



London South East Academies Trust
(A Company Limited by Guarantee)
Annual Report and Financial Statements
for the Year Ended 31 August 2022

Company Registration Number: 9028122

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Reference and Administrative Details

List of Members & Directors/Trustees, London South East Academies Trust

Members		
Name	Appointed	Resigned
Stephen Howlett, CBE DL	01/08/2017	
Mark Burnett	01/08/2019	
Angela Hands	01/08/2019	
Marek Michalski	01/10/2020	08/12/2022
Jacky Tiotto	08/12/2022	
LSEC	07/05/2014	

London South East Academies Trust Board				
Name	Appointed	Tenure	Role	Resigned
Mark Burnett (Chair)	01/08/2018	4 years	Chair	13/07/2022
Max Bero (Vice Chair)	01/02/2018	4 years	Vice Chair	08/12/2021
Denise James-Mason (Vice Chair)	16/07/2019	4 years	Trustee	
Dr Sam Parrett, CBE	n/a	n/a	Trustee	
Janet Saunders	01/04/2019	4 years	Co-opted Trustee	13/07/2022
Christopher Philpott	11/12/2019	4 years	Trustee	
David Bailey	09/12/2020	4 years	Trustee	
Dr Sebastien Chapleau	21/01/2021	4 years	Trustee	
Emma Brand	21/01/2021	4 years	Trustee	08/12/2021
Charles Yates	01/01/2021	4 years	Trustee	
Prof Lynn Revell	12/05/2021	4 years	Trustee	
Nick Linford	01/09/2021	4 years	Trustee	
Errol Ince	01/09/2021	4 years	Co-opted Trustee	
Marek Michalski	08/12/2021	4 years	Trustee	
Sunil Chotai	22/03/2022	4 years	Trustee	

Company Secretary	
Name	Appointed
Jennifer Pharo	04/04/2019

Key Management Personnel	
Name	Position
Dr Sam Parrett, CBE	Chief Executive Officer
John Hunt	Chief Financial Officer & Deputy CEO Trust
Neil Miller	Deputy CEO - Academies
Madelaine Caplin	Director School Improvement

Reference and Administrative Details (continued)

Company Name:	London South East Academies Trust
Principal and Registered Office	Rookery Lane Bromley, BR2 8HE
Company Registration Number	9028122
Independent Auditor	Buzzacott 130 Wood Street London, EC2V 6DL
Bankers	Barclays Bank Level 27, 1 Churchill Place London E14 5HP
Solicitors	Eversheds Sutherland LLP One Wood Street London, EC2V 7WS Winkworth Sherwood Minerva House 59 London Road 5 Montague Close London, SE1 9BB

Trustees' Report

The Board of Trustees presents their annual report together with the Financial Statements of the charitable company for the year 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a trustees' and a directors' report under company law.

The academy Trust operates 8 academies including Special Schools, Alternative Provision, and Primary Schools, across South East London and Surrey. Its academies have a combined pupil capacity of 1,273 and had a roll of 1,170 in the school census in May 2022.

The Financial Statements have been prepared in accordance with the accounting policies on pages 44 to 48 of the attached Financial Statements and comply with the Trust's Memorandum and Articles of Association, applicable laws and 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 United Kingdom and Republic of Ireland (FRS 102) (Charities' SORP FRS 102).

Structure, Governance and Management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Trustees of London South East Academies Trust are also the directors of the charitable company for the purposes of company law.

The Trust works closely with its sponsor, London South East Colleges (LSEC), and in April 2018 the independent boards of each entity agreed to work together to further their strategic aims as London & South East Education Group (LSEEG). Although not a legal entity, LSEEG had a collective turnover of £80m in 2021/22.

LSEEG is the umbrella organisation to co-ordinate the strategy of the group and to optimise and strengthen both governance and collaboration between group entities. This is achieved through schemes of delegation (subject to their non-delegable primary governance responsibilities and authority; their regulatory obligations; and management of potential conflicts of interest). The Group is not a legal entity and organisations as members of the Group are not subsidiary companies that are controlled or owned by LSEEG.

The Group rationale is borne from a shared mission, vision and values and seeks to optimise governance alignment through a Group Strategy and provide efficiencies across the organisations for the benefit of Learners and by extension for the public benefit. The Group ethos is founded upon high-quality teaching and learning, the development of curriculum models fitting each school and cohort and a core and bespoke school improvement strategy which focuses on our shared strength.

Governors and Trustees have been appointed to the Group Board, Independent Legal Boards and the Joint Group Co-ordinating Committees, ensuring that a balanced combination of Governors and Trustees are represented on the each of these, as defined by the relevant Articles of Association and the Group Organisation Scheme of Delegation. Details of the group governance arrangements in place for the year are shown below:

Diagram A provides details of our group governance structure.

Trustees Report (continued)

Structure, Governance and Management (continued)

Constitution (continued)

Diagram A



Details of the Trustees who served on the Trust Board during the year are included in the Reference and Administrative Details on page 1. Business is conducted through full Board meetings, a Group Finance Committee and a Group Audit and Risk Committee. The membership of these Committees must include representation from LSEAT but may also include Group Governors or those from other legal entities within the group where this will improve governance through the provision of greater expertise and challenge. Minutes of meetings are maintained and a register of interests published on the Trust's website.

In 2020/21 The Trust set up Provision Based Boards and Academy Councils as local governance committees for each school. The design and development of this model are to ensure that the community and its parents are at the heart of the Trust. The Academy Councils are forums where the Trust can ensure community links remain in place, whilst also engaging with local stakeholders. Each school has one or more representative Local Community Governor from their Academy Council on the appropriate Provision Board.

The Trust Articles of Association permit the establishment of committees and the level of delegation and functions determined. Where the Trust Board does delegate, it remains responsible and accountable for decisions made. The Trust Board retains overall responsibility and a legal duty for the operation of the Academies and the delivery of education, with the level of delegation and autonomy, determined through a detailed Scheme of Delegation.

The role of the Provision Board is intrinsic to providing local governance and scrutiny, enabling and assisting the Board of Trustees in the fulfillment of their duties. The Provision Boards, chaired by a Trustee, play an active part in supporting and challenging the Leadership of the Academies on the quality and standard of education, monitoring risks and progress of pupils.

As an additional level of governance scrutiny, each individual Academy convened an Academy Council. Membership of Academy Councils will comprise Local Community Governors, Parent and Staff Local Community Governors. The Academy Councils will report up to the appropriate Provision Board based on the Academy provision type.

Trustees Report (continued)

Structure, Governance and Management (continued)

Constitution (continued)

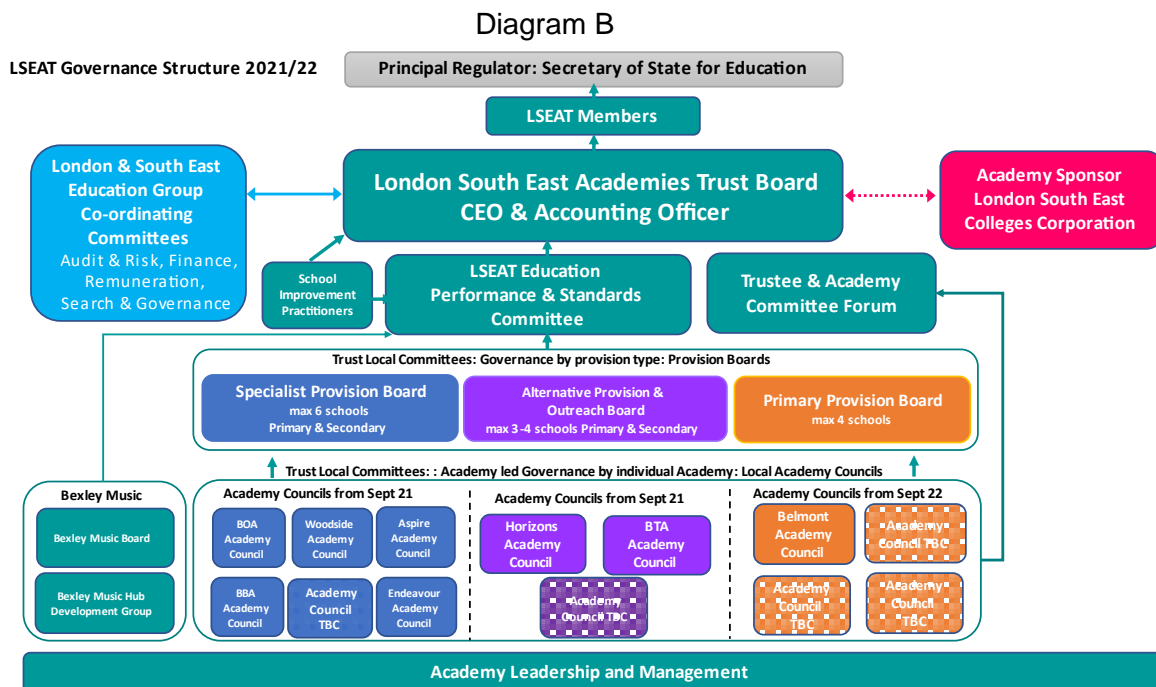
The Trust Board approves the appointment of Provision Board Chairs and Local Community Governors. The Provision Boards provide focused governance for each Academy, covering up to five Academies within their remit and provides assurance that the Trust Board is connected to its local community and that a local and diverse range of perspectives support decision making.

Focused governance includes monitoring and challenging Academy Leaders on educational standards and academic performance, safeguarding, individual Academies’ character and ethos and reviewing the Academies’ Risk Register.

Diagram B provides details of the layers and levels of governance.

The Provision Boards will contribute most effectively to the Trust’s vision and values by focusing on the following areas:

1. To provide a strategic view of the ethos and culture of each Academy.
2. To act as a critical friend to Academy Leaders, by providing support and advice to the Academies on School Improvement through the monitoring of School Development Plans, the curriculum offer, pupil progress and attainment, and overall pupil experience.
3. To hold the Academy to account for the educational standards it achieves and the quality of the education it provides as defined by Ofsted.
4. To ensure there are robust safeguarding procedures and associated policies in place to ensure the safety of all pupils.
5. To represent the parents and the local community, staying accessible and connected to the communities they serve.
6. To support, demonstrate and actively promote the Trust’s vision and values.



Trustees Report (continued)

Structure, Governance and Management (continued)

Members' Liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while he/she is 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 cease to be a member.

Trustees' Indemnities

As disclosed in note 10 professional indemnity insurance is paid on behalf of the directors and officers of the Academy as part of DoE Risk Protection Arrangement.

Method of Recruitment and Appointment or Election of Trustees

Potential new Trustees are identified either by the Board or the Group Board and can be recruited through recommendation, self-referral, response to an advertisement, or referral from a recruiting partner. The Trust always seeks to ensure that the skills and experience of new Trustees are complementary to those of existing Board members, or respond to identified skills gaps. London South East Academies Trust's members appoint Trustees.

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees will depend upon their existing experience. Where necessary the induction process will provide training on charity, educational, legal and financial matters. All new Trustees are welcome to visit the Academy Trust and to meet with staff and students.

All Trustees are provided with copies of procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. Induction tends to be done informally and is tailored specifically to the individual Trustees.

Organisational Structure

The Key Management Personnel control the Trust at an operational level implementing the policies laid down by the Trustees and reporting back to them. As a group, these personnel are responsible for the authorisation of spending within delegated limits and agreed budgets.

Arrangements for setting pay and remuneration of key management personnel

The Board of Trustees considers the pay of the key management personnel on an annual basis in line with the Department of Education guidance on "Setting Executive Salaries" published in July 2019. In accordance with its Executive Pay Policy, the Trust is committed to pay and remuneration that is transparent, proportionate and justifiable. When setting rates of pay, the Board takes a number of factors into account in order to ensure pay is commensurate with the accountabilities and duties of employment. Other factors which are considered include the financial and academic performance of both the Trust and each member Academy, the performance of the staff involved, and sector recommendations of annual pay awards. The Board also considers external benchmarks and salaries offered by other Academies for similar staff where this information is available.

Trustees Report (continued)

Structure, Governance and Management (continued)

Trade union facility time

The Trade Union (Facility Time Publication Requirements) Regulations 2017 require the Academy Trust to publish information on facility time arrangements for trade union officials at the Academy Trust. The Academy Trust confirms that there were no employees acting as trade union officials within the meaning of these regulations during the year ended 31 August 2022.

Related Parties and other Connected Charities and Organisations

The Trust has a connection with Bromley College of Further & Higher Education (trading as London South East Colleges) as sponsor of the Academies within the Trust. As explained above, the Trust and its sponsor work closely together in furtherance of their strategic aims. The sponsor also provides some back-office services to the Trust through its centralised group services, but no charge is levied in respect of these services.

Engagement with employees (including disabled persons)

Communication across the Group is through all staff meetings, regular weekly staff bulletins, and communication via the Deputy CEO – Academies and Head Teachers. This is a two-way process with the Trust news publication being circulated with updates from the Deputy CEO, Headteachers, and the leads of core operational services such as H&S, Safeguarding and HR, covering different initiatives and updates on their respective schools and wider Trust. Trust Senior Leadership meetings are held termly and senior leaders have the opportunity to share good practices and receive updates from key LSEC personnel.

The Trust recognises a range of trade unions and these are engaged as and when there are issues of negotiation and consultation with staff on a variety of staffing issues. Formal Joint Consultative Group meetings will be held with a Regional Trade Union Representative in the future to encourage their engagement with the development of Trust policies.

Staff within LSEAT have been encouraged to partake in a Group-wide discussion on 'Engagement and Involvement in Equality, Diversity and Inclusion Matters' and to apply for a grant to fund a project, initiative or idea, or to become an Equality/Diversity and Inclusive champion. In addition, all staff in the Trust have been given the opportunity to take part in roadshows and consultations on our new One Trust strategy and corporate values.

The Trust considers all applications for employment from disabled persons, bearing in mind the aptitudes of the individuals concerned and, where disabled candidates disclose their disability to the Trust and meet the minimum selection criteria, an interview will be offered. Where an existing employee becomes disabled every effort is made to ensure that their employment with the Trust continues. The Trust's policy is to provide training, career development and opportunities for promotion, which are, as far as possible, identical to those for other employees.

Engagement with suppliers/customers/ others in a business relationship with the trust

The Trust acknowledges that its supply chain is an essential element to the successful and safe operation of its academies, together with the overall success of the company. The supply chain can impact significantly on the education of our pupils as customers and the importance of these relationships and those within the wider LSEEG group are recognised. The Trust values its supply chain and uses a mix of local SME's for small one-off or regular transactions, through to larger entities with tendered compliant contracts such as cleaning and catering. The Trust always ensures it achieves value for money.

Trustees Report (continued)

Structure, Governance and Management (continued)

Objectives and Activities

Objects and Aims

In July 2021, the Trust approved its new mission together with related strategic goals and priorities. This mission, which remains as important and relevant as it was a year ago, says that through being passionate about their potential, we promise to realise the unique talents and abilities of the children and young people entrusted to London South East Academies Trust. Ambitious for every child, we will work tirelessly to ensure that progression and their 'next step' is always within reach. We recognise and respect the diversity and strength that our different schools bring to our community, within the school and beyond.

Our mission is to create a network of outstanding schools that:

- promote excellence
- celebrate diversity
- enable personal development and achievement
- foster social value in the communities they serve

Alongside the mission, we have also developed a new set of Values and a Trust manifesto which set out our brand values and personality.

Our Values

Being part of London & South East Education Group (soon to be a charitable foundation) means being part of an organisation that is committed to transforming local communities for the better. Within our Trust we provide every young learner with the education, skills and opportunities to succeed in life. We do this by:

Leading Locally – we take our public responsibility very seriously. We serve communities and respond to their needs, generating social value and making a strong impact. We are more than education. We are leaders in the community.

Being Fearless Pioneers – one step ahead, we look courageously to the future and we stand out with confidence. We take the lead in shaping the local and national agenda and are true pioneers of the sector. We are never afraid to take things on.

Continuously Innovating – through our sector-leading research and evidence-based policies, we promote best practice that drives significant results. Our innovation creates a system for others to follow. We are a beacon of example.

People First – We are inclusive to everyone, yet we take a principled and personalised approach by learning, listening and treating everyone as individuals. All decisions are made with people at the centre.

Acting Responsibly – Acting responsibly is core to everything we do. We are ethical, we have integrity, and we operate responsibly, treating everyone with respect. We don't let people fail. We always do the right thing.

Trustees Report (continued)

Objectives and Activities (continued)

As an organisation we are:

Ambitious – we have high expectations for everyone and aspire to do things better. Being forward thinking is in our DNA. We think big and we aim to make a big impact. Anything is possible.

Proactive – we live on the front foot and relish making positive change. Dynamic, fast-paced and driven by bold new ideas, we lead with energy and are impatient for success. We never rest on our laurels.

Knowledgeable – we are experts in our field with the knowledge and can influence at a local and national level. Smart, intelligent and interesting – we have a proven track record of knowing what to do.

Collaborative – we work together, learn from each other and support one another, while sharing our expertise and experience. We are about partnerships where everyone pulls in the same direction. There is no 'us' and 'them'.

Trustworthy – we act openly, honestly and responsibly in everything we do. We do what we say and believe in accountability. Thousands trust us with their future – being trustworthy is integral to who we are.

Supportive - We care deeply in all that we do and for everyone involved. No matter what background, we provide the strong support that is required to bring the best out in everybody.

Through our Trust values, we have developed the following manifesto:-

- We believe that education changes lives and communities for the better.
- We believe in addressing the effects of poverty and disadvantage, to achieve better outcomes.
- We believe that every child deserves the opportunity to fulfil their potential and create a successful future.
- We believe that the vital education and life skills our schools provide are at the heart of the solution.
- We believe that great teaching helps all children become confident and respectful young people.
- We believe in providing the best, the right, and sometimes the only choice for learners in our communities.
- We believe an inclusive, learner-centred approach empowers young people with the independence to succeed.
- We believe in forging partnerships with schools of all types to boost our collective knowledge and power.
- We believe in building on our proven track record, growing our influence and sharing our expertise with others.
- We believe in continuously learning, raising expectations, leading the way and setting new standards.
- We believe in creating sustainable impact and long-term social value that goes beyond education. We believe we can transform lives through the power of learning.

Objectives, Strategies and Activities

The main objectives of the Trust during the year ended on 31 August 2022 are summarised below:

- To raise the standard of educational achievement of all pupils;
- To provide value for money for the funds expended;
- To comply with all appropriate statutory requirements;

Trustees Report (continued)

Objectives, Strategies and Activities (continued)

- To conduct the Trust’s business in accordance with the highest standards of integrity, probity and openness; and
- To set in motion initiatives to increase the number of Academies within the Trust.

The principal long-term objectives of the Trust are laid out in the Funding Agreement in addition to the points summarised above.

The Trust has adopted a scheme of delegation, which sets out the respective functions of the Trust, and its associated local advisory Boards. The Trust currently consists of eight Academies covering primary, specialist primary and secondary phases across sites in Bromley, Bexley and Surrey. The Academies have provision for mainstream primary pupils, together with pupils who have been excluded from mainstream education or pupils who are at risk of being excluded from such education. In addition, the Trust also provides Key Stage Two to Five provision for Social, Emotional and Mental Health (SEMH) students who all have an Education, Health and Care Plan (EHCP).

The Academies within the Trust are as follows.

Aspire Academy Bexley	Bromley Trust Academy
Bromley Beacon Academy	Horizons Academy Bexley
Endeavour Academy Bexley	Woodside Academy
Belmont Academy	Bramley Oak Academy

Bromley Trust Academy served a pupil population of 101 during 2020/21, with a Planned Annual Number (PAN) of 129. Bromley Beacon Academy served a pupil population of 170 during 2020/21, with a Planned Annual Number (PAN) of 168.

Horizons Academy Bexley served a pupil population of 77 during the year with a PAN of 117. Aspire Academy Bexley and Endeavour Academy Bexley served pupil populations of 47 and 78, with a PAN of 64 and 80 respectively.

Belmont Academy served a pupil population of 439 during the year with a PAN of 446. Woodside Academy served a pupil population of 198 during the year with a PAN of 208.

Bramley Oak Academy served a pupil population of 60 during the year with a PAN of 61.

Public Benefit

In setting objectives and planning activities, the Board of Directors has paid due regard to the published guidance from the Charity Commission on the operation of the Public Benefit requirement under the Charities Act 2011.

Covid-19

Following two years of huge disruption due to COVID, last year saw the return of ‘normality’ in the broadest sense concerning education and school operations.

All schools operated a near normal service from September 2021 onwards, providing all pupils with educational experiences that had been missing for the previous two years, for example, educational trips, extracurricular activities, school plays, face to face parent afternoons and external visitors. Feedback from schools was extremely positive about these taking place once again and the positive impact they had on the pupils, parents and staff.

All schools were impacted at some point by COVID (mainly late Autumn Term 2 and early Spring Term 1) with significant staffing and pupil absence, however all schools worked to ensure they remained open and where classes had to be closed, high-quality remote learning was introduced within 24 hours.

Trustees Report (continued)

Objectives, Strategies and Activities (continued)

Covid-19 (continued)

As part of the returning to normal operations, all schools reviewed systems and processes that had been introduced during COVID and some have been maintained as they presented more efficient and effective operations, for example split breaks in some schools.

As part of the Trust's continued COVID Recovery strategy, a Trust Recovery Support Fund was introduced following discussions with Headteachers who had highlighted fundamental concerns about gaps in pupils progress since returning. The objective of this fund was to provide support across all Trust schools with a range of options, from paying for extra teaching and non-teaching resources, to innovative ideas to tackle the impact of the pandemic. The Trust allocated £500,000 across two academic years – 2021/22 and 2022/23. The fund was open to all staff to make applications which were assessed against the following principles:

- focus on raising academic achievement levels in core subjects (English, maths and science)
- focus on wellbeing and personal achievement
- demonstrate some innovation over what is currently practiced – applicants should show how their idea is different, or an improvement on what is currently in place
- be a sustained intervention (rather than a 'one-off') that can show potential improvements in educational and/or wellbeing outcomes over time
- be cost-effective and offer value for money
- can grow, scale or be replicated into other environments if successful – particularly working with other academies across LSEAT.

Over 30 applications were received in the first round, with 29 awarded at a total value of £240,000. The applications ranged from new ovens, balance bikes, renovating libraries and forest schools to maths trips, counselling staff and music technology equipment. It is too early to measure impact when most of the fund was only spent in the summer term but Headteachers have been asked to monitor the difference and impact that this fund has made to their individual schools and pupils.

The second round of the fund will be opened in autumn 2022 with funds released to schools by Christmas 2022.

Equal Opportunities

The Trustees recognise that equal opportunities are an integral part of good practice within the workplace. The Trust monitors the diversity of its staff, and reviews its recruitment arrangements to support equality and diversity objectives.

Strategic Report

Achievements and Performance

Key Performance

Bromley Trust Academy (BTA)

The academy has maintained quality teaching and learning throughout the year, setting high standards for pupils in relation to behaviour and progress which has resulted in some excellent outcomes for pupils.

Year 11 outcomes in 2021/22 remained positive, despite the fact that this was the first year group to sit examinations conventionally for two years. This cohort had also last experienced a 'normal' school year when they were year 8. It has been recognized that this cohort had lower prior attainment data than the previous year group who were not assessed via TAGS/CAGS in 2019.

- The average number of qualifications achieved was 8. In total pupils achieved 226 qualifications across all subjects.

Strategic Report

Achievements and Performance

Key Performance

Bromley Trust Academy (BTA) (continued)

- National Average for PRU 5 X 4-9 passes is 2%, therefore we achieved over 42% above national average, including the medical provision.
- The best performing subjects at BTA were Science Gateway, Art & Textiles, Food Technology, English. The most improved subject was ICT FS.
- 100% of pupils gained at least a level 1 in Literacy and Numeracy.
- Achievement in English showed pupils making excellent progress with 59% leaving with a level 2 or grade 4-9, compared to 26% in 2019.
- The number of pupils gaining a level 2 in Maths was 30%.
- 12 pupils achieved at least 10 qualifications.
- Five pupils achieved 5 x 4-9 with Maths. Ten pupils achieved 5 x 4-9 with English.
- There remains very little disparity between PP and non-PP students.
- In Food Technology 8 out of a possible 9 pupils achieved at least a grade 4 (89%).
- One student achieved a grade 8 in Chemistry and grade 6 in Statistics. These were subjects delivered outside of the curriculum by staff in after-school sessions.
- Progress for year 11 pupils demonstrated 63% in English and 52% in Maths making expected or better progress (see below).
- Progress at Primary demonstrated the following percentage of pupils making at least expected progress. Reading – 88.64%. Writing - 86.57. Maths – 94.44%.
- At the primary site, pupils are assessed thoroughly so as to determine the most appropriate onward provision to meet their specific identified needs, this resulted in 64.71% of pupils who left during 2021-22 progressing to specialist provision with the support of an EHCP and 17.65% to mainstream with the support of an EHCP.
- The Catch-Up funding and Pupil Premium funding received by the school was targeted for additional intervention work specifically around reading and writing where the greatest gaps were identified. This year both secondary sites made positive use of the government catch-up funding by employing additional tutors via the National Tutoring Programme to support a cohort who had been impacted to an even greater level than the previous one by the pandemic.
- The successful Outreach Service for both Primary and Secondary Schools, are linked closely to the provisions. Working with the majority of Primary and Secondary schools in Bromley, and having built strong working relationships with many of them.
- Demand for support has increased significantly since schools re-opened fully after Covid restrictions ended, in particular for the very youngest pupils. Last academic year it was reported that the Outreach Team supported 140 individual pupils, and delivered around 150 training sessions to schools, reaching more than 1000 members of the workforce.

Bromley Beacon Academy (BBA)

BBA has continued to consistently sustain its trajectory of self-improvement over the last three years, meeting the needs of all students, ensuring successful progression to the next phase of education, employment or training.

Last academic year was an outstanding year for BBA in terms of pupils in Year 11 achieving excellent outcomes.

- The average number of qualifications gained per student was sustained at 9, with a noticeable improvement in grades achieved.
- 45% of pupils gained 5 or more GCSEs or equivalent passes at Grades 4-9.
- 75% of pupils left Year 11 with qualifications at Level 1 or above in both English and Maths.
- 60% of pupils gained GCSE Grades 4-9 or equivalent in English and 45% in Maths, a pleasing improvement.

Strategic Report (continued)

Achievements and Performance (continued)

Key Performance (continued)

Bromley Beacon Academy (BBA) (continued)

- All pupils in Year 11 who attended the school made progress against their baseline.
- There was no gap in progress for PP and NPP pupils in English and Maths from KS2 with 90% progress from KS2 in both English and Maths.
- Teaching was deemed 100% good or better across the school.
- The curriculum has been reviewed and revised from KS1 to KS5 with clear sequencing evident throughout the school.

To achieve the above successes, it was recognised that there was a necessity and urgency to reengage pupils in full-time education, after two years of Covid disruption, and to ensure that the quality of education was researched, informed and appropriate for our students.

Therapeutic support for all our pupils as well one to one tutoring in core subjects for all year 11 students was delivered.

Aspire Academy Bexley

Aspire Academy had a Section 8 inspection in November 2021 and maintained their Outstanding grade.

This reflected the hard work and support provided from a very dedicated and experienced staff team. Key successes from 2021/22 include:

- At the beginning of the year the RWI phonics programme was introduced at Aspire which saw a significant rise in pupils progressing with their phonics. In the first two terms of the year, 81% of pupils made better than expected progress.
- 75% of pupils made expected or better progress in maths, with a continuation of the White Rose maths scheme.
- Pupils' academic progress was carefully monitored each term by subject leads and any pupils not making expected progress were identified and interventions put in place both within the classroom and those led by Higher Level Teaching Assistants (HLTAs).
- Last year one to one after school tutoring paid for by using NTP and covid catch up funds was offered.
- 19 pupils completed KS2 SATS in the summer term, with 2 pupils achieving a year 6 expected level in reading.
- Additional funding such as sports premium grant and pupil premium money were used to further enhance the curriculum offer at Aspire and ensure the needs of pupils were being met.
- The sports premium was used to set up after-school sports clubs and offer all pupils additional sports activity in the form of boxing coaching.
- The Aspire football team was set up and participated in both special school and mainstream leagues through the year. Several other sports competitions were also attended across Bexley. Sports equipment was purchased for these activities.
- Pupil premium funding was used to develop the pupils' cultural capital and included the hire of a school minibus, trips to the theatre, the school choir involvement in Young Voices concert and in school curriculum workshops. It was also used to fund SEN support in the form of speech therapy and occupational therapy.
- The Aspire Behaviour Team has developed further and has had a significant impact this year on pupils' engagement and behaviour for learning. Summer term incidence 2022 was down 50% from summer 2021 when we didn't have a behaviour team. Exclusions for this period had an 80% reduction.

Strategic Report (continued)

Achievements and Performance (continued)

Key Performance (continued)

Endeavour Academy Bexley

Endeavour Academy has continued to focus on the curriculum and Teaching and Learning. Pupils are able to access a broad and balanced subject offer that brings together an academic curriculum with vocational options. The main headlines for the school for 2021/22 include:

- A significant rise in the average number of qualifications entered per pupil from 6.6 in 2018/19 to 12.4 in 2021/22.
- 100% of Year 11 pupils gained a Level 1 or equivalent in English compared to 95% in 2018/19.
- 93% of Year 11 pupils gained a Level 1 or equivalent in Maths compared to 79% in 2018/19.
- 29% of Year 11 pupils gained Level 2 or equivalent in English compared to 8% in 2018/19.
- 100% of pupils made progress from their baseline of at least 3 levels in both English and Maths.
- 86% met their Fisher Family Trust (FFT) targets and 46% exceeded this target in both English and Maths.
- 100% of Year 11 pupils secured a route into post-16 education, training and employment, again demonstrating the positive impact of the Transition Team in supporting pupils to make informed choices and move on successfully to the next phase of their education.
- Analysis of vulnerable group data shows that there is no evidence of any gaps and certainly nothing to suggest that disadvantaged pupils do less well than their counterparts.
- Self-evaluation for the school is validated by an external expert in SEN and the school has self assessed as a strong Good.
- This was validated by a very successful Ofsted inspection in February 2022 where the Good grade was maintained for another four years.

Horizons Academy Bexley

Horizons Academy had a Section 8 inspection in April 2022 and maintained its Good grade.

Despite periods of school closures and periods of remote learning over the last 3 academic years, the pupils of Horizons Academy Bexley have performed extremely well.

The number of pupils achieving 5, 1-9 passes or equivalent including English and Maths increased to 73% when compared to 2020/21. 100% of pupils achieved at least one 1-9 or equivalent pass, equating to a 12% increase against the previous year.

96% of pupils achieved a grade 1-9/L1 pass in English and 92.59% of pupils achieved the same outcome in Maths, which represents an increase of 20% and 16% respectively, when compared with 2020/21.

In part, this was down to a mid-year refinement of the curriculum to ensure that there was greater sequencing between lessons but it was also a testament to the resilience of the pupils that attended the school and the tremendous support provided by the staff team.

In GCSE Biology, 81% of pupils achieved a GCSE grade 1-9, which is a 28% increase when compared to 2020/21 and plans are already being developed to introduce a Level 2 portfolio-based qualification to increase this number further in 2022/23.

Vocational subjects performed well over 2021/22, with;

Strategic Report (continued)

Achievements and Performance (continued)

Key Performance (continued)

Horizons Academy Bexley (continued)

- 100% achievement in BTEC Level 2 Home Cooking
- 83% achievement in BTEC Level 1 Construction
- 75% achievement in BTEC Level 1 Sport
- 80% achievement in VTCT Level 1 Hair and Beauty

An analysis of disadvantaged pupils demonstrates that the number of pupils eligible for Pupil premium achieving 5, 1-9 passes including English and Maths increased by 23% to 83% when compared to 2020/21. There were also no gaps between PP and NPP pupils.

Over the course of the academic year, the Recovery premium was used to provide English, Maths and/or Reading interventions to support pupil progress with these fundamental skills such as supporting them to close the knowledge gaps that have widened as a result of the COVID-19 pandemic.

Woodside Academy

The school's self-evaluation maintains the overall quality of education as Good with data to substantiate this judgement. Pupils continue to have access to a broad, appropriate curriculum that prepares them well for adulthood and to sit examinations in relevant subject areas. Statutory tests for primary pupils were completed by those pupils who were able to access the materials.

The following achievements should be noted for EYFS-Primary pupils:

- All 9 pupils carried out the Reception baseline assessment. All 9 pupils were graded as 'emerging'.
- 4/12 Y1 pupils passed the Phonics Screening Check.
- 3/10 Y2 pupils were entered for the PSC but did not pass.
- All Y2 pupils were teacher assessed to be working below Age Related Expectations for the KS1 Teacher Assessment.
- 1/11 Y4 pupils passed the multiplication Tables check (MTC), achieving full marks.
- As all Y6 pupils are working below Age Related Expectations so they were disapplied from the KS2 statutory testing process.

The following achievements should be noted for 2021/22 Key Stage 4 pupils at the school:

- 100% of pupils gained a BTEC qualification/units in a vocational area (including 16 Y10 students) who have banked their units as they are continuing with their chosen BTEC in 2022/23). 40 % gained an Entry Level 1 either an Award or Certificate, or 'top up' units, 2% an Entry Level 3 Award, 60% a Level 1 either an Introductory Award, Certificate or Extended Certificate.
- In 2021/22 a portfolio-based qualification route for maths and English was introduced. External verification of all work samples validated the high-quality work of the pupils reflected leaders' high expectations.
- 100 % of KS4 pupils gained accreditation in English: 47% Entry Level 1, 19% at Entry Level 2, 19% at Entry Level 3 and 15% at Level 1.
- 100% of pupils gained accreditation in Maths: 10% at Entry Level 1, 60% at Entry Level 2, 17 % at Entry Level 3 and 13% at Level 1.
- 100% of pupils gained Entry Level accreditation in Science 55% Y11 pupils gaining the Asdan qualification, (with Y10 pupils working on this over 2 years).34% at an Entry 2 Level, 11% at an Entry Level 3.

Strategic Report (continued)

Achievements and Performance (continued)

Key Performance (continued)

Woodside Academy (continued)

- All Year 13 Post 16 leavers went onto further education. 17% went to Shooters Hill College and 83% went to LSEC Bexley College.
- Due to the pandemic a higher percentage of Year 11 pupils (55%) chose to stay on in Post 16 at Woodside. A number of these pupils could have left to go to college but their confidence was impacted due to the disruption the pandemic caused to their learning for the past 2 years. These pupils will be encouraged to apply to college for Year 13.
- Catch-up funding was used to purchase Speech and Language support for all children in the form of a full-time Speech and Language assistant. The catch-up grant contributed to the costs for this 1-year fixed-term role.

Belmont Academy

The school remains a two-form entry with a part-time Nursery provision and a resource provision for 12 pupils with a visual impairment and/or physical, medical need with 11 places currently allocated. A recent independent review of the school's Visual Impairment provision confirmed its effectiveness in securing positive progress and developing pupil independence.

Despite the impact of the pandemic, KS2 results indicate that pupils achieved at least in line with national outcomes from the last statutory reporting in 2019 in all areas including the combined core subjects. Phonic Screen Check outcomes continue to remain high:

The following outcomes for 2021/22 should be noted:

- Writing attainment was above national with 79% meeting the expected standard against 69% nationally.
- End of KS2 Maths placed 79% of pupils at the expected standard at the end of 2021/22 above national.
- 81% of pupils in KS1 attained the expected standard in reading which is in line with post-pandemic outcomes with 24% attaining the greater depth standard.
- Maths at the end of KS1 increased with 85% of pupils attaining the expected standard showing an increase from the 2019 outcomes and a stable outcome of 24% achieving the greater depth standard which remains above national and comparable to 2019.
- 100% of pupils in Year 2 passed the Phonics Screening Check securing outstanding outcomes and sustaining a continued improvement from previous academic years with 87% of pupils in Year 1 passing the Phonics Screening Check.
- EYFS outcomes for year-end placed 74% of pupils at a Good Level of Development (GLD) which was an increase from the initial 34% baseline assessment data.

Attendance continues to remain a priority with weekly average attendance data remaining above the national average of 92%. There continues to be no fixed term or permanent exclusions. Safeguarding remains effective in the school and this is evidenced by an audit conducted in May 2022.

Belmont remains a popular and over-subscribed school within the community and the school's own self-evaluation indicates that the academy provides good education to its pupils who achieve well and make good progress from their starting points.

Strategic Report (continued)

Achievements and Performance (continued)

Key Performance (continued)

Bramley Oak Academy

Following the significant impact of Covid, the school has been able to welcome parents back into school. This has supported the school to develop better relationships with parents, demonstrated through the very positive parent survey feedback.

National Tutoring Programme funding has been utilised for additional academic support in core subjects. Pupils made significant progress through the completion of this program.

The following outcomes for 2021/22 should be considered:

- Teaching and Learning has continued to strengthen over the last year. Schemes of work have been developed and better imbedded. This has resulted in the strongest academic results in the school in the last 4 years.
- There was steady improvement each term in relation to student outcomes. Reading and Phonics progress was 87% across the year which was a 14% increase from the prior year.
- 72% of pupils exceeded targeted progress in Reading and Phonics.
- Progress in Mathematics increased by 25% over the course of the year and was 24% better than progress in the year before.
- Progress in writing was the strongest the school has had in over 4 years. Progress increased by 23.46% over the course of the year.
- Four pupils sat the year 6 SATS assessments. Two pupils achieved expected standard in Reading. Two pupils achieved higher than expected scaled scores in Reading. One student achieved expected standard in all 3 SATS areas.
- School attendance continues to be stronger than historically in the school. Although slightly lower than the previous year, attendance was over 87% for the year.
- Safeguarding is considered a significant area of strength and has been validated by both internal and external scrutiny.

Last year, senior leaders in the School and the Trust together with the Local Authority, were involved in planning a significant renovation project of the whole school building, increasing the PAN by 70% when completed.

This will significantly improve learning spaces, including allowing children to access a broader and more stimulating curriculum. The building project will modernise the building to better meet the sensory needs of its students. A new therapy suite, library and intervention areas will all support better outcomes for children across all areas of the school.

Summary of all Academies

All academies within the Trust, as clearly demonstrated above, are providing a good educational experience for their pupils where they are able to achieve.

School leaders and staff have continued to work hard to ensure that gaps are being reduced, even though the last year has been extremely challenging with COVID impacting on staff and student absence. Positives to be drawn are the increasing number of qualifications being delivered across our schools, the improved standards demonstrated by pupils' achievements and the low NEET data which demonstrates that the pupils are learning, making progress, achieving, and successfully transitioning into the next stages of their education, employment or training.

Strategic Report (continued)

Achievements and Performance (continued)

Key Performance (continued)

Going Concern

The Trust has funding agreements in place with the ESFA, and has been commissioned by its Local Authorities to deliver provision for 2022/23 which is financed through top-up funding. The medium-term financial plan for the Trust has been prepared on a prudent basis with appropriate contingencies and assumptions. Despite the challenges presented by the current economic climate, the plan demonstrates that the Trust will have sufficient working capital to meet liabilities as they fall due.

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.

Promoting the success of the company

The directors recognise the potential long-term impact of its decisions and give appropriate due regard to this consideration in arriving at decisions.

The Trust has many stakeholders which include but are not limited to staff, pupils, parents and carers, funding agencies, local authorities, and the local community. These stakeholder relationships are very important to the Trust and significant senior staff time is invested in both building and maintaining relationships and partnerships. The Trust recognises the importance of such relationships to its future success and works to ensure that these remain strong.

The Trust and its member academies have a good reputation for high-quality education. The Special Provision Academies within the Trust attract out of borough placements funded by other Local Authorities. In this regard, maintaining a quality brand is essential for the Trust's success in attracting such placements and developing future external relationships.

Financial Review

Principal funding

Much of the Trust's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to the running of the Academy. The grants received from the ESFA during the year ended 31 August 2022, and the associated expenditure is shown as restricted funds in the Statement of Financial Activities.

The Trust also receives top-up funding grants from the relevant Local Authority in respect of the alternative and special provision it provides. The grants received together with the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

Financial report for the year

The total income for the period was £29.4m. The Covid-19 pandemic had no material impact on total income for the year.

In accordance with correct disclosure requirements, the financial information which is presented in the statement of financial activities can obscure an overview of the annual operating performance of the Trust. Accordingly, such a view of the summarised operating performance of the Trust (which is extracted from the statement of financial activities) is re-stated below to exclude the donated fixed assets:

Strategic Report (continued)**Financial report for the year (continued)**

	£'000
Overall net movements in funds	£8,207
Add: net expenditure attributable to the fixed assets fund	(£182)
Less: other non-recurring income for the year	£0
Add: LGPS actuarial loss	(£9,445)
Add: LGPS service cost adjustment	£1,847
Add: LGPS interest cost adjustment	£141
Add: LGPS admin costs	£52
Operating surplus (excluding inherited land and buildings)	£620

The overall financial performance of the Trust and most Academies for the year was strong, largely due to the delayed recruitment of staff and some operational non-pay savings.

The Trust did receive some Covid-19 recovery premium funding to support pupils to catch up lost time after school closures and interrupted learning. This was deployed to provide additional support, lessons and interventions for those pupils who needed it most following the interruption to their learning.

On 31 August 2022, the net book value of fixed assets was £51.8m and movements in tangible fixed assets are shown in note 11 to the Financial Statements. The assets were used exclusively for providing education and the associated support services to the pupils within the Academies.

Reserves Policy

On 31 August 2022, the Trust had total funds of £56.4m. This comprised £50.7m restricted funds and £5.7m unrestricted general fund balances. The pension reserve balance, relating to the accounting for the Local Government defined benefit scheme for non-teaching staff, was in deficit by £1.2m at 31 August 2022 (2021: £8.6m). However, this does not mean that this liability will actually crystallise and the Trust is making appropriate deficit reduction payments. The financial results for the period are shown on page 41.

The Trustees have reviewed the Financial Statements of the Trust. This review encompassed the nature of income and expenditure streams, the need to match them with commitments and the nature of reserves. The level of reserves will be kept under review by the Trustees and a formal reserves policy was approved at the Trust Board meeting on 20 October 2021.

The policy seeks to accumulate reserves in order to mitigate risk, protect against unforeseen future events, and to build sufficient reserves to maintain the estate and equipment for learners.

In the context of these principles, the Trust policy will be to hold sufficient reserves to:-

- i.) Manage cash flow and liquidity so that variable cash demands can be managed in order to smooth out irregular and cyclical spending and allow for unexpected and unpredictable needs.

Fund annual capital investment in order to ensure the estate is safe and fit for purpose, and IT and other equipment is up to date and suitable for learning.

The recommended minimum reserve for this is 10% of total income for each Academy;

- ii.) Manage known risks which are not insurable or where insurance does not provide value for money. This will be a specific sum as appropriate to each Academy;
- iii.) Provide resources for major capital projects including building refurbishments, capital lifecycle liabilities, or infrastructure improvements. Reserve levels for this purpose will be agreed on a case by case basis in accordance with the property strategy.

Trustees Report (continued)

Financial review (continued)

Financial report for the year (continued)

Investment Policy

The Investment Policy relates to the management of the Trust's cash flows, its banking, money market and investment transactions. The effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks. The Trust has a separate Treasury Management policy in place which is consistent with its social, ethical and environmental values.

Principal Risks and Uncertainties

A risk register is maintained at the Trust level which links into its board assurance framework. The risk register is reviewed at each meeting by the Group Audit Committee and Trust Board. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on the Trust and the actions being taken to reduce and mitigate the risks. Risks are prioritised using a consistent scoring system and the risk register was updated during the year to reflect the numerous threats posed by the coronavirus pandemic

Outlined below is a description of three principal operational risks and uncertainties relating to the Trust.

Ofsted Inspections

The Trust has a strong track record of School Improvement and improving the Ofsted grade of its Academies as shown last year when three were inspected and all retained their good or outstanding grades. The Trust currently has several academies within the Ofsted window and by the end of this academic year, all remaining academies will be in that window. Due to the proportion of its Schools within the Ofsted window, the Trust considers this to be one of its principal risks. Comprehensive action plans are in place to mitigate this risk driven by Trust leaders and this work is supplemented and validated by independent external advisors. This risk and the related action plans are regularly monitored by the board and its committees.

High Needs Funding Reforms

The Trust currently consists of mainly Special and Alternative Provision Schools, and has a particular sensitivity to any changes in high-needs funding. The publication of the Green Paper during 2022 covering a review of SEND provision has indicated an intention to reform the high-needs system and its funding. Whilst funding at some of our Schools is already at a level the Trust considers to be unaffordable, the planned move to a National Funding formula for High Needs Funding could put further pressures on those schools, or potentially benefit some Schools in the Trust at the cost of others.

This risk is being monitored regularly and will be mitigated through prompt management actions to ensure expenditure correlates to income.

Financial Risk

The Trust has considerable reliance on the commissioning of places from Local Authorities. Places are generally commissioned on a year-by-year basis which results in uncertainties for future years. In addition, the deficit in the Local Government Pension Scheme which is described in note 24 is subject to annual FRS102 valuations and is regularly monitored by the Trustees.

Despite the strong overall financial performance of the Trust, a number of Schools within the Trust have some significant financial challenges to address and the current economic climate with high inflation, energy costs, and unfunded pay awards is putting severe pressure on our Schools.

This risk is being monitored closely and is mitigated through strong working relationship with commissioning Local Authorities. In addition, where required, prompt management actions are taken to ensure expenditure correlates to income, with reserves also being utilised to support School operations.

Trustees Report (continued)**Streamlined energy and carbon reporting**

The 2019 UK Government Environmental Reporting Guidelines and the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) were followed. The 2022 UK Government GHG Conversion Factors for Company Reporting were used in emission calculations. The report has been reviewed independently by Briar Consulting Engineers Limited.

The electricity and gas consumption were compiled from invoice records with some estimations to complete minor data gaps. Mileage records were used to calculate energy use and emissions associated with Trust-owned vehicles (e.g. minibuses) grey fleet. Generally, gross calorific values were used except for grey fleet mileage energy calculations as per Government GHG Conversion Factors.

The associated emissions are divided into mandatory and voluntary emissions according to the 2018 Regulations, then further divided into the direct combustion of fuels and the operation of facilities (scope 1), indirect emissions from purchased electricity (scope 2) and further indirect emissions that occur as a consequence of Trust activities but occur from sources not owned or controlled by the organisation (scope 3).

Breakdown of energy consumption used to calculate emissions (kWh):

Energy type	2021/22	2020/21
Mandatory requirements:		
Gas	2,206,312	2,438,778
Purchased electricity from the grid	1,520,303	1,644,951
Transport fuel	733,192	12,107
Total energy (mandatory)	4,459,807	4,095,836

Breakdown of emissions associated with the reported energy use (tCO₂e):

Emission source	2021/22	2020/21
Mandatory requirements:		
<u>Scope 1</u>		
Natural gas	402.7	446.7
Company owned vehicles (minibuses)	6.3	3.0
<u>Scope 2</u>		
Purchased electricity (location-based)	294.0	349.3
<u>Scope 3</u>		
Category 6: Business travel (grey fleet)	175.9	0.0
Total gross emissions (mandatory)	879.0	799.0
<u>Intensity ratios (mandatory emissions only)</u>		
Tonnes of CO ₂ e per pupil	0.702	0.765
Tonnes of CO ₂ e per pupil and staff member	0.480	0.486
Tonnes of CO ₂ e per square meter floor area	0.040	0.037

Trustees Report (continued)

Streamlined energy and carbon reporting(continued)

Intensity measurement

Three intensity ratios are reported showing emissions (tCO₂e) per pupil, per pupil & staff member combined and per square meter floor area. Emissions per pupil is the recommended ratio for the sector for consistency and comparability and pupil numbers are based on the Autumn census of the respective year. Emissions per pupil & staff member combined is voluntarily calculated to acknowledge the different staff to pupil ratio compared to typical schools of similar floor area size. Emissions per square meter floor area is also voluntarily calculated to reflect the energy efficiency of the buildings, which are the source of the majority of emissions.

Measures taken to improve energy efficiency

The reported increases in Transport fuel, and Business travel relate to improvement in reporting systems and a better comparison will be available for 2022/23. Maintenance efficiency improvements have been made this year as components reach their life expiry. This has included boiler replacements and their associated controls to more efficient and upgraded models and components. Any savings have not been estimated from these actions.

Fundraising

There were no fundraising activities during the year.

Plans for Future Periods

The Trust has continued to embed its One Trust Strategy across all schools and Bexley Music Service to deliver school improvement, improved and further reaching central services, efficiencies, and greater collaboration and team work. This has been experienced across the whole Trust, including Trust-wide CPD focusing on NPQs, Masters, PHDs and Level 7 Apprenticeships; a dedicated Trust-wide CPD model and resourced team including trained facilitators; sharing of best practice in safeguarding, school improvement, behaviour and attendance management; and staff seconded between roles across the Trust as part of their professional development leading to progression and promotions in many cases.

Plans for next year include the implementation of a recently developed Service Level Agreement model between all schools and the Trust central service teams. This will be supported by Key Performance Indicators for all services and a transparent model for measuring and improving performance.

The Trust will continue to strive and improve the levels of attainment and progress of all its pupils at all levels and will continue its efforts to ensure its pupils enter into sustained employment or a place in mainstream or further education and training once they leave.

The Trust has continued to work with the surrounding Local Authorities in London to provide commissioned places for those children requiring specialist provision. The Trust has received encouragement from the DfE's London Regional Director to expand to up to 15 Schools.

Work on this is well underway with six additional Schools joining the Trust since November 2017 as well as the current proposed conversion of The Michael Tippett School in Lambeth to join the Trust in early 2023.

The Trustees are committed to a policy of measured strategic expansion of the number of primary and secondary Alternative, Special, and Mainstream academies within the Trust.

Following the publication of the Schools White Paper and the SEND Green Paper, we reviewed and set out the Trust's growth and development strategy to ensure that our plans reflect the government's intention and strategic objectives. For the Trust, this meant reviewing our plans for collaboration and partnership, and ensuring that we are ready to support struggling schools and MATs, bring isolated and/or smaller MATs into our Trust and partnering with Good/Outstanding schools, MATs and SATs.

Trustees Report (continued)

Plans for Future Periods (continued)

The Trust's Growth and Development Strategy was approved by the Board in May 2022, and focused on:

- Continuing our role as an Academy Sponsor and a beacon of school improvement excellence in SEND/AP and offering to support struggling schools in those areas. This led to the Trust being named as the preferred sponsor for The Michael Tippett School in Lambeth in April 2022.
- Continuous engagement with small MATs/SATs and maintained schools in nearby Local Authorities to encourage them to consider LSEAT as a MAT to join (or partner with) when they are ready.
- Developing a narrative to show the benefits to mainstream schools in partnering with a SEND/AP MAT which sets out what each Trust/school would bring to such an arrangement and the benefits for both sides.
- Developing a Trust Partnership Model, a 'try before you buy' approach which will operate on different levels and will be tested with critical friends before it is published.
- Developing a public-facing LSEAT Offer which sets out all the benefits of joining us goes further than just the usual business operations structures and School improvement.
- Developing our thinking on partnership and collaboration approaches to tackle existing issues such as teacher recruitment and retention; curriculum development; targeted support; attendance; and the cost-of-living crisis.

Upon conversion of Bramley Oak Academy, the Trust was successful in securing a DfE capital grant totaling £3.2m to address its major suitability and condition issues which have a significant detrimental impact on learning and development of pupils. The capital works are currently taking place and are expected to complete during 2022.

The Trust was encouraged to submit an application for the DfE's Trust Capacity Fund and was awarded the maximum amount of £100,000 for 2022/23. This will support our current growth project in The Michael Tippett School as well as the expansion of our central service HR, Payroll and School Improvement teams.

The Trust has successfully negotiated new Memorandum of Understandings for both Bromley Trust Academy, and Horizons Academy covering a 5 year and 3-year period respectively. This will help to secure the medium-term plans and aspirations for our Alternative Provision across Bromley and Bexley.

The Trust employs staff on numerous different terms and conditions following the transfer of staff under TUPE as Schools have joined the Trust. The Trust is committed to ensuring staff are remunerated fairly and that pay is both proportionate and justifiable for all staff in accordance with its approved Pay and Executive Pay policies. In this regard, the Trust has worked hard to move staff onto standardised LSEAT terms and conditions where possible to do so.

Social Value

2021/22 is the third academic year that the Group has worked with the Social Value Portal (SVP) to measure the social value generated. At the time of writing, the full report for 2021/22 is still in the process of being finalised and externally reviewed, but through an internal validation, the estimated social value generated across the Group is c.£40m. This is an increase of over £4m compared to the previous year.

Trustees Report (continued)

Social Value (continued)

The Trust contributed approximately £12.5m to the Group social value generation, an increase of circa £2m from 2020/21. The largest contribution was made by local employees which accounted for circa.£9m, followed by approximately.£3m generated through local supply chains. In addition, an increased staff CPD and training programme including Apprenticeships, EDI and Safeguarding generated social value by improving health and wellbeing for staff and students. Improved data collection and validation techniques were employed this year, with a view to further develop data collection processes during the next academic year.

Funds Held as Custodian Trustee on Behalf of Others

The Trust does not act as custodian trustee on behalf of any others.

Auditor

Insofar as the Trustees are aware:

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

Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 6 December 2022 and signed on the Board's behalf by:



Christine Whatford, CBE
Chair of Trustees

Date: 13 December 2022

Governance Statement

As trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance and the Academies Handbook for 2021/22, which were provided to Trustees in September 2021.

Scope of Responsibility

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

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

The Trust works closely with London South East Colleges (LSEC who together form the London & South East Education Group (LSEEG). LSEEG is the umbrella organisation to coordinate the strategy of the group and to optimise and strengthen both governance and collaboration between group entities. This is achieved through schemes of delegation (subject to their non-delegable primary governance responsibilities and authority; their regulatory obligations; and management of potential conflicts of interest). The Group is not a legal entity and organisations as members of the Group are not subsidiary companies which are controlled or owned by LSEEG.

Trustees and Governors have been appointed to the Group Board, Independent Legal Boards and the Joint LSEEG Group Committees, ensuring that a balanced combination of Governors and Trustees are represented on each of these, as defined by the relevant Articles of Association. Clear and robust Terms of Reference have been approved for each Board and Committee alongside Schemes of Delegation. These all provide assurance together with strong governance accountability across the Group and the Legal Boards

Formal agendas, papers and reports are supplied to Trustees and each Group Committee in a timely manner, prior to meetings. Briefings are provided on an ad-hoc basis.

Governance Reviews

On an annual basis, Trustees complete a skills audit, an individual annual review and also a Board self-evaluation review, which is good practice. The Board evaluation is based on a template provided by the Confederation of Skills Trust and has been adapted to include key context relating to the Trust.

To support the annual self-assessment, the Trust has developed a Board improvement and capacity framework which is aligned with the DfE competency framework for governance which sets out knowledge, skills and behaviours required to be a governor or charitable trustee. It also considers the work of the National Governance Association and the twenty-one questions identified by the All-Parliamentary Party Group on Education and Educational Leadership that MAT Boards should ask of themselves. The framework has 16 elements of improvement, which includes guiding questions to consider as well as descriptors of what strong and weak improvement capacity would look like at the Board level. Trustees are required to use the questions and descriptors to rate the Board against each element along a four-point scale:

- Red (weak capacity)
- Amber Red (AR)
- Amber Green (AG)
- Green (strong capacity).

Governance Statement (continued)

Governance Reviews (continued)

Once the evaluation has been undertaken, a Trust Improvement Action Plan is created. This will focus on the key improvement areas identified and also link to strategic priority areas. Target completion dates may be annual or more than one year, where actions are associated with long-term strategic goals and improvements. Individual annual reviews identified training needs to support committee membership and succession planning as well as address overall Trustee performance on the Board.

Members

Members of London South East Academies Trust are responsible for ensuring the Trust achieves its objectives, as well as compliance with charity and company law and funding agreements. They ensure that they use their discretion regarding their use of the Academy's funds reasonably, taking into consideration guidance on accountability or propriety.

Members comprise:

- the original signatories to the company's memorandum of association.
- additional members appointed and removed by special resolution of the existing membership.

The role of members includes:

- overseeing the achievement of the objectives of the Trust as set out in the articles of association and amending its articles of association when required;
- taking part in annual and extraordinary general meetings;
- appointing and removing members and Trustees;
- ensuring the financial stability of the Trust and approving its accounts;
- ensuring compliance with general principles of charity law;
- approving appointment of external auditors.

Board of Trustees

The Trust is responsible through its Board of Trustees and Accounting Officer (the Chief Executive Officer), for all financial transactions within delegated authority. The work of the Trustees is supported by the joint Group Committees through a scheme of delegation which is consistent with the Articles of Association and the Academies Handbook.

Trustees are appointed under the Trust's articles of association including being co-opted by directors. The role of Trustees includes:

- setting the strategic direction of the Trust and ensuring that the strategies of its academies are clearly defined, setting overall policy, defining goals and setting targets and evaluating performance;
- exercising the Trust's powers;
- expending Trust funds for its objects as set out in the articles of association;
- ensuring the sound, proper and effective use of the finances of the Trust, including responsibility for budget setting and auditing requirements in respect of academy accounts;
- ensuring the Trust pursues its objects, is compliant with both company and charity law and has due regard for any other relevant legislation or regulations.

Group Finance Committee

The Group Finance Committee meets on a termly basis and provides additional scrutiny over financial performance of the Trust and related policies and provides assurances to the Board of Trustees that financial performance and oversight are being managed effectively.

Governance Statement (continued)

Group Audit and Risk Committee

The Group Audit and Risk Committee meets on a termly basis and provides a forum for reporting by the internal, regularity and financial statements auditors, who have access to the Committee for independent discussion, without the presence of management.

The internal auditors review the systems of internal control, risk management and governance processes in accordance with an agreed plan of input and report their findings to management and the Group Audit Committee.

Management is responsible for the implementation of agreed recommendations and internal audit undertakes periodic follow-up reviews to ensure such recommendations have been implemented. The Committee also advises the Board on the appointment of internal, regularity and financial statements auditors and their remuneration for both audit and non-audit work and approves the fees to be paid.

The Group Audit Committee is required to report to the Board on the result of its work during the year and that of the internal and external auditors through its annual Audit Committee Report. This report is considered by the Board prior to the financial statements being approved.

Trust Education Performance and Standards Committee

The Trust Education Performance and Standards Committee is the forum for reporting the academic performance and quality of education of the Trust Schools. Reviewing comparisons with each other and against national benchmarks. The Committee also considers, reviews and provides scrutiny of curriculum and teaching strategies alongside the professional development of teaching and support staff and managers.

Group Remuneration and Group Search & Governance Committees

These Committees meet two or three times a year. The Group Remuneration provides a forum for reviewing remuneration and benefits and the Trust Policies in this regard. The Group Search and Governance Committee provides a form for reviewing Board recruitment, training and development, succession planning and Board Reviews.

Conflicts of interests

The Board of Trustees confirm through their adopted and agreed Code of Governance a transparent policy position and practice for conflicts of interests. These includes a declaration of interest at the start of each and every Board and Committee Meeting and full disclosure and an annual declaration by every Trustees of conflicts of interest and suitability for the role. This ensures that any new conflicts due to personal changes in employment, non-executive appointments or family connections are declared timely and appropriately.

All declarations of interests are reviewed by the Group Executive Director Governance and published on the Trust website and include committee membership details and related party membership

Meetings

The Board of Trustees met six times during 2021/22 and overall attendance is reported at 91%. Individual attendance during the year was as follows.

Board of Trustees

Trustee meetings attended out of a possible:

Governance Statement (continued)

Board of Trustees (continued)

London South East Academies Trust Board						
Name	Appointed	Role	Meetings	Attended	%	Resigned
Mark Burnett (Chair)	01/08/2018	Chair	6	5	83%	13/07/2022
Max Bero (Vice Chair)	01/02/2018	Vice Chair	1	1	100%	08/12/2021
Denise James-Mason (Vice Chair)	16/07/2019	Trustee	6	6	100%	
Dr Sam Parrett, CBE	n/a	Trustee	6	6	100%	
Janet Saunders	01/04/2019	Co-opted Trustee	6	6	100%	13/07/2022
Dr Christopher Philpott	11/12/2019	Trustee	6	6	100%	
David Bailey	09/12/2020	Trustee	6	6	100%	
Dr Sebastien Chapleau	21/01/2021	Trustee	6	4	67%	
Emma Brand	21/01/2021	Trustee	1	0	0%	08/12/2021
Charles Yates	01/01/2021	Trustee	6	6	100%	
Prof Lynn Revell	12/05/2021	Trustee	6	5	83%	
Nick Linford	01/09/2021	Trustee	6	4	67%	
Errol Ince	01/09/2021	Co-opted Trustee	6	6	100%	
Marek Michalski	08/12/2021	Trustee	5	5	100%	
Sunil Chotai	22/03/2022	Trustee	3	3	100%	
Christine Whatford, CBE	01/08/2022	Chair	n/a	n/a	n/a	
Danny Kwalombota	18/10/2022	Co-opted Trustee	n/a	n/a	n/a	
		Total Attendance	76	69	91%	
Jennifer Pharo	n/a	Director Governance	6	6	100%	

The Group Finance Committee of the Trust met 3 times during 2021/22. Attendance during the meetings of the Committee for representatives of the Trust was as follows:

GROUP FINANCE COMMITTEE				
		Meetings	Attended	%
Group Finance Chair	Allan Carey	3	3	100
Trustee	Charles Yates	3	3	100
Trustee	Dr Sam Parrett, CBE	3	3	100
Total Trust Participation		9	9	100%
Director Governance	Jennifer Pharo	3	3	100

The Group Audit and Risk Committee of the Trust met three times during 2021/22. Both internal and external auditors attend the Audit & Risk Committee. Attendance during the meetings of the Committee for representatives of the Trust was as follows:

Governance Statement (continued)**Board of Trustees** (continued)

GROUP AUDIT & RISK COMMITTEE				
		Meetings	Attended	%
Group Audit Chair	Marek Michalski	3	3	100
Trustee	Maxwell Bero	1	1	100
Trustee	Nick Linfood	3	3	100
Internal Auditors	Scrutton Bland	3	3	100
External Auditors	Buzzacott	3	3	100
Total Trust Participation		13	13	100%
Director Governance	Jennifer Pharo	3	3	100

The Trust Education Performance and Standards Committee met three times during 2021/22. Attendance during the meetings of the Committee for representatives of the Trust was as follows:

TRUST EDUCATION, PERFORMANCE & STANDARDS COMMITTEE				
Role	Name	Meetings	Attended	%
Committee Chair	Christopher Philpott	3	3	100
Trustee	Denise James Mason	3	2	67
Trustee	Janet Saunders	3	3	100
Trustee	Errol Ince	3	3	100
Trustee	Prof Lynn Revell	3	3	100
Trustee	Dr Sebastien Chapleau	3	2	67
Trustee	Dr Sam Parrett, CBE	3	3	100
Total Trust Participation		21	19	91%
Director Governance	Jennifer Pharo	3	3	100

The Remuneration Committee met three times during 2021/22. Attendance during the meetings of the Committee for representatives of the Trust was as follows:

GROUP REMUNERATION COMMITTEE				
Role	Name	Meetings	Attended	%
Committee Chair (from January 2022)	Stephen Howlett, CBE DL	3	3	100
Chair LSEC Corporation	David Eastgate	3	3	100
Chair London South East Academies Trust	Mark Burnett	3	3	100
		9	9	100%
Group Chief People Officer	Janet Curtis Broni	3	3	100
Director of Governance	Jennifer Pharo	3	3	100

The Search & Governance Committee met three times during 2021/22. Attendance during the meetings of the Committee for representatives of the Trust was as follows:

Governance Statement (continued)**Board of Trustees** (continued)

GROUP SEARCH & GOVERNANCE COMMITTEE				
Role	Name	Meetings	Attended	%
Committee Chair	Stephen Howlett, CBE DL	3	3	100
Chair London South East Academies Trust	Mark Burnett	3	3	100
Chair LSEC Corporation	David Eastgate	3	3	100
Trustee	Dr Sam Parrett, CBE	3	3	100
		12	12	100%
Director of Governance	Jennifer Pharo	3	3	100

Review of Value for Money

As Accounting Officer, the Chief Executive Officer 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:

- Ensuring the pandemic has not had a detrimental impact on value for money;
- Improving back office services;
- Using tendered contracts in order to reduce costs and improve services;
- Improving pupil progression and attainment from previous benchmarks;
- Achieving a surplus from incoming resources for the year;
- Using reserves for the benefit of pupils and Trust Schools;
- Increasing the size of the Trust in order to benefit from greater economies of scale.

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 London South East Academies Trust for the year ended 31 August 2022, and up to the date of approval of the Trustees' report and Financial Statements.

Governance Statement (continued)

Capacity to Handle Risk

The Trustees have reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Trustees are of the view that there is a formal on-going process for identifying, evaluating, and managing the Trust's significant risks that has been in place for the year 1 September 2021 to 31 August 2022, and up to the date of approval of the annual report and Financial Statements. This process is regularly reviewed by the Trustees.

The Risk and Control Framework

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- Regular reviews by the Board of Trustees of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- Setting targets to measure financial and other performance;
- Clearly defined purchasing (asset purchase or capital investment) guidelines;
- Delegation of authority and segregation of duties;
- Identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and appointed Scrutton Bland as the internal auditor for the year to provide a full assurance service in accordance with internal Auditing Standards and in compliance with the FRC Ethical Standards for Auditors. 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 covered:

- Risk Management
- Key financial controls
- Staff satisfaction & sickness management
- Audit Actions Follow Up
- Cyber Risk Management
- Payroll & Pensions
- Safeguarding

The Internal Auditor reports to the Board of Trustees through the Group Audit Committee at least termly on the results of internal audit reports. The Internal Auditor provides the Group Audit Committee with a report on internal audit activity across the Trust, and the report includes the Auditor's independent opinion on the adequacy and effectiveness of the Trust's system of risk management, internal control, and governance processes.

Risks Faced by the Trust

The Trust has in place a Risk Management Policy which sets out how risks are identified and evaluated. Risks are collated into a comprehensive risk register for review by the Audit Committee and Board of Trustees, including through deep dives into areas of significant risk. The risk register includes existing controls, new controls/improvements that are required, and clear links to the board assurance framework.

Review of Effectiveness

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

Governance Statement (continued)

Review of Effectiveness (continued)

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

In addition, during the year the Trust was subject to a School Resource Management Advisor visit linked to capital funding for Bramley Oak Academy. This also provided a high level of assurance over the Trust systems processes for Risk Management, Governance, Financial Control, Financial Performance, and Value for Money. The Accounting Officer has been advised of the implications of the result of their review of the system of internal control and a plan to address any weaknesses and ensure continuous improvement of the system is in place.

The Internal Auditors Annual Report, presented to the Group Audit Committee on 24 November 2022, and the Audit Committee's Annual Report, approved on 24 November 2022 contain the opinion that the Trust has adequate and effective risk management, governance, and internal control processes, together with adequate processes surrounding its efficiency and effectiveness.

Based on the advice of the Group Audit Committee and the Accounting Officer, the Board of Trustees is of the opinion that the Trust has an adequate and effective framework for governance, risk management and control, and has fulfilled its statutory responsibility for "*the effective and efficient use of resources, the solvency of the institution and the body and the safeguarding of their assets*".

Approved by order of the members of the Board of Trustees on 13 December 2022 and signed on the Board's behalf by:



Christine Whatford, CBE
Chair of Trustees



Dr Sam Parrett, CBE
Accounting Officer

Statement on Regularity, Propriety and Compliance

As Accounting Officer of London South East Academies Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Trust Handbook 2021.

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

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



Dr Sam Parrett, CBE

Accounting Officer

13 December 2022

Statement of Trustees Responsibilities

The Trustees (who act as governors of London South East Academies Trust and 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 Annual 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 in the Charities SORP (FRS 102) and the Academies Accounts Direction 2021 to 2022
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the Financial Statements
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

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

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

Approved by order of the members of the Board of Trustees on 13 December 2022 and signed on its behalf by:



Christine Whatford, CBE
Chair of Trustees

Independent Auditor's Report on the Financial Statements to the Members of London South East Academies Trust

Opinion

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

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

Other information (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which is also the directors' report for the purposes of company law and includes the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' report, which is also the directors' report for the purposes of company law and includes the strategic report, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the strategic report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors 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 charitable company'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 Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we identified the laws and regulations applicable to the charitable company through discussions with management, and from our knowledge of the academy trust sector;
- ◆ the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit;
- ◆ we considered the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are the Companies Act 2006, the Charities SORP 2019, the Academies Accounts Direction 2021 to 2022, the Academies Trust Handbook 2021 and the academy trust's funding agreement with the ESFA as well as legislation pertaining to safeguarding in the UK;
- ◆ we understood how the charitable company is complying with those legal and regulatory frameworks by making inquiries to management and those responsible for legal, compliance and governance procedures. We corroborated our inquiries through our review of the minutes of trustees' meetings and papers provided to the trustees.
- ◆ we planned and carried out a separate limited assurance engagement in respect of regularity, propriety and compliance in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by the ESFA, as set out in our separate independent reporting accountant's assurance report on regularity.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management and those charged with governance as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions;
- ◆ tested the authorisation of expenditure as part of our substantive testing thereon;

Auditor's responsibilities for the audit of the financial statements (continued)

- ◆ assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- ◆ used data analytics to identify any significant or unusual transactions and identify the rationale for them.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ agreeing financial statement disclosures to underlying supporting documentation;
- ◆ reviewing the minutes of Trustees' meetings;
- ◆ enquiring of management and those charged with governance as to actual and potential litigation and claims;
- ◆ reviewing any available correspondence with Ofsted, ESFA and HMRC; and
- ◆ the work undertaken in relation to the limited assurance engagement in respect of regularity, propriety and compliance in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by the ESFA, as set out in our separate independent reporting accountant's assurance report on regularity.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. International Standards on Auditing also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

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 auditor's report.

Use of our report

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



Catherine Biscoe (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 16 December 2022

Independent Reporting Accountant's Assurance Report on Regularity to London South East Academies and the Education and Skills Funding Agency

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

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

Respective responsibilities of London South East Academies Trust's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of London South East Academies Trust's funding agreement with the Secretary of State for Education dated August 2016 and the Academies Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

Independent Reporting Accountant's Assurance Report on Regularity to London South East Educational Trust and the Education and Skills Funding Agency
(continued)

- An assessment of the risk of material irregularity and impropriety across all of the academy trust's activities;
- Further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- Consideration of evidence obtained through the work detailed above and the work completed as part of our Financial Statements audit in order to support the regularity conclusion.

Conclusion

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

Buzzacott LLP

Buzzacott LLP, Chartered Accountants
130 Wood Street
London
EC2V 6DL

Date: 16 December 2022

**Statement of Financial Activities for the year ended 31 August 2022
(including Income and Expenditure Account)**

	Notes	Un- restricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2022 £000	Total 2021 £000
Income and endowments from:						
Donations and capital grants	2	21	-	1,288	1,309	8,764
Transferred from local authority		-	-	-	-	2,594
Charitable activities Funding for the academy trust's educational operations	3	3,925	24,151	-	28,076	26,350
Investments	4	(13)	-	-	(13)	2
Total		3,933	24,151	1,288	29,372	37,710
Expenditure on:						
Charitable activities Academy Trust educational operations	5	2,695	26,232	1,683	30,610	27,598
Total		2,695	26,232	1,683	30,610	27,598
Net income/(expenditure)		1,238	(2,081)	(395)	(1,238)	10,112
Transfers between funds	15	(543)	(34)	577	-	-
Other recognised gains and losses	24	-	9,445	-	9,445	(1,043)
Net movement in funds		695	7,330	182	8,207	9,066
Reconciliation of funds						
Total funds brought forward		5,023	(8,550)	51,690	48,163	39,094
Total funds carried forward		5,718	(1,220)	51,872	56,370	48,163

All of the Academy Trust's activities derive from continuing operations during the above periods.

Balance Sheet as at 31 August 2022

	Notes	2022 £000	2022 £000	2021 £000	2021 £000
Fixed assets					
Tangible assets	11		51,775		51,509
Current assets					
Debtors	12	1,446		1,305	
Cash at bank and in hand		7,845		7,766	
		9,291		9,071	
Liabilities					
Creditors: amounts falling due within one year	13	(3,456)		(3,772)	
Net current assets			5,834		5,299
Total assets less current liabilities					
Pension scheme liability	24		(1,240)		(8,645)
Total net assets			56,370		48,163
Funds of the Academy Trust:					
Restricted funds					
. Fixed asset fund	15	51,872		51,690	
. General fund	15	20		95	
. Pension reserve	24	(1,240)		(8,645)	
Total restricted funds		50,652		43,140	
Unrestricted income funds	15		5,718		5,023
Total funds			56,370		48,163

The Financial Statements on pages 41 to 70 were approved by the Trustees and authorised for issue on 13 December 2022 and are signed on their behalf by:



Christine Whatford, CBE
Chair of Trustees

Statement of Cash Flows for the year ended 31 August 2022

		2022	2021
		£000	£000
		<u> </u>	<u> </u>
Cash flow from operating activities			
Net cash provided by operating activities	19	727	2,040
Cash flows from investing activities	20	<u>(648)</u>	<u>(671)</u>
Change in cash and cash equivalents in the reporting period		<u>79</u>	<u>1,369</u>
Cash and cash equivalents at 1 September 2021		<u>7,766</u>	<u>6,397</u>
Cash and cash equivalents at 31 August 2022		<u>7,845</u>	<u>7,766</u>

Notes to the Financial Statements for the year ended 31 August 2022

1. Statement of 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

The Financial Statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP FRS 102), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

London South East Academies Trust 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 company to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the 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 period is deducted from income and recognised as a liability.

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

- **Sponsorship Income**

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

- **Donations**

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

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

1. Statement of accounting policies (continued)

1.3 Income (continued)

- **Other Income**

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

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

- **Expenditure on Raising Funds**

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

- **Charitable Activities**

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

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. 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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Notes to the Financial Statements for the year ended 31 August 2022 (continued)**Statement of accounting policies** (continued)**1.5 Tangible Fixed Assets** (continued)

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

• Building improvement works	6.67%
• Long leasehold buildings	1.11% to 3.33%
• Fixtures, fittings and equipment	10%
• ICT equipment	33%
• Motor vehicles	20% to 25%
• Office Equipment	33%

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

1.6 Liabilities

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

1.7 Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

1.8 Leased Assets

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

1.9 Financial instruments

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 12. Prepayments are not financial instruments.

Cash at bank – is classified as a basic financial instrument and is measured at face value. Financial liabilities – trade creditors, accruals and other creditors are basic financial instruments, and are measured at amortised cost as detailed in notes 13 and 14. 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.

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

Statement of accounting policies (continued)

1.10 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.

1.11 Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated 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 quinquennial valuations using a prospective benefit method. As stated in note 24, the TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a 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 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 gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest.

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

1.12 Fund Accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose. Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education and Skills Funding Agency.

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

Statement of accounting policies (continued)

1.13 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.

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 (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 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2. Donations and capital grants

	Unrestricted Funds £000	Restricted Funds £000	Restricted Fixed Asset Funds £'000	Total 2022 £000	Total 2021 £000
Capital grants	-	-	1,288	1,288	684
Donated fixed assets	-	-	-	-	8,041
Other donations	21	-	-	21	39
	<u>21</u>	<u>-</u>	<u>1,288</u>	<u>1,309</u>	<u>8,764</u>

	<i>Unrestricted Funds £000</i>	<i>Restricted Funds £000</i>	<i>Restricted Fixed Asset Funds £'000</i>	<i>Total 2021 £000</i>
<i>Capital grants</i>	-	-	684	684
<i>Donated fixed assets</i>	-	-	8,041	8,041
<i>Other donations</i>	19	20	-	39
	<u>19</u>	<u>20</u>	<u>8,725</u>	<u>8,764</u>

Donated fixed assets in 2020/21 relate to the assets transferred to the Trust in respect of the addition of Bramley Oak Academy, which joined the Trust during that year.

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

3. Funding for the Academy Trust's educational operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2022 £000	Total 2021 £000
DfE/ESFA grants				
General annual grant (GAG)	-	9,986	9,986	9,788
Other DfE/ESFA grants				
. UIFSM	-	65	65	69
. Pupil Premium	-	457	457	419
. Others	-	953	953	1,008
	<u>-</u>	<u>11,461</u>	<u>11,461</u>	<u>11,284</u>
Other Government grants				
Local authority grants	-	12,041	12,041	11,246
Arts Council Funding	-	385	385	161
	<u>-</u>	<u>12,426</u>	<u>12,426</u>	<u>11,407</u>
Other income from the academy trust's educational operations	3,925	-	3,925	3,294
COVID-19 additional funding (DfE/ESFA)				
Recovery premium	-	107	107	230
School led tutoring grant	-	137	137	-
Other DfE/ESFA COVID-19 funding	-	20	20	135
	<u>-</u>	<u>264</u>	<u>264</u>	<u>365</u>
	<u>3,925</u>	<u>24,151</u>	<u>28,076</u>	<u>26,350</u>

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

3. Funding for the Academy Trust's educational operations (continued)

The academy trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak, however, the Trust did not need to apply for the support due to utilisation of savings made.

	<i>Unrestricted Funds £000</i>	<i>Restricted Funds £000</i>	<i>Total 2021 £000</i>
DfE/ESFA grants			
<i>General annual grant (GAG)</i>	-	9,788	9,788
<i>Other DfE/ESFA grants</i>	-	-	-
<i>. UIFSM</i>	-	69	69
<i>. Pupil Premium</i>	-	419	419
<i>. Arts Council</i>	-	161	161
<i>. Others</i>	-	1,008	1,008
	<u>-</u>	<u>11,445</u>	<u>11,445</u>
Other Government grants			
<i>Local authority grants</i>	-	11,246	11,246
	<u>-</u>	<u>11,246</u>	<u>11,246</u>
<i>Other income from the academy trust's educational operations</i>	3,294	-	3,294
COVID-19 additional funding (DfE/ESFA)			
<i>Catch-up premium</i>	-	230	230
<i>Other DfE/ESFA COVID-19 funding</i>	-	135	135
	<u>3,294</u>	<u>23,056</u>	<u>26,350</u>

4. Investment income

	Unrestricted Funds £000	Restricted Funds £000	Total 2022 £000	Total 2021 £000
Interest receivable	(13)	-	(13)	2
	<u>(13)</u>	<u>-</u>	<u>(13)</u>	<u>2</u>

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

5. Expenditure

Non-Pay Expenditure

	Staff Costs £000	Premises £000	Other £000	Total 2022 £000	Total 2021 £000
Academy's educational operations					
- Direct costs	21,002	-	4,120	25,122	22,329
- Allocated support costs	3,430	1,516	542	5,488	5,269
	24,432	1,516	4,662	30,610	27,598

	<i>Non-Pay Expenditure</i>			<i>Total 2021 £000</i>
	<i>Staff Costs £000</i>	<i>Premises £000</i>	<i>Other £000</i>	<i>Total 2021 £000</i>
Academy's educational operations				
- Direct costs	18,660	—	3,669	22,329
- Allocated support costs	3,342	1,509	418	5,269
	22,002	1,509	4,087	27,598

Net income/(expenditure) for the year includes:	2022 £000	2021 £000
Operating lease rentals	32	33
Depreciation	1,683	1,560
Fees payable to auditor for:		
- audit	21	21
- other services	-	5

Included with expenditure are the following transactions:

	Total £	Individual items above £5,000	
		Amount £	Reason
Compensation payments	19,560	8,560	Compensation Pay
		8,000	Compensation Pay

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

6. Charitable activities

	Total 2022 £000	Total 2021 £000
Direct costs – educational operations	25,122	22,329
Support costs – educational operations	5,488	5,269
Total direct and support costs	30,610	27,598
Analysis of support costs		
Support staff costs	3,430	3,342
Technology costs	336	293
Premises	1,516	1,509
Legal costs – other	14	10
Other support costs	171	89
Governance costs	21	26
Total support costs	5,488	5,269

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

7. Staff

a. Staff costs

Staff costs during the year were:

	Total 2022 £000	Total 2021 £000
Wages and salaries	15,388	13,902
Social security costs	1,624	1,461
Operating costs of defined benefit pension schemes	4,991	4,023
	22,003	19,386
Supply staff costs	2,317	2,265
Staff restructuring costs	112	351
	24,432	22,002
Staff restructuring costs comprise:		
Redundancy payments	18	77
Severance payments	94	274
	112	351

Included in staff restructuring costs are non-statutory/non-contractual severance payments totaling £19,560 (2021: £32,157) in respect of 3 employees in the following bands:-

Band	No. of Employees
£1 - £25,000	3
£25,001 - £50,000	-

Individually, the payments were: £8,560, £8,000 and £3,000.

b. Staff numbers

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

Charitable activities	2022 No.		2021 No.	
	Average full-time equivalent	Average headcount	Average full-time equivalent	Average headcount
Teachers	162	249	161	206
Administration and support	251	301	230	289
Management	2	4	3	5
	415	554	394	500

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

7. Staff (continued)

c. Higher paid staff

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

	2022	2021
	No.	No.
£60,001 - £70,000	16	15
£70,001 - £80,000	6	6
£80,001 - £90,000	2	1
£90,001 - £100,000	-	1
£100,001 - £110,000	1	1
£110,001 - £120,000	-	1
£120,001 - £130,000	-	-
£130,001 - £140,000	-	1
£140,001 - £150,000	1	-
£150,001 - £160,000	-	1
£160,001 - £170,000	-	1
	26	28

The above employees participated in the Teachers' Pension Scheme, of which contributions amounted to £347,424 (2021: £397,413).

8. 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) received by key management personnel for their services to the academy trust was £483,112 (2021: £455,160).

9. Related Party Transactions - Trustees' remuneration and expenses

The Chief Executive Officer and other Trustees do not receive any remuneration in respect of services they provide in undertaking the roles as Trustees. No payments were made to Trustees during the year in connection with their roles as Trustees other than reimbursement of expenses incurred. During the year ended 31 August 2022, travel and subsistence expenses totalling £nil (2021: £nil) were reimbursed.

10. Trustees and officers insurance

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

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

11. Tangible fixed assets

	Leasehold Land and Buildings £000	Assets under construction £'000	Furniture and Equipment £000	Motor Vehicles £000	Total £000
<u>Cost</u>					
At 1 September 2021	54,075	801	1,211	26	56,113
Additions	-	1,949	-	-	1,949
Transfers from AUC	728	(1,080)	314	38	-
At 31 August 2022	<u>54,803</u>	<u>1,670</u>	<u>1,525</u>	<u>64</u>	<u>58,062</u>
<u>Depreciation</u>					
At 1 September 2021	4,184	-	410	10	4,604
Charged in year	1,437	-	230	16	1,683
At 31 August 2022	<u>5,621</u>	<u>-</u>	<u>640</u>	<u>26</u>	<u>6,287</u>
<u>Net book values</u>					
At 31 August 2022	<u>49,182</u>	<u>1,670</u>	<u>885</u>	<u>38</u>	<u>51,775</u>
At 31 August 2021	<u>49,891</u>	<u>801</u>	<u>801</u>	<u>16</u>	<u>51,509</u>

12. Debtors

	2022 £000	2021 £000
Trade debtors	636	353
VAT recoverable	474	353
Prepayments and accrued income	336	599
	<u>1,446</u>	<u>1,305</u>

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

13. Creditors: amounts falling due within one year

	2022	2021
	£000	£000
Trade creditors	315	427
Taxation and social security	540	719
Accruals and deferred income	2,601	2,626
	<u>3,456</u>	<u>3,772</u>

14. Deferred income

	2022	2021
	£000	£000
Deferred income at 1 September 2021	598	416
Resources deferred in the year	(484)	(89)
Amounts released from previous years	228	271
Deferred income at 31 August 2022	<u>342</u>	<u>598</u>

At the balance sheet date, the Trust holds funding of £224,547 received in advance of 2022/23 and ring-fenced funds of £117,905.

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

15. Funds

	Balance at 1 Sept 2021 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 Aug 2022 £000
Restricted general funds					
General Annual Grant (GAG)	-	9,986	(9,952)	(34)	-
Pupil Premium	-	457	(457)	-	-
UIFSM	-	65	(65)	-	-
Recovery Premium	-	107	(107)	-	-
School led tutoring grant	-	137	(137)	-	-
Other DfE/ESFA COVID-19 funding	-	20	(20)	-	-
Donated current assets on acquisition	20	-	-	-	20
Pension reserve	(8,645)	-	(2,040)	9,445	(1,240)
Other grants	-	953	(953)	-	-
	<u>(8,625)</u>	<u>11,725</u>	<u>(13,731)</u>	<u>9,411</u>	<u>(1,220)</u>
Other restricted funds					
Local authority grants	75	12,041	(12,116)	-	-
Arts Council Funding	-	385	(385)	-	-
	<u>75</u>	<u>12,426</u>	<u>(12,501)</u>	<u>-</u>	<u>-</u>
Restricted fixed asset funds					
Transferred from local authority	48,970	-	(1,370)	-	47,600
DfE/ESFA Capital grants	894	1,288	(103)	-	2,079
Capital expenditure from GAG	1,826	-	(210)	577	2,193
	<u>51,690</u>	<u>1,288</u>	<u>(1,683)</u>	<u>577</u>	<u>51,872</u>
Total unrestricted funds	<u>5,023</u>	<u>3,933</u>	<u>(2,695)</u>	<u>(543)</u>	<u>5,718</u>
Total funds	<u>48,163</u>	<u>29,372</u>	<u>(30,610)</u>	<u>9,445</u>	<u>56,370</u>

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

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

15. Funds (continued)

Restricted general funds

Restricted general funds represent the balance of funds available from revenue grants received from local/central government and other donors, the application of which is limited to the conditions imposed by the grantor/donor. The principal funding received from the government is General Annual Grant (GAG) provided by the Education and Skills Funding Agency. Under the funding agreements with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2022.

Restricted fixed asset funds

The fund equates to the net book value of the Trust's tangible fixed assets plus any capital funding received from central/local government and other donors, which has not been expended by the balance sheet date. The capital funding may be used to complete capital projects or undertaken for maintenance works on existing tangible fixed assets.

The fund balances includes the carrying value of school buildings (and other tangible fixed assets) inherited by the Trust where a school has converted or joined the Trust from another Academy Trust, and the carrying value of all other assets donated to the Trust.

Unrestricted funds

The unrestricted general funds represent monies which may be applied for any purpose within London South East Academies Trust's objects.

Transfers between funds

Transfers from either restricted general funds or unrestricted funds to the restricted fixed asset funds are made where revenue reserves are required to finance the purchase of tangible fixed assets. Transfers from restricted fixed assets fund to either restricted general funds or unrestricted funds are made where capital income has been spent on repairs and maintenance of existing fixed assets.

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Notes to the Financial Statements for the year ended 31 August 2022 (continued)

15. Funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2022 were allocated as follows:

	Total 2022 £000	Total 2021 £000
Bromley Trust Academy	1,500	1,196
Bromley Beacon Academy	1,381	1,257
Bramley Oak Academy	386	232
Endeavour Academy Bexley	325	472
Horizons Academy Bexley	1,283	1,274
Aspire Academy Bexley	99	122
Belmont Academy	(63)	(40)
Woodside Academy	504	7
Bexley Music Hub	72	51
Central services	251	28
Total before fixed assets and pension reserve	<u>5,738</u>	<u>5,118</u>
Restricted fixed asset fund	51,872	51,690
Pension reserve	<u>(1,240)</u>	<u>(8,645)</u>
Total	<u>56,370</u>	<u>48,163</u>

The deficit at Belmont Academy was inherited on conversion from the local authority. The academy has increased its deficit from £40k to £63k during this academic year due to expenditure on capital works. The academy is aiming to reduce the deficit by 31 August 2023.

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

15. Funds (continued)

Total cost analysis by academy

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

	Teaching and education support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs (excluding depreciation) £000	Total 2022 £000	Total 2021 £000
Bromley Trust Academy	3,166	505	304	270	4,245	4,364
Bromley Beacon Academy	3,926	573	848	422	5,769	4,790
Bramley Oak Academy	1,695	183	117	175	2,170	1,868
Endeavour Academy Bexley	2,003	208	150	333	2,694	2,382
Horizons Academy Bexley	2,667	188	196	302	3,353	3,296
Aspire Academy Bexley	1,074	158	91	161	1,484	1,422
Belmont Academy	1,905	310	239	141	2,595	2,484
Woodside Academy	3,888	423	188	281	4,780	4,263
Bexley Music Hub	602	45	49	121	817	236
London South East Academies Trust	76	837	49	58	1,020	933
	21,002	3,430	2,231	2,264	28,927	26,038

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

15. Funds (continued)

Comparative information

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

	Balance at 1 Sept 2020 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 Aug 2021 £000
Restricted general funds					
General Annual Grant (GAG)	-	9,789	(9,473)	(316)	-
Pupil Premium	-	419	(419)	-	-
UIFSM	-	69	(69)	-	-
Catch-up Premium	-	230	(230)	-	-
Other DfE/ESFA COVID-19 funding	-	135	(135)	-	-
Donated current assets on acquisition	-	20	-	-	20
Pension reserve	(5,805)	(531)	(1,266)	(1,043)	(8,645)
Other grants	50	1,007	(1,057)	-	-
	<u>(5,755)</u>	<u>11,138</u>	<u>(12,649)</u>	<u>(1,359)</u>	<u>(8,625)</u>
Other restricted funds					
Local authority grants	-	11,246	(11,171)	-	75
Arts Council Funding	-	161	(161)	-	-
		<u>11,407</u>	<u>(11,332)</u>	<u>-</u>	<u>75</u>
Restricted fixed asset funds					
Transferred from local authority	39,132	11,166	(1,328)	-	48,970
DfE/ESFA Capital grants	391	684	(182)	-	894
Capital expenditure from GAG	1,207	-	(51)	669	1,826
	<u>40,731</u>	<u>11,850</u>	<u>(1,560)</u>	<u>669</u>	<u>51,690</u>
Total unrestricted funds	<u>4,118</u>	<u>3,315</u>	<u>(2,057)</u>	<u>(353)</u>	<u>5,023</u>
Total funds	<u>39,094</u>	<u>37,710</u>	<u>(27,598)</u>	<u>(1,043)</u>	<u>48,163</u>

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

16. Analysis of net assets between funds

Fund balances at 31 August 2022 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	2022 Total Funds £000
Tangible fixed assets	-	-	51,775	51,775
Current assets	5,718	3,476	97	9,291
Current liabilities	-	(3,456)	-	(3,456)
Pension scheme liability	-	(1,240)	-	(1,240)
Total net assets	5,718	(1,220)	51,872	56,370

	<i>Unrestricted Funds £000</i>	<i>Restricted General Funds £000</i>	<i>Restricted Fixed Asset Funds £000</i>	<i>2021 Total Funds £000</i>
<i>Tangible fixed assets</i>	-	-	51,509	51,509
<i>Current assets</i>	5,023	3,867	181	9,071
<i>Current liabilities</i>	-	(3,772)	-	(3,772)
<i>Pension scheme liability</i>	-	(8,645)	-	(8,645)
<i>Total net assets</i>	<i>5,023</i>	<i>(8,550)</i>	<i>51,690</i>	<i>48,163</i>

17. Capital commitments

At 31 August 2022, the Trust is committed to £3.34m expenditure in respect of the Bramley Oak remodelling works (2021: £nil).

18. Commitments under operating leases

Operating leases

At 31 August 2022, the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases for equipment was:

	2022 £000	2021 £000
Amounts due within one year	41	38
Amounts due between one and five years	166	151
	207	189

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

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

	2022	2021
	£000	£000
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(1,238)	10,112
Depreciation (note 11)	1,683	1,560
Inherited fixed assets	-	(3,125)
Donated assets	-	(8,041)
Capital grants from DfE/ESFA and other capital income	(1,288)	(684)
Interest receivable	(13)	2
Defined benefit pension scheme cost less contributions payable (note 24)	1,899	1,159
Defined benefit pension scheme interest (note 24)	141	107
Defined benefit pension scheme obligation inherited	-	531
Increase in debtors	(141)	(606)
(Decrease)/increase in creditors	(316)	1,025
Net cash provided by operating activities	727	2,040

20. Cash flows from investing activities

	2022	2021
	£000	£000
Purchase of tangible fixed assets	(1,949)	(1,353)
Capital grants from DfE/ESFA	1,288	684
Interests from investments	13	(2)
Net cash used in investing activities	(648)	(671)

21. Analysis of change in net funds

	At 1 September 2021 £000	Cash flows £000	At 31 August 2022 £000
Cash in hand and at bank	7,766	79	7,845
Total cash and cash equivalents	7,766	79	7,845

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

22. Contingent liabilities

There are no contingent liabilities at the balance sheet date (2021: £nil).

23. Members liability

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

24. Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

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

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 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:

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

24. Pension and similar obligations (continued)

Valuation of the Teachers' Pension Scheme (continued)

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

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

The employer's pension costs paid to TPS in the period amounted to £1,657,779 (2021: £1,599,134).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £1,680,003 (2021: £1,346,064), of which employer's contributions totalled £1,280,292 (2021: £1,022,698) and employees' contributions totalled £399,711 (2021: £323,366). The current employer contribution rates varies for each Academy and ranges between 13.7% and 25%, with the employee contribution rates varying between 5.5% to 12.5% for employees.

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

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

24. Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

Principal actuarial assumptions	At 31 August 2022	At 31 August 2021
Rate of increase in salaries	4.3%	4.3%
Rate of increase for pensions in payment/inflation	2.9%	2.9%
Discount rate for scheme liabilities	4.3%	1.7%
Inflation assumption (CPI)	2.8%	2.8%
Commutation of pensions to lump sums	50%	50%

Due to high periods of inflation up to 31 August 2022, an adjustment has been made to the year-end valuation to account for the estimated impact on the Pension Order Increase due to be implemented from 1 April 2023. The estimated impact of the defined benefit obligation has been recognised by one actuary as an experience loss of £1.24m and by the other an increased CPI assumption of 3.05%. This charge has been made against Other Comprehensive Income, however is not directly reflected within the listed actuarial assumptions above.

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

	At 31 August 2022	At 31 August 2021
<i>Retiring today</i>		
Males	22.4	22.5
Females	25.1	25.2
 <i>Retiring in 20 years</i>		
Males	24.0	24.1
Females	27.0	27.2

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

24. Pension and similar obligations (continued)

Principal actuarial assumptions (continued)

The Academy Trust's share of the assets and liabilities in the scheme and the expected rates of return were:

	Fair value at 31 August 2022 £000	Fair value at 31 August 2021 £000
Equities	6,080	5,660
Other Bonds	2,540	3,085
Property	1,691	1,100
Cash/Liquidity	631	835
Other	2,171	1,992
Total market value of assets	13,113	12,672
Present value of scheme liabilities		
Funded	14,353	21,317
Deficit in the scheme	(1,240)	(8,645)

The actual return/(loss) on scheme assets was (£899,000) (2021: £1,576,000).

Amounts recognised in the statement of financial activities:

	2022 £000	2021 £000
Net service cost	1,847	1,112
Past service cost	-	-
Interest income	(228)	(183)
Interest cost	369	290
Admin expenses	52	47
Total amount recognised in the SOFA	2,040	1,266

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

24. Pension and similar obligations (continued)

Principal actuarial assumptions (continued)

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

	2022	2021
	£000	£000
At 1 September	21,317	14,847
Current service cost	3,110	2,237
Interest cost	369	290
Employee contributions	400	354
Past Service cost	-	-
Actuarial loss/(gain)	(10,725)	2,444
Benefits paid	(118)	251
Inherited on conversion	-	894
At 31 August	14,353	21,317

Movements in the fair value of Academy Trust's share of scheme assets

	2022	2021
	£000	£000
At 1 September	12,672	9,042
Interest income	228	183
Administrative expenses	(52)	(47)
Actuarial gain	(1,280)	1,401
Employer contributions	1,263	1,125
Employee contributions	400	354
Benefits paid	(118)	251
Inherited on conversion	-	363
At 31 August	13,113	12,672

The estimated value of employer contributions for the year ended 31 August 2022 is £778,589 (2021: £601,149).

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

25. Related party transactions

Owing to the nature of the Academy Trust's operations 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 Trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account.

As part of its shared Group Central Services function, the Trust shares a number of back office systems and staff with its sponsor, Bromley College of Further and Higher Education which trades under the brand of London South East Colleges. These shared systems include HR, Payroll, and Finance together with a related service desk system. No charges in respect of shared system costs were charged by the sponsor for the year (2020/21: £Nil), and no charges were levied for any back office support services provided.

In addition, the Trust has worked in partnership with its sponsor and the London Borough of Bromley to deliver a 14-16 alternative provision programme for pupils in the borough at risk of exclusion. The programme was delivered at the Bromley College campus by teachers employed by the College. The Trust was charged £208,800 for the year (2020/21: £266,250) following approval from ESFA.

At 31 August 2022, the balance owed to the College by London South East Academies Trust was £33,602 (2020/21: £11,381). This related to Trust expenditure which was invoiced to the College.

26. Events after the end of the reporting period

It is proposed that the Michael Tippett School will join the Trust after the year end.

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

28. Comparative statement of financial activities for the year ended 31 August 2021

	Un- restricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2021 £000
Income and endowments from:				
Donations and capital grants	19	20	8,725	8,764
Transferred from local authority on conversion	-	(531)	3,125	2,594
Charitable activities				
Funding for the academy trust's educational operations	3,294	23,056	-	26,350
Investments	2	-	-	2
Total	3,315	22,545	11,850	37,710
Expenditure on:				
Charitable activities				
Academy Trust educational operations	2,057	23,981	1,560	27,598
Total	2,057	23,981	1,560	27,598
Net income/(expenditure)	1,258	(1,436)	10,290	10,112
Transfers between funds	(353)	(316)	669	-
Other recognised gains and losses	-	(1,043)	-	(1,043)
Net movement in funds	905	(2,795)	10,959	9,069
Reconciliation of funds				
Total funds brought forward	4,118	(5,755)	40,731	39,094
Total funds carried forward	5,023	(8,550)	51,690	48,163