

SENDAT

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021



SENDAT
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mr R A Carter Lady K J Fisher Dr A Mathur Dr N Savvas Mrs R Varley (Chairman)
Trustees	Mr L Chapman ¹ Mr N Kellett, Chair ¹ Mr R Attwell Mrs S Snowdon Mrs E Pearce (appointed 1 September 2020) Mr R Ghatauray (appointed 1 September 2020) Mrs S Embser-Kay (appointed 1 September 2020) Mr A J Maltpress (resigned 14 September 2021) Mr M Redmond, Vice Chair (resigned 3 September 2021) ¹ Mr M Attwood (resigned 7 July 2021) Mrs C Revell (appointed 1 September 2020, resigned 1 January 2021) Mr J McCourt (appointed 1 December 2021) Ms J Baker (appointed 1 December 2021)
	¹ Member of the Audit and Finance Committee
Company registered number	07729941
Company name	SENDAT
Principal and registered office	Ask House Northgate Avenue Bury St Edmunds Suffolk IP32 6BB
Company secretary	Mr G Cowles
Chief executive officer	Mr L Chapman
Senior management team	Mr L Chapman, CEO & Accounting Officer Mrs S Hopkins, A&R Manager/Trauma Lead Mrs G Lewis, Director of Safeguarding and Residence Mrs T Vobe, Estates & Facilities Mrs A Whatley, Partnership Director Mrs S Prickett, Chief Finance and Operations Officer Mr Rob Speck, Head of School DOL Ms J Kent, HR Manager Mr M Truman, Head of School - Priory School Mr G Alcock, Head Teacher - Chalk Hill Mrs J Pettingale, Head of School - Stone Lodge

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Bankers	Lloyds Bank plc 9 Buttermarket Bury St Edmunds IP33 1DF
Solicitors	Browne Jacobson LLP Victoria Square House Victoria Square Birmingham B2 4BU

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

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

The academy trust operates three academies for pupils aged 5 to 19 for students with Special Educational needs serving a wide catchment area in Suffolk and extending into Norfolk, Cambridgeshire and Essex. It has a pupil capacity of 401 and had a roll of 386 in the Summer 2021 school census.

Structure, governance and management

a. Constitution

The academy trust is a charitable 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 SENDAT (Special Educational Needs and Disabilities Academy Trust) are also the Directors of the charitable company for the purpose of company law.

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

b. Members' liability

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

There were no provisions required for third party indemnity.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Trustees

The management of the company is the responsibility of the Trustees who are appointed under the terms of the articles of association. The Articles state that there shall not be less than 3, but not subject to any maximum.

- 1) Up to 6 Trustees appointed through resolution with the Members
- 2) Up to 2 Trustees appointed by West Suffolk College
- 3) Up to 2 academy Trustees
- 4) Up to 2 Staff Trustees proposed by the CEO - the total number of employees of the Trust who are Trustees shall not exceed one third of the Trust

Trustees are subject to retirement after a term of four years. After the term they are eligible for re-election at the meeting at which they retire.

Trustees are appointed with reference to their individual skill in order to maintain a full board representing education, health, social services, business, finance and the law. A skills audit is used to identify any significant gaps. The Trust works with Academy Ambassadors to recruit Trustees with the relevant skill sets required by the Board. A Trustee from the Full Board sits on each Local Academy Board so all LABs are accurately represented at Full Board Meetings and enhancing information flow.

e. Policies adopted for the induction and training of Trustees

The Partnership Director provides a framework of robust induction and training supported by the National Governance Association (NGA) for all new Trustees. The training and induction provided for new Trustees is dependent on their existing experience. Where necessary, induction will also provide training on charity, educational, legal and financial matters. Trustees are encouraged to visit each provision and see staff and students in action. Trustees are provided with copies of policies and procedures as required. They are given access to minutes, accounts, budgets, plans and other documents to inform them for their role as Trustees.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

f. Organisational structure

The management structure consists of five members and the articles of Association allow for a minimum of three Trustees. There is at least one Trustee on each of the school Local Academy Boards (LAB).

There are two Trustees committees, Provision Standards & Attainment (Education & Management) and Audit & Finance. The Trustees are responsible for setting the strategic vision, adopting an annual plan and budget, monitoring the academy trust by the use of budgets and making major decisions about the direction of the academy trust, capital expenditure and senior staff appointments. The Senior Leadership Team consists of the CEO / Executive Headteacher, Chief Finance and Operations Officer, Partnership Director and HR Manager.

The scheme of delegation sets the decision making structure of the Trust. The Board of Trustees meets seven times within an academic year. The Trust delegates decision making powers to a Provision Standards & Attainment (PSA) Committee and an Audit and Finance (previously Resources) Committee both of which meet six times a year. In addition, Members meet at least once a year with the CEO in attendance.

Committees of the Full Board have delegated responsibilities. The following committees have functioned during the 2020/21 academic year: Members Committee, Audit and Finance Committee (incorporating the Pay Committee) and Provision Standards & Attainment Committee.

The Senior Leadership Team controls the academy trust at an executive level implementing the policies laid down by the Trustees and reporting back to them. Combined with the Trust Leadership Group (TLG), consisting of CEO, Head Teacher / Head of Schools and Head of Safeguarding, Trauma Informed Lead, CFOO & Estates Manager, HR Manager and Partnership Director, it meets weekly on a Tuesday through term time and where required during the summer break.

The CEO is the Accounting Officer.

Meetings continued to be held virtually during 2020-2021. They were recorded and minuted by the Governance Professional. All governance documents were made available to the Board using MS Sharepoint. This continues to be the method for all collaboration in the Trust.

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

The Trust has a Pay Policy that is reviewed and updated annually. It lays down the policy for the senior leaders and all other members of staff. The Trust's Pay committee meets at the end of July to consider staff progress to targets and remuneration. The Pay Committee challenges the recommendations of the CEO and review a cross section of the performance process and associated records and findings. Pay is determined by reviewing market factors bearing in mind the financial circumstances of the Trust both in the short and longer term.

Annually, at the beginning of the autumn term, the Chair of Trustees, assisted by an independent advisor and other Trustees, assesses the CEO's performance by reviewing past performance and setting appropriate targets for the year ahead. They make a recommendation on remuneration of the CEO to the Audit and Finance Committee and then to the Full Board.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

h. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year -

Full-time equivalent employee number -

Percentage of time spent on facility time

Percentage of time	Number of employees
---------------------------	----------------------------

0%	-
----	---

1%-50%	-
--------	---

51%-99%	-
---------	---

100%	-
------	---

Percentage of pay bill spent on facility time	£
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Total cost of facility time	-
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Total pay bill	-
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Percentage of total pay bill spent on facility time	-	%
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Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	-	%
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i. Engagement with employees (including disabled persons)

SENDAT believes communication is the key to successful collaboration and a cohesive supported workforce. As such, the Trust dedicates three of six professional development days during the year to promote and communicate items on the Trust development plan to all employees. Information and training during 2020-2021 was provided in the form of live virtual events and pre-recorded videos. These were made available to all employees, and included dedicated training for specific operational teams.

During Trust PD days, all employees are encouraged to meet with their cross Trust colleagues, facilitated by line managers. The Trust objective of a Trauma Informed Approach method of working with each other as well as young people, is underlined at these meetings. There is a Trust target set as part of the performance management process. Staff surveys are used at the end of professional development days to inform further school development plans and consider all feedback.

During 2020-21, SENDAT became one of the first Trusts nationally to remove the previous salary box from their job applications. This was introduced to help reduce the effect of the gender pay gap and remove any previous disadvantage that may have occurred at an earlier point in an employees career. In a further step to improve inclusivity, SENDAT has invested in a new recruitment platform that facilitates blind shortlisting. The Trust fully supports access to the work environment for all employees and puts in place recommendations from assessments and other reasonable adjustments. SENDAT holds regular career fairs where presentations from people in post promote the benefits of working within the Trust. Vacancies are promoted internally as well as externally.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

Engagement with employees (including disabled persons) (continued)

The Trust has an Equality Diversity and Inclusion Policy that was reviewed by the Trust Leadership Group in March 2021. This policy outlines the commitment of SENDAT Board of Trustees, Senior and Middle Leaders to ensure that equal treatment and equality of opportunity is available to all members of the SENDAT community of Schools / APs. This means not simply treating everybody the same, but understanding and seeking to remove barriers and any teaching, working or other practices which could lead to unequal outcomes for individuals or different groups of students and/or staff in SENDAT Schools / APs. It also means celebrating and valuing the diversity, achievements and strengths of all members of SENDAT School / AP communities.

Objectives and activities

a. Objects and aims

SENDAT aims to help all children and young people to succeed, to gain confidence and self-worth and take responsibility for shaping their lives. In line with their Academies' Statement of Intent SENDAT promotes and seeks to achieve the following for every student by:

- Delivering high quality education, achieved by giving paramount consideration to the needs of the students - social, emotional, educational and spiritual development
- Developing the school's capacity as an extended school
- Enhancing the range of experiences available to each student; offering them increasing opportunity for personal, social, intellectual, physical and spiritual development
- Continuing to work to ensure the trust maintains a central place within the wider community
- Ensuring disability equality and inclusion
- Committing to offer every student the SENDAT 20 experiences that will enhance and enrich their lives
- Offer a continuum of specialist and alternative provision, focused on achieving the best possible student outcomes while fully supporting students and their families

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities (continued)

b. Objectives, strategies and activities

The following is a brief summary of some of the main objectives of the trust during the last year on which it acted. The Trust is in its sixth year since becoming established in September 2015:

- To work with the DfE and Norfolk County Council to open a new free school, Duke of Lancaster, in Fakenham in January 2022
- To collaborate with the Suffolk County Council and other neighbouring Local Authorities to extend the local SEND offer within the county and further develop the continuum of SEND provision
- Successfully implement Trust ethos and Trauma Informed approach across the Trust
- Successfully apply for Trust Capacity Fund in order to grow the Central Team and increase capacity to further support their academies
- To invest in CPD for all teaching and support staff in order to provide consistent high quality support services and education delivery including but not limited to NPQH, HLTA, ECT, IOSH, CIPFA.
- Continue with centralising services and financial controls which has allowed for close monitoring of expenditure thus ensuring adequate funds for planned changes.
- Continue to review skills of Trustees and the identification of areas needing strengthening
- Ensure compliance with GDPR
- To renew primary school windows at Stone Lodge Academy via CIF
- Continue with the program of Capital improvement with large projects funded by CIF awards including rebuilding Chalk Hill via expansion and conditions projects application, improved roofing at Stone Lodge, heating systems and roofing improvements at Priory School.
- Further develop Angel Hill College and ensure funding for their post 16 SEND students. This is a separate building to Priory School and is based on Angel Hill in Bury St Edmunds.

c. Public benefit

The academy trust Trustees recognise their charitable responsibilities for the advancement of education as described by the Charity Commission's statement of Recommended Practice. They have also considered public benefit guidance issued by the Charity Commission. The Trustees have recorded in this report the activities carried out by the Trust in furtherance of the charitable purposes for the public benefit.

In setting our objectives and planning our activities the Trustees have carefully considered the Charity Commission's general guidance on public benefit.

Strategic report

Achievements and performance

a. Achievements and performance

This is the sixth year of SENDAT as a Multi Academy Trust. It is the first full academic year with Stone Lodge and Chalk Hill as part of the Trust. Further progress in streamlining systems across all provisions has been made with all sites confidently using O365 systems for communication and processes. Budgeting software has been fully utilised to set and manage financial recording and financial systems are soundly managed. Recruitment has been an ongoing challenge through Covid, but teaching and support staff have been recruited to fill vacancies and bring new skills and additional capacity to the Trust and specifically the central team.

During December 2020, SENDAT was awarded £139k from the ESFA in the form of the Trust Capacity Fund in

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report (continued)

Achievements and performance (continued)

order to further develop the capacity of the central team. It has utilised this to appoint and train two additional Annual Review Officers, an Estates and Facilities Manager and additional business support. It now offers a centralised and extended service to all the academies and provisions, fully supporting staff, the requirements and complexity of the SEND students and aged buildings. The centralised offer allows quality assurance, efficiency savings, cross Trust collaboration and includes:

- Leadership and Curriculum support
- Financial Services
- HR
- Safeguarding
- Governance
- Estates and Facilities
- Annual Reviews
- Admissions
- Therapies
- Catering
- Partnership
- School Improvement

2020-2021 saw SENDAT extending the Local Offer in Norfolk with the continuing new build of Duke of Lancaster which was successfully handed over in November 2021. The Head of School Designate started working with the Trust in April 2021, and the Office and Premises Managers in September 2021. This enabled secure curriculum development, admissions consultations and a full and successful recruitment regime. It will welcome it's first 48 students onsite in January 2022, phasing intake to a full capacity of 100 students by September 2023.

In September 2021 SENDAT opened two specialist units, "Mulberry" with John Milton Academy Trust and a specialist unit "Peile" with Active Learning Trust. These specialist units will support 43 students with Cognition and Learning needs in a mainstream environment within bespoke buildings. The timetables are bespoke depending on EHCP needs with core lessons delivered in units with specialist teaching and students accessing mainstream lessons for subjects in which they are more able. SENDAT is dedicated to extending the education offer to all students, acknowledging that education should not be a postcode lottery, but a right of all young people to enable the best outcomes in later life.

SENDAT Academies have made full use of the £87k Covid Catch Up premium received allocating funds to renting additional classroom space, additional student therapies, staffing and IT provision enabling remote learning. Stone Lodge and Priory School also ran summer schools offering a total of 54 spaces over 16 days. These were focused on students transition and some of the more disadvantaged families. Highly successful and welcomed by families as well as staff, they cost £40k to run with staffing provision required for specific needs. It was fully funded by the Summer School Grant from the Department of Education.

The bespoke curriculums of the academies result in individual records of progress. Chalk Hill and Priory School have started using progress against Individual Learning Plan (ILP) outcomes as a whole-school statistical measure, in order a) to measure students' development more holistically, recognising all areas of progress; and b) to integrate summative progress data across the Trust.

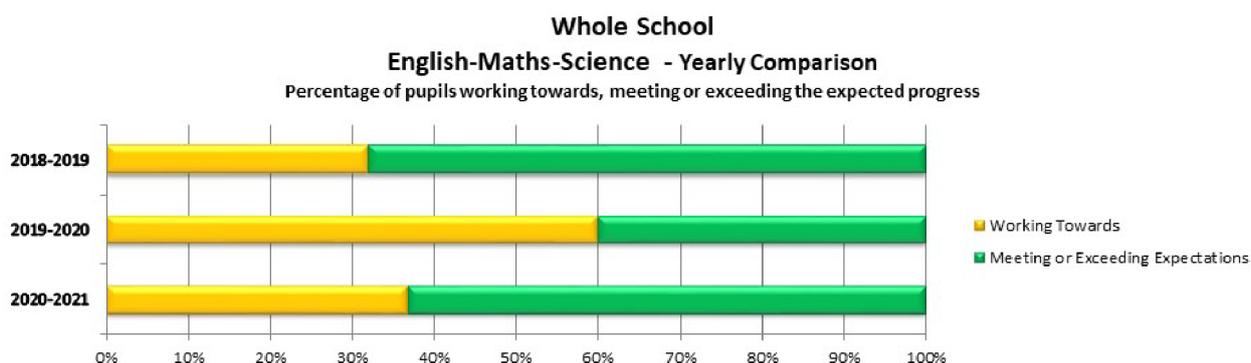
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report (continued)

Achievements and performance (continued)

Stone Lodge Academy



Chalk Hill Academy

In 2020-21, despite the impact of the pandemic and lockdowns:

- All students made evidenced progress in English and Maths
- The percentage of students making expected progress or higher in English was close to previous years (2.9% below).
- The progress of students eligible for Pupil Premium was almost identical to the whole cohort in English



Priory School

The termly steps in learning for all students are measured against seven categories below:

- Communication and Interaction
- Cognition and Learning
- Social, emotional and mental health
- Physical
- Motor and sensory
- Health
- Social Care

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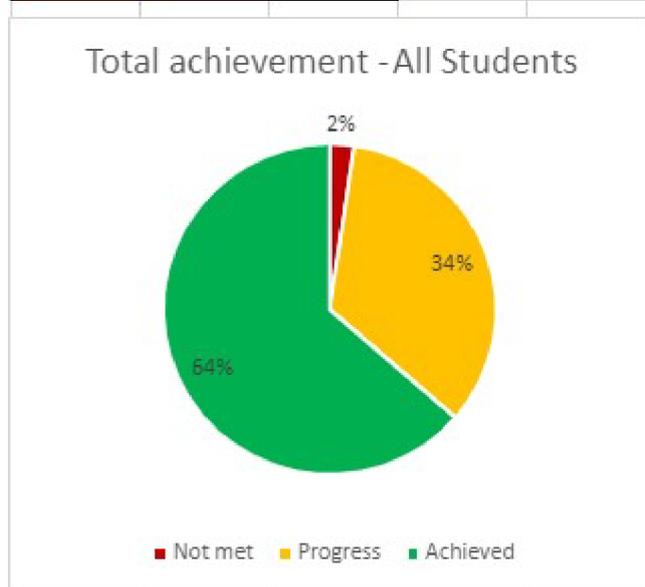
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report (continued)

Achievements and performance (continued)

Whole school totals 2020-2021 Priory School

Not met	Progress	Achieved	
97	1393	2606	All
18	263	362	Boarders
79	1130	2244	Non Boarders



2. Summary Data

To end May

	Chalk Hill			Priory			Stone Lodge			SENDAT		
	Autumn 20	Spring 21	Summer 21	Autumn 20	Spring 21	Summer 21	Autumn 20	Spring 21	Summer 21	Average	Total	Trend
Attendance	85.9%	95.3%	89.6%	86%	93.0%	92.6%	92%	92.4%	92.2%	92%		↓
fixed term Exclusions (days)	16	1	5	0	0	0	0	0	0	0	0	↑
Permanent exclusions	0	0	0	0	0	0	0	0	0	0	0	→
No. on roll	20	21	21	198	198	196	171	171	171	367		↓

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report (continued)

Achievements and performance (continued)

b. Key performance indicators

The budget is set to ensure that the objectives of each school and ultimately the Trust Development Plan and its overarching objectives of the trust can be met. The financial performance of the trust is judged on its ability to deliver in this regard.

Benchmarking special schools is complex as the provisions are so often unique in their student population and the services they provide. The Trust uses the DfE Benchmarking tools when considering recruitment and financial modelling and uses key ratios to report against.

The impact of Covid has increased already high demand for places at the Trust and trustees are acutely aware of the need for prudent financial management and budget planning to ensure the future sustainability of SENDAT. With the uncertainty of future funding levels, due to the LA review of High Tariff Needs and the continuing static nature of place funding the trustees are aware of the need to carefully balance the control of costs whilst maintaining the quality SEND provision that SENDAT prides itself on

The Board of Trustees are aware of the increasing popularity of SENDAT schools and the increasing propensity of parents to take the tribunal route in order to secure a places. During the Academic Year 2020-2021 SENDAT participated in 444 consultations which resulted in 93 offered places for September 2022. The CEO and the LA Special Needs Officer have been mindful of the need to avoid tribunals and have therefore offered places accordingly. SENDAT has centralised the admissions and reviews team which has supported considered placements across all provisions and quality assured the annual review process.

School	PAN	LA Commissioned places	Total
Priory inc. Angel Hill College	168	30	198
Stone Lodge Academy	173	0	173
Chalk Hill	24	6	30
July 2021 Total	365	36	401
Peile - with ALT		18	18
Mulberry - with JMAT		27	27
September 2021 Total	365	81	446
Duke of Lancaster	48	0	48
January 2022 Total	413	81	494

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report (continued)

Achievements and performance (continued)

c. Going concern

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

Financial review

a. Financial position

During the year ended 31 August 2021, total revenue expenditure of £8,611,894 was covered by recurrent grant funding from the Education and Skills Funding Agency (ESFA) and the Local Authority (LA), funds brought forward from last year together with other incoming resources. The excess of income over expenditure for the year (excluding restricted fixed asset funds and Local Government Pension Scheme (LGPS) costs) was £352,854.

Combined with reserves brought forward from 2019-20 of £1,853,059 this gives a revenue carry forward of £2,205,913 to confirm which is greater than the level of planned reserves as detailed in the Reserves Policy. This represents a prudent and necessary level of reserves given the continued uncertainty of future SEND funding levels, and the impact of Brexit and Covid on the cost of services, resources and utilities. Trustees are currently reviewing the Trust reserves policy. The Trust remain committed to finding a solution to termly payment in arrears for High Needs. As this funding represents nearly half the annual income, robust reserves are required to cover the monthly paybill currently just over £550,000. SENDAT has worked successfully with the LA to ensure timely High Needs Payments fall into the correct financial periods.

The condition of the school buildings also warrants a high level of cash reserves to deal with unforeseen remedial works due to the poor condition of the buildings and failed CIF applications.

This surplus, combined with the LGPS liability and restricted fixed asset funds gives a total funds carry forward figure of £9,525,585.

During the year the Trust was notified that some of its land and buildings had been subject to routine desktop valuations undertaken on behalf of the Department for Education. The land and buildings were valued at the Depreciated Replacement Cost (DRC) being the current cost of replacing an asset with its modern equivalent asset, minus deductions for physical deterioration and all relevant forms of obsolescence and optimisation. DRC is commonly used to value properties such as educational premises when it is difficult to assess the market value because the property has a specific purpose and similar properties rarely come on to the market. The ESFA's guidance paper "Academies land and buildings valuation: guide" updated in February 2021 states that Academies may use the valuations as the basis for their 31 August financial statements, but there is no obligation to do so. The Board of Trustees have reviewed the valuations undertaken and the methodology behind them and have concluded that the resultant valuations do not provide a reliable estimate of the fair value of the land and buildings and that no events or changes in circumstances have arisen that indicate that the carrying value of land and buildings should be impaired.

In line with the fixed asset policy £199,192 was transferred from revenue to the fixed asset fund during 2020-21.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

b. Reserves policy

The Trustees aim to demonstrate prudence and sound financial planning to cover the unexpected and unplanned in order to protect the delivery of the Trust's primary objectives under unforeseen circumstances. Trustees may also set aside reserves for investment in future years (e.g. to improve or expand facilities or to develop the Trust itself).

To mitigate the risk of frequent delayed funding from the LA and the risk of significant expense due to the condition of the buildings, the Trustees consider it prudent to maintain reserves equivalent to a minimum of two month's payroll expenditure with a preference of three months.

To mitigate the risk of future income reduction and to provide a fund for building development, the Trustees may provide for further reserves determined on an annual basis. Reserves are determined with reference to the in-year and cumulative financial performance of the Trust, the individual schools within the Trust and an assessment of the key risks and future investment requirements.

The level of reserves at 31 August 2021 was as follows:

Funds with surplus balance:	
Designated reserves	15,472
Unrestricted general reserves	661,559
Restricted general reserves	1,528,882
Total restricted and unrestricted general funds	2,205,913
Restricted fixed asset fund	13,699,672
Funds with deficit balance:	
Restricted pension fund (see note 24 for details)	(6,380,000)
Net fund position	9,525,585

c. Material investment policy

As in previous years, the Trust's financial position has not allowed for the development of investments. Should this position improve in the year 2021-22 advice will be sought from an independent financial advisor with reference to the balance held in the Trust bank account.

d. Principal risks and uncertainties

The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Trust and its finances. The Trustees have implemented a comprehensive set of systems to assess risks that the Trust faces in relation to operational, financial, reputational and compliance risks. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover and appropriate level of reserves. The medium term strategic budget plan contains estimates for future funding levels and reserves are a critical part of the plan to ensure the future sustainability of the Trust.

The financial risks and uncertainties facing SENDAT continue to change and Trustees keep these under review. The Trustees and Senior Leadership Team are acutely aware of the need to balance financial prudence with maintaining the outstanding SEN provision for which the Trust is renowned.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

The major risks to which the Trust is exposed are identified as unexpected costs or changes in government or Local Authority policy that affects the Trust's income. For example, initiatives which could impact on the number of children who are referred to the school and the Special Educational Needs tribunals which could inflate the school roll without the necessary financial adjustments for a significant period of time after pupil admission.

The Local Authority has undertaken a review of High Tariff Needs funding (HTN) the outcome of which was received towards the end of the academic year. Levels of contributions were agreed with the Local Authority over a phased 5 year term. Payments still default to termly in arrears significantly impacting cashflow and SENDAT are working towards a solution with the Local Authority surrounding this.

Similarly, SEND base funding has remained static at £10,000 per student for at least the last 9 years. With increasing costs associated with running schools and employing staff to support the education of our students with SEND this real term drop in funding is of ever increasing concern. Operationally, policies and procedures are well established, regularly reviewed and understood and adopted by all adults. This ensures that any potential risk is minimised. Every attempt is made to minimise risk with continuous review of procedures.

e. Deficit

The restricted pension fund is in deficit at the year end as detailed in note 24 to these financial statements.

The deficit shown in the accounts is as a result of the actuarial valuation and the corresponding liability does not result in an immediate cash flow impact on the Trust as it is not a liability which must be settled immediately. At present, there is no deficit funding plan in place where additional contributions must be made. The disclosure of a pension liability does not mean that the equivalent amount is already committed and is no longer available to the trustees to further the Trust's objectives.

f. Principal funding

The majority of the Trust's income is obtained from the Education and Skills Funding Agency (ESFA) and the Local Authority (LA) in the form of recurrent grants, based on student numbers, the use of which is restricted to particular purposes. The restricted grants received from the ESFA and the LA during the year ended 31 August 2021 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Trust also receives a small annual grant for building maintenance from the ESFA and further capital funding if successful with a Condition Improvement Fund bid. In accordance with the Academies Accounts Direction, such grants are shown in the Statement of Financial Activities as income in the restricted fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

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TRUSTEES' REPORT (CONTINUED)
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Plans for future periods

Plans for the academic year 2021-22 are directly linked to the Trust Development Plan. Trustees are focused on the strategic vision of the Trust to expand the offer of specialist and alternative provision for all students in the Eastern region and supporting the best student outcomes, whilst fully supporting student and their families. The Trustees are steadfast in their approach to maintaining the outstanding and good Ofsted ratings at their current academies.

The Trust will continue to work with Suffolk and neighbouring local authorities to broker relationships with other Mainstream Trusts and further expand the establishment of Communication and Learning units. Trustees are also committed to employing reserves to building and condition improvements via significant contribution to the Capital Improvement Fund bids submitted this autumn.

Further work towards centralisation of services and a move to improving the allocation of income across all schools will continue.

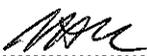
A main focus for the 2021-22 academic year will be the successful opening of Duke of Lancaster. The school will have a phased opening, welcoming 48 students in January 2022, 72 in September 2022 and capacity PAN of 100 in September 2023. Curriculum design has been thorough and successful implementation will be a key performance indicator. Applications for other Free School Bids that fit the SENDAT profile will continue.

Disclosure of information to auditors

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are 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 20 December 2021 and signed on its behalf by:


.....
Mr N Kellett
Chair

SENDAT
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that SENDAT 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/Headteacher 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 SENDAT and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met 7 times during the year.

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

Trustee	Meetings attended	Out of a possible
Mr L Chapman	7	7
Mr N Kellett, Chair	7	7
Mr R Attwell	5	7
Mrs S Snowdon	5	7
Mrs E Pearce	6	6
Mr R Ghatauray	6	6
Mrs S Embser-Kay	6	6
Mr A J Maltpress	6	7
Mr M Redmond, Vice Chair	6	7
Mr M Attwood	6	6
Mrs C Revell	1	2

The Trustees and the trust continue to be ambitious for the development of SENDAT. During 19-20 two new schools joined the Trust and plans were finalised for the opening of a new school in Fakenham, Norfolk as well as approving the partnership with mainstream schools to establish new satellite Cognition and Learning units. This expansion has been progressed carefully ensuring any joining school complements the aims and objectives of SENDAT.

The Board of Trustees has conducted a skills audit and regularly evaluates its meetings. The outcomes of these evaluations are that Trustees feel well informed and able to contribute to meetings in a meaningful way. They feel empowered to ask challenging questions and ensure rigour in the leadership of the trust. The audit identified that the board would benefit from a trustee with an education background to enhance the business skills of the majority of board members.

The Board of Trustees used an external consultant to conduct a review of safeguarding practices and procedures with the school. This was used to provide assurance to Trustees and also to inform where any improvements could be made.

The Board also meet with SLT and trust middle leaders to evaluate the school development plan and to discuss the scope and future direction of the Trust.

SENDAT
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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

During the year under review the Board has also evaluated the data they receive with the aim of ensuring they get key performance information in the optimum way. The Trustees have spent considerable time working with both the Headteacher and the Chief Finance and Operations Officer refining the dashboard and format of reports.

From March to June 2020 due to the onset of COVID-19 global pandemic, the Board met 4 times specifically for the purpose of reviewing the impact on strategic decision and direction of schools with CEO and other Senior Leaders. Continuity plans were formulated and approved, including issues of safeguarding, staffing, student FSM, remote learning and technology provision and staff wellbeing.

The Audit and Finance Committee is a sub-committee of the main Board of Trustees. Its purpose is to have oversight of the financial management of the Trust and to ensure sound and secure financial procedures as agreed in the Terms of Reference. It usually meets ½ termly. This committee also performs the roles of the Audit Committee and the Pay Committee. The committee is focused on the strategic leadership of the Trust including finance and staffing. They set robust targets for the CEO/Headteacher and leadership team to implement and report back on.

During 2020-2021 the SENDAT Audit and Finance Committee:

- Evaluated financial information and monitoring following the academisation of Stone Lodge Academy and Chalk Hill into the Trust
- Approved CEO Performance and review procedure
- Received and reviewed the prior year accounts and period Management accounts
- Reviewed and challenged the financials for the free school and additional unit applications
- Had overview of Premises Management, Health & Safety & Staffing and the impacts on budgets
- Reviewed in year statutory submissions to ESFA
- Reviewed and updated the Trust Risk Register
- Reviewed and approved extraordinary pay adjustments for new staff joining the Trust
- Reviewed and approved application for Outreach and Central Team to relocate from Priory School to leased Head Offices
- Discussed financial impact of Covid-19 as well as updates of Continuity plans
- Reviewed the findings of Internal Audit and External Audit processes
- Agreed budgets for the 2020-2021 financial year
- Monitored expenditure of capital projects and approved additional funds for WC Project at Priory School
- Discussed and agreed proposed pay awards and finance policies.

During the year, M Attwood joined the committee. Attendance during the year at meetings of the Audit and Finance Committee was as follows:

Trustee	Meetings attended	Out of a possible
Mr R Attwell, Chair	7	7
Mr M Redmond	5	7
Mr L Chapman	7	7
Mr M Attwood	4	7
Mr R Ghatauray	4	6
Mrs C Revell	1	2
Mr N Kellett	7	7

SENDAT
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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

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

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

- Priory School Residential Ofsted Outstanding
- Completion of Priory School tender and installation of new Fire Alarm and emergency lighting system
- Tended Installation of new toilet block at Priory School
- Worked with the LA for funding to remedial premises works required at Stone Lodge Academy
- Increased student numbers responding to local authority demand and parental preference
- Internal audit report "Good" with elements of "Outstanding"
- Student progress meets or exceeds expectation in the vast majority of cases
- Implementation of continuous remote learning during Covid-19 and facilitating working from home requirements
- New budgeting and compliance software across the Trust
- Centralising services across the Trust

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in SENDAT for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 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.

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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework

The academy trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- regular reviews by the finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

The Board of Trustees has decided to employ School's Choice as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular the checks carried out in the current period included:

- testing of payroll systems
- testing of purchase systems
- testing of control account/ bank reconciliations including petty cash
- testing of financial process
- review of governance

On an annual basis, the internal auditor reports to the Board of Trustees through the Audit and Finance Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and annually prepares an annual summary report to the committee including action points, outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

This year's audit was carried out remotely due to Covid restrictions on movement and social distancing. The sections covered were over a three part day period with the Trust sending information and discussions with the CFOO. Monitoring & review, Governance, Audit, Planning cycle & Budget, Inventory & Security, Tax, Data Security and Insurance were all reviewed.

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GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

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

- the work of the internal auditor
- the work of the external auditor
- the financial management and governance self-assessment process
- the school resource management self-assessment tool and SRMA deployment and visit
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Audit and Finance 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 and signed on their behalf by:


.....
Mr N Kellett
Chair


.....
Mr L Chapman
Accounting Officer

Date: 20 December 2021

SENDAT
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of SENDAT I have considered my responsibility to notify the academy trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the academy trust Board of Trustees are able to identify any material irregular or improper use of all funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2020.

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



Mr L Chapman
Accounting Officer
Date: 20 December 2021

SENDAT
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**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021**

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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:


.....
Mr N Kellett
Chair

Date: 20 December 2021

SENDAT
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SENDAT**

Opinion

We have audited the financial statements of SENDAT (the 'academy trust') for the year ended 31 August 2021 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

SENDAT
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SENDAT (CONTINUED)**

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

SENDAT
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SENDAT (CONTINUED)**

Responsibilities of trustees

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Academies Accounts Direction 2020 to 2021, the Academies Financial Handbook 2020, the Charities SORP 2019, the Companies Act 2006, the Charities Act 2011, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.

SENDAT
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SENDAT (CONTINUED)**

- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

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

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

Use of our report

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



Frank Shippam BSc FCA DChA (Senior statutory auditor)

for and on behalf of
MA Partners Audit LLP
Chartered Accountants
Statutory Auditors
7 The Close
Norwich
Norfolk
NR1 4DJ

22 December 2021

SENDAT
(A company limited by guarantee)

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

In accordance with the terms of our engagement letter dated 11 October 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by SENDAT during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of SENDAT's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of SENDAT's funding agreement with the Secretary of State for Education dated 1 September 2011 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

Our procedures included, but were not limited to, the following:

- Reviewing the processes for identifying and declaring business interests, related parties and transactions with connected parties;
- Reviewing minutes of meetings and making enquiries of Trustees and management;
- Performing an evaluation of the general control environment;

SENDAT
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SENDAT
AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

- Sample testing of expenditure to ensure the Trust's lines of delegation and procurement policies have been adhered to, that employees have not personally benefited from any transaction and that goods and services have been procured in an open and transparent manner;
- Sample testing of restricted income to ensure it has been spent as the purpose intended;
- Reviewing transactions which may not fall within the delegated authority of the Trust and ensuring any such transactions have been authorised and disclosed as necessary;
- Reviewing compliance with Part 8: Schedule of requirements (the "musts") of the Academies Financial Handbook 2020.

Where applicable, this work was integrated with our audit on the financial statements to the extent evidence from the conduct of the audit supports the regularity conclusion.

Conclusion

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

MA Partners Audit LLP

MA Partners Audit LLP
Chartered Accountants
Statutory Auditors
7 The Close
Norwich
Norfolk
NR1 4DJ

Date: 22 December 2021

SENDAT
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:						
Donations and capital grants	3	27,956	4,625	311,311	343,892	5,817,208
Funding for the academy trust's educational operations	5	34,888	4,701	-	39,589	389,128
Investments	6	215	-	-	215	678
Charitable activities:	4					
Funding for the academy trust's educational operations		31,031	7,994,210	-	8,025,241	6,779,490
Provision of boarding activities	27	-	552,314	-	552,314	552,314
Total income		94,090	8,555,850	311,311	8,961,251	13,538,818
Expenditure on:						
Raising funds		3,647	415	-	4,062	983
Charitable activities:						
Academy trust educational operations		10,803	8,038,052	333,066	8,381,921	7,120,262
Provision of boarding activities	27	-	558,977	-	558,977	545,651
Total expenditure	7	14,450	8,597,444	333,066	8,944,960	7,666,896
Net income/ (expenditure)		79,640	(41,594)	(21,755)	16,291	5,871,922
Transfers between funds	18	(99,164)	(100,028)	199,192	-	-
Net movement in funds before other recognised gains/(losses) carried forward		(19,524)	(141,622)	177,437	16,291	5,871,922

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STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Net movement in funds before other recognised (losses)/gains brought forward	(19,524)	(141,622)	177,437	16,291	5,871,922
Other recognised gains/(losses):					
Actuarial losses on defined benefit pension schemes	24 -	(1,535,000)	-	(1,535,000)	(1,111,000)
Net movement in funds	(19,524)	(1,676,622)	177,437	(1,518,709)	4,760,922
Reconciliation of funds:					
Total funds brought forward	696,555	(3,174,496)	13,522,235	11,044,294	6,283,372
Net movement in funds	(19,524)	(1,676,622)	177,437	(1,518,709)	4,760,922
Total funds carried forward	677,031	(4,851,118)	13,699,672	9,525,585	11,044,294

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

The notes on pages 35 to 69 form part of these financial statements.

SENDAT
(A company limited by guarantee)
REGISTERED NUMBER: 07729941

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	14	13,657,165	13,423,068
		<u>13,657,165</u>	<u>13,423,068</u>
Current assets			
Stocks	15	-	5,544
Debtors	16	614,679	534,324
Cash at bank and in hand		2,042,030	1,929,697
		<u>2,656,709</u>	<u>2,469,565</u>
Creditors: amounts falling due within one year	17	(408,289)	(517,339)
Net current assets		<u>2,248,420</u>	<u>1,952,226</u>
Total assets less current liabilities		<u>15,905,585</u>	<u>15,375,294</u>
Defined benefit pension scheme liability	24	(6,380,000)	(4,331,000)
Total net assets		<u><u>9,525,585</u></u>	<u><u>11,044,294</u></u>
Funds of the academy trust			
Restricted funds:			
Fixed asset funds	18	13,699,672	13,522,235
Restricted income funds	18	1,528,882	1,156,504
		<u>15,228,554</u>	<u>14,678,739</u>
Restricted funds excluding pension asset	18	15,228,554	14,678,739
Pension reserve	18	(6,380,000)	(4,331,000)
		<u>8,848,554</u>	<u>10,347,739</u>
Total restricted funds	18	8,848,554	10,347,739
Unrestricted income funds	18	677,031	696,555
		<u>9,525,585</u>	<u>11,044,294</u>
Total funds		<u><u>9,525,585</u></u>	<u><u>11,044,294</u></u>

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REGISTERED NUMBER: 07729941

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021

The financial statements on pages 30 to 69 were approved and authorised for issue by the Trustees and are signed on their behalf, by:


.....

Mr N Kellett
Chair

Date: 20 December 2021

The notes on pages 35 to 69 form part of these financial statements.

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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	20	460,675	892,641
Cash flows from investing activities	21	(348,342)	(341,970)
Change in cash and cash equivalents in the year		112,333	550,671
Cash and cash equivalents at the beginning of the year		1,929,697	1,379,026
Cash and cash equivalents at the end of the year	22, 23	<u>2,042,030</u>	<u>1,929,697</u>

The notes on pages 35 to 69 form part of these financial statements

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

SENDAT meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

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

1.3 Income

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

• **Grants**

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

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

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

• **Donations**

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

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

1. Accounting policies (continued)

1.3 Income (continued)

- **Other income**

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

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

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

1.4 Expenditure

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

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

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

1. Accounting policies (continued)

1.5 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

Leasehold property	- 2% straight line
Leasehold Land	- 125 years straight line
Plant and equipment	- 20% straight line
Fixtures and fittings	- 20% straight line
Motor vehicles	- 20% straight line
Computer equipment	- 33% straight line

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

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

1.6 Interest receivable

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

1.7 Operating leases

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

1.8 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.

1.9 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.

1.10 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.

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

1. Accounting policies (continued)

1.11 Liabilities

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

1.12 Financial instruments

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

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

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the academy trust's wholly owned subsidiary are held at face value less any impairment.

1.13 Taxation

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

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

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

1. Accounting policies (continued)

1.14 Pensions

The academy trust operates a defined contribution pension scheme and the pension charge represents the amounts payable by the academy trust to the fund in respect of the year.

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

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

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

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

1.15 Fund accounting

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

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

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

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

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

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

2. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

In assessing the carrying value of tangible fixed assets the trustees estimate the anticipated useful lives and residual values of the assets. There have been no significant revisions to these estimations in the current financial year.

The fair value of land and buildings transferred to the academy trust on conversion were based upon information from Suffolk County Council. The fair value of land and buildings transferred from another Trust and transferred from the local authority in the year ended 31 August 2020 were based upon professional valuations commissioned by the Trust.

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

3. Income from donations and capital grants

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Donations - transferred from local authority on conversion	-	-	-	-	1,532,425
Donations - transferred from other Trust	-	-	-	-	4,167,937
	-	-	-	-	5,700,362
Donations	27,956	4,625	29,400	61,981	44,616
Capital Grants	-	-	281,911	281,911	72,230
Subtotal	27,956	4,625	311,311	343,892	116,846
Total 2021	27,956	4,625	311,311	343,892	5,817,208
<i>Total 2020</i>	68,041	(1,265,000)	7,014,167	5,817,208	

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

4. Funding for the academy trust's educational operations

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
DfE/ESFA grants				
General Annual Grant (GAG)	-	3,650,000	3,650,000	3,217,830
Other DfE/ESFA grants				
Pupil Premium	-	196,142	196,142	179,814
Trust Capacity Fund (TCaF)	-	139,651	139,651	96,084
Start Up Grant	-	84,454	84,454	100,000
Summer School Grant	-	39,778	39,778	-
PE & Sports Grant	-	32,750	32,750	30,120
FSM Supplementary Grant	-	22,900	22,900	3,520
Other DfE Group grants	-	2,510	2,510	26,125
	-	4,168,185	4,168,185	3,653,493
Other Government grants				
High needs funding	-	2,520,540	2,520,540	2,104,695
Outreach	-	282,160	282,160	280,000
Mount Road	-	141,000	141,000	141,000
Teachers' Pension Employer Contribution	-	184,766	184,766	151,998
Teachers' Pay Grant	-	66,671	66,671	62,867
Pupil Premium	-	41,079	41,079	21,331
GAG top up funding	-	-	-	108,333
Other LA funding	-	337,806	337,806	165,000
	-	3,574,022	3,574,022	3,035,224
Other income from the academy trust's educational operations	31,031	81,603	112,634	90,773
COVID-19 additional funding (DfE/ESFA)				
Catch-up Premium	-	93,600	93,600	-
Mass testing	-	76,450	76,450	-
	-	170,050	170,050	-
COVID-19 additional funding (non-DfE/ESFA)				
Other COVID-19 funding	-	350	350	-
	-	350	350	-
Total 2021	31,031	7,994,210	8,025,241	6,779,490

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

4. Funding for the academy trust's educational operations (continued)

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds £
<i>Total 2020</i>	<i>25,242</i>	<i>6,754,248</i>	<i>6,779,490</i>	

The Trust received £93,600 of funding for catch-up premium and this was spent in full in the year.

The Trust received £76,450 of funding for mass testing and this was spent in full in the year.

5. Income from other trading activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Hire of facilities	10,063	-	10,063	12,818
Items sold	2,100	-	2,100	1,509
Other activities	22,725	4,701	27,426	370,626
Insurance	-	-	-	4,175
Total 2021	34,888	4,701	39,589	389,128
<i>Total 2020</i>	<i>381,974</i>	<i>7,154</i>	<i>389,128</i>	

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Investment income	215	215	678
<i>Total 2020</i>	<i>678</i>	<i>678</i>	

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

7. Expenditure

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	<i>Total 2020 £</i>
Expenditure on raising voluntary income:					
Direct costs	-	-	4,062	4,062	983
Academy's educational operations:					
Direct costs	5,159,306	237,902	508,301	5,905,509	5,308,302
Support costs	1,650,323	323,323	502,766	2,476,412	1,775,960
Boarding activities:					
Direct costs	375,180	-	16,748	391,928	422,965
Support costs	98,461	52,093	16,495	167,049	122,686
Total 2021	7,283,270	613,318	1,048,372	8,944,960	7,630,896
<i>Total 2020</i>	<i>6,252,392</i>	<i>559,289</i>	<i>819,215</i>	<i>7,630,896</i>	

8. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Educational operations	5,905,509	2,476,412	8,381,921	7,084,262
<i>Total 2020</i>	<i>5,308,302</i>	<i>1,775,960</i>	<i>7,084,262</i>	

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

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2021 £	<i>Total funds 2020 £</i>
Staff costs	5,121,108	4,500,215
Educational professional fees	151,066	150,985
Teaching resources	113,834	94,220
Staff recruitment and development	104,358	146,155
Agency supply staff	38,198	7,692
Educational visits	29,860	54,769
Examination fees	14,019	9,650
Depreciation	333,066	344,589
Amortisation	-	27
	5,905,509	5,308,302

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

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2021 £	<i>Total funds 2020 £</i>
Staff costs	1,639,833	1,252,704
Rent, rates and utilities	166,922	135,125
Maintenance of property and equipment	132,150	86,275
Staff recruitment and development	124,420	-
Catering	102,242	73,693
Governance	78,924	59,027
Technology	59,079	52,817
Pension finance costs	78,000	22,000
Cleaning	24,251	25,821
Administration	32,269	23,406
Insurance	11,096	9,372
Agency supply staff	10,490	8,152
Minibus	8,574	5,507
Legal fees	4,562	19,894
Cycle to work	3,600	2,167
	<u>2,476,412</u>	<u>1,775,960</u>

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2021 £	<i>2020 £</i>
Depreciation of tangible fixed assets owned by the charity	333,066	344,589
Amortisation of intangible assets	-	27
Operating lease rentals	94,799	71,724
Fees paid to auditors for:		
- audit	10,500	8,950
- other services	1,325	875
	<u>440,690</u>	<u>426,165</u>

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

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	5,121,929	4,361,954
Social security costs	444,961	373,286
Pension costs	1,667,692	1,501,308
	<hr/>	<hr/>
	7,234,582	6,236,548
Agency staff costs	48,688	15,844
	<hr/>	<hr/>
	<u>7,283,270</u>	<u>6,252,392</u>

b. Non-statutory/non-contractual staff severance payments

There were no staff restructuring costs in the year (2020 - £nil).

c. Staff numbers

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

	2021 No.	2020 No.
Teachers	58	50
Administration and support	159	137
Management	9	7
	<hr/>	<hr/>
	<u>226</u>	<u>194</u>

d. Higher paid staff

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

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

10. Staff (continued)

d. Higher paid staff (continued)

	2021	<i>2020</i>
	No.	<i>No.</i>
In the band £60,001 - £70,000	2	-
In the band £70,001 - £80,000	1	<i>1</i>
In the band £90,001 - £100,000	-	<i>1</i>
In the band £100,001 - £110,000	1	-
	=====	=====

e. Key management personnel

The key management personnel of the academy trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was **£784,212** (2020 **£616,737**).

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

11. Central services

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

- Financial Services
- Human Resources
- Operations and Estate Management
- Procurement
- Health & Safety
- Media Communications
- Projects and Funding
- Governance and Quality Assurance Inspections
- Data and Performance
- Teaching and Learning

The academy trust charges for these services on the following basis:

<u>School</u>	<u>2021 Percentage</u>	<u>2020 Percentage</u>
Priory School	15%	7.5%
Chalk Hill	5%	5%
Stone Lodge Academy	6%	6%

The actual amounts charged during the year were as follows:

	2021	2020
	£	£
Priory School	581,611	252,287
Chalk Hill	46,211	47,339
Stone Lodge Academy	143,808	129,625
Total	771,630	429,251

12. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff Trustees 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:

		2021	2020
		£	£
Mr L Chapman	Remuneration	100,000 -	95,000 -
		105,000	100,000
	Pension contributions paid	20,000 -	20,000 -
		25,000	25,000

During the year ended 31 August 2021, expenses totalling £3,430 were reimbursed or paid directly to 8 Trustees (2020 - £1,299 to 1 Trustee).

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

13. Trustees' and Officers' insurance

The academy trust has opted into the Department of Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover 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.

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

14. Tangible fixed assets

	Long-term leasehold property £	Assets under construction £	Plant and equipment £	Fixtures and fittings £	Motor vehicles £	Computer equipmen t £	Total £
Cost or valuation							
At 1 September 2020	14,310,572	-	104,258	120,989	100,082	173,515	14,809,416
Additions	127,155	312,117	-	59,159	-	68,732	567,163
At 31 August 2021	<u>14,437,727</u>	<u>312,117</u>	<u>104,258</u>	<u>180,148</u>	<u>100,082</u>	<u>242,247</u>	<u>15,376,579</u>
Depreciation							
At 1 September 2020	1,068,140	-	77,410	56,748	49,468	134,582	1,386,348
Charge for the year	237,902	-	16,759	28,003	13,523	36,879	333,066
At 31 August 2021	<u>1,306,042</u>	<u>-</u>	<u>94,169</u>	<u>84,751</u>	<u>62,991</u>	<u>171,461</u>	<u>1,719,414</u>
Net book value							
At 31 August 2021	<u><u>13,131,685</u></u>	<u><u>312,117</u></u>	<u><u>10,089</u></u>	<u><u>95,397</u></u>	<u><u>37,091</u></u>	<u><u>70,786</u></u>	<u><u>13,657,165</u></u>
At 31 August 2020	<u><u>13,242,432</u></u>	<u><u>-</u></u>	<u><u>26,848</u></u>	<u><u>64,241</u></u>	<u><u>50,614</u></u>	<u><u>38,933</u></u>	<u><u>13,423,068</u></u>

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

15. Stocks

	2021 £	2020 £
Finished goods and goods for resale	-	5,544
	-	5,544

16. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	65,420	4,926
Other debtors	48,089	51,864
Prepayments and accrued income	501,170	477,534
	614,679	534,324

17. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	76,578	153,908
Other taxation and social security	103,318	93,410
Other creditors	133,969	121,526
Accruals and deferred income	94,424	148,495
	408,289	517,339
Deferred income		
Deferred income at 1 September 2020	-	3,248
Resources deferred during the year	7,000	-
Amounts released from previous periods	-	(3,248)
	7,000	-

At the balance sheet date the academy trust was holding **£7,000** grant funding received in advance.

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Statement of funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
Designated funds						
Fire alarm and emergency lighting	3,222	-	-	(3,222)	-	-
New toilet block	57,642	-	-	(42,170)	-	15,472
	<u>60,864</u>	<u>-</u>	<u>-</u>	<u>(45,392)</u>	<u>-</u>	<u>15,472</u>
General funds						
General Funds - all funds	635,691	94,090	(14,450)	(53,772)	-	661,559
Total Unrestricted funds	<u>696,555</u>	<u>94,090</u>	<u>(14,450)</u>	<u>(99,164)</u>	<u>-</u>	<u>677,031</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Statement of funds (continued)

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Restricted general funds						
Mount Road	-	141,000	(141,000)	-	-	-
General Annual Grant (GAG)	237,963	3,657,167	(1,726,791)	(1,626,332)	-	542,007
Central services	-	4,701	(815,825)	811,124	-	-
Pupil Premium	-	196,142	(196,142)	-	-	-
Local Authority SEN Funding	820,030	2,520,540	(2,396,750)	(43,164)	-	900,656
PE and Sports Grant	-	32,750	(32,750)	-	-	-
Outreach Funding	-	282,160	(291,437)	9,277	-	-
Teachers' Pension and Pay	-	251,437	(251,437)	-	-	-
COVID-19 Catch-up premium	-	93,600	(95,027)	1,427	-	-
Free School Meal Grant	-	22,900	(22,900)	-	-	-
Trip Income	3,281	5,521	(682)	-	-	8,120
Other COVID-19 funding	-	76,800	(76,800)	-	-	-
Other Restricted Funds	6,594	74,140	(6,978)	(46,080)	-	27,676
Other LA funding	-	378,885	(378,885)	-	-	-
Start up grant	76,981	84,454	(119,396)	(14,280)	-	27,759
TCaF	-	139,651	(139,651)	-	-	-
Residential	6,663	552,314	(543,215)	-	-	15,762
Bursary Funding	4,992	1,910	-	-	-	6,902
Summer School	-	39,778	(39,778)	-	-	-
Pension reserve	(4,331,000)	-	(1,322,000)	808,000	(1,535,000)	(6,380,000)
	(3,174,496)	8,555,850	(8,597,444)	(100,028)	(1,535,000)	(4,851,118)

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Statement of funds (continued)

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Restricted fixed asset funds						
Assets						
Purchased from Local Authority SEN Funding	422,477	-	(31,610)	8,754	-	399,621
Assets Transferred on Conversion	6,100,993	-	(89,880)	-	-	6,011,113
Assets Purchased from GAG	263,792	-	(23,598)	47,184	-	287,378
Assets Purchased from Unrestricted Funds	37,891	-	(6,762)	513	-	31,642
Assets Purchased from Other Restricted Funding	20,943	-	(10,336)	36,804	-	47,411
Other Capital Grants	385,597	251,036	(8,911)	45,438	-	673,160
Developed Formula Capital	76,214	30,875	(6,248)	(5,145)	-	95,696
Local Authority Capital Grant	131,963	-	(2,749)	-	-	129,214
CIF Fund	411,141	-	(8,190)	16,667	-	419,618
Healthy Pupil Capital Fund	126,708	-	(2,811)	-	-	123,897
Assets transferred from Other Trust	5,221,380	-	(129,069)	4,730	-	5,097,041
Assets purchased from Designated Funds	323,136	-	(7,185)	44,247	-	360,198
DfE donated devices	-	29,400	(5,717)	-	-	23,683
	13,522,235	311,311	(333,066)	199,192	-	13,699,672

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Statement of funds (continued)

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Total Restricted funds	10,347,739	8,867,161	(8,930,510)	99,164	(1,535,000)	8,848,554
Total funds	11,044,294	8,961,251	(8,944,960)	-	(1,535,000)	9,525,585

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

The General Annual Grant (GAG) is for the normal running costs of the Academy. The following transfers have been made from the GAG:

- **£808,000** was transferred to the Pension reserve being the employer contributions to the LGPS
- **£45,275** was transferred to the restricted fixed asset funds representing fixed assets purchased from GAG monies.
- **£771,630** was transferred to the central services fund representing the central services recharge income.
- **£1,427** was transferred to clear the deficit on COVID-19 Catch-up premium fund.

The Trustees have transferred **£45,392** from the designated fund to the restricted fixed assets fund representing fixed assets purchased from designated fund monies.

The Pupil Premium income has been provided by the ESFA to help raise the attainment of disadvantaged pupils.

Local Authority SEN Funding / Outreach Services: The Trust receives a significant proportion of its funding direct from the Local Authority in the way of additional place and provision funding; High Tariff Needs Funding and other bespoke commissions. The grants are restricted to be expended for the delivery of free education and to support the running costs of the academy.

Trip income refers to the income and expenditure associated with running educational visits for the Trust.

Other DfE grants are other grants received and expended for the specific purpose for which the grants were awarded.

Other restricted funds refer the other small amounts income intended for a specific purpose.

The Pension reserve deficit at the period end was **£6,380,000** and represents the Trust's share of the deficit of the Local Government Pension Scheme.

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2021.

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Statement of funds (continued)

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

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2020 £</i>
Unrestricted funds						
Designated funds						
Fire alarm and emergency lighting	150,000	-	-	(146,778)	-	3,222
New toilet block	174,000	-	-	(116,358)	-	57,642
	<u>324,000</u>	<u>-</u>	<u>-</u>	<u>(263,136)</u>	<u>-</u>	<u>60,864</u>
General funds						
General Funds - all funds	483,443	475,935	(236,551)	(87,136)	-	635,691
Total Unrestricted funds	<u>807,443</u>	<u>475,935</u>	<u>(236,551)</u>	<u>(350,272)</u>	<u>-</u>	<u>696,555</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Statement of funds (continued)

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2020 £</i>
Restricted general funds						
General Annual Grant (GAG)	-	3,217,829	(2,225,147)	(754,719)	-	237,963
Central services	92,523	7,154	(59,799)	(39,878)	-	-
Pupil Premium	-	179,814	(179,814)	-	-	-
Local Authority SEN Funding	-	22,408	(22,408)	-	-	-
PE and Sports Grant	-	30,120	(30,120)	-	-	-
Outreach Funding	-	280,000	(282,345)	2,345	-	-
Teachers' Pension and Pay	-	333,333	(333,333)	-	-	-
COVID-19 Catch-up premium	348,213	2,185,695	(1,972,771)	258,893	-	820,030
Free School Meal Grant	-	5,413	(5,413)	-	-	-
Trip Income	2,368	34,701	(36,168)	2,380	-	3,281
Other COVID-19 funding	-	62,867	(62,867)	-	-	-
Other Restricted Funds	5,086	20,500	-	(18,992)	-	6,594
Other LA funding	-	31,662	(31,662)	-	-	-
Start up grant	-	100,000	(18,732)	(4,287)	-	76,981
TCaF	-	96,084	(82,704)	(13,380)	-	-
Other DfE grants	-	151,998	(151,998)	-	-	-
Residential	-	552,314	(545,651)	-	-	6,663
Bursary Funding	-	1,824	(1,824)	4,992	-	4,992
Pension reserve	(1,434,000)	(1,265,000)	(1,043,000)	522,000	(1,111,000)	(4,331,000)
	<u>(985,810)</u>	<u>6,048,716</u>	<u>(7,085,756)</u>	<u>(40,646)</u>	<u>(1,111,000)</u>	<u>(3,174,496)</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Statement of funds (continued)

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2020 £</i>
Restricted fixed asset funds						
Assets						
Purchased from Local Authority SEN Funding	455,231	-	(32,754)	-	-	422,477
Assets Transferred on Conversion	4,635,960	1,613,000	(147,967)	-	-	6,100,993
Assets Purchased from GAG	262,106	-	(20,176)	21,862	-	263,792
Assets Purchased from Unrestricted Funds	14,187	-	(8,216)	31,920	-	37,891
Assets Purchased from Other Restricted Funding	9,695	-	(2,752)	14,000	-	20,943
Other Capital Grants	394,452	-	(8,855)	-	-	385,597
Developed Formula Capital	55,273	24,150	(3,209)	-	-	76,214
Local Authority Capital Grant	134,712	-	(2,749)	-	-	131,963
CIF Fund	370,604	48,080	(7,543)	-	-	411,141
Healthy Pupil Capital Fund	129,519	-	(2,811)	-	-	126,708
Assets transferred from Other Trust	-	5,328,937	(107,557)	-	-	5,221,380
Assets purchased from Designated Funds	-	-	-	323,136	-	323,136
	<u>6,461,739</u>	<u>7,014,167</u>	<u>(344,589)</u>	<u>390,918</u>	<u>-</u>	<u>13,522,235</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Statement of funds (continued)

	<i>Balance at 1 September 2019</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 August 2020</i>
	£	£	£	£	£	£
Total Restricted funds	5,475,929	13,062,883	(7,430,345)	350,272	(1,111,000)	10,347,739
Total funds	6,283,372	13,538,818	(7,666,896)	-	(1,111,000)	11,044,294

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

	2021	2020
	£	£
Trust	183,620	283,196
Priory School	1,825,114	1,469,751
Chalk Hill	59,777	62,566
Stone Lodge Academy	137,402	37,546
Total before fixed asset funds and pension reserve	2,205,913	1,853,059
Restricted fixed asset fund	13,699,672	13,522,235
Pension reserve	(6,380,000)	(4,331,000)
Total	9,525,585	11,044,294

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

18. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2021 £	Total 2020 £
Trust	1,672,044	502,612	15,073	505,270	2,694,999	2,240,586
Priory School	1,608,065	343,356	45,524	433,315	2,430,260	2,398,172
Chalk Hill	601,571	162,213	15,256	100,904	879,944	718,280
Stone Lodge Academy	2,050,608	294,113	50,820	211,150	2,606,691	1,965,269
Academy trust	5,932,288	1,302,294	126,673	1,250,639	8,611,894	7,322,307

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	13,657,165	13,657,165
Current assets	684,031	1,918,176	54,502	2,656,709
Creditors due within one year	(7,000)	(389,294)	(11,995)	(408,289)
Provisions for liabilities and charges	-	(6,380,000)	-	(6,380,000)
Total	677,031	(4,851,118)	13,699,672	9,525,585

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19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Restricted fixed asset funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	-	-	13,423,068	13,423,068
Current assets	696,555	1,551,940	221,070	2,469,565
Creditors due within one year	-	(395,436)	(121,903)	(517,339)
Provisions for liabilities and charges	-	(4,331,000)	-	(4,331,000)
Total	696,555	(3,174,496)	13,522,235	11,044,294

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

	2021 £	2020 £
Net income for the year (as per Statement of financial activities)	16,291	5,871,922
Adjustments for:		
Depreciation & amortisation charges	333,066	344,616
Capital grants from DfE and other capital income	(274,116)	(72,230)
Interest receivable	(215)	(678)
(Increase)/decrease in debtors	(80,355)	(399,164)
Increase/(decrease) in creditors	(24,140)	330,222
Decrease/(increase) in stocks	5,544	(2,685)
Defined benefit pension scheme cost less contributions payable	436,000	463,000
Defined benefit pension scheme finance cost	78,000	58,000
Transferred from other Trust	-	(4,167,937)
Transferred from local authority on conversion	-	(1,532,425)
Donated assets	(29,400)	-
Net cash provided by operating activities	460,675	892,641

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21. Cash flows from investing activities

	2021 £	2020 £
Interest receivable	215	678
Purchase of tangible fixed assets	(537,763)	(390,223)
Capital grants from DfE Group	189,206	24,150
Cash transferred in on conversion	-	23,425
Net cash used in investing activities	(348,342)	(341,970)

22. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand and at bank	2,042,030	1,929,697
Total cash and cash equivalents	2,042,030	1,929,697

23. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	1,929,697	112,333	2,042,030
	1,929,697	112,333	2,042,030

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NOTES TO THE FINANCIAL STATEMENTS
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24. Pension commitments

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

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

Contributions amounting to **£133,451** were payable to the schemes at 31 August 2021 (2020 - £151,131) and are included within creditors.

Teachers' Pension Scheme

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

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

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 2024.

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24. Pension commitments (continued)

The employer's pension costs paid to TPS in the year amounted to **£608,807** (2020 - £516,664).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was **£957,000** (2020 - £649,000), of which employer's contributions totalled **£808,000** (2020 - £522,000) and employees' contributions totalled **£149,000** (2020 - £127,000). The agreed contribution rates for future years are 22.2 - 24.8 per cent for employers and 5.5 - 12.5 per cent for employees.

The LGPS obligation relates to the employees of the Trust, who were the employees transferred as part of the conversion from the maintained schools and new employees who were eligible to, and did, join the Scheme since that date. 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

	2021	2020
	%	%
Rate of increase in salaries	3.6	2.9
Discount rate for scheme liabilities	1.65	1.7
Rate of increase for pensions in payment / inflation	2.9	2.2

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

	2021	2020
	Years	Years
<i>Retiring today</i>		
Males	22.1	21.9
Females	24.5	24.1
<i>Retiring in 20 years</i>		
Males	23.2	22.7
Females	26.4	25.6

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**NOTES TO THE FINANCIAL STATEMENTS
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24. Pension commitments (continued)

Sensitivity analysis

	2021	<i>2020</i>
	£000	<i>£000</i>
Discount rate -0.1%	392	<i>292</i>
Salary rate +0.1%	22	<i>19</i>
Pension increase rate +0.1%	365	<i>269</i>
	=====	<i>=====</i>

Share of scheme assets

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

	2021	<i>2020</i>
	£	<i>£</i>
Equities	5,889,180	<i>4,027,340</i>
Bonds	2,230,750	<i>1,774,760</i>
Property	624,610	<i>614,340</i>
Cash	178,460	<i>409,560</i>
Total market value of assets	8,923,000	<i>6,826,000</i>
	=====	<i>=====</i>

The actual return on scheme assets was £1,222,000 (2020 - £244,000).

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

	2021	<i>2020</i>
	£	<i>£</i>
Current service cost	(1,244,000)	<i>(985,000)</i>
Interest income	123,000	<i>106,000</i>
Interest cost	(201,000)	<i>(164,000)</i>
Total amount recognised in the Statement of financial activities	(1,322,000)	<i>(1,043,000)</i>
	=====	<i>=====</i>

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24. Pension commitments (continued)

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

	2021 £	2020 £
At 1 September	11,157,000	4,877,000
Current service cost	1,244,000	985,000
Benefits paid	(82,000)	(71,000)
Employee contributions	149,000	127,000
Interest cost	201,000	164,000
Actuarial losses	2,634,000	1,249,000
Transferred in on academies joining Trust	-	3,826,000
At 31 August	15,303,000	11,157,000

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

	2021 £	2020 £
At 1 September	6,826,000	3,443,000
Interest income	123,000	106,000
Employee contributions	149,000	127,000
Benefits paid	(82,000)	(71,000)
Actuarial gains	1,099,000	138,000
Employer contributions	808,000	522,000
Transferred in on academies joining Trust	-	2,561,000
At 31 August	8,923,000	6,826,000

25. Operating lease commitments

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

	2021 £	2020 £
Not later than 1 year	94,503	91,143
Later than 1 year and not later than 5 years	212,751	257,230
Later than 5 years	97,250	132,399
	404,504	480,772

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26. Related party transactions

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

Expenditure Related Party Transaction

During the period, SENDAT entered into transactions with Bury St Edmunds Theatre Management Ltd, an entity in which Mr M Redmond, a trustee, is a trustee. Bury St Edmunds Theatre Management Ltd provided tickets to SENDAT totalling **£nil** (2020: £399). The charges made to the Trust were the current advertised rate for the tickets. In entering into the transactions the academy trust has complied with the requirements of the Academies Financial Handbook 2020.

Income Related Party Transactions

The Friends of Priory School is a Registered Charity (1116198). The charity raises funds for the Academy to provide resources that would otherwise not be provided. The latest available financial information for the year ended 31 December 2018 showed that the charity had gross income of **£10,961** (2017: £5,973) and expenditure of **£7,907** (2017: £3,701). During the year ended 31 August 2020 donations of **£5,000** (2020: £31,342) were received from The Friends of Priory School. Mr L Chapman, a trustee, is also a trustee of The Friends of Priory School.

During the period, SENDAT entered into transactions with West Suffolk College, an entity in which Mr A Maltpress, a trustee, is a governor and Dr N Savvas, a member, is the CEO. SENDAT received educational services to West Suffolk College totalling **£2,110** (2020: *provided* £306,806). All amounts charged by the Trust were on the basis of direct cost plus indirect costs, with no element of profit. In entering into the transactions the academy trust has complied with the requirements of the Academies Financial Handbook 2020.

SENDAT
(A company limited by guarantee)

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

27. Boarding school trading account

	2021 £	2021 £	2020 £	2020 £
Income				
Direct income				
Grants	552,314		552,314	
Total income		552,314		552,314
Expenditure				
Direct expenditure				
Staff costs	375,180		401,062	
Goods and services	7,341		8,996	
Staff recruitment and training	2,000		5,500	
Other direct costs	7,407		7,407	
Total direct expenditure	391,928		422,965	
Other expenditure				
Other staff costs	98,461		82,566	
Utilities	33,648		15,501	
Maintenance of property and equipment	10,380		15,478	
Cleaning	8,065		9,141	
Catering consumables	16,495		-	
Total other expenditure	167,049		122,686	
Total expenditure		558,977		545,651
(Deficit)/surplus from all sources		(6,663)		6,663
Boarding school balances b/f		6,663		-
Boarding school balances c/f		-		6,663