

Company registration number 10460387 (England and Wales)

SHEFFIELD SOUTH EAST TRUST
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022

SHEFFIELD SOUTH EAST TRUST

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SHEFFIELD SOUTH EAST TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

M Allen
K Crawshaw
E Tunnard
D Matthews
S Anwyl

Trustees

M Allen (Resigned 22 July 2022)
K Crawshaw (Chair)
J Doyle
D Grover
M Lowe
M Shipman (Resigned 7 November 2022)
P Stead
A Sheeran (Appointed 19 October 2021)
C Welsh (Appointed 19 October 2021)
J Bradshaw (Resigned 19 October 2021)

Senior management team

- Chief Executive Officer and Accounting Officer	J Bradshaw
- Chief Financial Officer (appointed 04/07/2022)	M Dunker
- Chief Financial Officer (resigned 04/07/2022)	K Smith
- Headteacher - Acres Hill Primary School (appointed 01/09/2022)	C Howlett
- Headteacher - Acres Hill Primary School (resigned 01/09/2022)	C Whittingham
- Headteacher - Manor Lodge Community Primary and Nursery School	R Cuff
- Headteacher - Norfolk Community Primary School (appointed 01/09/2022)	C Whittingham
- Headteacher - Norfolk Community Primary School (resigned 01/09/2022)	A Clarke
- Headteacher - Phillimore Community Primary School	G Briggs
- Headteacher - Woodhouse Primary School	A Bailey
- Headteacher - Wybourn Community Primary & Nursery School	H Thornley

Company registration number

10460387 (England and Wales)

Registered office

Acres Hill Community Primary School
Mather Road
Sheffield
S9 4GQ

Academies operated

Acres Hill Community Primary School
Manor Lodge Community Primary and Nursery School
Norfolk Community Primary School
Phillimore Community Primary School
Woodhouse West Primary School
Wybourn Community Primary & Nursery School

Location

Sheffield
Sheffield
Sheffield
Sheffield
Sheffield
Sheffield

Principal

C Howlett
R Cuff
C Whittingham
G Briggs
A Bailey
H Thornley

Independent auditor

Hart Shaw LLP
Europa Link
Sheffield Business Park
Sheffield
S9 1XU

SHEFFIELD SOUTH EAST TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Lloyds Bank
Furnival Street
Sheffield
S4 7YB

Solicitors

Stone King
1 Aire Street
Leeds
LS1 4PR

SHEFFIELD SOUTH EAST TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees present their annual report together with the audited financial statements and independent auditor's report of the charitable company for the year ended 31 August 2022. The annual report serves the purposes of both a Trustees' report, and a director's report under company law.

The academy trust consists of six primary schools based in Sheffield, South Yorkshire. It had a pupil roll of 2,111 in the May 2022 census. 57% of pupils are categorised as disadvantaged (Pupil Premium), with the highest level of one SSET school being recorded as 69%.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The multi-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 multi-academy trust. The Trustees of Sheffield South East Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Sheffield South East Trust.

Details of the Trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members' Liability

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

Trustees' Indemnities

Trustees are covered for any indemnities under the trust's Employer Liability Insurance. The limit of this indemnity is £5,000,000.

Method of Recruitment and Appointment of Trustees

The method of recruitment and appointment of Trustees is described in the articles and memorandum of association. There must be a minimum quorum of three Trustees. The members may appoint up to six through such process as they may determine. Including the Chief Executive Officer, the number of Trustees who are also employees shall not exceed one third of the total number of Trustees. The Trustees may also choose to appoint up to three 'Co-opted Trustees'.

Trustees serve a term of office of four years and may be re-appointed or re-elected..

Policies and Procedures Adopted for the Induction and Training of Trustees

The Trustees have a vital role in our organisation. We aim to attract and retain people who have commitment, experience and the necessary skills to make a difference in the communities that we serve. The trust has a procedure in place for the induction and training of Trustees.

New Trustees are first briefed on the Trust's ethos, Governance Structure and the roles and responsibilities of Trustees by the CEO. Trustees are also sent an overview of the key statutory documents in place, previous meeting minutes, trust policies and are invited to a discussion with the CFO around the trust's statutory financial responsibilities. A visit to each school is also arranged for new Trustees to better understand the individual context of each school within SSET.

SHEFFIELD SOUTH EAST TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

New Trustees are made aware of training courses to support and develop the role which are available through the trust's subscription to Learn Sheffield. Further training may also be provided if new Trustees are taking on an additional, specific role e.g. Safeguarding Trustee.

Training for the Trustees is recorded, and delivered on different levels:

- There is a training element to each main meeting delivered in-house
- External speakers deliver key elements, particularly covering statutory responsibilities
- This is supplemented by attendance at city (Learn Sheffield Governor/ Trustee Subscription) and regional events.
- Trustees are signed up to receive key email updates from national bodies such as The Key and Confederation of School Trusts.
- Partnership with Confederation of School Trusts providing bespoke training to Chair and CEO.
- The CEO and Chair attend termly round table DfE leadership seminars.

Organisational Structure

Sheffield South East Trust has an experienced Board of Trustees in place, which is responsible for setting the strategic direction of the trust, establishing policies and ensuring they are implemented, approving capital expenditure, and appointment of the CEO.

Where appropriate, duties are delegated to committees, and employees of Sheffield South East Trust, as outlined in the scheme of delegation. During the year to 31 August 2022 the Board of Trustees had a Finance, Audit and Risk Committee and a Standards and Performance Committee to assist them in carrying out their responsibilities. Committee terms of reference are reviewed and agreed on an annual basis by the Board of Trustees.

The appointment of Trustees, approval of annual financial statements and budgets, along with the approval of policies and procedures implemented within the trust remain the responsibility of the Board.

The Chief Executive is the Accounting Officer of the Trust and, as such has ultimate responsibility for the operations and controls in place.

At the point of approval of these financial statements Sheffield South East Trust included the following academies:

Academy	Date of Conversion	Type
Acres Hill Community Primary School	1 December 2016	(Sponsored)
Manor Lodge Community Primary and Nursery School	1 December 2016	Primary
Phillimore Community Primary School	1 December 2016	Primary
Wybourn Community Primary and Nursery School	1 December 2016	Primary
Norfolk Community Primary School	1 January 2017	(Sponsored)
Woodhouse West Primary School	1 August 2020	Primary

Each academy has its own local governing body (LGB), which monitors, supports and challenges school senior leadership teams in the performance of the school and delivery of the trust strategy. The LGB also recommends

SHEFFIELD SOUTH EAST TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

school level annual plans and budgets for to the Board of Trustees. The Headteacher is an ex-officio member of each committee.

Arrangements for setting pay and remuneration of key management personnel

When considering and setting salary levels across the trust a clear set of principles is followed to ensure transparency. This relates to setting a range - which generally happens when recruiting a new head. Teachers' remuneration is in line with the national teachers' pay and conditions document. The trust adopts the NJC support staff pay scales and support staff move through the increments in line with this. The trust uses the Sheffield City Council job descriptions that were adopted following the pay and grading review.

Decisions on pay progression for teachers and senior leaders are made in line with the trust's performance management policy and pay awards are ratified in accordance with the scheme of delegation. Pay progression proposals for teaching staff within the agreed range are taken to the LGB Finance committee and then agreed by the full LGB. The process begins in October and concludes in December - pay backdated to September.

During the reporting period, the headteacher performance management cycle involved a panel of CEO and LGB members, advised by an external consultant. Pay progression proposals for headteachers within the agreed range are taken to the Trustee Finance Committee and then agreed by the full Trust board.

The process begins in December and concludes in January - pay backdated to September.

In relation to the CEO's pay progression within the agreed range, the process is conducted by a panel of Trustees, advised by a separate external consultant and reviewed by Trustees at the finance committee and agreed at Trust board.

Trade union facility time

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

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Provide the total cost of facility time	£0
Provide the total pay bill	£10,586,000
Provide the percentage of the total pay bill spent on facility time	0%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	0%
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SHEFFIELD SOUTH EAST TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Related Parties and other Connected Charities and Organisations

The trust had no related parties or other connected charities and organisations for the academic year to 31 August 2022. The Trust has a business and pecuniary interest policy in place. Declared business and pecuniary interests can be viewed on the Trust's website.

Engagement with employees (including disabled persons)

Sheffield South East Trust will always communicate key messages to all staff, in particular, where the matter would be of concern to the employee. Staff are consulted with, alongside their representatives where required and are encouraged to raise any concerns they may have around the Trust, either formally or informally, with senior management or as appropriate so that these can be addressed. The Trust's shared values and ethos statement is made available in schools as well as on Trust and school website to remind and encourage staff that this remains evident in everything we do.

All staff, including those that are disabled or become disabled at work are encouraged to take part in Trust wide events and training and also, the first to be made aware of any career development opportunities and vacancies across any of the Trust's schools. Appropriate training, support and adjustments will be made to ensure employees with disabilities are able to effectively fulfil their roles and take part in any Trust activities.

The Trust also purchases private healthcare for all employees which provides employees with support for Dental, Optical, various therapy treatments (Physiotherapy, Chiropractic, Acupuncture etc.), 24/7 Doctor Line, treatment consultations, a 24/7 advice line for counselling advice, counselling sessions and a range of support for mental health and wellbeing.

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

Sheffield South East Trust has due regard to relationships with suppliers it engages with and the wider community. Procurement of goods is dealt with in the Trust's Scheme of Delegation to ensure fair, value for money processes are always followed. We would always look to maintain positive relationships with suppliers we engage with and look to broker longer term contracts where possible. The Trust engages with the wider community daily through each of its schools. Where there are significant changes within the Trust that could have a direct impact on the local community, community stakeholders are engaged to seek their views for consideration and any concerns acted on accordingly.

OBJECTIVES AND ACTIVITIES

Objects and aims

SSET will work with urgency to improve the quality of learning and outcomes for all children.

Our vision is, through a holistic and inclusive approach, to enhance learning and lifelong outcomes for all children in our schools. We know that we are stronger together, working together for the benefit of all children and their families. We support and engender the ambition to raise aspirations, this is evident in everything that we do.

We aim to

- provide a creative and engaging curriculum for every child through high quality teaching
- work tirelessly to improve outcomes for all children
- seek new ideas and experiences that benefit all children
- be innovative and imaginative in our approach to learning
- recognise and develop special talents whether that be in sports, music or in the arts
- provide high quality early years education, being involved in the child's development at the earliest stage
- have strong parental partnerships
- ensure all children are ready for the next stage of their life
- secure the best support that is available for our children and families

SHEFFIELD SOUTH EAST TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Objectives, Strategies and Activities

Leadership

- Ensure there is quality leadership at all levels, within each school and centrally within the Trust.
- Develop and maintain effective recruitment practices, securing high quality professionals.
- Ensure consistent pupil progress and achievement standards through the professional development of staff and governors.
- Develop interface and effective communication at all levels (Trustees, Governors, school leaders) regarding pupil progress.

Assessment and Monitoring

- Embed accurate assessment and effective use of performance and inclusion data following recovery from the COVID pandemic.
- Embed a programme of assessment, moderation and monitoring to assess pupil progress and school development.
- Seek external judgements of schools through a programme of established reviews.
- Use targeted approaches to identified gaps in attainment and achievement through school and Trust self- evaluation.

Quality of Education

- Deploy staff appropriately so every child has a good teacher.
- Improve teaching that requires improvement, ensuring that this is sustained in the classroom, all the time.
- Share good practice across SSET, providing peer to peer support.
- Take risks and develop an outward looking perspective, being open to change.
- Invest in the Early Years to develop early language and essential skills.
- Ensure an inclusive approach for all pupils, meeting needs at an appropriate level, including the use of specialist provision in school based Integrated Resources.

Curriculum

- Ensure pupils reading, writing and maths skills prepare them for the next stage in their education.
- Develop and maintain an ambitious curriculum in each school which meets the needs of the pupils and community
- Develop and build upon pupil's individual skills and talents in all areas.
- Prioritise well sequenced and structured curriculum development, in all areas including foundation subjects.
- Support and nurture family involvement in education.
- Emphasise quality Early Years provision and early intervention.
- Meet the needs of all groups of learners, including those with SEND, through a truly inclusive, trauma informed approach.
- Ensure behaviour for learning enables outcomes to improve.

Intervention

- Ensure capacity and a clear route to intervene when necessary.

Public Benefit

In pursuing the Trust's objectives outlined above, the Trustees have complied with their duty to have due regard to the Charity Commission's general guidance on public benefit and supplementary guidance on education as published on their website.

SHEFFIELD SOUTH EAST TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

STRATEGIC REPORT

Achievements & Performance

The context of children attending schools during 2021/22 within Sheffield South East Trust is:

- 57% of pupils are categorised as disadvantaged (Pupil Premium), compared to the national average of 25%.
- Within SSET, the schools with the highest level of disadvantaged pupils are Wybourn (69%), Norfolk (60%) and Phillimore (62%)
- 36% of pupils have English as an additional language, compared to 21% nationally.
- Within SSET, the schools with the highest level of EAL are Phillimore (72%) and Acres Hill (49%).
- 23% of pupils have SEND compared to 15% nationally.
- 56 pupils have an EHCP or are in the EHCP referral process, which represents a significant increase on the previous year.
- Across the Trust there were no permanent exclusions. 15 pupils received suspensions. Suspensions range from 0.5 to 5 consecutive days (maximum).
- SSET schools' attendance ranges from 91% - 93%. This is below the last recorded National Average of 96% (2020/21).

School	Numbers on roll Rec – Y6	Number on roll Nursery (aged 2-4)
Acres Hill Community Primary	202	29
Manor Lodge Community Primary	328	37
Norfolk Community Primary	392	55
Phillimore Community Primary	398	50
Woodhouse West Primary	359	39
Wybourn Community Primary	417	148

During 2021/22, Norfolk Community Primary School was inspected by OFSTED. The outcome of the inspection was 'Good'. This is the first time Norfolk Community Primary School has been inspected since joining the Trust in 2019. Prior to becoming an academy, the school was rated as 'Requires Improvement'.

Phillimore Community Primary School is expecting OFSTED

Current OFSTED judgements recorded are:

- Acres Hill Community Primary School – Good (2019)
- Manor Lodge Community Primary School - Good (2019)
- Norfolk Community Primary School – Good (2022)
- Phillimore Community Primary School – Good (2019)
- Woodhouse West Primary School - Good (2018 pre-conversion and joining SSET)
- Wybourn Community Primary School - Good (2019)

National tests for the 2020 and 2021 academic years were cancelled due to the impact of the Coronavirus pandemic. Testing was reinstated in 2022, however as an acknowledgement of COVID disruption and impact, performance tables will not be published. OFSTED and other scrutinising bodies have been advised to view 2022 pupil outcomes with caution due to some pupils being inadvertently more severely impacted by COVID than others.

In SSET we have compared 2022 pupil outcomes to pre-pandemic levels, in key measures. At all stages, attainment and progress are analysed by age, gender, disadvantage, SEND, BME and other key characteristics. Some overview is provided here:

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

<u>Foundation Stage Good Level of Development %</u>	2018	2019	2022	Comparison to pre- pandemic
Acres Hill	54	60	48	-12
Manor Lodge	60	64	50	-14
Norfolk	66	48	37	-11
Phillimore	60	52	49	-3
Woodhouse West	<i>Pre conversion</i>	<i>Pre conversion</i>	47	<i>Pre conversion</i>
Wybourn	60	46	41	-5
SSET	60	53	46	-7
National	71	72		
Sheffield	70	70	64	-6
Locality	65	61	54	-7

<u>Year 1 Phonics %</u>	2018	2019	2022	Comparison to pre- pandemic
Acres Hill	66	68	45	-23
Manor Lodge	64	65	66*	+1
Norfolk	66	75	54	-21
Phillimore	73	65	62	-3
Woodhouse West	<i>Pre conversion</i>	<i>Pre conversion</i>	65	<i>Pre conversion</i>
Wybourn	63	68	65	-3
SSET	67	68	60	-8
National	82	82	75	-7
Sheffield	79	78	72	-6
Locality	71	71	68	-2

<u>KS2 – Combined RWM %</u>	2018	2019	2022	Comparison to pre - pandemic
Acres Hill	48	29	33	+4
Manor Lodge	46	50	42	-8
Norfolk	32	49	42	-7
Phillimore	46	43	48	+5
Woodhouse West	<i>Pre conversion</i>	<i>Pre conversion</i>	34	<i>Pre conversion</i>
Wybourn	48	59	42	-17
SSET	43	46	41	-5
National	64	65	59	-6
Sheffield	62	64	55	-9
Locality	55	57	49	-8

SHEFFIELD SOUTH EAST TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Key areas:

- Improving Writing in KS1 and KS2
- Recovery programmes in EYFS and KS1 linked to school readiness and language development
- Recovery targeted interventions for disadvantaged pupils where the gap has widened due to the pandemic
- Improving attendance and reducing persistent absence
- Ensuring the curriculum enables all pupils to progress, including our most vulnerable and those with complex SEND

General Trust Progress

Infrastructure

- Executive Leadership Team, Member and Trustee boards have continued to work effectively with regular meetings taking place remotely and face to face.
- School and Trust websites continue to remain compliant with statutory guidance. Audits are undertaken annually.
- Online platforms developed to aid communication and home learning during the pandemic have continued to be used as an important tool to communicate with families.
- Business systems, (insurance, finance, legal, Health and Safety, Payroll, HR & ICT), are operational and embedded.
- During 2021/22, the Trust developed a robust ICT strategy with support from its ICT provider. This has resulted in a number of key ICT projects being delivered including a hardware replacement programme over three years, this resulted in a bulk hardware order for all schools, a broadband upgrade and move to a Voice Over Internet Protocol phone system. Further projects are in the pipeline for 2022/23 including a move to the Cloud, moving to a cloud hosted WiFi network, centralised software licencing and a range of training for staff.
- In order to reduce the number of third parties the Trust liaises with in relation to similar issues and ensure the same level of service is being received across all schools, the Trust moved its HR services to EPM. EPM have been providing Payroll Services to the Trust's schools since 2020.
- All Education Skills Funding Agency returns completed on time, including published accounts.
- £873k of CIF funding was successfully secured for capital projects in 2022, adding to the £2.5million secured over the last 6 years. Bids for 2023 are currently being prepared.
- Asset Management Plans provide the basis for an investment strategy for the Trust's estate. These help in identifying priorities for CIF bids and other capital improvement projects. Costs have been built into school budgets in future years.
- An experienced CFO was appointed in July 2022, due to the resignation of the previous post holder.

Growth

- In the Autumn term 2021, the Trust opened a Specialist KS1 Integrated Resource for children with social, emotional and communication needs at Manor Lodge Community Primary School. The Integrated Resource is an extension to the existing school building. Building works on a further KS2 Integrated Resource at Acres Hill Community Primary for children with the same need is underway and will be complete in the Autumn Term 2022.

Going Concern

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

Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

SHEFFIELD SOUTH EAST TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Promoting the success of the company

The Trust Board promotes the success of Sheffield South East Trust by regularly monitoring progress against objectives, and working with the CEO to ensure the trust is in a strong position to develop and grow in order to improve the education and life chances of pupils. The Trust intends to grow steadily, with a focus on bringing in schools in the Locality or other local schools with a similar ethos. The Trust is also open to sponsoring other schools. We anticipate this growth accelerating following the publication of the Schools White Paper however, the growth strategy remains in line with previous years. The central team has been strengthened in order to support this vision, and increase the level of support and challenge provided to existing schools.

In promoting the success of the trust, trustees have focussed on the charitable purposes of the trust, the long term impact of decisions being made, the interests of all stakeholders (pupils and families, employees, suppliers and the communities we are based in).

The trust has a strong profile in terms of OFSTED judgements. All schools that have received an OFSTED assessment since joining the trust have been judged good.

Trustees took the decision to review the Trust's auditors during 2021/22 and received a good number of responses to a competitive tender process. The Trustees were pleased to appoint Hart Shaw LLP.

Financial review

Financial report for the period

As referenced in the Going Concern section, the Trust is confident that financial projections over the next three years are based on robust assumptions, and evidence a strong overall financial position.

Restricted Fixed Assets

The Trust continues to maintain a strong net current asset position. As at the 31 August 2022 the net book value of fixed assets was £24,795,000 (in relation to land and buildings and other fixed assets). The assets were used exclusively for providing education and the associated support services to the pupils of the Trust. The restricted fixed asset fund balance is reduced by annual depreciation charges over the useful life of the assets concerned.

Statement of Financial Activities

Over 85% of Sheffield South East Trust revenue income is derived in the main from the Department of Education (DFE) via the Education & Skills Funding Agency (ESFA) in the form of revenue grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2022 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Statement of Financial Activities shows a broadly balanced revenue position, with an increase to the total fund balance (restricted and unrestricted) from £1,093,000 to £1,283,000 (excluding fixed asset funds and pension reserves). The in-year surplus of £190,000 is the result of close monitoring of income and expenditure at school and trust level.

The COVID pandemic has affected both income and expenditure during the year. The trust received £165,000 in catch up premium from the Department for Education during the 21-22 year.

Risks and Uncertainties

School budgets are based on prudent assumptions, which are regularly updated on the basis of the most recent information available. Assumptions regarding the continuation of specific COVID funding streams, and annual increases to GAG funding are evidence-based and prudent. Pupil numbers are regularly updated, and schools are challenged on their entrant numbers assumptions at key budget setting points, based on historical trends,

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

and Local Authority demographic projections. Pupil Census data is analysed early on, to understand the implication for next year's budgets as soon as possible. There has been a continued focus on nursery income projections in order to ensure schools are using all the information available when deciding on key assumptions. Where asset management plans suggest scope for successful CIF applications, schools include CIF contributions in forecasts which are then finessed as the project approval process progresses.

Local Government Pension Liability

Under the Charities SORP, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided to support staff, to a restricted fund. This results in reducing reserves shown in the total funds of the Academy. It should be noted that this does not present the Academy with any current liquidity problem. The employer contributions since December 2016 have increased and it is expected that they will continue to increase further. Overall the Trust has a healthy balance sheet and will be using reserves to maintain the current assets and also to invest back into the school in the form of additional resources and facilities both in the long term and the short term in conjunction with the school development plan and school aims.

Within the reserves policy users should note that, because of accounting for Local Government Pension Scheme (LGPS), the academy recognises a significant pension fund deficit totalling £4.2m. This deficit is included in restricted funds. This does not lead to an immediate liability for this amount. The presence of a pension deficit will generally result in a cash flow effect for the Trust in the form of an increase in employer's pension contributions over a period of years. The Trust is confident it can meet the increase in contribution levels and this has been factored into future financial plans.

Reserves policy

The Sheffield South East Trust reserves policy recognises the need to address the management of financial risk across the Trust, whilst avoiding disadvantage to existing pupils through the creation and retention of higher reserves. The purpose of the reserves is to:

- Act as a general reserve to provide for unexpected needs
- To support planned revenue commitments or capital investment that cannot be met by future income alone
- To support cash flow management.

The overall level of reserves over a three-year period will form part of Trust's judgement of whether it remains a going concern.

The Trust's target level of revenue reserves is 5%. In setting the target level, Trustees considered the level required to manage financial risk, in particular risks related to: Short term income fluctuations (pupil numbers, parental income); unforeseen changes in grant income (removal of targeted grants); unanticipated expenditure (premises, staffing; and short terms additional support required to ensure a high level of teaching and learning. Each school's position is reviewed on an annual basis as part of the budget setting process, with reference to their specific needs and funding position.

Trustees will keep this level of reserves under review and aim to build and maintain the reserves level whilst in keeping with the principle objectives of the academy.

Total revenue reserves at the end of the period amounted to £1,283,000, this balance includes unrestrictive funds (free reserves) of £1,105,000 which is considered appropriate for the Academy Trust, and restricted funds excluding pension and fixed assets of £178,000.

Investment policy

A Trust Investment policy was introduced in March 2021. This will be reviewed by Trustees every three years. As of 31 August 2022, no investments were held.

SHEFFIELD SOUTH EAST TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Principal Risks and Uncertainties

Risk Management

Principal Risks and Uncertainties

Like all other Multi Academy Trusts, Sheffield South East Trust is operating through a continuing period of uncertainty regarding future funding, both locally and nationally. The Academy Trust is exposed to a number of financial risks including credit, cash flow and liquidity risks.

A key uncertainty highlighted by the Trust Board is the pace and level of future growth, any such growth will result in additional funding; potential additional risk and may result in additional capacity being required to support the central infrastructure of the Trust.

Given the Academy's exposure to financial instruments being limited, the exposure principally relates to bank balances, cash and trade creditors, with limited trade (and other) debtors. The academy's system of internal controls ensures risk is minimal in these areas.

A trust risk register has been implemented and is updated and reviewed regularly. Where appropriate, systems or procedures have been established to mitigate the risks each academy faces.

It should also be noted that procedures are in place to ensure compliance with health and safety of staff and pupils.

The presence of a pension deficit will generally result in a cash flow effect for the Trust in the form of an increase in employer's pension contributions over a period of years. The Trust is confident it can meet the increase in contribution levels and this has been factored into future financial plans.

Fundraising

The Board is responsible for ensuring that the organisation operates within a responsible, sustainable financial framework and that the organisation has adequate resources to carry out its work. Trustees have a number of key responsibilities and commitments in regards to this.

- Trustees have the responsibility of ensuring the survival and continuation of the Trust. This includes responsibility for ensuring funding is available to support the activities of the organisation.
- While Trustees may delegate many of the operations of fundraising to other parts of the organisation, the Board retains the responsibility for inspiring other fundraisers, demonstrating the perceived importance of fundraising to the organisation, and demonstrating their leadership in this area.
- The Board are committed to ensuring that fundraising activities are carried out in an ethical manner.
- The guiding fundraising principle is a simple one – we will only use techniques that we would be happy to be used on ourselves.

In doing so, the organisation will adhere to the following standards:

- The Board will have regard to the Charity commissions publication 'Charity Fundraising' (CC20)
- Fundraising activities carried out by individual Academies, including their PTA will comply with all relevant laws.
- Any communications to the public made in the course of carrying out a fundraising activity shall be truthful and non-deceptive.
- All monies raised via fundraising activities will be for the stated purpose of the appeal and will comply with the Academies' stated mission and purpose.
- All personal information collected by the Academy is confidential and is not for sale or to be given away or disclosed to any third party without consent.

SHEFFIELD SOUTH EAST TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

- Nobody directly or indirectly employed by or volunteering for the Academy shall accept commissions, bonuses or payments for fundraising activities on behalf of the organisation.
- No general solicitations shall be undertaken by telephone or door-to-door.
- Fundraising activities should not be undertaken if they may be detrimental to the good name or community standing of the Academy.
- Financial contributions will only be accepted from companies, organisations and individuals the Board considers ethical.
- All Governors, casual, permanent and contract staff and volunteers are responsible for adhering to these procedures.
- Fundraising activities should not be undertaken if they will expose the organisation to significant financial risk.
- Complaints will be dealt with in accordance with the Trusts complaints procedure.

Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period	1 September 2021 to 31 August 2022	1 September 2020 to 31 August 2021
Energy consumption used to calculate emissions (KWh)	2,338,832	2,472,937
Energy consumption break down (KWh)		
• gas	1,675,546	1,885,516
• electricity	663,286	587,421
<u>Scope 1 emissions in metric tonnes CO2e</u>		
Gas consumption	305.27	345.35
<u>Total scope 1</u>	<u>305.27</u>	<u>345.35</u>
<u>Scope 2 emissions in metric tonnes CO2e</u>		
Purchased electricity	128.26	124.73
<u>Total scope 1</u>	<u>128.26</u>	<u>124.73</u>
Total gross emissions in metric tonnes CO2e	433.53	470.08
<u>Intensity ratio</u>		
Tonnes CO2e per pupil	0.21	0.23
Quantification and reporting methodology We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2022 UK Government's Conversion Factors for Company Reporting. Intensity measurement The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector. Measures taken to improve efficiency		

SHEFFIELD SOUTH EAST TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

We continue to install smart meters across all sites and whilst meetings have now started taking place on site, we do still encourage use of video conferencing for some meetings, particularly those that take place more regularly during the year in order to reduce travel between sites. Energy efficiencies have been addressed through Condition Improvement Fund (CIF) projects in the year e.g. heating replacements and we also consider where further efficiencies could be made when new capital projects commence as part of project planning. Schools have rolling programmes in place to replace halogen luminaires for LED as units fail. There are also a number of electrical energy saving projects in the pipeline over the next three years which we hope to secure through CIF funding, which cannot be addressed through replacement of lighting units. In addition to capital projects, we have also introduced a culture of staff taking practical steps to save energy in schools on a day to day basis and started looking at how to make savings whilst the school is shut i.e. outside the hours of 7.30am – 6.00pm term time.

PLANS FOR FUTURE PERIODS

The Trust strategic plan identifies those areas that the Trust believes are key to the successful operation of the organisation considering both current issues and future areas to develop. (These should be read in conjunction with the Trust Objectives):

Business strategy

- Maintain a Business Model for the Trust to ensure that it remains effective and efficient, and ensures that schools have access to high quality core services.
- Ensure that the priorities identified in the estates plans are a key part of trust revenue and capital financial plans, evaluated on a regular basis.
- Generate income through trading financial and business related services outside of the Trust.
- Actively seek out opportunities to attract capital investment, particularly relating to SEND provision.
- Actively seek out opportunities for both fundraising & bidding for funds.

Finance strategy

- Maintain a 3-year budget plan/medium term Financial Strategy to support the Trust Development Plan.
- Ensure robust mechanisms are in place to comply with statutory policies and regulations.
- Continue to develop consistent financial practice across the Trust, developing and embedding an integrated central service.
- Identify opportunities to enhance the level of integrated working and ensure consistency in reporting and assumptions across the Trust.

Growth

- Expand SSET schools to provide specialist SEND and nurture provision.
- Expand the Trust; initially within local Primary schools that have a consistent ethos with that of the Trust.

Leadership strategy

- Plan for identified needs and succession, using opportunities for cross school secondments/employment and training. (NPQ programmes and similar)
- Maintain Governor Networks based upon specific areas
- Maintain Governor/Trustee interface and communication strategy.
- Each school works with the Trust to ensure a consistent approach to School Self Evaluation, through the Executive Leadership Team.

Teaching and Learning

- CEO and Executive Leadership team to tackle underperformance rigorously.
- Monitor and develop the teaching and learning profile in each school. Recruit/deploy across the Trust to any vacancies or areas of need.

SHEFFIELD SOUTH EAST TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

- Triangulate teaching, pupil's work and pupil outcomes to judge the quality of curriculum and learning consistently in each school, sharing good practice when identified.

Curriculum

- Reduce exclusions by continued development of pastoral support and trauma informed strategies.
- Continually ensure the curriculum in each school demonstrates clear Intent, Implementation and Impact. Progression is sequenced well in all areas.
- Provide a well-balanced reading programme in each school, leading to improved outcomes.
- Provide a consistent and innovative approach to curriculum delivery for all pupils and particularly vulnerable pupils with complex needs, leading to improved outcomes.
- Engage parents and family as key partners in their children's learning.

Funds Held as Custodian Trustee on Behalf of Others

The trust does not currently hold any fund on behalf of others.

AUDITORS

Insofar as the Trustees are aware:

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

APPROVAL

Trustees' report, incorporating a strategic report, was approved by order of the board of Trustees, as the company directors, on 30 November 2022 and signed on the board's behalf by:



K Crawshaw
Chair of Trustees
12 December 2022

SHEFFIELD SOUTH EAST TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Sheffield South East 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, 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 Master Funding Agreement and Supplementary Funding Agreements between Sheffield South East Trust and the Secretary of State for Education.

They are also responsible for reporting to the board of trustees any material weakness or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 3 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
M Allen (Resigned 22 July 2022)	3	3
K Crawshaw (Chair)	3	3
J Doyle	2	3
D Grover	3	3
M Lowe	3	3
M Shipman (Resigned 7 November 2022)	0	3
P Stead	3	3
A Sheeran (Appointed 19 October 2021)	3	3
C Welsh (Appointed 19 October 2021)	3	3
J Bradshaw (Resigned 19 October 2021)	0	0

There were a number of changes to the Board's composition during the year. Chris Welsh and Anne Sheeran were appointed as Trustees on the 19 October 2021. This was following on from a review of Governance in the previous year which highlighted the need for the Trust to increase the number of Trustees to strengthen the Board overall. The CEO, Joanne Bradshaw resigned from their role as Trustee on the 19 October 2021, in order to separate layers of governance and accountability within the Trust overall.

Conflicts of interest

The Trust has a Business & Pecuniary Interests Policy which helps manage conflicts of interests. A register of business and pecuniary interests is prepared and updated at the start of the academic year and throughout the year as required. This is stored on the Trust website and links to individual school websites. 'Declarations of interests' is a standing item on all Trust meeting agenda and are generally declared as meetings progress, unless a known conflict is clear from the outset. Where this is the case, Trustees will remove themselves from the discussion and voting rights cease.

SHEFFIELD SOUTH EAST TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Meetings

The Board has met a total of ten times during the 21/22 year, three times as a full Board, four times as a Finance Committee and three times as a Standards Committee. In addition to these meetings the CEO meets weekly with the Chair of the Standards, Pay and Performance Committee to discuss school performance and other pertinent issues, and the CFO meets regularly with the Chair of the Finance Committee, especially at key monitoring points in the year. The CEO also meets regularly with the Chair and Vice Chair of the Board to discuss arising issues, progress and any other contextual developments.

There are also two forums within SSET that meet twice a year; the Chairs of Local Governing Body Forum and Local Governing Body Chairs of the Finance Committee which Trustees and the CEO attend and facilitate. This is an opportunity for the Trust Board and LGBs to liaise and share important information, policy and practise. Some Trustees have specific roles and meet with the Trust staff to ensure direct oversight in particular areas, for example our Safeguarding Trustee will meet when Annual Safeguarding Reports are received. This is outside of the standard board meeting schedule.

Governance reviews

As part of the Trust's internal audit process, an independent external review of governance was completed during the Summer Term 2022. The approach was agreed in the Autumn Term 2021 and included:

- A review of key governance documentation within Sheffield South East Trust, including the effectiveness of the Scheme of Delegation.
- Recruitment processes and succession planning
- Training programmes for Trustees.
- A skills audit of Trustees
- A review of in year Trustee self-evaluation

A number of Trustees were also contacted by the external auditor to discuss their roles and responsibilities.

Findings from the report were positive. Any recommendations have been agreed and implemented. The next review is scheduled for Spring Term 2023.

The audit and risk committee is a sub-committee of the main board of trustees. Its purpose is to assist the decision making of the Board of Trustees, by enabling more detailed consideration to be given to the best means of fulfilling the Board of Trustees responsibility for ensuring sound management of the Trust's finances and resources, including proper planning, monitoring and probity.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
K Crawshaw (Chair)	4	4
J Doyle	3	4
P Stead	4	4
C Welsh (Appointed 19 October 2021)	2	3

Review of value for money

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

SHEFFIELD SOUTH EAST TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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 in the following ways:

- The Trust continues to undertake significant works at its academies successfully attracting funding from the ESFA's Condition Improvement Fund (CIF). The aim of this work has been to improve the general condition of the schools and to improve, in particular, their suitability for high quality provision whilst not negatively impacting on the individual school budgets.
- The CEO regularly reviews staffing across the trust and identifies opportunities for key leaders and specialists to work across the trust and support different schools where needed. When there are staff resignations, the CEO supports Headteachers in considering options to adjust roles and ensure needs are met in the most financially efficient way possible.
- Since, 2020-21 the Trust has used the chart of accounts recommended by the Education, Skills Funding Agency (ESFA). This has improved consistency both within and beyond the Trust and has led to more accurate benchmarking. The Trust has also engaged with the Financial Insights software launched by the ESFA and produces benchmarking for the Chairs of Finance where key data is analysed.
- The Trust has continued to review its financial position during the year and has met with specific schools to challenge and support them with assumptions made. The Trust continues to review and reset all school budgets during the Spring term.
- The Trust employs a full time CFO along with a central Trust Finance Officer and Trust Business Advisor. These roles have significantly increased central capacity - supporting further work with schools to ensure compliance and timely completion of monthly reporting, and individual training for school business managers. Key documentation, checklists and processes for review have been developed and implemented.
- As the Trust continues to grow, contracts are subject to review prior to renewal and are procured at Trust rather than individual school level making use of both national and local frameworks, this increased bargaining power drives out efficiency savings for each of the Trusts individual academies and ensures that value for money and efficient procurement in one academy is replicated in its other academies, thus, creating increased economies of scale and enhanced financial literacy amongst academy business staff. An example of this in 2021/22 was the central procurement of ICT hardware across all schools which helped ensure all pupils and staff in the Trust have access to the same level of information technology, whilst also saving schools money through a central purchase.

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 Sheffield South East Trust for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

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

SHEFFIELD SOUTH EAST TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

The risk and control framework

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

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

The board of trustees has decided to buy in an internal audit service from Dains Audit Limited. This option has been chosen to fully comply with the Academy Trust Handbook.

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

- A review of opening balances to provide assurance that the 2021-22 opening balances and, in particular, the capital/fixed asset figures in our finance system have been correctly entered.
- Depreciation journals for both land and buildings and fixed assets are being calculated correctly and entered on a monthly basis.
- A review of governance which included a review of key governance documentation within Sheffield South East Trust, including the effectiveness of the Scheme of Delegation, recruitment processes and succession planning, training programmes for Trustees, skills audit of Trustees and Trustee self-evaluation processes.

This was delivered as planned.

On a regular basis, the Chief Financial Officer reports to the board of trustees, through the finance, audit and risk committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. On an annual basis the Chief Financial Officer prepares a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

Review of effectiveness

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

- the work of the internal auditor
- the financial management and governance self-assessment process or the school resource management self-assessment tool
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework
- the work of the external auditor
- correspondence from ESFA e.g. FNTI/NtI and 'minded to' letters

SHEFFIELD SOUTH EAST TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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

Approved by order of the board of trustees on 12 December 2022 and signed on its behalf by:



K Crawshaw
Chair



J Bradshaw
CEO

SHEFFIELD SOUTH EAST TRUST

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

As accounting officer of Sheffield South East Trust, I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

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

I confirm that 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.



J Bradshaw
Accounting Officer

12 December 2022

SHEFFIELD SOUTH EAST TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2022

The trustees (who are also the directors of Sheffield South East Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2021 to 2022 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the trustees are required to:

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

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

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

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

Approved by order of the members of the board of trustees on 12 December 2022 and signed on its behalf by:



K Crawshaw
Chair

SHEFFIELD SOUTH EAST TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SHEFFIELD SOUTH EAST TRUST

FOR THE YEAR ENDED 31 AUGUST 2022

Opinion

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

In our opinion the accounts:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the 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 accounts 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.

SHEFFIELD SOUTH EAST TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SHEFFIELD SOUTH EAST TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the accounts

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

Extent to which the audit was considered capable of detecting irregularities, including fraud and the audit response

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.

At the planning stage we identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general academy sector experience and through discussion with management, as required by auditing standards. The potential effect of any laws and regulation on the financial statements can vary considerably. There are laws and regulations that directly affect the financial statements (e.g. the Companies Act, the Charities SORP 2019, the Academies Accounts Direction 2021 to 2022) as well as many other operational laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

SHEFFIELD SOUTH EAST TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SHEFFIELD SOUTH EAST TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

We have assessed the overall susceptibility of the financial statements to material misstatement due to irregularities as moderate risk due to the inherent regulatory environment and financial reporting requirements within the sector. Furthermore, increased public scrutiny due to use of public funds increases the risk around certain financial reporting disclosures. However, as a result, there are stronger financial controls around sensitive financial reporting disclosures imposed by the ESFA therefore this reduces the risk of material misstatements as a result of irregularities being undetected. The procedures performed by the audit team included:

- Communicating identified laws and regulations at planning to all members of the audit team to remain alert to any indications of non-compliance throughout the audit.
- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations including the current Academies Accounts Direction.
- Review of any OFSTED reports within the period.
- Review of the Internal Scrutiny Reports delivered in the year.
- Ensuring that any findings noted as part of our work on regularity (as detailed in our Independent Reporting Accountant's Assurance Report) which indicate the possibility of irregularities and fraud, including any breaches of the Academy Trust Handbook, are also considered as part of our conclusions here.
- Review of the Accounting Officer's Statement of Regularity, Propriety and Compliance and the academy trust's Governance Statement disclosures.

Management override is the most common way in which fraud might present itself and is therefore inherently high risk on any audit. Management override, which may cause there to be a material misstatement within the financial statements, may present itself in a number of ways, for example:

- Override of internal controls (e.g. segregation of duties)
- Entering into transactions outside the normal course of operations, especially with related parties
- Fraudulent revenue recognition and income being recorded in the wrong period.
- Presenting bias in accounting judgements and estimates, particularly the ones disclosed in note 2 to the financial statements.

In order to reduce the risk of material misstatement to an acceptable level, numerous audit procedures were performed including:

- Enquiries of management as to whether they had any knowledge of any actual or suspected fraud
- Review of all material journal entries made throughout the year as well as those made to prepare the financial statements.
- Review of financial data for evidence of previously unidentified related party transactions that may not have been conducted in accordance with the Academy Trust Handbook.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing the underlying rationale behind transactions in order to assess whether they were outside the normal course of business
- Increased substantive testing across all material income streams
- Assessing whether management's judgements and estimates indicated potential bias, particularly those disclosed in note 2 to the financial statements

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected material misstatements in the financial statements, even though we have performed our audit in accordance with auditing standards. Furthermore, as with all audits, there is a higher risk of irregularities (especially those relating to fraud) being undetected, as these may involve the override of internal controls, collusion, intentional omissions and misrepresentations etc. We are not responsible for preventing non-compliance or fraud and therefore cannot be expected to detect all instances of such. Our audit was not designed to identify misstatements or other irregularities that would not be considered to be material to the financial statements. The further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

SHEFFIELD SOUTH EAST TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SHEFFIELD SOUTH EAST TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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

Use of our report

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



Hannah Jones (Senior Statutory Auditor)
for and on behalf of Hart Shaw LLP

20 December 2022

Chartered Accountants
Statutory Auditor

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Sheffield Business Park
Sheffield
S9 1XU

SHEFFIELD SOUTH EAST TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2022

In accordance with the terms of our engagement letter 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 Sheffield South East Trust during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Sheffield South East Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Sheffield South East Trust's funding agreement with the Secretary of State for Education dated 30 November 2016 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw our conclusions included:

- reviewing for transactions which require ESFA approval in accordance with the Academy Trust Handbook 2021;
- reviewing any special payments to staff (compensation, severance and ex-gratia) to ensure compliance with the Academy Trust Handbook 2021;
- reviewing for any borrowings that contravene the Academy Trust Handbook 2021;
- reviewing for connected party transactions to ensure compliance with the Academy Trust Handbook 2021;
- reviewing for any evidence of non-compliance with laws and regulations;
- reviewing committee meeting minutes for indications of irregular transactions;
- carrying out systems and controls testing and considering the effectiveness of such controls; and
- carrying out targeted substantive testing to review for any unusual or irregular transactions.

SHEFFIELD SOUTH EAST TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2022

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 period 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Hart Shaw LLP

Reporting Accountant

Hart Shaw LLP
Europa Link
Sheffield Business Park
Sheffield
S9 1XU

Dated: 20 December 2022

SHEFFIELD SOUTH EAST TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2022 £'000	Total 2021 £'000
Income and endowments from:						
Donations and capital grants	3	18	-	249	267	865
Charitable activities:						
- Funding for educational operations	4	-	14,363	-	14,363	13,511
Other trading activities	5	103	-	-	103	171
Total		<u>121</u>	<u>14,363</u>	<u>249</u>	<u>14,733</u>	<u>14,547</u>
Expenditure on:						
Charitable activities:						
- Educational operations	7	109	14,973	822	15,904	14,752
Total	6	<u>109</u>	<u>14,973</u>	<u>822</u>	<u>15,904</u>	<u>14,752</u>
Net income/(expenditure)		12	(610)	(573)	(1,171)	(205)
Transfers between funds	17	-	(90)	90	-	-
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit pension schemes	19	-	10,089	-	10,089	(1,469)
Net movement in funds		12	9,389	(483)	8,918	(1,674)
Reconciliation of funds						
Total funds brought forward		<u>1,093</u>	<u>(13,437)</u>	<u>25,429</u>	<u>13,085</u>	<u>14,759</u>
Total funds carried forward		<u>1,105</u>	<u>(4,048)</u>	<u>24,946</u>	<u>22,003</u>	<u>13,085</u>

SHEFFIELD SOUTH EAST TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

Comparative year information Year ended 31 August 2021	Notes	Unrestricted	Restricted funds:		Total
		funds £'000	General £'000	Fixed asset £'000	2021 £'000
Income and endowments from:					
Donations and capital grants	3	16	-	849	865
Charitable activities:					
- Funding for educational operations	4	-	13,511	-	13,511
Other trading activities	5	171	-	-	171
Total		187	13,511	849	14,547
Expenditure on:					
Charitable activities:					
- Educational operations	7	-	13,906	846	14,752
Total	6	-	13,906	846	14,752
Net income/(expenditure)		187	(395)	3	(205)
Transfers between funds	17	(134)	(233)	367	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	19	-	(1,469)	-	(1,469)
Net movement in funds		53	(2,097)	370	(1,674)
Reconciliation of funds					
Total funds brought forward		1,040	(11,340)	25,059	14,759
Total funds carried forward		1,093	(13,437)	25,429	13,085

Certain prior year amounts have been reclassified for consistency with the current year presentation. A presentational adjustment was made within income (see note 4 for details) which resulted in an adjustment being required for the transfer from unrestricted funds to restricted funds for the excess of in year expenditure over income (see note 17 for details).

SHEFFIELD SOUTH EAST TRUST

BALANCE SHEET

AS AT 31 AUGUST 2022

		2022	2021
	Notes	£'000	£'000
Fixed assets			
Tangible assets	12	24,795	24,512
Current assets			
Debtors	13	822	1,263
Cash at bank and in hand		2,411	2,092
		3,233	3,355
Current liabilities			
Creditors: amounts falling due within one year	14	(1,769)	(1,308)
Net current assets		1,464	2,047
Total assets less current liabilities		26,259	26,559
Creditors: amounts falling due after more than one year	15	(30)	(37)
Net assets before defined benefit pension scheme liability		26,229	26,522
Defined benefit pension scheme liability	19	(4,226)	(13,437)
Total net assets		22,003	13,085
Funds of the academy trust:			
Restricted funds	17		
- Fixed asset funds		24,946	25,429
- Restricted income funds		178	-
- Pension reserve		(4,226)	(13,437)
Total restricted funds		20,898	11,992
Unrestricted income funds	17	1,105	1,093
Total funds		22,003	13,085

The accounts on pages 30 to 55 were approved by the trustees and authorised for issue on 12 December 2022 and are signed on their behalf by:

K. C.

K Crawshaw
Chair

Company registration number 10460387

SHEFFIELD SOUTH EAST TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

		2022		2021	
	Notes	£'000	£'000	£'000	£'000
Cash flows from operating activities					
Net cash provided by operating activities	20		456		679
Cash flows from investing activities					
Capital grants from DfE Group		589		738	
Capital funding received from sponsors and others		263			
Purchase of tangible fixed assets		(982)		(804)	
Net cash used in investing activities			(130)		(66)
Cash flows from financing activities					
New long term bank loan		-		14	
Repayment of long term bank loan		(7)		(8)	
Net cash (used in)/provided by financing activities			(7)		6
Net increase in cash and cash equivalents in the reporting period			319		619
Cash and cash equivalents at beginning of the year			2,092		1,473
Cash and cash equivalents at end of the year			2,411		2,092

SHEFFIELD SOUTH EAST TRUST

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

1 Accounting policies

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

1.1 Basis of preparation

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

Sheffield South East Trust meets the definition of a public benefit entity under FRS 102.

Monetary amounts in these financial statements are rounded to the nearest £'000.

1.2 Going concern

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

1.3 Income

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

Grants

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

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

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

Donations

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

Other income

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

SHEFFIELD SOUTH EAST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

1.5 Tangible fixed assets and depreciation

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

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

Depreciation is provided on all tangible fixed assets 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:

Freehold Property	3%
Leasehold Buildings	3%
Leasehold Land	1%
Computer equipment	25%
Furniture & equipment	25%

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

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

SHEFFIELD SOUTH EAST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

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.

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

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. 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 financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.10 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 chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.11 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.

SHEFFIELD SOUTH EAST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

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

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

1.12 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 Department for Education Group.

1.13 Redundancy and termination payments

Redundancy and termination benefits are recognised immediately as an expense when the trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Donated fixed assets

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 is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

SHEFFIELD SOUTH EAST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

2 Critical accounting estimates and areas of judgement

(Continued)

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact on 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.

3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
Donated fixed assets	-	66	66	-
Capital grants	-	183	183	849
Other donations	18	-	18	16
	<u>18</u>	<u>249</u>	<u>267</u>	<u>865</u>

4 Funding for the academy trust's charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
DfE/ESFA grants				
General annual grant (GAG)	-	10,270	10,270	9,484
Other DfE/ESFA grants:				
- UIFSM	-	146	146	142
- Pupil premium	-	1,586	1,586	1,487
- Others	-	435	435	681
	<u>-</u>	<u>12,437</u>	<u>12,437</u>	<u>11,794</u>
Other government grants				
Local authority grants	-	1,460	1,460	1,288
Special educational projects	-	151	151	159
	<u>-</u>	<u>1,611</u>	<u>1,611</u>	<u>1,447</u>
COVID-19 additional funding				
DfE/ESFA				
Other DfE/ESFA COVID-19 funding	-	165	165	164
	<u>-</u>	<u>150</u>	<u>150</u>	<u>106</u>
Total funding	<u>-</u>	<u>14,363</u>	<u>14,363</u>	<u>13,511</u>

SHEFFIELD SOUTH EAST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

4 Funding for the academy trust's charitable activities

(Continued)

The academy trust has been eligible to claim additional funding in the year from government support schemes in response to the Coronavirus outbreak.

Certain prior year amounts have been reclassified for consistency with the current year presentation. These reclassifications had no effect on the total reported results. A presentational adjustment was made between Special educational projects, other incoming resources and income from ancillary trading activities (see note 5) with amounts reported in the 2021 financial statements being £163,000, £nil and £248,000 respectively.

5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
Hire of facilities	12	-	12	25
Income from ancillary trading activities	91	-	91	146
	<u>103</u>	<u>-</u>	<u>103</u>	<u>171</u>

Certain prior year amounts have been reclassified for consistency with the current year presentation, details of which can be found in note 4. Income from ancillary trading activities was reported in the 2021 financial statements as £248,000.

6 Expenditure

	Staff costs £'000	Non-pay expenditure Premises £'000	Other £'000	Total 2022 £'000	Total 2021 £'000
Academy's educational operations					
- Direct costs	9,148	822	817	10,787	10,097
- Allocated support costs	3,034	777	1,306	5,117	4,655
	<u>12,182</u>	<u>1,599</u>	<u>2,123</u>	<u>15,904</u>	<u>14,752</u>

Net income/(expenditure) for the year includes:

	2022 £'000	2021 £'000
Fees payable to auditor for:		
- Audit	23	24
- Other services	5	12
Operating lease rentals	48	22
Depreciation of tangible fixed assets	822	780
Net interest on defined benefit pension liability	234	202
	<u></u>	<u></u>

SHEFFIELD SOUTH EAST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

7 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
Direct costs				
Educational operations	-	10,787	10,787	10,097
Support costs				
Educational operations	109	5,008	5,117	4,655
	<u>109</u>	<u>15,795</u>	<u>15,904</u>	<u>14,752</u>
			2022 £'000	2021 £'000
Analysis of support costs				
Support staff costs			3,044	2,964
Technology costs			89	60
Premises costs			777	679
Legal costs			105	81
Other support costs			1,071	825
Governance costs			31	46
			<u>5,117</u>	<u>4,655</u>

8 Staff

Staff costs

Staff costs during the year were:

	2022 £'000	2021 £'000
Wages and salaries	8,404	8,117
Social security costs	756	733
Pension costs	2,688	2,598
Staff costs - employees	<u>11,848</u>	<u>11,448</u>
Agency staff costs	328	223
Staff restructuring costs	6	-
	<u>12,182</u>	<u>11,671</u>
Staff development and other staff costs	112	-
Total staff expenditure	<u>12,294</u>	<u>11,671</u>
Staff restructuring costs comprise:		
Severance payments	<u>6</u>	<u>-</u>

SHEFFIELD SOUTH EAST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

8 Staff

(Continued)

Severance payments

The academy trust paid 2 severance payments in the year, disclosed in the following bands:

0 - £25,000	2
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Non statutory/non-contractual staff severance payments

Special staff severance payments are amounts paid to employees outside of statutory and contractual requirements. Included in staff restructuring costs are special severance payments totalling £5,968 (2021: £nil). Individually, the payments were: £3,268 and £2,700.

Staff numbers

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

	2022 Number	2021 Number
Teachers	115	108
Administration and support	231	235
Management	25	24
	<u>371</u>	<u>367</u>

Higher paid staff

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

	2022 Number	2021 Number
£60,001 - £70,000	1	1
£70,001 - £80,000	5	5
£110,001 - £120,000	1	1
	<u>7</u>	<u>7</u>

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £798,000 (2021: £803,000).

9 Central services

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

- finance and administration;
- educational consultancy;
- professional services;
- publicity and marketing.

SHEFFIELD SOUTH EAST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

9 Central services

(Continued)

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

The trust charges a flat 5% of GAG income for these services.

The actual amounts charged during the year were as follows:

The amounts charged during the year were as follows:	2022 £'000	2021 £'000
Acres Hill Community Primary School	95	54
Manor Lodge Community Primary and Nursery School	80	69
Norfolk Community Primary School	101	83
Phillimore Community Primary School	108	95
Woodhouse West Primary School	83	76
Wybourn Community Primary & Nursery School	109	97
	<u>576</u>	<u>474</u>

10 Trustees' remuneration and expenses

One or more of the trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their services as trustees.

The value of trustees' remuneration and other benefits was as follows:

J Bradshaw (Staff trustee) resigned 19/10/2021

Remuneration £15,000 - £20,000 (2021: £110,000 - £115,000)

Employers' pension contributions paid £0 - £5,000 (2021: £25,000 - £30,000)

During the period ended 31 August 2022 and 31 August 2021, no trustees were reimbursed or paid directly for expenses during the year.

Other related party transactions involving trustees are set out within the related parties note.

11 Trustees' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2022 was £54,821 (2021: £50,723). The cost of this insurance is included in the total insurance cost.

SHEFFIELD SOUTH EAST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

12 Tangible fixed assets

	Freehold Property	Leasehold Land and Buildings	Assets under construction	Computer equipment	Furniture & equipment	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
At 1 September 2021	4,195	23,113	17	158	67	27,550
Transfers	-	318	(318)	-	-	-
Additions	268	175	520	101	41	1,105
At 31 August 2022	4,463	23,606	219	259	108	28,655
Depreciation						
At 1 September 2021	101	2,828	-	88	21	3,038
Charge for the year	129	634	-	34	25	822
At 31 August 2022	230	3,462	-	122	46	3,860
Net book value						
At 31 August 2022	4,233	20,144	219	137	62	24,795
At 31 August 2021	4,094	20,285	17	70	46	24,512

13 Debtors

	2022 £'000	2021 £'000
Trade debtors	23	12
VAT recoverable	181	-
Prepayments and accrued income	618	1,251
	822	1,263

14 Creditors: amounts falling due within one year

	2022 £'000	2021 £'000
Government loans	7	7
Trade creditors	490	332
Other taxation and social security	157	172
Other creditors	196	179
Accruals and deferred income	919	618
	1,769	1,308

Included within government loans is the portion of the long term SALIX loans which fall due within the following year. The terms of the loans have been discussed in more detail in note 15.

SHEFFIELD SOUTH EAST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

15 Creditors: amounts falling due after more than one year

	2022 £'000	2021 £'000
Government loans	30	37
	<u> </u>	<u> </u>
Analysis of loans	2022 £'000	2021 £'000
Wholly repayable within five years	37	44
Less: included in current liabilities	(7)	(7)
	<u> </u>	<u> </u>
Amounts included above	30	37
	<u> </u>	<u> </u>

Included within other loans are four Salix loans, which are as follows:

A loan of £19,000 which is provided on an interest free basis over a period of eight years. This loan is being repaid through biannual instalments of £2,489. At the year end, the amount outstanding is £10,000 (2021: £13,000)

A loan of £8,000 which is provided on an interest free basis over a period of eight years. This loan is being repaid through biannual instalments of £1,077. At the year end, the amount outstanding is £5,000 (2021: £6,000)

A loan of £15,000 which is provided on an interest free basis over a period of eight years. This loan is being repaid through biannual instalments of £1,950. At the year end, the amount outstanding is £11,000 (2021: £13,000)

A loan of £12,000 which is provided on an interest free basis over a period of eight years. This loan is being repaid through biannual instalments of £1,506. At the year end, the amount outstanding is £11,000 (2021: £12,000)

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2022 £'000	2021 £'000
Payable or repayable by instalments	4	9
	<u> </u>	<u> </u>

16 Deferred income

	2022 £'000	2021 £'000
Deferred income is included within:		
Creditors due within one year	343	323
	<u> </u>	<u> </u>
Deferred income at 1 September 2021	323	340
Released from previous years	(323)	(340)
Resources deferred in the year	343	323
	<u> </u>	<u> </u>
Deferred income at 31 August 2022	343	323
	<u> </u>	<u> </u>

SHEFFIELD SOUTH EAST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

16 Deferred income

(Continued)

At the balance sheet date, the academy trust was holding funds received in advance from the Education and Skills Funding Agency which related to Universal Free School Meals of £86,000 (2021: £96,000), Rates Reimbursement of £nil (2021: £22,000), Sports Premium of £nil (2021: £8,000), Funded Early Learning from Sheffield City Council of £160,000 (2021: £144,000), Erasmus funding of £nil (2021: £18,000), Pupil Growth funding of £nil (2021: £30,000), School Led Tutoring £95,000 (2021: £nil), Other grants of £nil (2021: £5,000) and income relating to Trips of £2,000 (2021: £nil).

17 Funds

	Balance at 1 September 2021 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2022 £'000
Restricted general funds					
General Annual Grant (GAG)	-	10,270	(10,002)	(90)	178
UIFSM	-	146	(146)	-	-
Pupil premium	-	1,586	(1,586)	-	-
Other DfE/ESFA COVID-19 funding	-	165	(165)	-	-
Other DfE/ESFA grants	-	435	(435)	-	-
Other government grants	-	1,611	(1,611)	-	-
Other restricted funds	-	150	(150)	-	-
Pension reserve	(13,437)	-	(878)	10,089	(4,226)
	<u>(13,437)</u>	<u>14,363</u>	<u>(14,973)</u>	<u>9,999</u>	<u>(4,048)</u>
Restricted fixed asset funds					
Inherited on conversion	23,596	-	(694)	-	22,902
DfE group capital grants	1,378	183	(75)	(16)	1,470
Capital expenditure from GAG	455	-	(53)	106	508
Donated fixed assets	-	66	-	-	66
	<u>25,429</u>	<u>249</u>	<u>(822)</u>	<u>90</u>	<u>24,946</u>
Total restricted funds	<u>11,992</u>	<u>14,612</u>	<u>(15,795)</u>	<u>10,089</u>	<u>20,898</u>
Unrestricted funds					
General funds	<u>1,093</u>	<u>121</u>	<u>(109)</u>	<u>-</u>	<u>1,105</u>
Total funds	<u>13,085</u>	<u>14,733</u>	<u>(15,904)</u>	<u>10,089</u>	<u>22,003</u>

SHEFFIELD SOUTH EAST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

17 Funds

(Continued)

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

General Annual Grant

The General Annual Grant (GAG) funds have been spent in line with the terms of the Master Funding Agreement. Under this funding agreement, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2022.

UIFSM

Universal Infant Free School Meals provides funding to offer free-school meals for all infant pupils.

Pupil Premium

Pupil Premium is additional funding given to academies so that they can support their disadvantaged pupils and close the attainment gap between them and their peers.

Other DfE/ESFA Covid-19

This fund includes the Recovery Premium Grant to support pupils whose education has been impacted by coronavirus and vaccination programme funding to support schools in hosting vaccinations.

Other DfE/ESFA grants

This includes Rates Relief, Teachers Pay Grant (TPG), Teachers' Pension Employer Contribution Grant, PE & Sport Funding, Supplementary Grant, School Led Tutoring and Early Careers Framework.

Rates Relief is given in respect of rates charged on non-domestic premises.

Teachers' Pay Grant provides funding for schools to support the teachers' pay award which came into effect 1 September 2018.

Teachers' Pension Employer Contribution Grant supports schools and local authorities with the cost of the increase in employer contributions to the teachers' pension scheme.

Supplementary Grant provides support for the costs of the Health and Social Care Levy and wider costs.

School Led Tutoring grant is to support disadvantaged pupils in catch-up learning.

PE and Sports Grant Premium is to help make additional and sustainable improvements to the quality of PE etc.

Early Careers Framework funding is funding to provide more support in the first stage of a teaching career and includes income to cover the cost of giving each early career teacher (ECT) 5% off timetable time and mentoring support.

Other government grants

This includes Looked After Children funding, Refugee Resettlement, Funded Early Learning, Devices and Connections, Locality SSGe, Awkward Year Group Funding, Education, Health & Care Plan, Premises and Hosting Funding.

Looked After Children is additional funding given to academies so that they can support their disadvantaged pupils and close the attainment gap between them and their peers.

Refugee Resettlement is Education-related funding grants for refugee children in schools and Early Years settings.

Funded early learning is funded childcare for all 3 and 4 year olds, and eligible 2 year olds.

SHEFFIELD SOUTH EAST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

17 Funds

(Continued)

Awkward year group funding is where the council provides support where the pupil numbers are such that it financially problematic to accommodate a year group.

Education, Health & Care Plan is funding where a pupil has an EHCP, and is educated in a mainstream school, additional funding on a pupil specific basis is provided.

Other restricted funds

This funding is from non-government entities to help improve the trust further.

Unrestricted funds

Unrestricted funds include income from educational trips and activities, breakfast/ after school clubs, cover for teachers, hire of facilities and placement income.

The academy trust has made a transfer of £nil (2021: £236,000) from unrestricted funds to restricted funds for the excess of in year expenditure over income.

Restricted fixed asset funds

Restricted fixed asset funds are used solely for capital purchases in line with the strategic objectives of the academy.

A total of £106,000 (2021: £367,000) has been transferred from restricted funds to restricted fixed assets funds to cover the purchase of assets during the year.

A total of £16,000 (2021: £nil) has been transferred from restricted fixed assets funds to restricted funds to cover revenue expenditure covered by capital grants in the year.

Pension reserve

The restricted pension fund is in deficit to the value of £4,226,000 as at 31 August 2022 (2021: £13,437,000). The Trustees will continue to monitor this situation closely.

SHEFFIELD SOUTH EAST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

17 Funds

(Continued)

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

	Balance at 1 September 2020 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2021 £'000
Restricted general funds					
General Annual Grant (GAG)	-	9,484	(9,251)	(233)	-
UIFSM	-	142	(142)	-	-
Pupil premium	-	1,487	(1,487)	-	-
Other DfE/ESFA COVID-19 funding	-	164	(164)	-	-
Other DfE/ESFA grants	-	681	(681)	-	-
Other government grants	-	1,447	(1,447)	-	-
Other restricted funds	-	106	(106)	-	-
Pension reserve	(11,340)	-	(628)	(1,469)	(13,437)
	<u>(11,340)</u>	<u>13,511</u>	<u>(13,906)</u>	<u>(1,702)</u>	<u>(13,437)</u>
Restricted fixed asset funds					
Inherited on conversion	24,291	-	(695)	-	23,596
DfE group capital grants	623	849	(94)	-	1,378
Capital expenditure from GAG	145	-	(57)	367	455
	<u>25,059</u>	<u>849</u>	<u>(846)</u>	<u>367</u>	<u>25,429</u>
Total restricted funds	<u>13,719</u>	<u>14,360</u>	<u>(14,752)</u>	<u>(1,335)</u>	<u>11,992</u>
Unrestricted funds					
General funds	1,040	187	-	(134)	1,093
Total funds	<u>14,759</u>	<u>14,547</u>	<u>(14,752)</u>	<u>(1,469)</u>	<u>13,085</u>

Certain prior year amounts have been reclassified for consistency with the current year presentation. A presentational adjustment was made between income (see note 4 for details) which resulted in an adjustment being required for the transfer from unrestricted funds to restricted funds for the excess of in year expenditure over income, with amounts reported in the 2021 financial statements being £236,000.

SHEFFIELD SOUTH EAST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

17 Funds

(Continued)

Total funds analysis by academy

	2022 £'000	2021 £'000
Fund balances at 31 August 2022 were allocated as follows:		
Acres Hill Community Primary School	209	164
Manor Lodge Community Primary and Nursery School	142	70
Norfolk Community Primary School	150	187
Phillimore Community Primary School	93	58
Woodhouse West Primary School	237	129
Wybourn Community Primary & Nursery School	241	273
Central services	211	212
Total before fixed assets fund and pension reserve	1,283	1,093
Restricted fixed asset fund	24,946	25,429
Pension reserve	(4,226)	(13,437)
Total funds	22,003	13,085

Total cost analysis by academy

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

	Teaching and educational support staff £'000	Other support staff costs £'000	Educational supplies £'000	Other costs excluding depreciation £'000	Total 2022 £'000	Total 2021 £'000
Acres Hill Community Primary School	898	248	53	64	1,263	1,425
Manor Lodge Community Primary and Nursery School	1,392	296	133	244	2,065	1,919
Norfolk Community Primary School	1,689	316	93	447	2,545	2,423
Phillimore Community Primary School	1,777	342	130	303	2,552	2,397
Woodhouse West Primary School	1,373	275	123	225	1,996	1,812
Wybourn Community Primary & Nursery School	1,906	732	121	444	3,203	2,863
Central services	209	842	-	407	1,458	1,133
	9,244	3,051	653	2,134	15,082	13,972

SHEFFIELD SOUTH EAST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

18 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	-	-	24,795	24,795
Current assets	1,105	1,626	502	3,233
Current liabilities	-	(1,448)	(321)	(1,769)
Non-current liabilities	-	-	(30)	(30)
Pension scheme liability	-	(4,226)	-	(4,226)
Total net assets	1,105	(4,048)	24,946	22,003

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	-	-	24,512	24,512
Current assets	1,093	1,276	986	3,355
Current liabilities	-	(1,276)	(32)	(1,308)
Non-current liabilities	-	-	(37)	(37)
Pension scheme liability	-	(13,437)	-	(13,437)
Total net assets	1,093	(13,437)	25,429	13,085

19 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 South Yorkshire Pension Fund. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £196,000 were payable to the schemes at 31 August 2022 (2021: £190,000) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

SHEFFIELD SOUTH EAST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

19 Pension and similar obligations

(Continued)

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

The next valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to the TPS in the period amounted to £1,124,000 (2021: £1,100,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The contribution areas noted below. The agreed contribution rates for future years are 16.7% for employers and 5.5% - 12.5% for employees.

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

Total contributions made	2022 £'000	2021 £'000
Employer's contributions	875	848
Employees' contributions	184	179
Total contributions	1,059	1,027

SHEFFIELD SOUTH EAST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

19 Pension and similar obligations

(Continued)

Principal actuarial assumptions	2022 %	2021 %
Rate of increase in salaries	4.05	4.05
Rate of increase for pensions in payment/inflation	3.05	2.90
Discount rate for scheme liabilities	4.25	1.70

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

	2022 Years	2021 Years
Retiring today		
- Males	22.6	22.5
- Females	25.4	25.3
Retiring in 20 years		
- Males	24.1	24.0
- Females	27.3	27.2

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

	2022	2021
Discount rate - 0.1%	307	485
Mortality assumption + 1 year	489	640
CPI rate + 0.1%	234	484

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

	2022 Fair value £'000	2021 Fair value £'000
Equities	5,606	4,939
Corporate bonds	1,602	1,503
Cash	81	72
Property	720	644
Total market value of assets	8,009	7,158

The actual return on scheme assets was £(129,000) (2021: £1,033,000).

SHEFFIELD SOUTH EAST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

19 Pension and similar obligations		(Continued)
Amount recognised in the statement of financial activities		
	2022 £'000	2021 £'000
Current service cost	1,519	1,259
Return on assets	(130)	(102)
Interest cost	364	304
Administration expenses	-	15
Total operating charge	1,753	1,476
Changes in the present value of defined benefit obligations		2022 £'000
At 1 September 2021		20,595
Current service cost		1,519
Interest cost		364
Employee contributions		184
Actuarial (gain)/loss		(10,348)
Benefits paid		(79)
At 31 August 2022		12,235
Changes in the fair value of the academy trust's share of scheme assets		2022 £'000
At 1 September 2021		7,158
Interest income		130
Actuarial loss/(gain)		(259)
Employer contributions		875
Employee contributions		184
Benefits paid		(79)
At 31 August 2022		8,009

SHEFFIELD SOUTH EAST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

20 Reconciliation of net expenditure to net cash flow from operating activities

	Notes	2022 £'000	2021 £'000
Net expenditure for the reporting period (as per the statement of financial activities)		(1,171)	(205)
Adjusted for:			
Capital grants from DfE and other capital income		(249)	(849)
Defined benefit pension costs less contributions payable	19	644	426
Defined benefit pension scheme finance cost	19	234	202
Depreciation of tangible fixed assets		822	780
(Increase)/decrease in debtors		(228)	358
Increase/(decrease) in creditors		404	(33)
Net cash provided by operating activities		456	679

21 Analysis of changes in net funds

	1 September 2021 £'000	Cash flows £'000	31 August 2022 £'000
Cash	2,092	319	2,411
Loans falling due within one year	(7)	-	(7)
Loans falling due after more than one year	(37)	7	(30)
	2,048	326	2,374

22 Long-term commitments

Operating leases

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

	2022 £'000	2021 £'000
Amounts due within one year	8,000	15,000
Amounts due in two and five years	4,000	7,000
	12,000	22,000

SHEFFIELD SOUTH EAST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

23 Capital commitments

	2022	2021
	£'000	£'000
Expenditure contracted for but not provided in the accounts	1,014	-

£840,000 of the above expenditure is funded by Conditional Improvement Funding. The remainder will be funded from other reserves.

24 Related party transactions

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. The following related party transactions took place in the financial period.

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 10.

25 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.