

**Company Registration Number: 07495541 (England & Wales)**

**THE BALCARRAS TRUST  
(formerly Balcarras School)  
(A Company Limited by Guarantee)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2020**

---

**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

---

**CONTENTS**

---

	Page
<b>Reference and Administrative Details</b>	1 - 2
<b>Trustees' Report</b>	3 - 9
<b>Governance Statement</b>	10 - 12
<b>Statement on Regularity, Propriety and Compliance</b>	13
<b>Statement of Trustees' Responsibilities</b>	14
<b>Independent Auditor's Report on the Financial Statements</b>	15 - 17
<b>Independent Reporting Accountant's Report on Regularity</b>	18 - 19
<b>Statement of Financial Activities Incorporating Income and Expenditure Account</b>	20
<b>Balance Sheet</b>	21
<b>Statement of Cash Flows</b>	22
<b>Notes to the Financial Statements</b>	23 - 52

---

**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

---

**REFERENCE AND ADMINISTRATIVE DETAILS**

---

<b>Members</b>	C Healy G Sage R Shepherd B Stagg J Trotter
<b>Trustees</b>	B Roberts, Chair <sup>1</sup> D Burke, Chief Executive <sup>1</sup> R Boulton (resigned 1 December 2020) C Hansen (resigned 1 December 2020) D Hazael (resigned 1 December 2020) C Hodges (resigned 17 July 2020) <sup>1</sup> K Holdsworth (resigned 1 December 2020) P Horne <sup>1</sup> P Hung (resigned 1 December 2020) M Huysinga <sup>1</sup> H Kellett (resigned 1 December 2020) R Leftley (resigned 3 November 2019) <sup>1</sup> J McGuire P Mitchener (appointed 30 June 2020, resigned 1 December 2020) A Niblett (resigned 22 September 2020) J Poulson S Robertson (resigned 3 November 2019) R Shepherd (resigned 1 December 2020) G Sparkes <sup>1</sup> G Thomas (appointed 26 November 2019, resigned 1 December 2020) K Wilkey (resigned 1 December 2020) L Williams (appointed 26 November 2019, resigned 1 December 2020)
	<sup>1</sup> Finance, Audit and Risk Committee
<b>Company registered number</b>	07495541
<b>Company name</b>	The Balcarras Trust
<b>Principal and Registered office</b>	Balcarras School East End Road Charlton Kings Cheltenham Glos GL53 8QF
<b>Senior management team</b>	D Burke, Headteacher N Baxter, Deputy Head Teacher R Atkin, Assistant Head Teacher E Cullis, Assistant Head Teacher I Davidson, Assistant Head Teacher G Towers, Assistant Head Teacher L McCarthy, Assistant Head Teacher

---

**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

---

**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

---

D Leatherbarrow, Assistant Head Teacher

**Independent auditor** Mazars LLP  
Chartered Accountants  
90 Victoria Street  
Bristol  
BS1 6DP

**Bankers** Yorkshire Bank  
5 Northgate Street  
Gloucester  
GL1 2AH

---

**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

---

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

---

The trustees present their annual report together with the financial statements and auditor's report of Balcarras School (the Academy) for the period from 1 September 2019 to 31 August 2020. The annual report serves the purposes of both trustees' report, and directors' report under company law.

The address of the principal office of the trust is East End Road, Charlton Kings, Cheltenham, Gloucestershire, GL53 8QF.

The trust operates an academy for pupils aged 11 to 18 serving a catchment area in Cheltenham. It has a pupil capacity of 1,341 and had a roll of 1,397 in the school census on 31 October 2019. The Trust has also been appointed as the sponsor for a brand new 11-16 comprehensive school - The High School Leckhampton - which will open in September 2021.

**Structure, governance and management**

**a. Constitution**

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of The Balcarras Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as The Balcarras Trust.

Details of the governors who served throughout the year are included in the Reference and Administrative Details on page 1. Details of the trustees are also listed. The trustees took up their position when the school converted to Multi Academy Trust (MAT) status on 1 December 2020. On this date the Trust also changed its name to The Balcarras Academy Trust.

**b. Members' liability**

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

**c. Trustees' indemnities**

The Academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. Further details are provided in note 16 to the financial statements.

---

**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

---

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

---

**Structure, governance and management (continued)**

**d. Method of recruitment and appointment or election of Trustees**

The Trustees are directors of the company for the purposes of the Companies Act 2006 and governors for the purposes of charity legislation.

The Board of Trustees post December 1st consists of 7 trustees.

The Balcarras Academy Board of Governors consisted of 19 members, 8 by appointment of the Governors, the Headteacher, 3 staff members elected by the staff of the Academy and 7 parent members elected by parents of pupils of the school.

The term of office of any governor will be 4 years, except this time limit does not apply to the Headteacher. Subject to remaining eligible to be a particular type of governor, any governor can be re-appointed or re-elected.

**e. Policies adopted for the induction and training of Trustees/Governors**

New trustees/governors join throughout the year, induction tends to be done informally and is tailored specifically to the individual. Other training is conducted as necessary.

**f. Organisational structure**

The trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy (by use of budgets) and making major decisions about the strategic direction of the Academy, capital expenditure and the appointment of the CEO/Headteacher.

During the period under review the governors held four meetings. All governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they need to undertake their role as governors.

Management structure of the school encourages clear, firm decision-making at all levels. The governors meet four times a year, taking reports from each of the sub-committees. The governors establish important strategic policy and principles, with nearly all decision-making delegated to the headteacher.

The senior leadership team works with the CEO/Headteacher in leading the work of the school. It consists of the head, one deputy and six assistant heads, one of them part-time.

Decision-making is further delegated to excellent heads of house and heads of department and they have considerable autonomy in the running of their sections of the school.

**g. Risk management**

The Trustees have assessed the major risks to which the Trust is exposed. They have identified Strategic, Operational, Regulatory and Financial risks. Likelihood and impact of risk has been assessed and methods of avoiding, transferring and mitigating these have been considered.

---

**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

---

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

---

**Structure, governance and management (continued)**

**h. Trade union facility time**

**Relevant union officials**

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

**Percentage of time spent on facility time**

Percentage of time	Number of employees
0%	-
1%-50%	1
51%-99%	-
100%	-
<b>Percentage of pay bill spent on facility time</b>	<b>£</b>
Total cost of facility time	320
Total pay bill	6,669,341
Percentage of total pay bill spent on facility time	- %

**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours	1 %
---	-----

**Objectives and activities**

**a. Objects and aims**

The principal activity of the Trust is the operation of Balcarras School to provide education for pupils of different abilities between the ages of 11 to 18.

In accordance with the Articles of Association the Academy had adopted a 'Scheme of Government' approved by the Secretary of State for Education and Skills.

The Trust's aims are:

- Commitment to the highest academic standards
- A caring and stimulating environment
- A wide range of extra-curricular activities
- A partnership with parents, business and the local community.

Our over-arching aim is to provide an education for our pupils which will equip them to be confident, successful adults who will make a positive contribution to the adult world. All of the school's activities are focused upon our achieving that aim.

---

**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

---

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

---

**Objectives and activities (continued)**

**b. Objectives, strategies and activities**

Our examination results at GCSE and A level were, once again, outstanding. At GCSE we achieved a notional Progress 8 of +1.11, although the government won't publish progress data due to the pandemic. 50% of our students achieved 5 grade 7+, which is a new record for the school.

At A level we achieved 75% A\* to B and value added that once again places the school in the top 2% of all providers nationally. We have now achieved 70%+ for three years running.

In November 2020 the school won The Sunday Times Southwest State School of the Decade Award. This year, as well as publishing the 2019 examinations results, The Sunday Times has selected 26 'Schools of the Decade' from all corners of the country in recognition of their sustained excellence. In each region of the country The Sunday Times has selected a State School of the Decade and an Independent School of the Decade. With over 350 state schools in the region, many of them selective, Balcarras has beaten off some pretty stiff competition. The school is delighted that our excellent track record has been given such national recognition.

The school has responded well to the demands of the pandemic and our remote teaching offer has been critical to allowing education to continue, even when students have not been able to physically attend the school. Our current exam groups (Year 11 and Year 13) are on course to achieve excellent results.

Our work as a Teaching School continues to thrive, as does our Maths Hub, GLOW. Both of these responsibilities mean that we offer a wide range of professional development opportunities for our staff and for colleagues across the region. The contributions of Elizabeth Cullis and Steve Lomax are central to these activities. We have put in a bid to become a 'Teaching School Hub' and await the result in January 2021.

In 2020 Balcarras became an 'Ed Tech Demonstrator School', securing a grant of £100,000 to work alongside the National Star College, to advise schools about how to develop their IT capabilities. We have worked closely with many schools across the region as part of this project.

School Direct, too, continues to provide excellent training for graduates entering the teaching profession. We have 7 trainees enrolled on the scheme for 2020/21.

The academic year 2020/21 promises to be one of similar success to last year, if not more so, and the overall quality of the workforce has never been higher. We continue to place great emphasis on making school enjoyable and our programme for extra-curricular continues to be a real area of strength, even in a pandemic.

Balcarras has been chosen to sponsor Cheltenham's new secondary school which will open in September 2021. We are currently arranging for accommodation to be built on the Balcarras site because the main building at Farm Lane has been delayed. We are working with the local authority to make sure that we have superb accommodation ready for the school's opening in September 2021. The school will transfer to its own accommodation at Farm Lane in September 2022.

We converted to MAT status in December 2020 and we are open to the possibility that our MAT will grow in the future.

**c. Public benefit**

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.



---

**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

---

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

---

**Strategic report**

**Achievements and performance**

**a. Key performance indicators**

We began the financial year with a total reserve of £1,022,630 which included unrestricted reserves of £563,516 and designated funds of £459,144. After allocating some of these designated funds we end this financial year with a total reserve of £912,173 which includes unrestricted reserves of £566,930 and designated funds of £345,243.

We again had an excellent GCSE and A-Level results with 92% of the Year 11 cohort achieving A\*~C English and Maths, and 42% of all grades A\*/A.

75% of all grades at A-level were A\*-B, and 42% A\* to A which represents a new record for the school.

**b. Going concern**

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

**Financial review**

The majority of the Trust's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, which are restricted for particular purposes. The grants received from ESFA during the financial accounting period of the Academy ending on 31 August 2020 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

Balcarras School received a total revenue income of £7,539,402 in grants from the ESFA with a further £284,643 from the Local Authority and other grant income of £342,776 was capital grants and other income totalled £251,527. Total revenue expenditure came to £9,540,520 of which £7,159,616 related to teaching and educational support costs, £2,380,904 related to support costs (including £509,702 of depreciation of fixed assets) and £16,104 related to governance costs. Capital projects expenditure totalled £349,840.

**a. Reserves policy**

The policy of the Trust is to carry forward a prudent level of resources; designed to meet working capital requirements, fund long-term cyclical needs of renewal, support future capital improvements and meet any other unforeseen contingencies. The reserves will represent capital and revenue and will be identified as Restricted, Unrestricted and Designated Reserves

Sufficient working capital should be retained within the level of reserves to cover delays between expenditure and receipt of funding as well as to provide contingency for any unexpected costs.

The Trust considers that the level of revenue reserves should be equivalent to 4 weeks' revenue expenditure, which currently equates to £575,000.

---

**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

---

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

---

**Strategic report (continued)**

**Financial review (continued)**

The Trust may choose to designate part or all of its unrestricted reserves for a specific purpose or future need. In this instance, any designated reserves will be excluded from the assessment of the Academy Trust's available free reserves.

Based on the financial year ending 2020/2021, this figure equates to £345k, designated as the £58k Astro Pitch Replacement Fund, £20k for Boiler replacement, £30k for toilet refurbishment, £30k for Landscaping the front of the school, £12k for landscaping the Pavilion area, £150k extending the Sixth Form, £8k for Floodlight Screening, £25k for LED lighting around the school, £12k for Roofing works to the Gym.

**b. Investment policy**

Due to the nature of the funding cycle, the Trust may at times hold large cash balances which may not be required for immediate use. The Trustees have authorised the opening of a 30 day deposit account to take advantage of a higher interest rate. No other form of investment is authorised.

**c. Principal risks and uncertainties**

We continue to be concerned about the level of funding offered to schools particularly as regards per pupil sixth form funding which has reduced dramatically since 2012. However, we continue to be confident that the Trust is well positioned to meet the challenges as we go forward.

**Plans for future periods**

This year we again hope to raise our A-level performance to record levels and to achieve very high GCSE results. To do this whilst providing superb enrichment opportunities to all pupils and excellent SEN support will be a very high ambition.

Balcarras has been chosen to sponsor Cheltenham's new secondary school which will open in September 2021. We have been given a grant of £1.2 million to provide accommodation for The High School Leckhampton. Once the High School has departed for their own brand new school at Farm Lane we plan to use the new accommodation to solve historic capacity issues.

We have just converted to become a Multi Academy Trust. This first year is likely to be taken up by establishing the trust, however, we are keen to grow in the future.

**Pay policy for key management personnel**

A group of Trustees oversee and review the key management personnel (SMT) pay. This is reviewed in accordance with the STRB pay scale, guidance and advice based on the size of school and responsibilities held at the time of the review.

---

**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

---

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

---

**Disclosure of information to auditor**

Insofar as the Trustees are aware:

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

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on *13<sup>th</sup> JANUARY 2021* and signed on its behalf by:



**B Roberts**  
Chair of Trustees

---

**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

---

**GOVERNANCE STATEMENT**

---

**Scope of responsibility**

As Trustees, we acknowledge we have overall responsibility for ensuring that The Balcarras Trust has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The board of Trustees has delegated the day-to-day responsibility to the CEO/CEO, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Balcarras 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 Governors of the Balcarras Academy Trust has formally met 3 times during the year in person with one meeting being conducted via email. The information below relates to the governance of Balcarras School prior to our conversion to MAT status.

Attendance during the year at meetings of the board of Governors was as follows:

Trustee	Meetings attended	Out of a possible
B Roberts, Chair of Balcarras Trust (Appointed 1/12/20)	4	4
R Boulton	3	4
D Burke Headteacher/CEO and Accounting Officer	3	4
C Hansen	4	4
D Hazael	3	4
K Holdsworth (Mrs)	3	4
C Hodges(Resigned 17/7/20)	4	4
L Williams (Mrs)(Joined 26/11/20)	3	3
P Horne	3	4
P W Hung	3	4
M Huysinga	3	4
H Kellett	4	4
R Leftley (Resigned 3/11/19)	1	1
J McGuire (Mrs)	2	4
A Niblett (Miss)	4	4
J Poulson (Mrs)	4	4
S Robertson (Ms) (Resigned 3/11/19)	1	1
R Shepherd (Miss) Chair of Balcarras Academy Trust (Resigned 1/12/20)	3	4
G Sparkes	4	4
G Thomas (Joined 26/11/20)	3	3
K Wilkey (Mrs)	4	4

---

**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

---

**GOVERNANCE STATEMENT (CONTINUED)**

---

**Governance (continued)**

The Finance, Audit and Risk Committee is a sub-committee of the main board of Governors of the Balcarras Academy Trust. Its purpose is to manage the financial status of the school and to advise the Governing Body of financial matters.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
P Horne (Chair)	5	5
D Burke, Headteacher and Accounting Officer	5	5
C Hodges (Resigned 17/7/20)	5	5
M Huysinga	5	5
R Leftley (Resigned 3/11/19)	1	1
B Roberts	5	5
G Sparkes	5	5

**Review of value for money**

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

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

**The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of 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 The Balcarras Trust for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

**Capacity to handle risk**

The board of Trustees continue to review the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks that has been in place for the year 1 September 2019 to 31 August 2020 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 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

---

**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

---

**GOVERNANCE STATEMENT (CONTINUED)**

---

**The risk and control framework (continued)**

- regular reviews by the Finance 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 not to appoint an internal auditor. However, the Trustees have appointed Mrs K Holdsworth, a Trustee, as Responsible Officer ('RO').

The RO's role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. On a semi-annual basis, the RO reports to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees financial responsibilities.

Karen Holdsworth is a qualified accountant and has this year performed the RO role. Her duties include a termly visit to ensure that procedures in the ESFA Academies Financial Handbook are followed, to perform checks each year to confirm the above and report to the board of trustees on her findings.

The Responsible Officer has visited the school once during 2019/20 and her report has been reviewed and discussed by the trustees.

**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 Responsible Officer;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the 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 and Risk Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 13<sup>TH</sup> JANUARY 2021 and signed on their behalf by:

  
**B Roberts**  
Chair

  
**D Burke** 25-1-21  
Head Teacher and Accounting Officer

---

**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

---

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

---

As Accounting Officer of The Balcarras Trust I have considered my responsibility to notify the 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 Trust, under the funding agreement in place between the Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the board of Trustees are able to identify any material irregular or improper use of all funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academies Financial Handbook 2019.

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.



**D Burke**  
Head Teacher and Accounting Officer  
Date: 25-1-21



---

**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

---

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

---

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 2019 to 2020;
- 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:

  
**B Roberts**  
Chair  
Date: 13/1/21



---

**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

---

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE  
BALCARRAS TRUST**

---

**Opinion**

We have audited the financial statements of The Balcarras Trust (the 'Trust') for the year ended 31 August 2020 which comprise the Statement of Financial Activities (Incorporating Income and Expenditure Account), Balance Sheet and the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 August 2020 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.

**Basis for opinion**

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

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

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

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

---

**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

---

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE  
BALCARRAS TRUST (CONTINUED)**

---

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

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

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

**Matters on which we are required to report by exception**

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

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

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

**Responsibilities of Directors**

As explained more fully in the Trustees responsibilities statement set out on page 2, the directors 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 directors 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 directors are responsible for assessing the 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 directors intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

---

**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

---

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE  
BALCARRAS TRUST (CONTINUED)**

---

**Auditor's responsibilities for the audit of the financial statements**

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

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of the audit report**

This report is made solely to the 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 Trust's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and the company's members as a body for our audit work, for this report, or for the opinions we have formed.



Jonathan Marchant (Senior statutory auditor)

for and on behalf of

Mazars LLP  
Chartered Accountants and Statutory Auditor  
90 Victoria Street  
Bristol  
BS1 6DP

Date: 26/01/2021

---

**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

---

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

---

In accordance with the terms of our engagement letter dated 10 November 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Balcarras Trust during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of The Balcarras Trust's Accounting Officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of The Balcarras Trust's funding agreement with the Secretary of State for Education dated 28 January 2011 and the Academies Financial Handbook, extant from 1 September 2019, 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 2019 to 2020. 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 2019 to 31 August 2020 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 Academies Accounts Direction 2019 to 2020 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 Trust's income and expenditure.

A summary of the work we have undertaken is as follows:

- Planned our assurance procedures including identifying key risks;
- Carried out sample testing on controls;
- Carried out substantive testing including analytical review; and
- Concluded on procedures carried out.

---

**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

---

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE  
BALCARRAS 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 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



**Mazars LLP**  
Chartered Accountants  
Statutory Auditor

90 Victoria Street  
Bristol  
BS1 6DP

Date: 26/1/21

**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>Income from:</b>						
Donations and capital grants	5	52,052	-	-	52,052	53,809
Charitable activities		-	7,840,431	342,776	8,183,207	7,634,915
Other trading activities	7	359,839	-	-	359,839	521,202
Investments	8	4,049	-	-	4,049	5,503
Other income	9	81,260	170,267	-	251,527	481,767
<b>Total income</b>		<b>497,200</b>	<b>8,010,698</b>	<b>342,776</b>	<b>8,850,674</b>	<b>8,697,196</b>
<b>Expenditure on:</b>						
Charitable activities	10	353,949	8,677,270	509,301	9,540,520	9,223,606
<b>Total expenditure</b>		<b>353,949</b>	<b>8,677,270</b>	<b>509,301</b>	<b>9,540,520</b>	<b>9,223,606</b>
<b>Net income/(expenditure)</b>		<b>143,251</b>	<b>(666,572)</b>	<b>(166,525)</b>	<b>(689,846)</b>	<b>(526,410)</b>
Transfers between funds	22	(253,708)	372,572	(118,864)	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>(110,457)</b>	<b>(294,000)</b>	<b>(285,389)</b>	<b>(689,846)</b>	<b>(526,410)</b>
<b>Other recognised gains/(losses):</b>						
Actuarial gains/(losses) on defined benefit pension schemes	29	-	231,000	-	231,000	(841,000)
<b>Net movement in funds</b>		<b>(110,457)</b>	<b>(63,000)</b>	<b>(285,389)</b>	<b>(458,846)</b>	<b>(1,367,410)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		1,022,630	(2,638,000)	8,347,216	6,731,846	8,099,256
Net movement in funds		(110,457)	(63,000)	(285,389)	(458,846)	(1,367,410)
<b>Total funds carried forward</b>		<b>912,173</b>	<b>(2,701,000)</b>	<b>8,061,827</b>	<b>6,273,000</b>	<b>6,731,846</b>

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

The notes on pages 23 to 52 form part of these financial statements.

**THE BALCARRAS TRUST**  
(A Company Limited by Guarantee)

**BALANCE SHEET**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	17	8,061,827	8,347,216
		<u>8,061,827</u>	<u>8,347,216</u>
<b>Current assets</b>			
Stocks	18	19,233	25,263
Debtors	19	242,916	277,255
Cash at bank and in hand		1,414,333	2,056,203
		<u>1,676,482</u>	<u>2,358,721</u>
Creditors: amounts falling due within one year	20	(764,309)	(1,336,091)
<b>Net current assets</b>		<u>912,173</u>	<u>1,022,630</u>
<b>Total assets less current liabilities</b>		<u>8,974,000</u>	<u>9,369,846</u>
<b>Net assets excluding pension liability</b>		<u>8,974,000</u>	<u>9,369,846</u>
Defined benefit pension scheme liability	29	(2,701,000)	(2,638,000)
<b>Total net assets</b>		<u><u>6,273,000</u></u>	<u><u>6,731,846</u></u>
<b>Funds of the Trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	22	8,061,827	8,347,216
Restricted funds excluding pension asset	22	8,061,827	8,347,216
Pension reserve	22	(2,701,000)	(2,638,000)
<b>Total restricted funds</b>	22	<u>5,360,827</u>	<u>5,709,216</u>
<b>Unrestricted income funds</b>	22	<u>912,173</u>	<u>1,022,630</u>
<b>Total funds</b>		<u><u>6,273,000</u></u>	<u><u>6,731,846</u></u>

The financial statements on pages 20 to 52 were approved by the Trustees, and authorised for issue on 13<sup>TH</sup> JANUARY 2020 and are signed on their behalf, by:

  
**B Roberts**  
Chair

The notes on pages 23 to 52 form part of these financial statements.

---

**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

---

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

---

	<b>Note</b>	<b>2020 £</b>	<b>2019 £</b>
<b>Cash flows from operating activities</b>			
Net cash (used in)/provided by operating activities	<b>24</b>	(421,606)	668,539
<b>Cash flows from investing activities</b>	<b>25</b>	<u>(220,264)</u>	<u>(86,203)</u>
<b>Change in cash and cash equivalents in the year</b>		(641,870)	582,336
Cash and cash equivalents at the beginning of the year		<u>2,056,203</u>	<u>1,473,867</u>
<b>Cash and cash equivalents at the end of the year</b>	<b>26, 27</b>	<u><u>1,414,333</u></u>	<u><u>2,056,203</u></u>

The notes on pages 23 to 52 form part of these financial statements



---

**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

---

**1. General information**

The Balcarras Trust is a private company limited by guarantee, registered in England & Wales, registered number 07495541. Its registered office is Balcarras School, East End Road, Charlton Kings, Cheltenham, Gloucestershire, GL53 8QF.

**2. Accounting policies**

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

**2.1 Basis of preparation of financial statements**

The financial statements of the 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 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Balcarras Trust meets the definition of a public benefit entity under FRS 102.

**2.2 Going concern**

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the 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 Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

**2.3 Income**

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

- **Grants**

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

---

**2. Accounting policies (continued)**

**2.3 Income (continued)**

which they are expended.

- **Sponsorship income**

Sponsorship income provided to the Trust which amounts to a donation is recognised in the Statement of Financial Activities in the year in which it is receivable (where there are no performance-related conditions) where receipt is probable and it can be measured reliably.

- **Donations**

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

- **Other income**

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

**2.4 Expenditure**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

**2.5 Interest receivable**

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

**2.6 Taxation**

The Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.

---

**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

---

**2. Accounting policies (continued)**

**2.7 Tangible fixed assets**

Assets costing more than £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 basis over its expected useful life, as follows:

Depreciation is provided on the following bases:

Freehold property	- 5% straight line
Furniture and equipment	- 20% straight line
Computer equipment	- 20% straight line

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

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

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

**2.8 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**2.9 Debtors**

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

---

**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

---

**2. Accounting policies (continued)**

**2.10 Cash at bank and in hand**

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

**2.11 Liabilities and provisions**

Liabilities and provisions 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 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. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**2.12 Financial instruments**

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

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 21. Prepayments are not financial instruments. Amounts due to the Trust's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 21. 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. Amounts due to the Trust's wholly owned subsidiary are held at face value less any impairment.

---

**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

---

**2. Accounting policies (continued)**

**2.13 Pensions**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a 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 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.

The Trust is a member of a multi-employer plan. Where it is not possible for the Trust to obtain sufficient information to enable it to account for the plan as a defined benefit plan, it accounts for the plan as a defined contribution plan.

**2.14 Fund accounting**

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

---

**3. Critical accounting estimates and areas of judgment**

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

Critical accounting estimates and assumptions:

The 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 29, 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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. 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.

---

**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

---

**4. General Annual Grant (GAG)**

Under the funding agreement with the Secretary of State, the Trust was subject to limits at 31 August 2020 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The Trust has not exceeded these limits during the year ended 31 August 2020.

**5. Income from donations and capital grants**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>
Donations	52,052	52,052

	<b>Unrestricted funds 2019 £</b>	<b>Total funds 2019 £</b>
Donations	53,809	53,809



**THE Balcarras Trust**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**6. Funding for the Trust**

	<b>Restricted funds 2020 £</b>	<b>Total funds 2020 £</b>
<b>DfE/ESFA grants</b>		
General Annual Grant (GAG)	5,886,432	5,886,432
Other DfE/EFA Grants	531,357	531,357
GCC Growth Income	124,912	124,912
SEN from LA	159,731	159,731
Academy main buildings grant	313,196	313,196
Devolved formula capital allocations	29,580	29,580
Special educational projects	16,386	16,386
Mainstream grants	492,292	492,292
Maths Hub Grant	623,961	623,961
GAG Start Up Grant Part A	5,360	5,360
	<b>8,183,207</b>	<b>8,183,207</b>

	<b>Restricted funds 2019 £</b>	<b>Total funds 2019 £</b>
<b>DfE/ESFA grants</b>		
General Annual Grant (GAG)	5,788,791	5,788,791
Other DfE/EFA Grants	289,970	289,970
SEN from LA	150,951	150,951
Academy main buildings grant	142,022	142,022
Devolved formula capital allocations	42,220	42,220
Special educational projects	63,518	63,518
Mainstream grants	488,034	488,034
Maths Hub Grant	643,677	643,677
GAG Start Up Grant Part A	19,640	19,640
Year 7 Catch Up Grant	6,092	6,092
	<b>7,634,915</b>	<b>7,634,915</b>



**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**7. Income from other trading activities**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>
Hire of facilities	54,135	54,135
Income from services	53,717	53,717
Catering Income	251,987	251,987
	<u>359,839</u>	<u>359,839</u>

	<b>Unrestricted funds 2019 £</b>	<b>Total funds 2019 £</b>
Hire of facilities	77,674	77,674
Income from services	51,991	51,991
Catering Income	391,537	391,537
	<u>521,202</u>	<u>521,202</u>

**8. Investment income**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>
Investment income	4,049	4,049
	<u>4,049</u>	<u>4,049</u>

	<b>Unrestricted funds 2019 £</b>	<b>Total funds 2019 £</b>
Investment income	5,503	5,503
	<u>5,503</u>	<u>5,503</u>

---

**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

---

**9. Other incoming resources**

	<b>Unrestricted funds 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Total funds 2020 £</b>
School trips	-	170,267	170,267
Sundry Income	81,260	-	81,260
	<u>81,260</u>	<u>170,267</u>	<u>251,527</u>

	<b>Unrestricted funds 2019 £</b>	<b>Restricted funds 2019 £</b>	<b>Total funds 2019 £</b>
School trips	-	427,409	427,409
Sundry Income	54,358	-	54,358
	<u>54,358</u>	<u>427,409</u>	<u>481,767</u>

**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**10. Expenditure**

	<b>Staff Costs 2020 £</b>	<b>Premises 2020 £</b>	<b>Other 2020 £</b>	<b>Total 2020 £</b>
Academy:				
Direct costs	6,038,979	-	1,120,637	7,159,616
Allocated support costs	970,832	434,237	975,835	2,380,904
	<u>7,009,811</u>	<u>434,237</u>	<u>2,096,472</u>	<u>9,540,520</u>

	<b>Staff Costs 2019 £</b>	<b>Premises 2019 £</b>	<b>Other 2019 £</b>	<b>Total 2019 £</b>
Academy:				
Direct costs	5,404,164	-	1,394,916	6,799,080
Allocated support costs	944,464	387,117	1,092,945	2,424,526
	<u>6,348,628</u>	<u>387,117</u>	<u>2,487,861</u>	<u>9,223,606</u>

**11. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2020 £</b>	<b>Support costs 2020 £</b>	<b>Total funds 2020 £</b>
Academy	<u>7,159,616</u>	<u>2,380,904</u>	<u>9,540,520</u>

	<b>Activities undertaken directly 2019 £</b>	<b>Support costs 2019 £</b>	<b>Total funds 2019 £</b>
Academy	<u>6,799,080</u>	<u>2,424,526</u>	<u>9,223,606</u>

**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**11. Analysis of expenditure by activities (continued)**

**Analysis of direct costs**

	<b>Academy 2020 £</b>	<b>Total funds 2020 £</b>
Pension income	50,000	50,000
Staff costs	6,038,979	6,038,979
Educational supplies	78,008	78,008
Exam fees	166,266	166,266
Staff development	431,983	431,983
School trips	207,676	207,676
Other direct costs	186,704	186,704
	<u>7,159,616</u>	<u>7,159,616</u>

	<b>Academy 2019 £</b>	<b>Total funds 2019 £</b>
Pension income	47,000	47,000
Staff costs	5,404,164	5,404,164
Educational supplies	96,504	96,504
Exam fees	192,043	192,043
Staff development	393,967	393,967
School trips	439,503	439,503
Other direct costs	225,899	225,899
	<u>6,799,080</u>	<u>6,799,080</u>

---

**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

---

**11. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Academy 2020 £</b>	<b>Total funds 2020 £</b>
Staff costs	970,831	970,831
Depreciation	509,702	509,702
Maintenance of premises and equipment	202,113	202,113
Recruitment and support	9,610	9,610
Rent, rate and utilities	151,750	151,750
Cleaning	24,762	24,762
Insurance	45,005	45,005
Security and transport	10,607	10,607
Catering	141,713	141,713
Bank interest and charges	6,750	6,750
Other support costs	292,357	292,357
Profit/loss on disposal of fixed assets	(400)	(400)
Governance costs	16,104	16,104
	<u>2,380,904</u>	<u>2,380,904</u>

**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**11. Analysis of expenditure by activities (continued)**

**Analysis of support costs (continued)**

	<b>Academy 2019 £</b>	<b>Total funds 2019 £</b>
Staff costs	944,465	944,465
Depreciation	502,736	502,736
Maintenance of premises and equipment	143,334	143,334
Recruitment and support	9,330	9,330
Rent, rate and utilities	160,394	160,394
Cleaning	23,561	23,561
Insurance	50,017	50,017
Security and transport	9,811	9,811
Catering	195,949	195,949
Bank interest and charges	6,939	6,939
Other support costs	362,600	362,600
Governance costs	15,390	15,390
	<u>2,424,526</u>	<u>2,424,526</u>

**12. Net income/(expenditure)**

Net income/(expenditure) for the year includes:

	<b>2020 £</b>	<b>2019 £</b>
Operating lease rentals	-	27,914
Depreciation of tangible fixed assets	509,702	502,737
	<u>509,702</u>	<u>502,737</u>

---

**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

---

**13. Auditor's remuneration**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Fees payable to the Trust's auditor for the audit of the Trust's annual accounts	12,050	6,900
Fees payable to the Trust's auditor in respect of:		
All assurance services not included above	575	555
All non-audit services not included above	3,045	4,851
	<u>          </u>	<u>          </u>

**14. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Wages and salaries	5,099,065	4,889,961
Social security costs	470,765	449,289
Pension costs	1,439,980	1,009,378
	<u>7,009,810</u>	<u>6,348,628</u>

**b. Staff numbers**

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

	<b>2020</b>	<b>2019</b>
	<b>No.</b>	<b>No.</b>
Teachers	81	81
Admin and support	56	74
Management	8	8
Cleaning	14	17
Catering	11	10
	<u>170</u>	<u>190</u>

---

**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

---

**14. Staff (continued)**

**c. Higher paid staff**

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

	<b>2020 No.</b>	<b>2019 No.</b>
In the band £60,001 - £70,000	1	1
In the band £70,001 - £80,000	1	-
In the band £100,001 - £110,000	1	1

The above employees participated in the Teachers' Pension Scheme. During the year pension contributions for these employees amounted to £56,873 (2019: £28,336).

**d. Key management personnel**

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Trust was £809,695 (2019 £533,133).



---

**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

---

**15. Trustees' remuneration and expenses**

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

		2020 £	2019 £
D Burke (CEO/Headteacher and Trustee)	Remuneration	100,000 - 110,000	100,000 - 110,000
	Pension contributions paid	25,000 - 30,000	15,000 - 20,000
A Niblett (Teacher and Trustee)	Remuneration	50,000 - 55,000	45,000 - 50,000
	Pension contributions paid	10,000 - 15,000	5,000 - 10,000
D Hazael (Teacher and Trustee)	Remuneration	50,000 - 55,000	45,000 - 50,000
	Pension contributions paid	10,000 - 15,000	5,000 - 10,000
J Newman (Staff and Trustee)	Remuneration		0 - 5,000
	Pension contributions paid		0 - 5,000
K Wilkey (Staff and Trustee)	Remuneration	10,000 - 15,000	10,000 - 15,000
	Pension contributions paid	0 - 5,000	0 - 5,000

During the year, no Trustees received any benefits in kind (2019 - £Nil).

During the year, no Trustees were reimbursed for expenses (2019 - £Nil).

During the year retirement benefits were accruing to 4 Trustees (2019: 5) in respect of defined benefit schemes.

During the year ended 31 August 2020, no Trustee expenses have been incurred (2019 - £NIL).

**16. Trustees' and Officers' insurance**

The 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 up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme membership.

**THE BALCARRAS TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**17. Tangible fixed assets**

	Freehold property £	Furniture and equipment £	Computer equipment £	Other fixed assets £	Total £
<b>Cost or valuation</b>					
At 1 September 2019	11,214,190	653,075	162,524	65,625	12,095,414
Additions	-	63,565	50,280	110,468	224,313
Transfers between classes	65,625	-	-	(65,625)	-
At 31 August 2020	11,279,815	716,640	212,804	110,468	12,319,727
<b>Depreciation</b>					
At 1 September 2019	3,130,921	460,398	156,879	-	3,748,198
Charge for the year	419,514	77,809	12,379	-	509,702
At 31 August 2020	3,550,435	538,207	169,258	-	4,257,900
<b>Net book value</b>					
At 31 August 2020	7,729,380	178,433	43,546	110,468	8,061,827
At 31 August 2019	8,083,269	192,677	5,645	65,625	8,347,216

**18. Stocks**

	2020 £	2019 £
Sundry Consumables	19,233	25,263

**19. Debtors**

	2020 £	2019 £
<b>Due within one year</b>		
Trade debtors	35,493	20,693
Other debtors	92,378	63,703
Prepayments and accrued income	115,045	192,859
	242,916	277,255

**THE BALCARRAS TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**20. Creditors: Amounts falling due within one year**

	2020 £	2019 £
Trade creditors	39,029	137,052
Other taxation and social security	136,151	228,219
Other creditors	446,468	423,234
Accruals and deferred income	142,661	547,586
	<u>764,309</u>	<u>1,336,091</u>
	2020 £	2019 £
Deferred income at 1 September 2019	477,288	133,948
Resources deferred during the year	25,618	477,288
Amounts released from previous periods	(477,288)	(133,948)
	<u>25,618</u>	<u>477,288</u>

The deferred income is primarily comprised of the following amounts, £Nil (2019: £144,026) relating to school trips which are being run in the 20/21 school year, £17,138 (2019: £285,375) of capital grants for work not commenced at year end and £8,480 (2019: £47,887) relating to sundry items.

**21. Financial instruments**

	2020 £	2019 £
<b>Financial assets</b>		
Financial assets measured at fair value through income and expenditure	1,414,333	2,056,203
Financial assets that are debt instruments measured at amortised cost	76,978	41,910
	<u>1,491,311</u>	<u>2,098,113</u>
	2020 £	2019 £
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	(551,614)	(630,585)

Financial assets measured at fair value through income and expenditure comprise bank and cash.

Financial assets that are debt instruments measured at amortised cost comprise trade debtors and accrued income.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors and accruals.

**THE BALCARRAS TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**22. Statement of funds**

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Designated Fund	459,114	-	-	(113,871)	-	345,243
<b>General funds</b>						
Unrestricted funds	563,516	497,200	(353,949)	(139,837)	-	566,930
<b>Total Unrestricted funds</b>	<b>1,022,630</b>	<b>497,200</b>	<b>(353,949)</b>	<b>(253,708)</b>	<b>-</b>	<b>912,173</b>
<b>Restricted general funds</b>						
General Annual Grant (GAG)	-	6,521,665	(6,894,237)	372,572	-	-
Other DfE/ESFA Grants	-	559,805	(559,805)	-	-	-
LEA and other grants	-	305,267	(305,267)	-	-	-
Maths Hub Grant	-	623,961	(623,961)	-	-	-
Pension reserve	(2,638,000)	-	(294,000)	-	231,000	(2,701,000)
	<b>(2,638,000)</b>	<b>8,010,698</b>	<b>(8,677,270)</b>	<b>372,572</b>	<b>231,000</b>	<b>(2,701,000)</b>
<b>Restricted fixed asset funds</b>						
Academy main buildings grant	7,200,000	-	(350,000)	-	-	6,850,000
DfE/ESFA capital grants	1,147,216	342,776	(159,301)	(118,864)	-	1,211,827
	<b>8,347,216</b>	<b>342,776</b>	<b>(509,301)</b>	<b>(118,864)</b>	<b>-</b>	<b>8,061,827</b>
<b>Total Restricted funds</b>	<b>5,709,216</b>	<b>8,353,474</b>	<b>(9,186,571)</b>	<b>253,708</b>	<b>231,000</b>	<b>5,360,827</b>
<b>Total funds</b>	<b>6,731,846</b>	<b>8,850,674</b>	<b>(9,540,520)</b>	<b>-</b>	<b>231,000</b>	<b>6,273,000</b>

---

**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

---

**22. Statement of funds (continued)**

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

**General Annual Grant (GAG):** This income, provided by the ESFA, must be used for the normal running costs of the Academy.

**Other DfE/ESFA and LEA Grants:** These funds relate to other grants received for specific academic purposes and must be used for the purpose intended.

**Maths Hub:** These funds relate to the operation of the Maths Hub and associated activities at the Academy.

**Pensions reserve:** This fund equates to the obligation for retirement benefits as measured using FRS 102 disclosed in note 29 of these financial statements.

**Restricted fixed asset fund:** this fund relates to resources which must be or has been applied for specific capital purposes.

**Designated funds:** These funds relate to monies set aside for various refurbishment and other strategic projects identified by the Trustees.

**THE BALCARRAS TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**22. Statement of funds (continued)**

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Designated Fund	438,243	-	-	20,871	-	459,114
<b>General funds</b>						
Unrestricted funds	498,728	634,872	(450,405)	(119,679)	-	563,516
<b>Total Unrestricted funds</b>	<b>936,971</b>	<b>634,872</b>	<b>(450,405)</b>	<b>(98,808)</b>	<b>-</b>	<b>1,022,630</b>
<b>Restricted general funds</b>						
General Annual Grant (GAG)	-	5,821,305	(6,012,650)	191,345	-	-
Other DfE/ESFA Grants	-	289,970	(289,970)	-	-	-
LEA and other grants	-	488,034	(488,034)	-	-	-
Maths Hub Grant	-	643,677	(643,677)	-	-	-
Other restricted	12,038	635,096	(647,134)	-	-	-
Pension reserve	(1,608,000)	-	(189,000)	-	(841,000)	(2,638,000)
	<b>(1,595,962)</b>	<b>7,878,082</b>	<b>(8,270,465)</b>	<b>191,345</b>	<b>(841,000)</b>	<b>(2,638,000)</b>
<b>Restricted fixed asset funds</b>						
Academy main buildings grant	7,550,000	-	(350,000)	-	-	7,200,000

**THE BALCARRAS TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**22. Statement of funds (continued)**

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
DfE/ESFA capital grants	1,208,247	184,242	(152,736)	(92,537)	-	1,147,216
	<u>8,758,247</u>	<u>184,242</u>	<u>(502,736)</u>	<u>(92,537)</u>	<u>-</u>	<u>8,347,216</u>
<b>Total Restricted funds</b>	<u>7,162,285</u>	<u>8,062,324</u>	<u>(8,773,201)</u>	<u>98,808</u>	<u>(841,000)</u>	<u>5,709,216</u>
<b>Total funds</b>	<u>8,099,256</u>	<u>8,697,196</u>	<u>(9,223,606)</u>	<u>-</u>	<u>(841,000)</u>	<u>6,731,846</u>

**23. Analysis of net assets between funds**

**Analysis of net assets between funds - current period**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	8,061,827	8,061,827
Current assets	1,676,482	-	-	1,676,482
Creditors due within one year	(764,309)	-	-	(764,309)
Provisions for liabilities and charges	-	(2,701,000)	-	(2,701,000)
<b>Total</b>	<u>912,173</u>	<u>(2,701,000)</u>	<u>8,061,827</u>	<u>6,273,000</u>

**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**23. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior period**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	8,347,216	8,347,216
Current assets	2,358,722	-	-	2,358,722
Creditors due within one year	(1,336,092)	-	-	(1,336,092)
Provisions for liabilities and charges	-	(2,638,000)	-	(2,638,000)
<b>Total</b>	<b>1,022,630</b>	<b>(2,638,000)</b>	<b>8,347,216</b>	<b>6,731,846</b>

**24. Reconciliation of net expenditure to net cash flow from operating activities**

	2020 £	2019 £
Net expenditure for the period (as per Statement of Financial Activities)	(689,846)	(526,410)
<b>Adjustments for:</b>		
Depreciation	509,702	502,736
Interest receivable	(4,049)	(5,503)
Defined benefit pension scheme cost less contributions payable	244,000	142,000
Defined benefit pension scheme finance cost	50,000	47,000
(Increase)/decrease in stocks	6,030	(4,827)
(Increase)/decrease in debtors	34,339	(45,339)
(Decrease)/increase in creditors	(571,782)	558,882
<b>Net cash (used in)/provided by operating activities</b>	<b>(421,606)</b>	<b>668,539</b>

**25. Cash flows from investing activities**

	2020 £	2019 £
Dividends, interest and rents from investments	4,049	5,503
Purchase of tangible fixed assets	(224,313)	(91,706)
<b>Net cash used in investing activities</b>	<b>(220,264)</b>	<b>(86,203)</b>



**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**26. Analysis of cash and cash equivalents**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Cash in hand	1,414,333	2,056,203
<b>Total cash and cash equivalents</b>	<b>1,414,333</b>	<b>2,056,203</b>

**27. Analysis of changes in net debt**

	<b>At 1 September 2019 £</b>	<b>Cash flows £</b>	<b>At 31 August 2020 £</b>
Cash at bank and in hand	2,056,203	(641,870)	1,414,333
	<b>2,056,203</b>	<b>(641,870)</b>	<b>1,414,333</b>

**28. Capital commitments**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Contracted for but not provided in these financial statements</b>		
Acquisition of tangible fixed assets	43,523	136,860

**29. Pension commitments**

The Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Gloucestershire 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 2016.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

---

**29. Pension commitments (continued)**

**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.

**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 £740,541 (2019 - £620,000).

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 Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Trust has set out above the information available on the scheme.

---

**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

---

**29. Pension commitments (continued)**

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £529,708 (2019 - £353,679), of which employer's contributions totalled £451,714 (2019 - £290,611) and employees' contributions totalled £ 77,994 (2019 - £63,068). The agreed contribution rates for future years are 28 per cent for employers and 5.78 per cent for employees.

As described in note the LGPS obligation relates to the employees of the 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 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.

**Principal actuarial assumptions**

	<b>2020</b>	<b>2019</b>
	<b>%</b>	<b>%</b>
Rate of increase in salaries	2.50	2.60
Pension increase rate (CPI)	2.20	2.30
Discount rate for scheme liabilities	1.70	1.80
Commutation of pensions to lump sums	35.00	35.00

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

	<b>2020</b>	<b>2019</b>
	<b>Years</b>	<b>Years</b>
<i>Retiring today</i>		
Males	21.7	21.5
Females	23.9	23.7
<i>Retiring in 20 years</i>		
Males	22.4	22.3
Females	25.3	25.0

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.

**THE BALCARRAS TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**29. Pension commitments (continued)**

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

	<b>2020</b>	<b>2019</b>
	%	%
Equities	66	65
Corporate bonds	23	25
Property	8	8
Cash and other liquid assets	3	2
<b>Total market value of assets</b>	<b>100</b>	<b>100</b>

The actual return on scheme assets was £-273k (2019 - £136k).

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

	<b>2020</b>	<b>2019</b>
	£	£
Current service cost	(564,000)	(418,000)
Past service cost	-	(13,000)
Interest cost	(50,000)	(47,000)
<b>Total amount recognised in the Statement of Financial Activities</b>	<b>(614,000)</b>	<b>(478,000)</b>

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

	<b>2020</b>	<b>2019</b>
	£	£
<b>At 1 September</b>	<b>6,744,000</b>	<b>5,159,000</b>
Current service cost	564,000	418,000
Interest cost	127,000	151,000
Employee contributions	68,000	66,000
Actuarial (gains)/losses	(504,000)	977,000
Benefits paid	(39,000)	(40,000)
Losses on curtailments	-	13,000
<b>At 31 August</b>	<b>6,960,000</b>	<b>6,744,000</b>

---

**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

---

**29. Pension commitments (continued)**

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

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>At 1 September</b>	4,106,000	3,551,000
Interest income	77,000	104,000
Actuarial (losses)/gains	(273,000)	136,000
Employer contributions	320,000	289,000
Employee contributions	68,000	66,000
Benefits paid	(39,000)	(40,000)
<b>At 31 August</b>	<b>4,259,000</b>	<b>4,106,000</b>

**30. Operating lease commitments**

At 31 August 2020 the Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Not later than 1 year	25,208	25,743
Later than 1 year and not later than 5 years	34,656	60,495
	<b>59,864</b>	<b>86,238</b>

**31. 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.

---

**THE BALCARRAS TRUST**  
**(A Company Limited by Guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

---

**32. 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 15.

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

The Trust provides catering support services to Glenfall Primary School. One of the Trustees is also a Governor of Glenfall Primary School. The amounts charged in the year totalled £1,966 (2019: £1,200) with £240 outstanding at the year end (2019: £300).

During the year expenditure of £6,400 had been made to National Star Foundation, of which Peter Horne is a Director.

**33. Post balance sheet events**

On 1 December 2020 Balcarras School converted to a Multi Academy Trust, changing its name to The Balcarras Trust and adopting a revised memorandum and articles of association.