred income at 31 August 2022	<u><u>176</u></u>	<u><u>170</u></u>

At the balance sheet date, the academy trust was holding the following income received in advance:

- Universal Infant Free School Meals grant income - £121,000 (2021: £119,000)
- Trips income - £13,000 (2021: £5,000)
- LA income - £33,000 (2021: £43,000)
- Other income - £9,000 (2021: £3,000)

THE BEAM EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

16 Funds

	Balance at 1 September 2021 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2022 £'000
Restricted general funds					
General Annual Grant (GAG)	70	4,811	(4,863)	(7)	11
UIFSM	-	204	(204)	-	-
Pupil premium	-	212	(212)	-	-
Other DfE/ESFA grants	18	165	(183)	-	-
Other government grants	-	148	(148)	-	-
Other restricted funds	-	254	(174)	-	80
Pension reserve	(1,790)	-	(318)	2,337	229
	<u>(1,702)</u>	<u>5,794</u>	<u>(6,102)</u>	<u>2,330</u>	<u>320</u>
Restricted fixed asset funds					
Inherited on conversion	11,381	-	(188)	-	11,193
DfE group capital grants	28	195	(6)	-	217
Capital expenditure from GAG	-	-	(3)	49	46
LA capital grants	18	-	(2)	-	16
PTA donations	8	-	(3)	-	5
	<u>11,435</u>	<u>195</u>	<u>(202)</u>	<u>49</u>	<u>11,477</u>
Total restricted funds	<u>9,733</u>	<u>5,989</u>	<u>(6,304)</u>	<u>2,379</u>	<u>11,797</u>
Unrestricted funds					
General funds	530	372	(74)	(42)	786
Total funds	<u>10,263</u>	<u>6,361</u>	<u>(6,378)</u>	<u>2,337</u>	<u>12,583</u>

THE BEAM EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

16 Funds

(Continued)

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

Restricted general funds are those resources that have been designated by the grant provider in meeting the objects of the academy.

The pension value as at 31 August 2022 has been determined by the actuary which is now showing the academy trust as having a pension asset as at 31 August 2022. In accordance with applicable accounting standards, the asset value has been deemed to be recognisable on the basis that the academy trust has expectations of reduced future employer contributions at some point during the life of the plan. Although a pension asset is arising, this does not create an immediately realisable asset that can be expended for the specific purposes of the pension fund.

Restricted fixed asset funds are those funds relating to the long term assets of the academy used in delivering the objects of the academy. This balance is made up of the net book value of fixed assets plus £16,000 of unspent DFC carried forward.

Unrestricted funds are those funds which the board of trustees may use in the pursuance of the academy's objects and are expendable at the discretion of the trustees.

The academy trust is not subject to GAG carried forward limits.

THE BEAM EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

16 Funds

(Continued)

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

	Balance at 1 May 2021 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2021 £'000
Restricted general funds					
General Annual Grant (GAG)	-	1,611	(1,541)	-	70
Start up grants	-	100	(100)	-	-
UIFSM	-	75	(75)	-	-
Pupil premium	-	68	(68)	-	-
Catch-up premium	-	38	(38)	-	-
Other government grants	-	47	(47)	-	-
PE and sport premium	-	25	(7)	-	18
Other restricted funds	-	12	(12)	-	-
Pension reserve	-	(1,392)	(100)	(298)	(1,790)
	-	584	(1,988)	(298)	(1,702)
Restricted fixed asset funds					
Inherited on conversion	-	11,435	(54)	-	11,381
DfE group capital grants	-	29	(1)	-	28
LA capital grants	-	18	-	-	18
PTA donations	-	8	-	-	8
	-	11,490	(55)	-	11,435
Total restricted funds	-	12,074	(2,043)	(298)	9,733
Unrestricted funds					
General funds	-	531	(1)	-	530
Total funds	-	12,605	(2,044)	(298)	10,263

THE BEAM EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

16 Funds (Continued)

Total funds analysis by academy

	2022	2021
	£'000	£'000
Fund balances at 31 August 2022 were allocated as follows:		
Oughtrington Primary School	464	229
Ravenbank Primary School	162	143
Statham Primary School	151	119
Thelwall Infant School	85	111
Central services	15	16
	<u>877</u>	<u>618</u>
Total before fixed assets fund and pension reserve	877	618
Restricted fixed asset fund	11,477	11,435
Pension reserve	229	(1,790)
	<u>12,583</u>	<u>10,263</u>
Total funds	<u>12,583</u>	<u>10,263</u>

Total cost analysis by academy

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

	Teaching and educational support staff	Other support staff costs	Educational supplies	Other costs excluding depreciation	Total 2022	Total 2021
	£'000	£'000	£'000	£'000	£'000	£'000
Oughtrington Primary School	1,251	370	112	289	2,022	622
Ravenbank Primary School	1,319	222	93	297	1,931	616
Statham Primary School	661	121	104	157	1,043	329
Thelwall Infant School	482	179	45	155	861	270
Central services	51	293	3	116	463	98
	<u>3,764</u>	<u>1,185</u>	<u>357</u>	<u>1,014</u>	<u>6,320</u>	<u>1,935</u>

17 Analysis of net assets between funds

	Unrestricted Funds	Restricted funds:		Total Funds
	£'000	General £'000	Fixed asset £'000	£'000
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	-	-	11,461	11,461
Current assets	786	925	16	1,727
Current liabilities	-	(834)	-	(834)
Pension scheme asset	-	229	-	229
	<u>786</u>	<u>320</u>	<u>11,477</u>	<u>12,583</u>
Total net assets	<u>786</u>	<u>320</u>	<u>11,477</u>	<u>12,583</u>

THE BEAM EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

17 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	-	-	11,402	11,402
Current assets	530	616	33	1,179
Current liabilities	-	(528)	-	(528)
Pension scheme liability	-	(1,790)	-	(1,790)
Total net assets	530	(1,702)	11,435	10,263

18 Pension and similar obligations

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

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

Contributions amounting to £95,000 (2021: £89,000) were payable to the schemes at 31 August 2022 and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

THE BEAM EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

18 Pension and similar obligations

(Continued)

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- 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. The 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 2024.

The employer's pension costs paid to the TPS in the year amount to £504,000 (2021: 4 month period amounted to £165,000).

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

Under the definitions set out in FRS 102, the TPS is 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 contributions are as noted below. The agreed contribution rates for future years are 23% for employers and 5.5 to 12.5% for employees.

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

Total contributions made	2022	2021
	£'000	£'000
Employer's contributions	245	95
Employees' contributions	60	24
	<u> </u>	<u> </u>
Total contributions	305	119
	<u> </u>	<u> </u>
Principal actuarial assumptions	2022	2021
	%	%
Rate of increase in salaries	3.75	3.60
Rate of increase for pensions in payment/inflation	3.05	2.90
Discount rate for scheme liabilities	4.25	1.65
	<u> </u>	<u> </u>

THE BEAM EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

18 Pension and similar obligations

(Continued)

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

	2022 Years	2021 Years
Retiring today		
- Males	21.2	21.4
- Females	23.8	24.0
Retiring in 20 years		
- Males	22.1	22.4
- Females	25.5	25.7

Scheme liabilities would have been affected by changes in assumptions as follows:

Sensitivity analysis

Changes in assumptions at 31 August 2022

	Approximate % increase to employer liability	Approximate monetary amount (£'000)
0.1% decrease in Real Discount Rate	2%	81
1 year increase in member life expectancy	4%	142
0.1% increase in the Pension Increase Rate	2%	72
0.1% increase in the Salary Increase Rate	0%	9

The academy trust's share of the assets in the scheme

	2022 Fair value £'000	2021 Fair value £'000
Equities	1,846	1,729
Bonds	1,205	1,579
Cash	226	75
Property	490	376
Total market value of assets	3,767	3,759

The actual return on scheme assets was £(297,000) (2021: £202,000).

Amount recognised in the statement of financial activities

	2022 £'000	2021 £'000
Current service cost	531	186
Interest income	(64)	(23)
Interest cost	96	32
Total operating charge	563	195

THE BEAM EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

18 Pension and similar obligations	(Continued)	
Changes in the present value of defined benefit obligations	2022	2021
	£'000	£'000
At 1 September 2021	5,549	-
Obligations acquired on conversion	-	4,830
Current service cost	531	186
Interest cost	96	32
Employee contributions	60	24
Actuarial (gain)/loss	(2,698)	477
	<u> </u>	<u> </u>
At 31 August 2022	3,538	5,549
	<u> </u>	<u> </u>
Changes in the fair value of the academy trust's share of scheme assets	2022	2021
	£'000	£'000
At 1 September 2021	3,759	-
Assets acquired on conversion	-	3,438
Interest income	64	23
Actuarial loss/(gain)	(361)	179
Employer contributions	245	95
Employee contributions	60	24
	<u> </u>	<u> </u>
At 31 August 2022	3,767	3,759
	<u> </u>	<u> </u>

The pension value as at 31 August 2022 has been determined by the actuary which is now showing the academy trust as having a pension asset as at 31 August 2022. In accordance with applicable accounting standards, the asset value has been deemed to be recognisable on the basis that the academy trust has expectations of reduced future employer contributions at some point during the life of the plan. Although a pension asset is arising, this does not create an immediately realisable asset that can be expended for the specific purposes of the pension fund.

THE BEAM EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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

	Notes	2022 £'000	2021 £'000
Net (expenditure)/income for the reporting period (as per the statement of financial activities)		(17)	10,561
Adjusted for:			
Net surplus on conversion to academy		-	(10,501)
Capital grants from DfE and other capital income		(195)	(55)
Defined benefit pension costs less contributions payable	18	286	91
Defined benefit pension scheme finance cost	18	32	9
Depreciation of tangible fixed assets		202	55
Decrease/(increase) in debtors		568	(850)
Increase in creditors		306	528
Net cash provided by/(used in) operating activities		1,182	(162)

20 Analysis of changes in net funds

	1 September 2021 £'000	Cash flows £'000	31 August 2022 £'000
Cash	329	1,116	1,445

21 Long-term commitments

Operating leases

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

	2022 £'000	2021 £'000
Amounts due within one year	6	4
Amounts due in two and five years	10	8
	<u>16</u>	<u>12</u>

22 Related party transactions

No related party transactions took place in the period of account.

23 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.