

**BEACON EDUCATION MAT LTD (FORMERLY KNOWN AS WEST
SOMERSET ACADEMIES TRUST)
(A COMPANY LIMITED BY GUARANTEE)**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

**BEACON EDUCATION MAT LTD (FORMERLY KNOWN AS WEST SOMERSET ACADEMIES TRUST)
(A COMPANY LIMITED BY GUARANTEE)**

CONTENTS

	Page
Reference and Administrative Details	1 - 2
Trustees' Report	3
Statement of Trustees' Responsibilities	24
Independent Auditors' Report on the Financial Statements	25 - 28
Independent Reporting Accountant's Report on Regularity	29 - 30
Statement of Financial Activities Incorporating Income and Expenditure Account	31
Balance Sheet	32
Statement of Cash Flows	33
Notes to the Financial Statements	34 - 64

**BEACON EDUCATION MAT LTD (FORMERLY KNOWN AS WEST SOMERSET ACADEMIES TRUST)
(A COMPANY LIMITED BY GUARANTEE)**

REFERENCE AND ADMINISTRATIVE DETAILS

Members	L Baker N Mouzouri E Gregory K Tucker
Trustees	S Brown, Chair of Trustees (resigned 31/10/22) R Lakin, Chief Executive Officer (appointed 01/09/21) ^{1,2} P Rushforth (resigned 31/08/21) H Lake ² J Bellamy ^{1,2} J Ewen, Vice Chair A Giles, Chair of Trustees (appointed 31/10/22) ^{1,2} A Kingston-James F Miller ² K Tucker ¹ C Wood ¹ ¹ Finance & Audit ² Standards & Assessment Committee
Company registered number	07630164
Company name	Beacon Education MAT Ltd (formerly known as West Somerset Academies Trust)
Principal and registered office	Minehead Middle School Ponsford Road Minehead Somerset TA24 5RH
Company secretary	Barbara O'Keefe
Chief executive officer	Robert Lakin
Senior management team	Robert Lakin, Chief Executive Officer Trudy Danby, Chief Operations Officer
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors 2nd Floor Stratus House Emperor Way Exeter Business Park Exeter EX1 3QS

**BEACON EDUCATION MAT LTD (FORMERLY KNOWN AS WEST SOMERSET ACADEMIES TRUST)
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

Bankers	Lloyds Bank 23 Fore Street Williton Taunton TA4 4QF
Solicitors	Browne Jacobson

**BEACON EDUCATION MAT LTD (FORMERLY KNOWN AS WEST SOMERSET ACADEMIES TRUST)
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022**

TRUSTEES' REPORT

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the ended 31 August 2022. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates two middle school and four first school academies in West Somerset. Its academies have a combined pupil capacity of 1,736 and had a roll of 1,607 in the school census in October 2021.

Minehead First School and Old Cleeve First School have a 3 – 9 years old age range and operate term time nurseries from their school sites. The Trust also operates two 0- 4-year-old nurseries that operate on an all year-round basis – King Edward Road nursery in Minehead and St Peter's Nursery in Williton.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust was incorporated on 1st May 2016 and is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Trustees of West Somerset Academies Trust are also the directors of the Charitable Company for the purposes of company law. The Charitable Company operates as West Somerset Academies Trust.

Details of the Trustees who served throughout the period, and to the date the accounts are approved are included in the Reference and Administration Details.

Trustees' Liability

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

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
2	1.6

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	1.6
1%-50%	
51%-99%	
100%	

Percentage of pay bill spent on facility time

Provide the total cost of facility time	
Provide the total pay bill	£7,980,297
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time / total pay bill) x 100	

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

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period / total paid facility time hours) x 100	0
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Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy Trust. The limit of this indemnity is £10,000,000.

Method of recruitment and appointment or election of Trustees

On 1st May 2016 the West Somerset Academies Trust was established.

The Academy Trust has the following Trustees as set out in its Articles of Association and funding agreement:

- Up to 12 Trustees who are appointed by members
- Up to 3 Trustees who are appointed by the Diocese of Bath & Wells, provided that the total number of these Trustees would not exceed 50% of the total number of Trustees.
- Up to 3 Parent Trustees who are elected by Parents of registered pupils at the Academies
- Staff Trustees: members shall ensure that the total number of Trustees (including the Chief Executive Officer) who are employees of the Company does not exceed one third of the total number of Trustees
- Up to 2 Community Trustees who are appointed by the Trustee Board.
- The Chief Executive Officer

Trustees are appointed for a four-year period, except that this time limit does not apply to the Chief Executive Officer. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy Trust's development.

Policies and Procedures adopted for the Induction and Training of Trustees

The Academy Trust has a Trustee Recruitment, Induction and Training policy available from the Clerk to the Trustees. The Trust buys in support from the Local Authority Governor Services Team.

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour and a chance to meet staff and children. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies.

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

Organisational Structure

The West Somerset Academies Trust Board of Trustees normally meets Six times per annum. The Board establishes an overall framework for the governance of the Academy Trust and through its Scheme of Delegation determines membership, terms of reference and procedures of Local Governing Bodies and Academic Board. It receives reports for ratification and monitors the activities of the Local Governing Bodies and Academic Board. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

The Board has agreed a governance structure and associated Scheme of Delegation.

During 2021/22 the following committees were in place:

Finance, Audit & Risk Committee, this meets at least three times a year and is responsible for:

- Monitoring, evaluating and reviewing policy and performance in relation to financial management
- Compliance with reporting and regulatory requirements and receiving reports from the Responsible Officer/internal auditor
- Scrutinising and challenging the draft annual budget including staffing levels.
- Monitoring and reviewing risk management across the Trust.

Standards & Assessment Committee, this meets at least three times a year and is responsible for:

- Support the monitoring of the Trust improvement plan
- Monitor and evaluate pupil performance data throughout the year
- Consider and approve self-evaluation information
- Monitor trust developments and promotion of links with parents and the local community

The following decisions are reserved to the Board of Trustees:

- To consider any proposals for changes to the status or constitution of the Academy Trust and its structure,
- To appoint or remove the Chairman and/or Vice Chairman,
- To appoint the Chief Executive Officer, Chief Operations Officer and Clerk to the Trustees
- To approve the budget.

The Trustees are responsible for setting general policy, adopting an annual strategic plan and budget, approving the statutory accounts, monitoring individual academies within the Trust by the use of budgets and other data, and making major decisions about the direction of the Academy Trust, capital expenditure and senior staff appointments.

The Board of Trustees has devolved responsibility for day-to-day management of the Academy Trust to the Chief Executive Officer (CEO), Chief Operations Officer (COO) and Academic Board (Senior Leadership Team). The CEO and COO ensure that individual academies implement the policies as laid down by the Trustees and report back to them on performance.

The Trust has a Governance and leadership structure which consists of the Trustees, CEO, COO and the Senior Leadership Team. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Senior Leadership Team (SLT) consists of the Academy Headteachers and Trust Advisory staff. The Headteachers manage their academies at an executive level, implementing the policies laid down by the Trustees and reporting back to them. Budget holders are responsible for the authorisation of spending within agreed budgets; a summary of this is in the Scheme of Delegation.

The CEO is the Accounting Officer.

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

Arrangements for setting pay and remuneration of key management personnel

The members of the senior leadership team, as identified on Page 1, comprise the key management personnel of each academy in charge of directing and controlling, running and operating the Trust on a day-to-day basis.

All Trustees give their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

In 2021/22 the pay of key management personnel was based on recommended national pay scales

Related Parties and other Connected Charities and Organisations

There are no related parties which either control or significantly influence the decisions and operations of the West Somerset Academies Trust. There are no sponsors or formal Parent Teacher Associations associated with the Trust.

Engagement with employees (including disabled persons)

The Trust engages with their employees through a range of means and methods, including:

- Consulting with employees on key matters, including engaging the relevant union officials
- Carrying out staff wellbeing surveys and acting on issues raised
- Regular updates to all staff, CEO updates

OBJECTIVES AND ACTIVITIES

Objects and Aims

West Somerset Academies Trust Guiding Principles

Our Vision: to build an inclusive, supportive, considerate community of lifelong learners, who are self-aware, reflective of the thoughts and beliefs of others and aspire to make a positive difference to the world in which we all live.

Our Mission: to achieve our vision, we are committed to improving the quality of education for every child in our care. Our core values of Ambition, Respect and Excellence will be promoted, and we aim for a culture in which everyone is able to feel valued, all achievements and efforts are celebrated. Working together in a safe, caring and stimulating environment, we are 'Always Learning'

Our Values:

Ambition:

- To take 'calculated' risks
- To learn from mistakes
- Persevere – keep going when the going gets tough
- Teachers learn and learners teach
- Delight in learning as one team together
- Willing to try out new experiences, even if they seem difficult

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

Respect

- Everyone is valued no matter of faith or belief
- Treat others as we want to be treated ourselves, be courteous and kind
- Appreciate family and friends and be active in the wider community
- Act with social responsibility
- Care for the environment
- Celebrate the freedom of expression
- To be reflective

Excellence

- To know yourself, your skills and talents and be the best you can be
- Pride in yourself and your learning
- Share your knowledge and talents and value the wisdom of others
- Be a role model, be compassionate, positive, humble, and thankful
- Show resilience when challenged
- Achieve excellence through ambition, collaboration and resilience.

Strategic Priorities

School Improvement

Aim: To improve pupil outcomes in all Trust Academies

A. To LEAD continuously improving institutions:

KPI – after an agreed period of time within the Trust (3years first School 5 years middle school) all our schools will perform in the top 15% of all national attainment and progress performance measures.

- Schools use the Trust values (ARE) and the motto 'Always Learning' to set the culture for high performance and continual improvement.
- Set ambitious but realistic targets for all our schools to drive improvement in areas which are a priority.
- Invest in our staff so that we become the sector employer of choice in the local area because of our high-quality staff rewards, training and development schemes, with a continuous focus on succession planning.
- Leaders, at all levels, are ambitious and have high expectations for the pupils and staff they are responsible for.
- Support, challenge, and accountability is not only valued but embraced.

B. Children First - Inclusion at the heart of all decision making

KPI's

- a) Each year pupil attendance improves, and exclusion rates reduce.
 - b) All sub-group outcome data is improving year on year.
- Key measures linked to behaviour and attendance show continual year upon year improvement.
 - Develop and implement an effective well-being & mental health strategy.
 - Ensure that all staff have access to high-quality data and use it effectively in their planning so that their teaching always supports the progress of pupils particularly for those most at risk of underachieving.

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

C. Embed vision and values through effective communication strategy

KPI's:

- a) Trust vision and values emerge as golden thread throughout all policy, procedure and systems and are aligned into schools throughout the trust.
- b) Highly effective communication strategy in place ensuring:
 - Communication is clear, accurate and precise
 - Inclusive to whole school community
 - Improvements made Trust wide by listening to one another
 - Effective systems for feedback
 - Messages are consistent through all forms of Trust communication
 - Monitor the quality of information shared Trust wide with all stakeholders

D. Insist on quality first teaching

KPI's – Through high quality QA procedures, quality first teaching is the expected norm.

- Further embed to ensure consistency in The Trust's Appraisal process for all staff.
- Further create the capacity to target and intervene with pupils as needed to close learning gaps should they arise.
- Create opportunities for coaching and mentoring approaches to be used effectively in classrooms to improve teaching.
- IT used effectively to support high quality teaching and pupil progress.
- The Trust has highly effective staff who implement The Trust policies and procedures that promote progress, innovation and high-quality teaching.

E. Create an innovative curriculum in each of our academies:

- Ensure that the curriculum offer is broad and balanced, with the education and development of the whole child being central to everything we do.
- Ensure the curriculum is fit for purpose and delivers the national agenda appropriately for all pupils.

F. Celebrate the work of The Trust overtly, in order to build stakeholder confidence.

- Effective communication at all levels (reform Trust communication strategy)
- Engaging and effective websites that offer a window into all settings
- Positive social media campaign at all levels
- The Trust's reputation locally, regionally, and nationally improves year on year

G. Ensure that The Trust's School Improvement Strategy is continually developing and impactful.

- Ensure that high quality and effective collaboration contributes to increased progress for pupils.
- Build internal capacity through effective school to school support and deployment.
- Ensure that all schools are outward facing, learning from other institutions and implementing best practise effectively.
- Invest in and develop leadership potential at all levels.
- Ensure that our key school improvement priorities drive where our school improvement funds will be deployed, and that value for money is always achieved.

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

In 2022/23 – we will continue to develop a high quality, cross phase **Teaching and Learning Team**.

The focus will be to:

- Complete the full Teaching, Learning and Assessment Policy.
- Improve disadvantaged / SEND outcomes.
- Implement an effective mental health and well-being strategy trust wide.
- Develop and implement an IT strategy focused on improving pupil outcomes.
- Establish an effective trust wide mentoring programme to support teachers to reflect on and develop their practice.
- Improve challenge and aspiration with a clear focus on questioning and activities in all sessions.
- Develop effectiveness and capacity of school-to-school support.
- Develop phase specific / subject specialist roles and evolve throughout the year

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

The Trust aims to advance for the public benefit, education in West Somerset in particular, but without prejudice to the generality of the forgoing by estimating, maintaining, managing and development schools and offering a broad curriculum.

Across its schools the Trust provides facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of the said community.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Number on roll and admissions

The Trust is in its sixth year of operation and has maintained a steady number on roll, 1,605 in the school census in October 2021. Across the six schools and four nurseries WSAT provides care and education to 0 – 13-year-olds. Pupils in our schools are admitted in line with the Trust Admissions Policy, children are not selected by ability or aptitude; the Trust Admissions policy outlines the criteria for admission.

Performance

WSAT has clear strategic vision, values, and priorities – and these are clearly set out in the Trust Improvement Plan and are understood by our main stakeholders.

School Updates

Danesfield Middle School:

Danesfield Middle School (“DMS”) joined in April 2017. An Ofsted inspection is anticipated within the next 12 months. Results at KS2 in 2022 whilst disappointing clearly highlighted the impact of the pandemic on this and future cohorts. Most recent Ofsted monitoring reports confirm there is a clear vision for moving the academy forward whilst also a recognition of the scale of the challenge that DMS faces. The trust has provided specific focus and resources in supporting DMS in its journey to improve standards. This has been, and still is a challenging area given the funding route for DMS with low pupil numbers and a disparate demographic.

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

A number of significant changes have been put in place, including the appointment of a new Headteacher beginning in role since January 2022, who will bring a strong drive and holds a strong track record in educational improvement. The expectations are that when inspected last time that this school will improve on its current previous inspection report.

- Importantly pupils in all four-year groups are able to experience a broad and balanced curriculum utilising the staffs' subject expertise and facilities at the school
- The number of pupils currently reading above their chronological reading age is above national average for all four-year groups
- In place for primary aged pupils is a robust assessment system that encompasses both summative and formative assessment methods to identify successes and areas to develop
- Outcomes are moderated and shared with other middle schools to create a template of consistency and competency for all staff across the sector
- Outcomes at KS2 highlighted the need for focus on certain facets of reading and vocabulary, (Reading 62.2%, Writing 62.2%), as well as how the impact of attainment grouping in maths, (63.3%), had made a positive impact of progress Jan-July.
- Outcomes at KS3 highlighted positive progress from 5-8 for pupils in Maths and positive progress for High and Low prior attainers in Reading. Outcomes also identified the need for intervention to improve progress for SEND and Pupil Premium pupils in Reading.
- Staff receive comprehensive and evidence-led professional development and appraisal through involvement in schools and trust-wide foci
- High expectations in behaviour and a fully embedded House System engenders a sense of community for a cohort that contain 32% Pupil Premium
- Alterations made to middle and senior leadership structure will support success in the school's improvement priorities
- An extremely high attendance in extra-curricular activities that run at lunch and after school and include activities such as sport, gardening, sustainability and debating.

Minehead Middle School

Minehead Middle School ("MMS") – MMS is currently rated as Good (previously Good.) Progress continues to be in line with national average, children making at least expected progress from starting points. Attainment is below national average; however, a program of interventions and support is in place to improve outcomes and gaps in learning during the period of instability due to CV-19 and leadership reform. MMS draws from a wide spectrum of First Schools in the locality and works are underway to enhance transition.

- Progress between KS1 and KS2 continues to be above national average year on year.
- Extra-curricular opportunities were wide and varied including a range of sports, eco-club, maths masters and gardening. Participation was high with 72% of children attending at least one club.
- Professional development of staff has continued to be a priority with a focus on the science of learning, memory and cognitive overload. Staff implement this knowledge when sequencing the curriculum, planning schemes of work and teaching.
- Evidence informed feedback policy has been developed and implemented considering the most up-to-date research around effective assessment for learning and feedback and has positively impacted teachers' workload.
- Pupils have the opportunity to take on various roles of responsibility such as Head boy/girl, prefects, sports leaders, eco-committee and librarians.
- Regular residential opportunities such as Osmington Bay, Little Canada, UKSA and Magdalen Farm.
- CPOMs is now a staple of everyone's daily routine in terms of safeguarding and ensuring a central register of concerns.
- Whole school performance continues to evolve and develop following in from the success of the past year, Oliver, Sing for Ukraine, Year 8 leavers performances.

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

Minehead First School

Minehead First School ("MFS") – MFS joined WSAT in May 2016. There has been leadership reform over the past academic year. An interim Headteacher is in place and driving whole school improvement, with good effect. At its most recent Ofsted MFS moved from special measures in June 2021 and achieving good aspects for Behaviour, Personal Development and Leadership and Management. The current expectations of the leadership team are that the school will, when next inspected attain a Good rating.

- EYFS GLD results were 72% Year 2 KS1 results combined 64%
- Great connections within the community were made. Year 2 worked alongside Exmoor Youth Project who supported us in the delivery and enhancement of RE lessons based on Christianity.
- For maths progression, a continued relationship with Boolean Hub (NCETM) and completed the embedding phase and are now in the sustaining phase.
- Focussed maths CPD to enhance subject knowledge on areas identified by staff. Focus this year was questioning and use of manipulatives.
- Achieved Bronze Level Primary Geography Quality Mark.
- All teaching staff have undergone REAL PE/dance and Rugby training which was funded from the sport premium. This has now benefitted our teaching of PE in school.
 - Community links continue to evolve. Participating in a range of activities such as mountain biking and orienteering in our local area. These events have been through local organisation. We hope to continue and expand these local opportunities.
- We had 3 children taking part in violin lessons last year with a peripatetic teacher. This term, we have 23. We are now offering guitar, ukulele, piano and violin. Our choir has now doubled and has made commitments to perform carols at local care homes and the hospital this term. The SEND children also have their own music curriculum and own instrument sets to allow them to access enriching, sensory experiences at their own level.
- Offered forest tots which offers our youngest children a great start with building self-esteem and motor skills in the outdoor environment.
- Our specialist provision for SEND children is a strength of the school, and adults working with these children work alongside the class teachers to try and make links where possible.
- Extracurricular clubs are wide and varied sports, crafts, leadership, choir, coding, science, etc. Something for most children to enjoy.

St Michael's First School

St Michael's First School ("SMFS") joined in September 2016. SMFS is currently rated as Good. In 2022-2023 there are 30 children in the reception cohort. There are two additional children with an EHCP who access learning in reception class due to having a high level of need. And 13% of EAL children. We predict 80% to achieve GLD in July 2023.

We anticipate an improvement in standards so that the gender gap is diminished and 80% of children achieving a Good Level of Development with minimal gender gap. Our prediction is for 30% (6/30) of pupils to exceed the national standard in all core and prime areas.

KS1 Reading attainment at ARE IN 2022 does display a 12% gender gap but at the higher level there is no gender gap. Both are above the national average. Although there is a gap between PP children's attainment and their non PP peers in reading, PP children achieved higher (71%) than the national average (67%) for all children in reading in 2022 and significantly above the national average for PP (51%).

In writing girls have tended to outperform boys and in 2022 they did so by 12% compared with boys. However, both genders attained above the national average for writing at ARE. PP children (71%) performed significantly above the national average for non-PP children (58%).

Maths attainment at ARE in 2022 was significantly higher than the national average (75% versus 68%), however boys performed significantly higher than the girls. Despite the gender gap girls still performed in line with the national average. PP children performed significantly worse than the national average for PP children. This is an area for swift improvement this academic year and is being targeted through interventions and tutoring.

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

- Children at St Michaels flourish both academically, socially and pastorally.
- Outcomes at EYFS, Phonics screening test and Year 2 were very positive in 2022. All data sets were at or above the national average.
- Acquisition of phonics and early reading is swift, and most children make faster than average progress. Through regular assessment, weekly monitoring and clear feedback to staff delivering lessons helps to ensure progress is demonstrable. Y1 PSC in June 22 was 84%. The one child who did not pass the PSC in Dec 21 passed in June 22. Daily 1:1 tutoring of the lowest 20% in Y1 is tackling gaps. In 22-23 we are building upon this success with a heavy focus on improving both fluency and the love of reading. The latter is being supported by the development of a new library.
- Ambitious targets are set and a growing culture of challenge across all year groups.
- Extra-curricular activities play a significant part in the life of the academy and there are opportunities to participate in wider, collaborative events such as matches in sport and festivals in music and art.
- The wider life of the school is one its greatest assets and highly valued by children and parents. The clubs included a variety of opportunities. These indoor and outdoor sporting activities such as swimming club, football, scooting and cycling, climbing and bowls to board games, Lego and choir
- All children from Year 2 upwards participated in a residential experience in 2022.
- The academy makes good use of having their own indoor Swimming pool. Most children can swim unaided by Y2 and by the end of Y3 all children can swim 25 metres independently.
- The school demonstrates strong Church school distinctiveness based on a clear and ambitious Christian vision and seven values. The whole school enjoys one collective worship in the church each week. The school has excellent links with the parish.
- Leadership is developed at all levels, from pupil leaders to the senior team. This gives a clear and concise direction of travel, ensuring messages are consistent and a transparent vision is given to all stakeholders.
- Both staff and children enjoy healthy collaboration with other schools in both the trust and further afield. We undertake our Y4 residential with two other first schools and a highlight in 2022 was participating in a Singing Festival with 25 other schools in Wellington.
- The school is fully inclusive and works closely with families of all pupils. Children with additional needs, those who are in care and new arrivals to the UK are offered tailored provision where appropriate to access the full curriculum.
- Overall, the children demonstrate excellent behaviour and live out the school's 7 values in their daily lives.
- Strong culture of safeguarding and welfare. There is a raised expectation of safeguarding and all adults are held fully accountable for pupil safety.
- Parent engagement is high, and there is a 99% turn out to parent consultation meetings. The school has a good relationship with the local community. Where possible the school utilises the strengths and interests of the parent body and local community to enhance provision.

St Peters First School

St Peter's First School ("SPFS") joined in April 2017 and is current a Good School (Ofsted Feb 2017). The head of school has support from a senior leadership team this year, with more capacity to support staff and raise standards. Children coming into reception have a low starting point according to baseline assessments. A strong focus on oracy and phonics is needed in order to accelerate learning in EYFS. KS1 results were below average in the summer term, this being due to an instability in the staffing structure in Year 2. This year, an experienced teacher and member of the SLT is teaching the year 2 class to ensure the year 2 children achieve their potential. Predictions for year 2 children achieving ARE and above in reading is 78% (11% above NA), 70% in writing (2012 above NA) and 67% in maths (1% below NA).

Phonics was slightly below national average in the summer; three out of the 7 children who did not pass the screening check had been disapplied. 100% of children who retook the Year 2 phonics screening passed.

- The teaching of phonics through Read Write Inc has meant the children are making good progress. Our three-year average is now above the NA (83%) (as it was in 2019). The Phonic screening check results for year 1 children was 72% in June 2022, which is slightly below the 75% national pass rate.
- We saw a 100% pass rate in the Year 2 phonics screening data in June 2022.

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

- St Peter's staff are beginning to align the curriculum with Old Cleeve so that teachers can work collaboratively on a two-year rolling programme.
- The consistency in recording and monitoring of negative behaviours have been significantly improved through the implementation of a new and uniform behaviour policy, together with the new method of recording on Bromcom. Staff have had training on Trauma Informed Schools (TIS) strategies to support children when they are dysregulated.
- The curriculum is being redesigned to reflect children's interest and to ensure it is relevant to them and leads on to learning about the wider world.
- At St Peter's, we have a slightly higher-than-average percentage of children on the SEND register - 17.5% compared to the National average – 16.5%. With the majority of need being SEMH. To support these children, we have a thorough Pupil Progress process, where children's needs are identified, and progress is monitored. Children are selected to attend one of the many SEND provisions (Nurture, ELSA, Forest School, TIS session).
- A wider variety of extra-curricular clubs such as art, gymnastics and football are on offer, with waiting lists for most of them. A residential trip to Kilve court has been organised with the other church first schools in the trust.
- Good links within the community, such as by taking part in the Archie project with Croft House.
- The children are given opportunities through a Windows, Mirrors and Doors approach to develop their spirituality. Evidence of this can be found throughout their learning, on displays and in the Reflection Journal in each class. The children are given the opportunity to represent their peers in various ways (School Council, House captains, Librarians, etc).
- The PCG is not yet fully populated, but the members have shown commitment to working with the school. The majority of last year's PTFA members left as their children moved to the middle school in the summer term. School staff have stepped up to support the diminished and have organised a Christmas fair as well as other Christmas experiences.
- Our Year 1 teacher has taken on the SENCO role this year and is working hard to ensure the transitional annual reviews for children with EHCPs and referrals to external agencies are completed.

Old Cleeve First School

Old Cleeve First School ("OCFS") joined in April 2017 OCFS is currently graded as 'Outstanding' holding this status since January 2011, An Ofsted inspection is anticipated 2021/22. Numbers on roll are increasing with 13 new pupils since September 2022. 109 pupils on roll, 47 girls and 62 boys. 11 children on the SEND register; 3 children with EHCP's and two EHCP drafts being accepted. 4 EAL children including 2 Ukrainian families.

An interim Headteacher was appointed in September 2021 and became substantive in September 2022. This followed a period of instability, this period reflected in a significant drop in ARE in Reading and Writing in 2021 and GLD outcomes. Outcomes have been varied over the past 3 years, however outcomes last academic year show stability and improvement.

- GLD outcomes for the 2020-21 cohort were 56% but through high quality intervention and teaching pupils achieved 95% PSC.
- 100% of Year 2 pupils who sat the PSC resit passed – 100%, two children were disqualified.#. Academically children achieve broadly in line with national average, this year predictions for KS1 sit at 75% combined ARE, with 20% achieving greater depth.
- 76% of pupils achieved GLD in Summer 2022 – in line with predictions
- KS1 data shows that reading, writing and maths exceed National Expectations at ARE and Greater depth. However, we would want a greater % of children working at greater depth. Disadvantaged pupils achieving ARE exceeding non disadvantaged in RWM
- Consistent and effective leadership for the school has brought about rapid change which has driven pupil outcomes
- Restorative relationship policy to support the increased SEMH needs and reduced low level disruption effective bespoke provision to support the most vulnerable pupils at risk of exclusion.
- Highly effective SENDO and Senior teacher have added value to the provision

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

- Constructed and implemented a conscious, coherent and captivating curriculum that works over an AB cycle
- Restored the community trust and partnerships
- EYFS provision is deemed outstanding and is supporting Trust EYFS settings
- Significantly raised outcomes in phonics as a result of RWInc and leadership. 95% PSC year one and 100% PSC resit in year two.
- Improved site security and provision
- Successfully constructed Parent, Community Group.
- Collaborative engagement with Trust first schools which is sharing expertise and supporting CPD
- Effective monitoring cycle in support and celebrate
- Increased well-being support for staff, through collaboration in school and across the Trust
- Target pedagogical development for all staff through CPD
- High quality PE CPD to upskill all staff
- Forest school offered to all pupils across the academic year
- Residential trips for KS2 children
- Introduction of Committees, to enable all children in year2 and above to have a role and voice in the school.
- Introduction of Genius time, to allow children to explore and harness their personal aspirations and passions
- The school is fully inclusive and works closely with families of all pupils and is becoming the school of choice
- Strong Christian vision with clear values, "Together we achieve, thrive, care and belong". Children also strive to display the seven Old Cleeve stars; kindness, compassion, perseverance, respect, friendship, equality and responsibility.
- Successful monitoring cycle that demonstrates a relentless drive to improve and sustain.
- Active and effective PTSFA, providing enriched experiences including Dinomania and a whole school theatre trip.

Staff Performance and Training

Trustees appreciate the staff employed by the Trust and all that they do to support the children in our care. The Board recognises that an effective appraisal process acknowledges the contribution of teaching and support staff, the work that they do and helps them understand how their role contributes to improving outcomes for children/pupils and to the Trust's overall vision. Trustees believe that our formal appraisal process helps improve outcomes for children/pupils and raise the morale of teachers - by motivating teachers to update their skills and improve their performance.

Staff throughout the Trust have continued to benefit from training sessions funded by the West Somerset Opportunities Area. Our schools have common INSET Days, which support coordinated Continuing Professional Development across our staff body.

Governance

A clear Scheme of Delegation is in place, it outlines the key roles, responsibilities, and accountabilities of those holding key governance and leadership positions.

Trustees and local governors have continued to develop and improve their skills, through engaging in a wide range of online governance training during 2021/22 – sessions delivered by Somerset Governor Services and the Diocese of Bath & Wells. Trustees recognise the importance of developing and improving governor/trustees' skills sets – to support governance challenge and support.

Estates and Premises Improvement

During the year the Trust has delivered one major capital refurbishment project (CIF funded [projects]):

- Roof replacement/refurbishment at Danesfield Middle School (987K)

These capital programmes significantly improved our building stock and the learning environment for the children in our care.

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

Key Performance Indicators

	Target	Actual
Pupil to teacher ratio	20.2	18.95
Staff costs as a % of total costs	75.4%	74.07%

Going Concern

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

FINANCIAL REVIEW

Most of the Trust's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2022 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Trust also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

During the year ended 31 August 2022, the Academy received total income of £10,478,647 and incurred total expenditure of £12,110,740. The excess of expenditure over income for the year was £1,623,093. Excluding pension costs and capital movements, the excess of expenditure over income for the year was £7,347.

At 31 August 2022 the net book of fixed assets was £13,059,717 and movements in tangible fixed assets are shown in note 15 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The land, buildings and other assets were transferred to the Trust upon conversion. Land and buildings were professionally valued at £12,077,274. Other assets have been included in the financial statements at a best estimate, taking into account purchase price and remaining useful lives.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 26 to the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Trust leadership, managers, budget holders and other staff, as well as delegated authority for spending.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy Trust.

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

Reserves Policy

The Trustees review the reserve levels of the Academy Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Trust, the uncertainty over future income streams and other key risks identified during the risk review.

The reserves policy has taken account of future funding forecasts.

It is the policy of our Trust to ensure that there is an appropriate level of reserve which will enable the Trust to respond to the demands of major equipment/resource cyclical replacement and any unforeseen contingencies.

Trustees have previously determined that an ideal base level for reserve should be in line with one month's expenditure across the Trust. The actual level of free reserves at the year end excluding the fixed asset and pension reserve was £917,420.

Taking this into account Trustees have decided to restrict the designation of any reserves against specific expenditure areas in 2022/23 - £94k will be designated to replace a boiler at St Peters First School. Attempts to obtain CIF capital funding were declined on two occasions. Other expenditure will be in line with the annual budget as agreed by Trustees.

Specific strategies that have been put in place to reduce in year deficits include: reviewing the IT strategy, introducing mixed year classes in our first schools, redeploying Teaching assistants across settings and restricting the use of external supply cover across all settings. The Trust Board has agreed a three-year financial plan which will increase the level of reserve, to better support financial sustainability; trustees keep this plan under review on an ongoing basis.

Future reserves levels will be built up through close monitoring of the costs and income of the Trust and attempting to make cost savings on the budget throughout the financial year.

Investment Policy

All funds surplus to immediate requirements are currently held in the trust current account with Lloyds Bank. Reserves levels have now increased to a sufficient level. Looking forwards we will review options to generate additional income by developing an investment policy.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Trustees has reviewed the major risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

The principal risks and uncertainties facing the Trust are as follows:

Financial - the Academy has considerable reliance on continued Government funding through the ESFA. In the last year 88% of the Academy's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms. Additionally, the trust is aware that inflation is likely to increase pressure on trust finances.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review this area to ensure that robust operating systems and procedures are in place to mitigate these risks.

**BEACON EDUCATION MAT LTD (FORMERLY KNOWN AS WEST SOMERSET ACADEMIES TRUST)
(A COMPANY LIMITED BY GUARANTEE)**

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

Reputational - the continuing success of the Trust is dependent on continuing to attract children to our schools in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees, ensure that children's success and achievement are closely monitored and reviewed and that learning environments and resources are maintained to a high standard.

Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

Staffing - the success of the Trust is reliant upon the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning. Recruitment of high-quality staff who demonstrate enthusiasm for teaching and learning is a key area and therefore the Trust will continue to ensure that the staff employed are the best for the Trust, cost is not always the deciding factor in the recruitment process.

Fraud and mismanagement of funds - the Trust has appointed a Responsible Officer (the Local Authority Education Finance Team) to carry out checks on financial systems and records as required by the Academy Financial Handbook. All Trust finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area. The Trust has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis.

The Trust has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by Trustees and include the financial risks to the Trust. The register and plan are regularly reviewed in light of any new information and formally reviewed annually.

The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains, they have ensured they have adequate insurance cover.

The Trustees examine the financial health formally every term. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Finance Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Academy had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 26 to the financial statements, represents a significant potential liability. However, as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

PLANS FOR FUTURE PERIODS

The Trust will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Trust will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

West Somerset Academies Trust and its Trustees do not act as the Custodian Trustees of any other Charity.

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

AUDITOR

In so far 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.

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on and signed on the board's behalf by:



A Giles
Chair of Trustees

**BEACON EDUCATION MAT LTD (FORMERLY KNOWN AS WEST SOMERSET ACADEMIES TRUST)
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021**

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees we acknowledge that we have overall responsibility for ensuring that West Somerset Academies 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.

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer (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 West Somerset Academies Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 6 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

TRUSTEE	MEETINGS ATTENDED	OUT OF A POSSIBLE
S Brown (Chair)	5	6
H Lake (Vice Chair)	5	6
R Lakin (CEO)	6	6
J Bellamy	6	6
J Ewen	6	6
A Giles	5	6
A Kingston-James	5	6
F Miller	5	6
K Tucker	6	6
C Wood	6	6

Governance Review

In accordance with the relaxation of COVID regulations at Government level the Board moved away from online meetings and resumed face to face Board meetings. There have been no changes in the composition of the Trust Board over the year.

Using the Assurance Framework for Trust Governance the Board carried out a full self-evaluation exercise. Through this robust approach Trustees have identified key governance improvement areas, gaps in skills and competencies and the results will be used to help inform trustees' training and recruitment needs. A clear action plan has been drawn up, to be implemented in 2022/23. This evaluation process will be repeated during the summer term 2023, to assess progress and impact.

During the year trustees continued to embrace online training opportunities, delivered by Somerset Governor Services and the Diocese of Bath & Wells, with whom the Trust has a strong relationship.

During the year the chair and the CEO met on a regular basis, to review progress against the Trust Improvement Plan and to assess schools' progress.

Trustees received financial monitoring information on a regular basis. Consolidated management accounting reports were posted onto the Trust Governance portal monthly; detailed management accounts which reflect the financial position of individual schools and nurseries were posted for months 3, 6 and 9.

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Trustees received regular pupil progress reports throughout the year. The Board utilised local and national benchmarking data to assess pupil progress across the Trust and present professional challenge to Trust educational professionals. The Trust carries out reviews across all of its schools, including internal reviews and the commissioning of an education consultant to carry out independent reviews. Outcomes of reviews are used to inform the Trust improvement planning process.

During the year trustees were involved in reviewing and updating the Trust Risk Register, better enabling the Trust Board to control and manage risk across the Trust.

Senior Trust educational professionals made presentations to the Trust Board throughout the year. This gave extended opportunities for trustees to challenge options and proposals and review curriculum provision.

The Trust Board has designated trustees to maintain an overview over key areas:

- SEN
- Pupil Premium & PE Grant
- Health & Safety/Compliance
- Safeguarding
- Child & staff wellbeing
- Early Years and Nurseries
- SIAMS

The Finance, Audit & Risk Committee is a committee of the Board of Trustees. It has a key role in:

- Monitoring, evaluating and reviewing policy and performance in relation to financial management.
- Compliance with reporting and regulatory requirements and receiving reports from the Internal and External Auditor.
- Ensuring that points resulting from Internal and External Audits are acted upon.
- Scrutinising and challenging the draft annual budget, including staffing levels and costs.
- Monitoring and reviewing risk management across the Trust.

Attendance at meetings in the year was as follows:

TRUSTEE	MEETINGS ATTENDED	OUT OF A POSSIBLE
R Lakin (CEO)	5	5
A Giles (Chair)	5	5
J Bellamy	5	5
A Kingston-James	0	3
K Tucker	2	5
C Wood	5	5

REVIEW OF VALUE FOR MONEY

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

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

Throughout the year the trust has reviewed its IT strategy and achieved significant savings against budget through not purchasing chromebooks for every pupil and delivering a more targeted approach.

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

The trust has reviewed its MIS system using the government framework and have moved to Bromcom, resulting in savings against budgets by consolidating parent comms/pupil data/ online payments into a single product.

The trust has procured staff laptops using the government framework ensuring best value for money.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

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

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that have been in place for the period from [1 September 2021] to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

The Academy 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, Audit & Risk 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
- Delegation of authority and segregation of duties.
- Identification and management of risks

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint the Education Finance team of Somerset County Council as internal auditor. The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. In particular the checks carried out in the current period included:

- Testing of payroll systems
- Testing of purchase systems
- Testing of control account/bank account reconciliations
- Testing of income and risk management

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

On an annual basis the auditor/reviewer reports to the Board of Trustees, through the Finance, Audit & Risk Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

The internal auditor delivered their work in 2021/22 as planned. Areas for improvement are being tracked by the Finance Manager and COO and are fed back to Trustees via the Finance and Audit committee.

REVIEW OF EFFECTIVENESS

As Accounting Officer, the CEO has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- The work of the internal auditor;
- The work of the external auditors;
- The financial management and governance self-assessment process;
- The work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance, Audit & Risk committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

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



A Giles
Chair of Trustees



Robert Lakin
Accounting Officer

**BEACON EDUCATION MAT LTD (FORMERLY KNOWN AS WEST SOMERSET ACADEMIES TRUST)
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Beacon Education MAT Ltd I have considered my responsibility to notify the Academy Trust board of Trustees and the Education & 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 Academies Trust Handbook 2021.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all 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 Academies Trust Handbook 2021.

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



R Lakin
Accounting Officer
Date:

**BEACON EDUCATION MAT LTD (FORMERLY KNOWN AS WEST SOMERSET ACADEMIES TRUST)
(A COMPANY LIMITED BY GUARANTEE)**

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

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

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

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

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

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

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

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



A Giles
Chair of Trustees
Date:

**BEACON EDUCATION MAT LTD (FORMERLY KNOWN AS WEST SOMERSET ACADEMIES TRUST)
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BEACON EDUCATION MAT LTD (FORMERLY KNOWN AS WEST SOMERSET ACADEMIES TRUST)**

OPINION

We have audited the financial statements of Beacon Education MAT Ltd (formerly known as West Somerset Academies Trust) (the 'academy trust') for the year ended 31 August 2022 which comprise the Statement of Financial Activities incorporating income and expenditure account, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:

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

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

**BEACON EDUCATION MAT LTD (FORMERLY KNOWN AS WEST SOMERSET ACADEMIES TRUST)
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BEACON EDUCATION MAT LTD (FORMERLY KNOWN AS WEST SOMERSET ACADEMIES TRUST)
(CONTINUED)**

OTHER INFORMATION

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

RESPONSIBILITIES OF TRUSTEES

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

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

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the Academy sector, control environment and the Academy Trust's performance;
- results of our enquiries of management and the Trustee board, including the committees charged with governance over the Academy Trust's finance and control, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Academy Trust's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations
- how the Academy Trust ensured it met its obligations arising from it being financed by the ESFA and other funders, and as such material compliance with these obligations is required to ensure the Academy Trust will continue to receive its public funding and be authorised to operate, including around ensuring there is no material unauthorised use of funds and expenditure;
- how the Academy Trust ensured it met its obligations to its principal regulator, the Secretary of State for Education; and
- the matters discussed among the audit engagement team and involving relevant internal Academy specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue, management override of controls using manual journal entries, procurement and payroll. We identified the greatest potential for fraud as incorrect recognition of revenue and management override using manual journal entries.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the Academy Trust operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Academies Accounts Direction, Academies Financial Handbook, UK Companies Act and tax legislation, Charities SORP and FRS 102.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Academy Trust's ability to operate or to avoid a material penalty. These included safeguarding regulations, data protection regulations, occupational health and safety regulations, education and inspections legislation, building legislation and employment legislation.

**BEACON EDUCATION MAT LTD (FORMERLY KNOWN AS WEST SOMERSET ACADEMIES TRUST)
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BEACON EDUCATION MAT LTD (FORMERLY KNOWN AS WEST SOMERSET ACADEMIES TRUST)
(CONTINUED)**

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of Trustees and management concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of its regulators;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing internal control reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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

USE OF OUR REPORT

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

Tim Borton FCA DChA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

2nd Floor Stratus House

Emperor Way

Exeter Business Park

Exeter

EX1 3QS

Date:

**BEACON EDUCATION MAT LTD (FORMERLY KNOWN AS WEST SOMERSET ACADEMIES TRUST)
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BEACON
EDUCATION MAT LTD (FORMERLY KNOWN AS WEST SOMERSET ACADEMIES TRUST) AND THE
EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 27 October 2020 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 Beacon Education MAT Ltd (formerly known as West Somerset Academies Trust) during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Beacon Education MAT Ltd (formerly known as West Somerset Academies Trust) and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Beacon Education MAT Ltd (formerly known as West Somerset Academies 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 Beacon Education MAT Ltd (formerly known as West Somerset Academies Trust) and ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF BEACON EDUCATION MAT LTD (FORMERLY KNOWN AS
WEST SOMERSET ACADEMIES TRUST)'S ACCOUNTING OFFICER AND THE REPORTING
ACCOUNTANT**

The accounting officer is responsible, under the requirements of Beacon Education MAT Ltd (formerly known as West Somerset Academies Trust)'s funding agreement with the Secretary of State for Education dated 1 June 2011 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

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

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

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

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

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the Academy complied with the framework of authorities. We also reviewed the commissioned by Trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit of the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**BEACON EDUCATION MAT LTD (FORMERLY KNOWN AS WEST SOMERSET ACADEMIES TRUST)
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BEACON
EDUCATION MAT LTD (FORMERLY KNOWN AS WEST SOMERSET ACADEMIES TRUST) AND THE
EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

CONCLUSION

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 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.

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
2nd Floor Stratus House
Emperor Way
Exeter Business Park
Exeter
EX1 3QS

Date:

BEACON EDUCATION MAT LTD (FORMERLY KNOWN AS WEST SOMERSET ACADEMIES TRUST)
(A COMPANY LIMITED BY GUARANTEE)

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

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:						
Donations and capital grants	3	8,070	148,544	(107,935)	48,679	1,179,098
Other trading activities	5	3,303	-	-	3,303	1,294
Investments	6	177	-	-	177	148
Charitable activities		1,163,638	9,271,850	-	10,435,488	10,236,456
Total income		1,175,188	9,420,394	(107,935)	10,487,647	11,416,996
Expenditure on:						
Charitable activities	8	971,140	10,815,715	323,885	12,110,740	11,435,125
Net income/(expenditure)		204,048	(1,395,321)	(431,820)	(1,623,093)	(18,129)
Transfers between funds	19	-	232,240	(232,240)	-	-
Net movement in funds before other recognised gains/(losses)		204,048	(1,163,081)	(664,060)	(1,623,093)	(18,129)
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	26	-	10,764,000	-	10,764,000	(545,000)
Net movement in funds		204,048	9,600,919	(664,060)	9,140,907	(563,129)
Reconciliation of funds:						
Total funds brought forward		611,479	(12,211,169)	14,144,213	2,544,523	3,107,652
Net movement in funds		204,048	9,600,919	(664,060)	9,140,907	(563,129)
Total funds carried forward		815,527	(2,610,250)	13,480,153	11,685,430	2,544,523

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 34 to 64 form part of these financial statements.

BEACON EDUCATION MAT LTD (FORMERLY KNOWN AS WEST SOMERSET ACADEMIES TRUST)
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:07630164

BALANCE SHEET
AS AT 31 AUGUST 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	15	13,059,717	12,917,134
Current assets			
Stocks	16	4,973	4,973
Debtors	17	1,215,989	1,689,584
Cash at bank and in hand		1,257,688	1,426,315
		<u>2,478,650</u>	<u>3,120,872</u>
Creditors: amounts falling due within one year	18	(907,937)	(960,483)
Net current assets		<u>1,570,713</u>	<u>2,160,389</u>
Total assets less current liabilities		<u>14,630,430</u>	<u>15,077,523</u>
Net assets excluding pension liability		<u>14,630,430</u>	<u>15,077,523</u>
Defined benefit pension scheme liability	26	(2,945,000)	(12,533,000)
Total net assets		<u><u>11,685,430</u></u>	<u><u>2,544,523</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	19	13,480,153	14,144,213
Restricted income funds	19	334,750	321,831
Restricted funds excluding pension asset	19	<u>13,814,903</u>	<u>14,466,044</u>
Pension reserve	19	(2,945,000)	(12,533,000)
Total restricted funds	19	<u>10,869,903</u>	<u>1,933,044</u>
Unrestricted income funds	19	<u>815,527</u>	<u>611,479</u>
Total funds		<u><u>11,685,430</u></u>	<u><u>2,544,523</u></u>

The financial statements on pages 31 to 64 were approved by the Trustees, and authorised for issue on and are signed on their behalf, by:

A Giles
Chair of Trustees

The notes on pages 34 to 64 form part of these financial statements.

BEACON EDUCATION MAT LTD (FORMERLY KNOWN AS WEST SOMERSET ACADEMIES TRUST)
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	21	419,450	2,013,082
Cash flows from investing activities	22	(588,077)	(909,378)
Change in cash and cash equivalents in the year		(168,627)	1,103,704
Cash and cash equivalents at the beginning of the year		1,426,315	322,611
Cash and cash equivalents at the end of the year	23, 24	1,257,688	1,426,315

The notes on pages 34 to 64 form part of these financial statements

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

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

1.2 GOING CONCERN

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

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the 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 grant 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 provided to the Academy 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.

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

1. ACCOUNTING POLICIES (continued)

1.4 EXPENDITURE

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

- **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.

- **Grants payable**

These are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All resources expended are inclusive of irrecoverable VAT.

1.5 TANGIBLE FIXED ASSETS

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

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

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

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

1. ACCOUNTING POLICIES (continued)

1.5 TANGIBLE FIXED ASSETS (CONTINUED)

Depreciation is provided on the following bases:

Freehold property	- 50 years
Long-term leasehold property	- 125 years (land) 50 years (buildings)
Furniture and equipment	- 10 years
Computer equipment	- 4 years
Motor vehicles	- 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.

Where the Academy Trust has been granted use of the school buildings from the Diocese under Supplemental Agreements, the Academies Accounts Direction prescribes that under this agreement the risks and rewards of ownership remain with the Diocese. A donation from the Diocese has been recognised equal to the deemed rental expense, based on the rateable value of buildings.

1.6 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost is based on the cost of purchases on a first in first out basis.

1.7 DEBTORS

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

1.8 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.

1.9 LIABILITIES

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

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

1. ACCOUNTING POLICIES (continued)

1.10 FINANCIAL INSTRUMENTS

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. 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.

1.11 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 Part 11, chapter 3 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.

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

1. ACCOUNTING POLICIES (continued)

1.12 PENSIONS

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

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

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

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

1.13 FUND ACCOUNTING

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

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

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

1.14 OPERATING LEASES

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

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

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

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

Critical accounting estimates and assumptions:

The Academy Trust 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 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

3. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	8,070	103,780	5,925	117,775	146,703
Capital Grants	-	44,764	(113,860)	(69,096)	1,032,395
TOTAL 2022	8,070	148,544	(107,935)	48,679	1,179,098
TOTAL 2021	42,923	129,827	1,006,348	1,179,098	

CIF grants received by Minehead Middle School and Minehead First School in 2019/20 have been clawed back this year, due to expenditure on these projects being less than forecast. The amounts clawed back are £46,825 and £67,035 respectively.

BEACON EDUCATION MAT LTD (FORMERLY KNOWN AS WEST SOMERSET ACADEMIES TRUST)
(A COMPANY LIMITED BY GUARANTEE)

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

4. FUNDING FOR THE ACADEMY TRUST'S CHARITABLE ACTIVITIES

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
EDUCATION				
DFE/ESFA GRANTS				
OTHER DFE/ESFA GRANTS				
General Annual Grant	-	7,633,692	7,633,692	7,116,309
Pupil premium	-	546,756	546,756	527,374
Other DfE and ESFA	-	310,911	310,911	213,591
Teachers Pay & Pension	-	7,016	7,016	396,426
PE Grant	-	106,090	106,090	106,600
	-	-	8,604,465	8,360,300
OTHER GOVERNMENT GRANTS				
High Needs	-	146,953	146,953	155,464
Other government grants: excluding capital	-	240,166	240,166	312,629
Mainstreamed Grants	-	219,663	219,663	254,013
	-	606,782	606,782	722,106
Other income from the Academy Trust's education	1,163,638	-	1,163,638	971,750
COVID-19 ADDITIONAL FUNDING (DFE/ESFA)				
Catch-up Premium	-	60,603	60,603	158,996
	-	60,603	60,603	158,996
COVID-19 ADDITIONAL FUNDING (NON-DFE/ESFA)				
Coronavirus Job Retention Scheme grant	-	-	-	23,304
	-	-	-	23,304
TOTAL EDUCATION	1,163,638	9,271,850	10,435,488	10,236,456
	1,163,638	9,271,850	10,435,488	10,236,456
TOTAL 2021	971,750	9,264,706	10,236,456	

The Academy Trust has been eligible to claim additional funding in the year from government support schemes in response to the coronavirus outbreak. The funding received is shown above in the relevant category for COVID-19 funding.

Mainstreamed grants have been recognised under Other Government Grants and has been moved from the ESFA Grants section in the prior year, as this is not funded by ESFA.

BEACON EDUCATION MAT LTD (FORMERLY KNOWN AS WEST SOMERSET ACADEMIES TRUST)
(A COMPANY LIMITED BY GUARANTEE)

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

5. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Lettings	3,303	3,303	1,294
TOTAL 2021	1,294	1,294	

6. INVESTMENT INCOME

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Bank interest	177	177	148
TOTAL 2021	148	148	

7. ANALYSIS OF GRANTS

	Grants to Institutions 2022 £	Total funds 2022 £	Total funds 2021 £
Improvement to diocesan property occupied by the Academy Trust	352,876	352,876	691,484

BEACON EDUCATION MAT LTD (FORMERLY KNOWN AS WEST SOMERSET ACADEMIES TRUST)
(A COMPANY LIMITED BY GUARANTEE)

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

8. EXPENDITURE

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £	Total 2021 £
Education:					
Direct costs	6,688,984	250,790	1,832,989	8,772,763	8,618,515
Allocated support costs	1,477,159	287,738	1,220,204	2,985,101	2,816,610
TOTAL 2022	<u>8,166,143</u>	<u>538,528</u>	<u>3,053,193</u>	<u>11,757,864</u>	<u>11,435,125</u>
TOTAL 2021	<u>8,945,681</u>	<u>783,760</u>	<u>1,705,684</u>	<u>11,435,125</u>	

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2022 £	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Education	<u>8,772,763</u>	<u>352,876</u>	<u>2,985,101</u>	<u>12,110,740</u>	<u>11,435,125</u>
TOTAL 2021	<u>8,618,515</u>	<u>-</u>	<u>2,816,610</u>	<u>11,435,125</u>	

BEACON EDUCATION MAT LTD (FORMERLY KNOWN AS WEST SOMERSET ACADEMIES TRUST)
(A COMPANY LIMITED BY GUARANTEE)

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

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Total funds 2022 £	Total funds 2021 £
Staff costs	1,815,159	1,649,511
Depreciation	81,021	110,359
Recruitment and support	18,924	2,754
Maintenance of premises and equipment	207,329	142,529
Cleaning	35,449	27,703
Rent and rates	160,127	154,995
Energy costs	166,997	135,101
Insurance	36,958	35,277
Security and transport	6,844	8,402
Catering	187,789	364,609
Technology costs	25,696	2,184
Office overheads	128,534	83,223
Legal and professional	103,517	86,695
Governance	10,757	13,268
TOTAL 2022	2,985,101	2,816,610

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) for the year includes:

	2022 £	2021 £
Operating lease rentals	33,212	20,540
Depreciation of tangible fixed assets	331,811	492,053
Fees paid to auditors for:		
- audit	12,500	10,600
- other services	3,550	3,350

**BEACON EDUCATION MAT LTD (FORMERLY KNOWN AS WEST SOMERSET ACADEMIES TRUST)
(A COMPANY LIMITED BY GUARANTEE)**

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

11. STAFF

a. STAFF COSTS

Staff costs during the year were as follows:

	2022 £	2021 £
Wages and salaries	6,088,141	6,119,579
Social security costs	496,926	451,489
Pension costs	2,415,261	2,218,329
	<u>9,000,328</u>	<u>8,789,397</u>
Agency staff costs	57,848	50,903
Staff restructuring costs	75,967	105,381
	<u>9,134,143</u>	<u>8,945,681</u>

Staff restructuring costs comprise:

	2022 £	2021 £
Redundancy payments	70,467	34,194
Severance payments	4,000	71,187
Legal fees	1,500	-
	<u>75,967</u>	<u>105,381</u>

b. SPECIAL STAFF SEVERANCE PAYMENTS

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £4,000 (2021: £17,524). Individually the payments were £1,000, £1,000, £1,000 and £1,000.

c. STAFF NUMBERS

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

	2022 No.	2021 No.
Teachers	91	84
Administration and Support	172	207
Management	7	7
	<u>270</u>	<u>298</u>

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

11. STAFF (CONTINUED)

c. STAFF NUMBERS (CONTINUED)

The average headcount expressed as full-time equivalents was:

	2022	2021
	No.	No.
Teachers	85	77
Administration and Support	113	130
Management	7	6
	205	213

d. HIGHER PAID STAFF

The number of employees whose employee benefits (excluding employer's National Insurance contributions and employer pension costs) exceeded £60,000 was:

	2022	2021
	No.	No.
In the band £60,001 - £70,000	1	2
In the band £70,001 - £80,000	2	1
In the band £120,001 - £130,000	1	1

e. KEY MANAGEMENT PERSONNEL

The key management personnel of the Academy Trust comprise the Trustees and the members of the senior management team as noted on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £253,055 (2021: £245,216).

As staff Trustees are not remunerated in respect of their role as a Trustee, where staff Trustees do not form part of the Key Management Personnel other than in their role as Trustee, their remuneration as set out in note 12 has not been included in the total benefits received by Key Management Personnel above.

12. TRUSTEES' REMUNERATION AND EXPENSES

The Chief Executive Officer only receives remuneration in respect of services they provide undertaking the roles of Chief Executive Officer and staff under their contracts of employment, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy Trust in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows: R Lakin: Remuneration £125,000 - £130,000 (P Rushforth 2021: £125,000 - £130,000), Employer's pension contributions £25,000 - £30,000 (P Rushforth 2021: £25,000 - £30,000).

During the year ended 31 August 2022, £52 expenses were paid to 1 Trustee (2021: £Nil to Trustees).

Other related party transactions involving the Trustees are set out in note 30.

During the year ended 31 August 2022, expenses totalling £NIL were reimbursed or paid directly to no Trustees (2021 - £NIL to Trustee).

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

13. TRUSTEES' AND OFFICERS' INSURANCE

The Academy Trust has opted into the Department of Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover for an unlimited amount. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme membership.

14. CENTRAL SERVICES

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

- Strategic leadership
- School improvement services
- Financial services
- Legal services
- Health & safety services
- Premises management
- Human resources
- Insurance

The Academy Trust charges for these services on the following basis:

The total costs detailed below are made up of both salaries for the Central Team and other services provided for schools, such as school improvement consultancy, vehicle running costs and legal fees.

The actual amounts charged during the year were as follows:

	2022	2021
	£	£
Minehead Middle School	287,114	265,153
Minehead First School	145,146	126,787
St Michael's Church of England First School	70,103	59,453
Danesfield Church of England School	152,585	131,207
Old Cleeve CofE School	55,107	50,842
St Peter's Church of England First School	68,605	49,702
TOTAL	778,660	683,144

BEACON EDUCATION MAT LTD (FORMERLY
KNOWN AS WEST SOMERSET ACADEMIES
TRUST)
(A COMPANY LIMITED BY GUARANTEE)

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

15. TANGIBLE FIXED ASSETS

COST OR VALUATION

At 1 September 2021	195,000	14,029,042	666,703	867,728	47,328	15,805,801
Additions	-	411,016	40,102	23,276	-	474,394
Disposals	-	-	-	(4,582)	-	(4,582)
At 31 August 2022	195,000	14,440,058	706,805	886,422	47,328	16,275,613

DEPRECIATION

At 1 September 2021	19,500	1,654,047	423,435	754,102	37,583	2,888,667
Charge for the year	3,900	237,135	44,646	42,404	3,726	331,811
On disposals	-	-	-	(4,582)	-	(4,582)
At 31 August 2022	23,400	1,891,182	468,081	791,924	41,309	3,215,896

NET BOOK VALUE

At 31 August 2022	171,600	12,548,876	238,724	94,498	6,019	13,059,717
At 31 August 2021	175,500	12,374,995	243,268	113,626	9,745	12,917,134

BEACON EDUCATION MAT LTD (FORMERLY KNOWN AS WEST SOMERSET ACADEMIES TRUST)
(A COMPANY LIMITED BY GUARANTEE)

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

16. STOCKS

	2022 £	2021 £
Consumables	4,973	4,973

17. DEBTORS

	2022 £	2021 £
DUE WITHIN ONE YEAR		
Trade debtors	26,873	22,464
Other debtors	33,682	17,685
Prepayments and accrued income	1,002,329	1,507,163
VAT recoverable	153,105	142,272
	<u>1,215,989</u>	<u>1,689,584</u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade creditors	200,240	314,167
Other taxation and social security	117,515	143,289
Other creditors	227,771	177,060
Accruals and deferred income	362,411	325,967
	<u>907,937</u>	<u>960,483</u>
	2022 £	2021 £
Deferred income at 1 September 2021	95,401	106,973
Resources deferred during the year	103,852	95,401
Amounts released from previous periods	(95,401)	(106,973)
	<u>103,852</u>	<u>95,401</u>

At the balance sheet date, the Academy Trust held funds received in advance for school trips and universal infant free school meals.

BEACON EDUCATION MAT LTD (FORMERLY KNOWN AS WEST SOMERSET ACADEMIES TRUST)
(A COMPANY LIMITED BY GUARANTEE)

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

19. STATEMENT OF FUNDS

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
Designated fixed asset fund	240,783	-	(7,926)	-	-	232,857
GENERAL FUNDS						
Unrestricted funds	370,696	1,175,188	(963,214)	-	-	582,670
TOTAL UNRESTRICTED FUNDS	611,479	1,175,188	(971,140)	-	-	815,527
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	102,979	7,633,692	(7,642,390)	(86,004)	-	8,277
High needs funding	-	146,953	(146,953)	-	-	-
Pupil premium	121,210	546,756	(505,822)	-	-	162,144
Devolved formula capital	73,223	44,764	(40,184)	(34,632)	-	43,171
UIFSM	-	89,042	(89,042)	-	-	-
Other DfE/ESFA	24,419	615,241	(546,736)	-	-	92,924
Other restricted funds	-	240,166	(564,808)	352,876	-	28,234
Diocesan property rental	-	103,780	(103,780)	-	-	-
Pension reserve	(12,533,000)	-	(1,176,000)	-	10,764,000	(2,945,000)
	(12,211,169)	9,420,394	(10,815,715)	232,240	10,764,000	(2,610,250)

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

19. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	10,603,143	-	(168,906)	-	-	10,434,237
Fixed assets purchased from GAG and other restricted funds	746,411	-	(89,190)	123,504	-	780,725
DfE/ESFA Capital grants	155,142	-	(31,504)	34,632	-	158,270
Capital donations	27,134	5,925	(2,131)	-	-	30,928
Condition Improvement Fund	2,612,383	(113,860)	(32,154)	(390,376)	-	2,075,993
	<u>14,144,213</u>	<u>(107,935)</u>	<u>(323,885)</u>	<u>(232,240)</u>	<u>-</u>	<u>13,480,153</u>
TOTAL RESTRICTED FUNDS	<u>1,933,044</u>	<u>9,312,459</u>	<u>(11,139,600)</u>	<u>-</u>	<u>10,764,000</u>	<u>10,869,903</u>
TOTAL FUNDS	<u><u>2,544,523</u></u>	<u><u>10,487,647</u></u>	<u><u>(12,110,740)</u></u>	<u><u>-</u></u>	<u><u>10,764,000</u></u>	<u><u>11,685,430</u></u>

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

DESIGNATED FUNDS

Designated fixed asset fund - This fund represents the net book value of fixed assets purchased using unrestricted funds, which are used in one of the nurseries.

RESTRICTED FUNDS

General Annual Grant - Income from the ESFA which is to be used for the normal running costs of the Academy Trust, including education and support costs.

High needs - Funding received from the Local Authority to fund further support for students with additional needs.

Pupil premium - Pupil premium represents funding received from the ESFA for children that qualify for free school meals to enable the Academy Trust to address the current underlying inequalities between those children and their wealthier peers. Strategies are in place across the schools to ensure these funds are spent in-year to best support these children. There is a planned significant reduction in Restricted Funds carried forward at the 22/23 year end.

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

19. STATEMENT OF FUNDS (CONTINUED)

Devolved Formula Capital - This represents funding from the ESFA to cover the maintenance and repair of the Academy Trust's assets.

UIFSM - This represents funding received to provide free school meals to all children in reception, year 1 and year 2.

Other DfE/ESFA - This represents other income received from the DfE/ESFA. In particular, this includes the rates grant, COVID catch up and the PE grant.

Other restricted income - This funding represents other income that has been received with specific restrictions on its expenditure.

Diocesan property rental - The Academy Trust's occupation of the property owned by the Diocese of Bath and Wells for the period is recognisable as a notional donation and a notional rental expense.

Condition improvement fund - this represents capital grants that have been spent on the diocese owned property.

Pension reserve - This represents the Academy Trust's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy.

RESTRICTED FIXED ASSET FUNDS

Fixed assets transferred on conversion - This represents the buildings and equipment donated to the School from the Local Authority on conversion to an Academy.

Capital Grants - These funds are received for direct expenditure on fixed asset projects. The fixed asset fund balance at the year end represents the NBV of assets and any unspent grant amounts.

TRANSFERS

Transfers are made from Restricted Funds into Restricted Fixed Asset funds where restricted funds are used to purchase fixed assets. There is also a transfer from Restricted Fixed Asset Funds into Restricted Funds representing CIF grant expenditure on Diocese owned buildings that are not held as fixed assets on the Balance Sheet.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2022.

BEACON EDUCATION MAT LTD (FORMERLY KNOWN AS WEST SOMERSET ACADEMIES TRUST)
(A COMPANY LIMITED BY GUARANTEE)

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

19. STATEMENT OF FUNDS (CONTINUED)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
Designated fixed asset fund	249,124	-	(8,341)	-	-	240,783
GENERAL FUNDS						
Unrestricted funds	30,907	1,016,115	(676,326)	-	-	370,696
TOTAL UNRESTRICTED FUNDS	280,031	1,016,115	(684,667)	-	-	611,479
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	150,581	7,116,309	(7,097,961)	(65,950)	-	102,979
High needs funding	-	155,464	(155,464)	-	-	-
Pupil premium	56,503	527,374	(462,667)	-	-	121,210
Devolved formula capital	66,656	25,047	-	(18,480)	-	73,223
UIFSM	-	113,191	(113,191)	-	-	-
Other DfE/ESFA	-	1,016,435	(992,016)	-	-	24,419
Other restricted funds	69,520	336,933	(329,883)	(76,570)	-	-
Diocesan property rental	-	103,780	(103,780)	-	-	-
Pension reserve	(10,974,000)	-	(1,014,000)	-	(545,000)	(12,533,000)
	(10,630,740)	9,394,533	(10,268,962)	(161,000)	(545,000)	(12,211,169)

**BEACON EDUCATION MAT LTD (FORMERLY KNOWN AS WEST SOMERSET ACADEMIES TRUST)
(A COMPANY LIMITED BY GUARANTEE)**

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

19. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	10,835,356	-	(232,213)	-	-	10,603,143
Fixed assets purchased from GAG and other restricted funds	841,553	-	(200,162)	105,020	-	746,411
DfE/ESFA Capital grants	140,848	19,664	(23,850)	18,480	-	155,142
Capital donations	25,784	2,000	(650)	-	-	27,134
Condition Improvement Fund	1,614,820	984,684	(24,621)	37,500	-	2,612,383
	<u>13,458,361</u>	<u>1,006,348</u>	<u>(481,496)</u>	<u>161,000</u>	<u>-</u>	<u>14,144,213</u>
TOTAL RESTRICTED FUNDS	<u>2,827,621</u>	<u>10,400,881</u>	<u>(10,750,458)</u>	<u>-</u>	<u>(545,000)</u>	<u>1,933,044</u>
TOTAL FUNDS	<u><u>3,107,652</u></u>	<u><u>11,416,996</u></u>	<u><u>(11,435,125)</u></u>	<u><u>-</u></u>	<u><u>(545,000)</u></u>	<u><u>2,544,523</u></u>

**BEACON EDUCATION MAT LTD (FORMERLY KNOWN AS WEST SOMERSET ACADEMIES TRUST)
(A COMPANY LIMITED BY GUARANTEE)**

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

19. STATEMENT OF FUNDS (CONTINUED)

TOTAL FUNDS ANALYSIS BY ACADEMY

Fund balances at 31 August 2022 were allocated as follows:

	2022	2021
	£	£
Danesfield Church of England School	(358,824)	(250,255)
Minehead First School	(135,568)	(142,209)
Minehead Middle School	1,717,531	1,549,100
Old Cleeve CofE School	(167,429)	(188,924)
St Michael's Church of England First School	164,585	134,705
St Peter's Church of England First School	(70,018)	(169,107)
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	1,150,277	933,310
Restricted fixed asset fund	13,480,153	14,144,213
Pension reserve	(2,945,000)	(12,533,000)
	<hr/>	<hr/>
TOTAL	11,685,430	2,544,523
	<hr/> <hr/>	<hr/> <hr/>

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

19. STATEMENT OF FUNDS (CONTINUED)

The following academies are carrying a net deficit on their portion of the funds as follows:

	Deficit £
Danesfield Church of England School	(358,824)
Minehead First School	(135,568)
Old Cleeve CofE School	(167,429)
St Peter's Church of England First School	(70,018)

The Academy Trust is taking the following action to return the academies to surplus:

Danesfield

Trustees approved a deficit budget for Danesfield for 21-22, caused by a bulge year intake. The GAG funding to accompany the increased pupil numbers is received from 22-23. The higher than budgeted in year deficit is the result of an un-budgeted £37.5k CIF roofing project contribution alongside costs incurred from the SEN dept re-organisation. The Trust 3-year plan has the school running surpluses from 22-23.

Minehead First

An in-year surplus was achieved in 21-22, and the Trust 3-year plan has the school continuing to reduce the deficit each year. Moving forward this is achieved by reviewing class sizes and shared leadership opportunities across the settings.

Old Cleeve

Trustees recognise the difficulties this small first school faces to achieve a balanced budget, the school pupil numbers have started to recover from a drop over the previous 12-24 months and Senior Leadership are reviewing options for further cost efficiencies.

St Peters

The school produced a strong surplus in 21-22 and was budgeted to continue reducing the deficit within the 3-year plan. Unfortunately, the Trust was not successful in gaining ESFA capital funding to replace a broken boiler, as a result the overall school deficit will increase from 22-23 – however Trustees are confident the school cost structure does allow for further efficiencies to be found and the school can produce an in-year surplus in future years.

**BEACON EDUCATION MAT LTD (FORMERLY KNOWN AS WEST SOMERSET ACADEMIES TRUST)
(A COMPANY LIMITED BY GUARANTEE)**

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

19. STATEMENT OF FUNDS (CONTINUED)

TOTAL COST ANALYSIS BY ACADEMY

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2022 £	Total 2021 £
Danesfield Church of England School	1,406,014	245,366	149,751	319,999	2,121,130	1,965,918
Minehead First School	1,047,076	235,163	106,611	172,239	1,561,089	1,532,039
Minehead Middle School	2,383,546	307,134	409,695	246,869	3,347,244	3,076,594
Old Cleeve CofE School	435,530	88,435	56,584	105,207	685,756	752,183
St Michael's Church of England First School	461,694	77,907	54,836	146,776	741,213	792,473
St Peter's Church of England First School	701,406	82,343	52,718	114,469	950,936	988,862
Central	290,264	470,864	27,390	54,167	842,685	823,219
ACADEMY TRUST	6,725,530	1,507,212	857,585	1,159,726	10,250,053	9,931,288

BEACON EDUCATION MAT LTD (FORMERLY KNOWN AS WEST SOMERSET ACADEMIES TRUST)
(A COMPANY LIMITED BY GUARANTEE)

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

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	232,857	-	12,826,860	13,059,717
Current assets	1,490,607	334,750	653,293	2,478,650
Creditors due within one year	(907,937)	-	-	(907,937)
Provisions for liabilities and charges	-	(2,945,000)	-	(2,945,000)
TOTAL	815,527	(2,610,250)	13,480,153	11,685,430

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	240,783	-	12,676,351	12,917,134
Current assets	1,331,179	321,831	1,467,862	3,120,872
Creditors due within one year	(960,483)	-	-	(960,483)
Provisions for liabilities and charges	-	(12,533,000)	-	(12,533,000)
TOTAL	611,479	(12,211,169)	14,144,213	2,544,523

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

21. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net expenditure for the year (as per Statement of Financial Activities)	(1,623,093)	(18,129)
ADJUSTMENTS FOR:		
Depreciation	331,811	489,837
Capital grants from DfE and other capital income	113,860	(1,006,348)
Interest received	(177)	-
Defined benefit pension scheme cost less contributions payable	968,000	839,000
Defined benefit pension scheme finance cost	208,000	175,000
Decrease in debtors	473,595	1,492,652
(Decrease)/increase in creditors	(52,546)	41,070
NET CASH PROVIDED BY OPERATING ACTIVITIES	419,450	2,013,082

22. CASH FLOWS FROM INVESTING ACTIVITIES

	2022 £	2021 £
Interest received	177	-
Purchase of tangible fixed assets	(474,394)	(927,816)
Capital grants from DfE Group	(113,860)	18,438
NET CASH USED IN INVESTING ACTIVITIES	(588,077)	(909,378)

23. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2022 £	2021 £
Cash in hand and at bank	1,257,688	1,426,315
TOTAL CASH AND CASH EQUIVALENTS	1,257,688	1,426,315

**BEACON EDUCATION MAT LTD (FORMERLY KNOWN AS WEST SOMERSET ACADEMIES TRUST)
(A COMPANY LIMITED BY GUARANTEE)**

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

24. ANALYSIS OF CHANGES IN NET FUNDS

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	1,426,315	(168,627)	1,257,688
	<u>1,426,315</u>	<u>(168,627)</u>	<u>1,257,688</u>

25. CAPITAL COMMITMENTS

	2022 £	2021 £
CONTRACTED FOR BUT NOT PROVIDED IN THESE FINANCIAL STATEMENTS		
Acquisition of tangible fixed assets	<u>740,161</u>	<u>-</u>

26. PENSION COMMITMENTS

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

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

Contributions amounting to £174,809 were payable to the schemes at 31 August 2022 (2021 - £172,411) and are included within creditors.

TEACHERS' PENSION SCHEME

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

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

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

26. PENSION COMMITMENTS (CONTINUED)

VALUATION OF THE TEACHERS' PENSION SCHEME

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

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

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

The employer's pension costs paid to TPS in the year amounted to £738,497 (2021 - £664,000).

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

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

LOCAL GOVERNMENT PENSION SCHEME

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £780,000 (2021 - £892,000), of which employer's contributions totalled £626,000 (2021 - £715,000) and employees' contributions totalled £ 154,000 (2021 - £177,000). The agreed contribution rates for future years are 23.7 per cent for employers and 5.5 - 12.5 per cent for employees.

As described in note the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

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

BEACON EDUCATION MAT LTD (FORMERLY KNOWN AS WEST SOMERSET ACADEMIES TRUST)
(A COMPANY LIMITED BY GUARANTEE)

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

26. PENSION COMMITMENTS (CONTINUED)

PRINCIPAL ACTUARIAL ASSUMPTIONS

	2022	2021
	%	%
Rate of increase in salaries	4.45	4.40
Rate of increase for pensions in payment/inflation	2.95	2.90
Discount rate for scheme liabilities	4.25	1.65
Inflation assumption (CPI)	2.95	2.90

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

	2022	2021
	Years	Years
RETIRING TODAY		
Males	21.4	23.1
Females	23.2	24.6
RETIRING IN 20 YEARS		
Males	22.6	24.4
Females	24.6	26.1

SENSITIVITY ANALYSIS

	2022	As restated
	£000	2021
		£000
Discount rate +0.1%	(292)	(523)
Discount rate -0.1%	299	532
Mortality assumption - 1 year increase	377	889
Mortality assumption - 1 year decrease	(366)	(855)

**BEACON EDUCATION MAT LTD (FORMERLY KNOWN AS WEST SOMERSET ACADEMIES TRUST)
(A COMPANY LIMITED BY GUARANTEE)**

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

26. PENSION COMMITMENTS (CONTINUED)

SHARE OF SCHEME ASSETS

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

	At 31 August 2022	At 31 August 2021
	£	£
Equities	7,075	6,856
Gilts and bonds	1,248	1,515
Property	875	676
Cash and other liquid assets	428	376
TOTAL MARKET VALUE OF ASSETS	9,626	9,423

The actual return on scheme assets was £-360,000 (2021 - £1,585,000).

The amounts recognised in the Statement of Financial Activities are as follows:

	2022	2021
	£	£
Current service cost	(1,594,000)	(1,554,000)
Interest income	154,000	117,000
Interest cost	(362,000)	(292,000)
TOTAL AMOUNT RECOGNISED IN THE STATEMENT OF FINANCIAL ACTIVITIES	(1,802,000)	(1,729,000)

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

	2022	2021
	£	£
AT 1 SEPTEMBER	21,956,000	18,339,000
Current service cost - direct	1,375,000	1,304,000
Current service cost - support	219,000	250,000
Interest cost	362,000	292,000
Employee contributions	154,000	177,000
Actuarial (gains)/losses	(11,284,000)	2,008,000
Benefits paid	(211,000)	(414,000)
AT 31 AUGUST	12,571,000	21,956,000

**BEACON EDUCATION MAT LTD (FORMERLY KNOWN AS WEST SOMERSET ACADEMIES TRUST)
(A COMPANY LIMITED BY GUARANTEE)**

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

26. PENSION COMMITMENTS (CONTINUED)

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

	2022 £	2021 £
AT 1 SEPTEMBER	9,423,000	7,365,000
Interest income	160,000	122,000
Actuarial (losses)/gains	(520,000)	1,463,000
Employer contributions	626,000	715,000
Employee contributions	154,000	177,000
Benefits paid	(211,000)	(414,000)
Admin expense	(6,000)	(5,000)
AT 31 AUGUST	9,626,000	9,423,000

27. OPERATING LEASE COMMITMENTS

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

	2022 £	2021 £
Not later than 1 year	35,614	20,540
Later than 1 year and not later than 5 years	38,015	5,135
	73,629	25,675

28. MEMBERS' LIABILITY

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

29. GENERAL INFORMATION

Beacon Education MAT Ltd, company number 07630164, is a company limited by guarantee, incorporated in England and Wales. The registered office is Minehead Middle School, Ponsford road, Minehead, Somerset, TA24 5RH.

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

30. RELATED PARTY TRANSACTIONS

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

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