Company Registration Number: 08122579 (England & Wales)

SEAFORD LEARNING TRUST
(Previously known as Seaford Head Academy Trust)

(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the Year Ended 31 August 2022

SEAFORD LEARNING TRUST
(A Company Limited by Guarantee)

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SEAFORD LEARNING TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	J Dilley G Sims R Ellis P Holmes-Ling M Rooms
Trustees	J Dilley, Chair of Trustees R Ellis, Headteacher and Accounting Officer S Herriott J Hollingsworth P Holmes-Ling, Parent Governor S Huebbe M Rooms, Vice Chair C Skene, Staff Trustee S Williams, Staff Trustee J Cross, Trustee (appointed 1 October 2022) C Mercer (appointed 1 October 2022) S Silvester (appointed 1 October 2022)
Company registered number	08122579
Company name	Seaford Learning Trust
Principal and registered office	Arundel Road Seaford East Sussex BN25 4LX
Senior management team	R Ellis, Headteacher, Accounting Officer S Laidlaw, Business Manager R Handy, Assistant Headteacher J Mathew, Assistant Headteacher J Waite, Assistant Headteacher E Southern, Assistant Headteacher J Smith, Assistant Headteacher I Wallace, Assistant Headteacher J Purdey, Associate Assistant Headteacher S Whittaker, Associate Assistant Headteacher
Independent auditors	Kreston Reeves LLP Statutory Auditor Chartered Accountants 9 Donnington Park 85 Birdham Road Chichester West Sussex PO20 7AJ

TRUSTEES' REPORT
For the Year Ended 31 August 2022

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2021 to 31 August 2022. The Annual Report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust operates an academy for pupils aged 11 to 18 serving a catchment on the south coast in East Sussex. It has a pupil capacity of 1,440 and had a roll of 1,386 in the school census on 7 October 2022.

Structure, governance and management

a. Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the academy trust. The Trustees of Seaford Head Academy Trust are the directors of the charitable company for the purpose of company law. The charitable company operates as Seaford Head School.

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

b. Members' liability

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

c. Trustees' indemnities

Trustees are insured through the ESFA's Risk Protection Arrangement (RPA).

d. Method of recruitment and appointment or election of Trustees

Members may appoint up to 8 Trustees. Members may appoint Staff Trustees to a maximum (including the Headteacher) of one third of the total number of Trustees. The Headteacher is an ex officio Trustee. Parent Trustees are elected by parents of registered pupils. A Parent Trustee must be a parent or carer of a pupil of Seaford Head School at the time when he/she is elected. Arrangements will be made for a secret ballot in the event that the election is contested. If the number of Parent Trustees standing for election is less than the number of vacancies the members can appoint Parent Trustees who will be the parent of a registered pupil or the parent of a child of compulsory school age. Members may appoint up to 3 co-opted Trustees. The term of office for all Trustees (except the Headteacher) is 4 years.

e. Policies adopted for the induction and training of Trustees

All new Trustees are issued with a welcome pack comprising a range of information about the school and the governing body. Trustees are sent details of LA training programmes and links to the LA Governor Services website into which the school subscribes. The school carries out in-house training and all Trustees are sent the School's Self Evaluation Form (SEF). Trustees are attached to a curriculum area and will meet with the SLT link before undertaking any school visits. Training needs are identified by the Headteacher, Chair of Trustees and Clerk to Trustees and recommended to Trustees as required.

Structure, governance and management (continued)

f. Organisational structure

The school is governed by the Trustees which meet 7 times a year. This body is collectively responsible for setting policy in all areas, strategic decisions regarding the future direction and operation of the school and senior appointments. They deal with and report on Finance, Premises, Personnel and Standards. There are separate sub committees which deal with Admissions and Pay. The Trustees are responsible for ensuring that the school meets all its statutory and governance obligations and through the Headteacher and Business Manager that it complies with financial regulations. The Trustees delegate operational functions to the Headteacher. The Trustees operate in line with the terms of reference which governs their remit and operation. The Headteacher has overall responsibility for the school's activities and is the Accounting Officer. Responsibilities for formulation of the annual budget, financial controls and accounts production is delegated to the Business Manager and Finance team. Operational functions are delegated to Senior Leadership Team staff members. The Senior Leadership Team (SLT) comprises the Headteacher, the Business Manager and 7 Assistant Headteachers and 1 Associate Assistant Headteacher. This team meets weekly and the Headteacher meets weekly with key members of the leadership group.

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

The school operates pay and progression requirements in line with procedures established in the Appraisal Policy (which is reviewed annually by Trustees). The Staffing Structure details the pay band for the Headteacher, SLT members and the School Business Manager and progression is contained within these bands.

The Performance Management / appraisal procedure for all staff takes place in October each year and assesses achievement against targets. Progression recommendations are reviewed by Trustees who will make the final decision on any such moves. The task of appraising the Headteacher, including the setting of objectives will be by a sub-group of the Trustees comprising two members, supported by a suitably skilled and/or experienced external adviser who has been appointed by the Trustees for that purpose. Objectives will be focused on key school priorities and take account of the relevant Headteacher standards. They will be set before or as soon as practicable after, the start of each appraisal period.

The Headteacher will appraise other Senior Leadership Team members and the Business Manager.

Appraisal in this school is a supportive and developmental process designed to ensure that all staff have the skills and support they need to carry out their role effectively.

Setting Appraisal Objectives

The objectives set for all staff will be Specific, Measurable, Achievable, Realistic and Time-bound and will be appropriate to the staff member's role and level of experience. The objectives set will, if achieved, contribute to the school's plans for improving the educational provision and performance and improving the education of students at the school:

Objective 1 - By ensuring that the "Achieving Excellence" objectives addresses key attainment priorities identified within the School Improvement Plan.

Objective 2 - By ensuring that the "Achieving Excellence in Teaching" (teaching and learning) objective focuses on development areas in the School Improvement Plan or that have been highlighted in lesson observations, learning walks or drop-ins.

Objective 3 - By ensuring that the "Professional Development" objective refers specifically to the National Standards and is appropriate to the career stage of the staff member.

Objective 4 - By ensuring that the "Excellence in Leadership" objective addresses any key development or school improvement priorities and takes account of the relevant standards.

Structure, governance and management (continued)

Annual assessment

Each member of staff's performance related pay award is formally assessed in respect of the appraisal period. In assessing the performance of the Headteacher, the Trustees will consult the external adviser.
This assessment is the end point to the annual appraisal process, but performance and development priorities for the senior staff detailed above are reviewed and addressed on a regular basis throughout the year by means of:

- Lesson / task observations
- Planning and work scrutiny
- Self-review in terms 2 and 6
- Interim review meeting with the appraiser in term 4
- Observation I scrutiny of leadership and management activities where appropriate
- Line Management meetings
- Other feedback received or obtained during the cycle relevant to overall performance
- Monitoring of internal data on attainment and progress

h. Trade union facility time

Relevant union officials

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

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time	**£**	
Total cost of facility time	**8,000**	
Total pay bill	**5,936,000**	
Percentage of total pay bill spent on facility time	**0.13**	%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility hours	**100.00**	%

TRUSTEES' REPORT (CONTINUED)
For the Year Ended 31 August 2022

Objectives and activities

a. Objectives and aims

The principal object and activity of the school is to advance, for the public benefit, education of the highest standard offering a broad and balanced curriculum.

The school's mission is to improve and maintain the progress of all students from Year 7-13. The principal aims of the Academy Trust are to:

- provide a happy, high quality learning and teaching environment that ensures all students will achieve their personal best
- ensure students receive appropriate guidance so that they become good citizens
- guide students so that they are equipped to undertake further education and for the world of work
- ensure students enjoy their time at Seaford Head School and develop their talents and interests in order that they derive maximum benefit from their time at the school
- ensure best value for money is achieved from the funds expended
- conduct the Academy Trust's business in accordance with the highest standards of integrity and probity.

Objective One: Student Achievement
To raise the attainment, achievement and progress of all students through the effective interpretation of data, intervention, mentoring and partnerships with parents.

Strategic Responsibility: Headteacher; Head of Sixth Form; All Assistant Headteachers through line management and strategic responsibilities.

Key Outcomes:
- Performance in basics at 9 – 4 and 9 – 5 level
- Progress in the sixth form is in line with the National average

Objective Two: Quality of teaching and learning
To ensure the quality of all lessons is consistently high, through effective teaching, purposeful marking and feedback and excellent student engagement

Strategic Responsibility: Assistant Headteacher in charge of Learning and Teaching

Key Outcomes:
- CPD ensures discussion and debate to challenge all staff to develop pedagogy at all career stages.
- CPD also allows for peer collaboration for coaching, sharing of best practice and development of new practices to support the best possible outcomes for all students
- CPD programmes closely link to appraisal and the school improvement plan
- Differentiation is provided for different groups of students to allow all groups to progress rapidly in each year
- Progress of all vulnerable students is good
- Quality assurance procedures are rigorous and drive professional development

Objectives and activities (continued)

Objective Three: Behaviour, Safety and Academic Mentoring
To ensure the safety and well-being of all students.

Strategic Responsibility: Assistant Headteacher

Key Outcomes:
- Attendance target of 96% was not met. The school achieved 92.9% which takes into account the attendance reporting requirements during the COVID 19 and the use of x-coding and subsequent i-coding this year regarding COVID 19 and attendance.

Objective Four: Leadership and Management
Further Improve leadership at all levels to further support improved student progress and outcomes.

Strategic Responsibility: Trustees, Headteacher and SLT

Key Outcomes:
- To further develop the Seaford Learning Trust; to develop an "all – through" educational experience for the children of Seaford
- To further develop the IT infrastructure to support student learning at every Key Stage and to engage parents.
- To continue to promote staff well – being and personalized career development
- To continue to engage with other agencies and providers to ensure all students are supported and challenged to secure the very best outcomes.

b. Public benefit

The Trustees have referred to the guidance on public benefit published by the Charity Commission. The school's stated objective includes advancing for the public benefit education in the United Kingdom by establishing, maintaining, carrying on managing and developing a school offering a broad and balanced curriculum.

During the year the school has provided support and facilities for recreation for the community through its links with: Wave Leisure Trust, a number of Caravan Clubs, Seaford Town Football Club, Seaford Netball Club, Seaford Silver Band, Seaford Cricket Club and Glynde Cricket Club

TRUSTEES' REPORT (CONTINUED)
For the Year Ended 31 August 2022

Strategic report

Achievements and performance

a. Key performance indicators

The Academy Trust has ended another year with an extremely positive set of results at GCSE.

The focus on English and Maths, with increased staffing in these subject areas allowing for smaller class sizes and increased levels of intervention / support, has once again boosted attainment.

Following an Ofsted inspection during September 2017 the school was rated 'Outstanding'.

Examination Results for 2021-22

This year grades were awarded based on formal assessments as results returned following two years of exams not taking plcae due to COVID 19 lockdown.

GCSE Results	2022	2021	2020
Percentage of students achieving 9-5 in maths and English	60%	61.9%	60.5%
Percentage of students achieving 9-5 in Maths	63%	64.8%	63.4%
Percentage of students achieving 9-5 in English	82%	75.8%	72.7%
Ebacc 9-5	20.63%	22.9%	19.7%
Attainment 8	53.2%	53.7%	52.5%
Progress 8			0.24%

b. Going concern

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

Financial review

The majority of the funding received by Seaford Head Academy Trust is derived from the Education and Skills Funding Agency by way of grants - the use of which is restricted. These are detailed in the statement of Financial Activities. During the year to 31 August 2022 income was £8,931,229 and expenditure £8,946,609.

TRUSTEES' REPORT (CONTINUED)
For the Year Ended 31 August 2022

Strategic report (continued)

Financial Risk Management Objectives and Policies

The regular funding stream received from the ESFA to support the Academy's requirements is such that when combined with carefully constructed budgets, the risk of cash flow difficulties is minimal. Trustees have assessed the major financial risks which are: excessive staffing, falling student numbers, a major buildings maintenance requirement or an IT failure. Appropriate insurance cover is in place through the Risk Protection Arrangement (RPA) to mitigate against unforeseen insurable occurrences. Cash flow is continually monitored to ensure that the Academy has sufficient funds to meet requirements as they fall due but at present the school's cash position is healthy

The work of auditors both internal and external in checking that internal control procedures are adhered to further reduces risk

a. Reserves policy
The Trustees require a revenue reserve to be created to fund future expenditure related to the School Development Plan's strategic long-term aims and developments. Academies are expected to create reserves from their General Annual Grant (GAG) funding or other income. The Academies Handbook states that previous Education Skills Funding Agency (ESFA) GAG limits on carried forward by trusts from year-to-year have now been removed for eligible trusts. ESFA will report to DfE any trusts where is has serious concerns about a long term substantial surplus with no clear plan for its use

Reserves are placed in a notice Treasury Account to earn interest until required, these reserves are not to exceed 7.5% of the GAG or £500k. The Business Manager reviews the current account on at least a monthly basis to ensure cash flow is maintained.

As at 31 August 2022 the sums held were:
GAG - £1,785,668
General unrestricted fund £638,161
Pension Reserve £988,000
Restricted Fixed Asset Fund £16,305,936

At present the Academy's only policy is to 'sweep' cash funds in excess of £1,000 each day into an interest bearing account within Barclays Bank PLC. This ensures that funds are always immediately available to meet the cash requirements of the Academy Trust and minimises risk to the Academy.

b. Principal risks and uncertainties

The management of risks to the school is undertaken in accordance with the Funding Agreement and the Academies Handbook.

The Trustees are responsible for risk management and for maintaining a sound system of internal controls that supports the achievement of its objectives, whilst safeguarding public funds, other funds and assets for which it is responsible. The Trustees are advised in this role by the Business Manager and both are advised and informed by the Senior Leadership Team.

The major risks to which the school is exposed and the management of those risks is as follows:

Strategic and Reputational risks - which are maintained by:
- achieving excellent examination results achieving favourable Ofsted report
- ensuring high levels of student discipline
- careful attention to Health and Safety matters particularly in relation to COVID 19
- excellent relations with the local community
- ensuring no adverse publicity impacts on the school
- rigorous DBS checking and site entry control
- appropriate insurance cover

Financial risks - which are overcome by:
- careful and detailed budgeting based on the best information available
- staffing levels established at the optimum level
- careful cost and budget control
- rigorous adherence to financial control systems
- cash flow projections and monitoring
- maintaining high student numbers
- keeping a watchful eye on Sixth Form recruitment, numbers and costs
- achieving best value at all times
- regular and appropriate buildings maintenance and upgrade programmes
- appropriate insurance cover
- appropriate IT system back-up systems and procedures
- the work of external auditors and the Responsible Officer

Operational and Personnel risks - which are controlled through:
- quality checks on management information produced
- adherence to recruitment procedures
- having appropriate policies and procedures in place
- staff retention
- robust performance management/appraisal procedures
- appropriate staff training
- attention to Health and Safety risks - which will be managed through appropriate and rigorous risk assessment
- regular premises checks
- careful, appropriate and regular premises maintenance
- contractor involvement as appropriate
- fire safety checks
- appropriate insurance cover

Compliance Risks - which are controlled through:

- monitoring employment legislation
- keeping abreast of H&S legislation and risks
- adherence to data protection protocols
- welfare legislation compliance
- adherence to requirements of mental health legislation

Trustees have identified the following risks and uncertainties facing the Academy Trust:

Reputational Risks - the continuing success of Seaford Head Academy Trust is dependent on excellent results being achieved by maintaining the highest standards of learning and teaching. Trustee involvement in reviews, lesson observation and standards aims to ensure that results are of the highest standard. Trustees also give consideration to other aspects of school life including Health and Safety and safeguarding.

Financial Risk - funding from the ESFA / Government is the majority of all funding received and clearly the continuation of this funding is key to financial security. However, there is always a risk that even minor funding cuts could be introduced which would have a significant detrimental effect on the Academy's financial position. The effects of inflation on a static income budget are significant and must be considered in future planning.

Operational and Personnel Risks - Trustees ensure that the highest standards are maintained when recruiting and monitoring staff, applying safeguarding procedures and adhering to Health and Safety requirements.

Compliance Risks - are controlled through the services of professionals where required.

Fundraising

The Academy does not use any external fundraisers. All fundraising undertaken during the was monitored by the Trustees.

Plans for future periods

Seaford Head Academy Trust will strive to raise student achievement to the best levels possible in order to ensure that they can move on to their desired future course of study. This will be carried out through staff and curriculum development so that the School is equipped to deliver to the highest possible standard.

Funds held as custodian on behalf of others

The Academy Trust and its Trustees do not act as Custodian Trustees of any other charity.

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 13/12/2022 and signed on its behalf by:

J Dilley
(Chair of trustees)

GOVERNANCE STATEMENT

Scope of responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Seaford Learning Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

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

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

Trustee	Meetings attended	Out of a possible
J Dilley, Chair of Trustees	7	7
R Ellis, Headteacher and Accounting Officer	6	7
S Herriott	2	7
J Hollingsworth	6	7
P Holmes-Ling, Parent Governor	4	7
S Huebbe	4	7
M Rooms, Vice Chair	7	7
C Skene, Staff Trustee	5	7
S Williams, Staff Trustee	5	7
J Cross, Trustee	0	0
C Mercer	0	0
S Silvester	0	0

The Governing Board had 1 resignation at the end of the academic year. The Board continued to meet remotely allowing them to carry out their duties and has shown to be an effective way of managing the needs of the school. They met 7 times during the year and were provided with extensive quality reports ahead of the meetings allowing them to consider and challenge the information during the meetings.

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

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

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

- discussing budgets at length in order to challenge proposals and ensure effective deployment of funds so that value for money is achieved
- ensuring sound systems of control (financial and teaching review) to provide quality within educational delivery in order to maximise results attainment and to develop young people who possess the skills required to thrive in the world of work and further education
- placing budget responsibility and accountability on managers so that they work effectively in respect of achieving best value within their respective areas
- establishing a staffing structure which ensures that staff are deployed in the most efficient way possible. The financial implications of any planned changes to the structure are costed to ensure they are affordable and achieve the required cost benefits
- performance management procedures ensure that staff performance is closely monitored with particular emphasis on the achievement of outstanding lessons by teaching staff. Learning walks are undertaken by senior staff to monitor lesson standards
- tackling shortcomings through a programme of mentoring, training and support which ensures that an acceptable standard is achieved - in turn ensuring that best value is achieved for the school from this area of expenditure

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 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 Seaford Learning Trust for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy 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's significant risks that has been in place for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework

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

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

The Board of Trustees has decided to employ Bishop Fleming as internal auditor.

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

- Testing completeness of income and review of debtors report
- Testing completeness of expenditure and scheme of delegation
- Testing of procurement process
- Testing of bank reconciliation and appropriateness of credit card expenditure
- Testing of fixed asset register to ensure completeness and adherence to funding agreement
- Testing of adherence to the Academy Trust Handbook

The findings were shared with the trust board.

The ongoing coronavirus pandemic meant that meetings on-site were not always possible so these continued with a mixture of on-site and remote meetings throughout the year. Subject review meetings were also carried out in this way which has ensured that the governors had a full understanding of what was going on in school even though they could not actually attend the site. This allowed the governors to still be satisfied that they were discharging their responsibilities fully within the restrictions that were in place.

GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

As accounting officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

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

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 13/12/2022 and signed on their behalf by:

Jon Dilley
Chair of Trustees

R Ellis, Headteacher
Accounting Officer

SEAFORD LEARNING TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Seaford Learning Trust I have considered my responsibility to notify the Academy 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, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Trust Handbook 2022.

I confirm that I and the Academy Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Trust Handbook 2022.

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

R Ellis
Accounting Officer
Date: 13/12/2022

SEAFORD LEARNING TRUST
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
For the Year Ended 31 August 2022

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

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

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

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

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

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

Approved by order of the members of the Board of Trustees on 13/12/2022 and signed on its behalf by:

J Dilley
Chair of Trustees

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SEAFORD LEARNING TRUST

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Academy'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.

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SEAFORD LEARNING TRUST (CONTINUED)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SEAFORD LEARNING TRUST (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

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

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the Academy Trust and the sector as a whole, and through discussion with the Trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to child protection and safeguarding, health and safety and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Statement of Recommended Practice, Academies Accounts Direction, Academies Trust Handbook, taxation and pension legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or reduce expenditure, management bias in accounting estimates and judgemental areas of the financial statements such as the valuation of land and buildings and revenue and noncompliance with financial management and governance requirements which are consistent with the obligations of public funded bodies. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud, and review of the reports made by management and internal audit; and
- Assessment of identified fraud risk factors; and
- Consideration of income streams, completeness of income and compliance with the obligations of funders including the ESFA
- Review of cash and credit card expenditure to confirm no evidence of personal benefit; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Identifying key contracts and confirming that all required procurement and tendering procedures have been followed; and
- Checking and reperforming the reconciliation of key control accounts; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with relevant tax and regulatory authorities; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including

those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Academy's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Academy's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' Report. However, future events or conditions may cause the Academy to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SEAFORD LEARNING TRUST (CONTINUED)

Use of our report

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

Simon Webber BA (Hons), DChA, FCA (Senior statutory auditor)
for and on behalf of
Kreston Reeves LLP
Statutory Auditor
Chartered Accountants
Chichester

Date: 14/12/2022

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SEAFORD LEARNING TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 31/05/2022 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 Seaford Learning Trust during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Seaford Learning Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Seaford Learning Trust's funding agreement with the Secretary of State for Education dated 01/08/2012 and the Academies Financial Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

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

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's income and expenditure.

Work undertaken

The work undertaken to draw our conclusion includes:

- Reviewed expenditure against specific terms of grant funding within the funding agreement
- Ensured that grants have been applied for the purposes intended
- Confirmed internal control procedures exist and work as documented relating to expenditure and have been complied with
- Confirmed regularity relating to expense claims and that they are nor for personal benefit
- Reviewed expenditure and considered whether any supply from related parties
- Reviewed minutes for declarations of interest
- Considered whether other income activities are permitted within the Academy Trust's charitable objectives
- Considered if borrowing agreements, including leases, have been made in accordance with the Academies Financial Handbook
- Confirmed that procurement and tendering procedures exist relating to expenditure and have been complied with
- Reviewed governance arrangements

Conclusion

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

Reporting Accountant
Kreston Reeves LLP
Statutory Auditor
Chartered Accountants

Date: 14/12/2022

SEAFORD LEARNING TRUST
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
For the Year Ended 31 August 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Income from:						
Donations and capital grants	3	-	-	**1,123,170**	**1,123,170**	*70,333*
Other trading activities	5	**253,640**	**3,000**	-	**256,640**	*115,892*
Investments	6	**1,693**	-	-	**1,693**	*230*
Charitable activities	4	-	**8,232,319**	-	**8,232,319**	*7,783,969*
Total income		**255,333**	**8,235,319**	**1,123,170**	**9,613,822**	*7,970,424*
Expenditure on:						
Charitable activities	9	**79,945**	**8,251,479**	**615,185**	**8,946,609**	*8,569,279*
Total expenditure		**79,945**	**8,251,479**	**615,185**	**8,946,609**	*8,569,279*
Net income/(expenditure)		**175,388**	**(16,160)**	**507,985**	**667,213**	*(598,855)*
Transfers between funds	19	**(128,061)**	-	**128,061**	-	-
Net income / expenditure		**47,327**	**(16,160)**	**636,046**	**667,213**	*(598,855)*
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	26	-	**2,874,000**	-	**2,874,000**	*(162,000)*
Net movement in funds		**47,327**	**2,857,840**	**636,046**	**3,541,213**	*(760,855)*
Reconciliation of funds:						
Total funds brought forward	19	**590,834**	**(84,172)**	**16,352,483**	**16,859,145**	*17,620,000*
Net movement in funds	19	**47,327**	**2,857,840**	**636,046**	**3,541,213**	*(760,855)*
Total funds carried forward	19	**638,161**	**2,773,668**	**16,988,529**	**20,400,358**	*16,859,145*

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

The notes on pages 28 to 52 form part of these financial statements.

SEAFORD LEARNING TRUST
(A Company Limited by Guarantee)
Registered number: 08122579

BALANCE SHEET
As at 31 August 2022

	Note		2022 £		*2021 £*
Fixed assets					
Tangible assets	14		**16,305,936**		*16,352,482*
			16,305,936		*16,352,482*
Current assets					
Debtors	15	**1,163,890**		*467,855*	
Cash at bank and in hand		**2,592,619**		*2,363,214*	
		3,756,509		*2,831,069*	
Creditors: amounts falling due within one year	16	**(637,393)**		*(806,303)*	
Net current assets			**3,119,116**		*2,024,766*
Total assets less current liabilities			**19,425,052**		*18,377,248*
Creditors: amounts falling due after more than one year	17		**(12,694)**		*(16,103)*
Net assets excluding pension asset / liability			**19,412,358**		*18,361,145*
Defined benefit pension scheme asset / liability	26		**988,000**		*(1,502,000)*
Total net assets			**20,400,358**		*16,859,145*
Funds of the Academy					
Restricted funds:					
Fixed asset funds	19	**16,988,529**		*16,352,483*	
Restricted income funds	19	**1,785,668**		*1,417,828*	
Restricted funds excluding pension liability / asset	19	**18,774,197**		*17,770,311*	
Pension reserve	19	**988,000**		*(1,502,000)*	
Total restricted funds	19		**19,762,197**		*16,268,311*
Unrestricted income funds	19		**638,161**		*590,834*
Total funds			**20,400,358**		*16,859,145*

BALANCE SHEET (CONTINUED)
As at 31 August 2022

The financial statements on pages 24 to 52 were approved by the Trustees, and authorised for issue on 13/12/2022 and are signed on their behalf, by J Dilley:

J Dilley
(Chair of Trustees)

The notes on pages 28 to 52 form part of these financial statements.

SEAFORD LEARNING TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
For the Year Ended 31 August 2022

	Note	2022 £	*2021 £*
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	21	**(298,909)**	*835,639*
Cash flows from investing activities	22	**528,315**	*(579,434)*
Change in cash and cash equivalents in the year		**229,406**	*256,205*
Cash and cash equivalents at the beginning of the year		**2,363,213**	*2,107,009*
Cash and cash equivalents at the end of the year	23, 24	**2,592,619**	*2,363,214*

The notes on pages 28 to 52 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 August 2022

1. Accounting policies

Seaford Head Academy Trust is a company limited by guarantee incorporated in England and Wales. The registered office is Arundel Road, Seaford, East Sussex BN25 4LX.

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

1.1 Basis of preparation of financial statements

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

Seaford Learning Trust meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

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

1. Accounting policies (continued)

1.3 Income

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

- **Grants**

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

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

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

- **Donations**

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

- **Other income**

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

1.4 Expenditure

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

- **Charitable activities**

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

  All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

1. Accounting policies (continued)

1.6 Tangible fixed assets

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

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

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

Depreciation is provided on the following basis:

Land and buildings	-	2% straight line
Fixtures, fittings and equipment	-	10% straight line
Computer equipment	-	33% straight line

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

1.7 Debtors

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

1.8 Cash at bank and in hand

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

1.9 Liabilities

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy 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. Accounting policies (continued)

1.10 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. 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 as detailed in notes 16 and 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.11 Operating leases

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

1.12 Pensions

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

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

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

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

1. Accounting policies (continued)

1.13 Agency arrangements

The Academy Trust acts as an agent in the administering of 16-19 bursary funds from the ESFA. Related payments received from the ESFA and subsequently disbursements to students are excluded from the Statement of Financial Activities to the extent that the Academy Trust does not have a beneficial interest in the individual transactions. The allowance of 5% as a contribution to administration costs is however recognised within the Statement of Financial Activities. Where funds have not been fully paid in the year then an amount will be included as amounts due to the ESFA.

1.14 Fund accounting

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

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

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

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

Certain employees participate in a multi-employer defined benefit pension scheme with other schools in the region. In the judgment of the Trustees, the Academy Trust does not have sufficient information on the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets. Therefore the scheme is accounted for as a defined contribution scheme.

In the judgment of the Trustees it is appropriate to prepare the financial statements in accordance with the going concern basis of accounting. See note 1.2 for further details.

The Academy Trust has entered into a range of lease commitments in respect of property, plant and equipment. The classification of these leases as either financial or operating leases requires the Trustees to consider whether the terms and conditions of each lease as such that the company has acquired the risk and rewards associated with the ownership of the underlying asset.

Tangible fixed assets - The academy's tangible fixed assets are stated at their cost less provision for depreciation and impairment. The academy's accounting policy sets out the approach to calculating depreciation for immaterial assets acquired. For material assets such as land and buildings the academy determines at acquisition the reliable estimates for the useful life of the asset and its residual value. These estimates are based upon factors such as the expected use of the acquired asset and market conditions. At subsequent reporting dates the Trustees consider whether there are any factors which indicate that there would be a need to reconsider the estimates used.

3. Income from donations and capital grants

	Restricted fixed asset funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Donations	27,900	**27,900**	*42,950*
Capital Grants	1,095,270	**1,095,270**	*27,383*
	1,123,170	**1,123,170**	*70,333*
Total 2021	*70,333*	*70,333*	

4. Funding for the Academy's educational operations

	Restricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
DfE/ESFA grants			
General Annual Grant	7,592,649	**7,592,649**	*7,216,385*
Other DfE/ESFA grants			
Pupil Premium	231,244	**231,244**	*195,961*
Others	26,459	**26,459**	*45,301*
	7,850,352	**7,850,352**	*7,457,647*
Other Government grants			
Local authority grants	68,389	**68,389**	*133,600*
Special education projects	90,515	**90,515**	*54,852*
	158,904	**158,904**	*188,452*
COVID-19 additional funding (DfE/ESFA)			
Catch-up Premium	28,275	**28,275**	*94,080*
Other DfE/ESFA COVID-19 funding	194,788	**194,788**	*43,790*
	223,063	**223,063**	*137,870*
	8,232,319	**8,232,319**	*7,783,969*
Total 2021	*7,783,969*	*7,783,969*	

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

In the year to 31 August 2021, Teachers pay and Teachers pension grants were presented separately in the financial statements. Following a change to the structure of DfE/ESFA funding in the current year, these two grants are now included as part of the General annual grant and are no longer separately identifiable. Therefore the prior year's Teachers pay (£92,768) and Teachers pension grant (£262,137) have been amalgamated with the General annual grant (£6,861,480), for comparative purposes.

The Trust received £28,275 of funding for catch-up premium in the year to 31 August 2022. The Trust had brought forward unspent fund in respect of catch-up premium fund of £40,299 and costs incurred in the year to 31 August 2022 respect of this funding totalled £68,575.

5. Income from other trading activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Hire of facilities	20,646	-	**20,646**	*4,726*
School trip income	83,792	-	**83,792**	*8,245*
Other	149,202	3,000	**152,202**	*102,922*
	253,640	3,000	**256,640**	*115,893*
Total 2021	*108,893*	*7,000*	*115,893*	

6. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Bank interest	1,693	**1,693**	*230*
Total 2021	*230*	*230*	

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 August 2022

7. Expenditure

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £	*Total 2021 £*
Direct costs - Educational Operations:					
Direct costs	5,879,384	-	1,160,453	**7,039,837**	*5,583,961*
Allocated support costs	1,005,158	441,172	460,442	**1,906,772**	*2,985,318*
	6,884,542	441,172	1,620,895	**8,946,609**	*8,569,279*
Total 2021	*6,615,046*	*580,800*	*1,373,433*	*8,569,279*	

8. Prior year restatement

The prior year direct and support costs have been restated to be in line with the chart of accounts published by the Dfe

9. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	*Total funds 2021 £*
Educational Operations	7,039,837	1,906,772	**8,946,609**	*8,569,279*
Total 2021	*6,739,868*	*1,829,411*	*8,569,279*	

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 August 2022

9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2022 £	*Total funds 2021 £*
Staff costs	**5,879,384**	*5,679,788*
Depreciation	**615,185**	*607,679*
Educational software and licences	**64,390**	*93,146*
Educational supplies	**245,357**	*122,126*
Examination fees	**122,402**	*120,143*
Recruitment and support	**60,513**	*53,182*
Educational consultancy	**33,827**	*42,239*
Other direct costs	**18,779**	*21,565*
	7,039,837	*6,739,868*

Analysis of support costs

	Total funds 2022 £	*Total funds 2021 £*
Pension finance costs	**27,000**	*19,000*
Staff costs	**1,005,158**	*935,258*
Technology costs	**11,178**	-
Recruitment and support	**5,838**	*5,889*
Maintenance of premises and equipment	**200,106**	*348,283*
Cleaning	**66,066**	*56,459*
Rent and rates	**31,235**	*48,568*
Energy costs	**132,763**	*127,490*
Insurance	**31,907**	*31,359*
Governance costs	**102,711**	*62,522*
Security and transport	**8,977**	*24,864*
Catering	**73,452**	*64,993*
Bank interest and charges	**305**	*704*
Other support costs	**210,076**	*104,022*
	1,906,772	*1,829,411*

9. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

During the year ended 31 August 2022, Seaford Head Academy Trust incurred £102,711 (2021: £62,522) of Governance costs. This is made up of £20,155 (2021: £17,750) of audit and accountancy fees and £82,556 (2021: £44,772) of legal and professional fees.

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2022 £	*2021* *£*
Operating lease rentals	**16,529**	*13,441*
Depreciation of tangible fixed assets	**615,185**	*607,679*
Fees paid to auditors for:		
- audit	**13,000**	*11,000*
- other services	**7,315**	*6,750*

11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2022 £	*2021* *£*
Wages and salaries	**4,906,435**	*4,681,465*
Social security costs	**500,256**	*468,995*
Pension costs	**1,395,168**	*1,293,676*
	6,801,859	*6,444,136*
Agency staff costs	**82,683**	*161,900*
Staff restructuring costs	**-**	*9,010*
	6,884,542	*6,615,046*

Staff restructuring costs comprise:

	2022 £	*2021* *£*
Severance payments	**-**	*9,010*
	-	*9,010*

11. Staff (continued)

b. Staff numbers

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

	2022 No.	*2021 No.*
Teachers	**71**	*78*
Administration and support	**79**	*65*
Management	**12**	*12*
	162	*155*

c. Higher paid staff

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

	2022 No.	*2021 No.*
In the band £60,001 - £70,000	**4**	*5*
In the band £110,001 - £120,000	**1**	*1*

d. Key management personnel

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £925,828 *(2021 - £971,240)*.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 August 2022

12. Trustees' remuneration and expenses

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

		2022	*2021*
		£	*£*
R Ellis, Headteachers and Accounting Officer	Remuneration	**115,000 - 120,000**	*115,000 - 120,000*
	Pension contributions paid	**25,000 - 30,000**	*25,000 - 30,000*
S Williams, Staff Trustee	Remuneration	**20,000 - 25,000**	*20,000 - 25,000*
	Pension contributions paid	**0 - 5,000**	*0 - 5,000*
C Skene, Staff Trustee	Remuneration	**50,000 - 55,000**	*50,000 - 55,000*
	Pension contributions paid	**10,000 - 15,000**	*5,000 - 10,000*

During the year ended 31 August 2022, no Trustee expenses have been incurred *(2021 - £NIL)*.

13. Trustees' and Officers' insurance

The Academy has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme membership.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 August 2022

14. Tangible fixed assets

	Land and buildings £	Fixtures, fittings and equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2021	**17,641,357**	**2,695,814**	**917,828**	**21,254,999**
Additions	**333,909**	**206,829**	**27,900**	**568,638**
At 31 August 2022	**17,975,266**	**2,902,643**	**945,728**	**21,823,637**
Depreciation				
At 1 September 2021	**2,026,392**	**2,051,974**	**824,150**	**4,902,516**
Charge for the year	**288,011**	**265,918**	**61,256**	**615,185**
At 31 August 2022	**2,314,403**	**2,317,892**	**885,406**	**5,517,701**
Net book value				
At 31 August 2022	**15,660,863**	**584,751**	**60,322**	**16,305,936**
At 31 August 2021	*15,614,965*	*643,840*	*93,678*	*16,352,483*

15. Debtors

	2022 £	*2021 £*
Due within one year		
Trade debtors	**13,718**	*80*
Other debtors	**5,345**	*1,394*
Prepayments and accrued income	**1,090,894**	*352,641*
Tax recoverable	**53,933**	*113,740*
	1,163,890	*467,855*

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 August 2022

16. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	**147,451**	*217,445*
Other taxation and social security	**247,439**	*118,097*
Other creditors	**12,797**	*128,328*
Accruals and deferred income	**229,706**	*342,433*
	637,393	*806,303*

17. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Other creditors	**12,694**	*16,103*

18. Deferred income

	2022 £	2021 £
Deferred income at 1 September 2021	-	*86,000*
Amounts released from previous periods	-	*(86,000)*
Deferred income at 31 August 2022	-	-

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 August 2022

19. Statement of funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
General Funds - all funds	590,834	255,333	(79,945)	(128,061)	-	638,161
Restricted general funds						
General annual grant (GAG)	1,377,529	7,526,484	(7,118,345)	-	-	1,785,668
Other DfE/ESFA	-	323,868	(323,868)	-	-	-
Other government grants	-	356,692	(356,692)	-	-	-
Covid-19 Catch-up Premium	40,299	28,275	(68,574)	-	-	-
Pension reserve	(1,502,000)	-	(384,000)	-	2,874,000	988,000
	(84,172)	8,235,319	(8,251,479)	-	2,874,000	2,773,668
Restricted fixed asset funds						
Transferred on conversion	11,306,010	-	(425,335)	-	-	10,880,675
DfE/ESFA capital grants	4,658,470	1,123,170	(175,253)	-	-	5,606,387
Capital expenditure from GAG	382,218	-	(14,379)	128,061	-	495,900
Private sector capital sponsorship	5,785	-	(218)	-	-	5,567
	16,352,483	1,123,170	(615,185)	128,061	-	16,988,529
Total Restricted funds	16,268,311	9,358,489	(8,866,664)	128,061	2,874,000	19,762,197
Total funds	16,859,145	9,613,822	(8,946,609)	-	2,874,000	20,400,358

19. Statement of funds (continued)

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

General Annual Grant must be used for the normal running costs of the Academy Trust.

Other DfE/ESFA grants consist of grants received for insurance costs, rates costs and pupil premium.

Other government grants represents local authority and special education grants, which represent grants received in order to provide additional teaching resources for children with special learning needs.

Covid-19 catch-up premium relates to catch-up premium for 21/22 academic year to support children and young people to catch up on lost time after school closures.

Restricted fixed asset funds transferred on conversion represents long leasehold land and buildings and fixtures and fittings previously transferred to the Academy Trust. These assets were transferred from schools on conversion. Expenditure relating to this income stream is depreciation charge on those assets.

DfE/ESFA capital grants consist of capital improvement funds and devolved formula capital grants received in order to purchase tangible fixed assets.

Capital expenditure from GAG is where the Trust have transferred funds from restricted funds in order to assist with capital funding.

Private sector capital funds consist of funds received in order for the Academy Trust to provide disabled access.

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

19. Statement of funds (continued)

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

	Balance at 1 September 2020 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 31 August 2021* £
Unrestricted funds						
General funds	*487,000*	*109,123*	*(5,289)*	-	-	*590,834*
Restricted general funds						
General annual grant (GAG)	*1,285,000*	*6,861,480*	*(6,779,122)*	*10,171*	-	*1,377,529*
Other DfE/ESFA	-	*639,957*	*(639,958)*	-	-	*(1)*
Other government grants	-	*195,452*	*(195,452)*	-	-	-
Covid-19 Catch-up Premium	-	*94,080*	*(53,780)*	-	-	*40,300*
Pension reserve	*(1,052,000)*	-	*(288,000)*	-	*(162,000)*	*(1,502,000)*
	233,000	*7,790,969*	*(7,956,312)*	*10,171*	*(162,000)*	*(84,172)*
Restricted fixed asset funds						
Transferred on conversion	*11,727,000*	-	*(420,990)*	-	-	*11,306,010*
DfE/ESFA capital grants	*4,760,000*	*70,333*	*(171,863)*	-	-	*4,658,470*
Capital expenditure from GAG	*407,000*	-	*(14,611)*	*(10,171)*	-	*382,218*
Private sector capital sponsorship	*6,000*	-	*(215)*	-	-	*5,785*
	16,900,000	*70,333*	*(607,679)*	*(10,171)*	-	*16,352,483*
Total Restricted funds	*17,133,000*	*7,861,302*	*(8,563,991)*	-	*(162,000)*	*16,268,311*
Total funds	*17,620,000*	*7,970,425*	*(8,569,280)*	-	*(162,000)*	*16,859,145*

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 August 2022

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	16,305,936	**16,305,936**
Current assets	1,320,754	2,435,755	-	**3,756,509**
Creditors due within one year	-	(637,393)	-	**(637,393)**
Creditors due in more than one year	-	(12,694)	-	**(12,694)**
Provisions for liabilities and charges	-	988,000	-	**988,000**
Difference	(682,593)	-	682,593	-
Total	638,161	2,773,668	16,988,529	**20,400,358**

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	*Restricted funds 2021 £*	*Restricted fixed asset funds 2021 £*	*Total funds 2021 £*
Tangible fixed assets	-	-	*16,352,483*	*16,352,483*
Current assets	*590,834*	*2,240,235*	-	*2,831,069*
Creditors due within one year	-	*(806,303)*	-	*(806,303)*
Creditors due in more than one year	-	*(16,103)*	-	*(16,103)*
Provisions for liabilities and charges	-	*(1,502,000)*	-	*(1,502,000)*
Total	*590,834*	*(84,171)*	*16,352,483*	*16,859,146*

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 August 2022

21. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2022 £	2021 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	**667,213**	*(598,855)*
Adjustments for:		
Depreciation	**615,185**	*607,679*
Capital grants from DfE and other capital income	**(1,095,260)**	*(70,333)*
Interest receivable	**(1,693)**	*(230)*
Defined benefit pension scheme cost less contributions payable	**357,000**	*269,000*
Defined benefit pension scheme finance cost	**27,000**	*19,000*
(Increase)/decrease in debtors	**(696,035)**	*251,757*
(Decrease)/increase in creditors	**(172,319)**	*357,621*
Net cash (used in)/provided by operating activities	**(298,909)**	*835,639*

22. Cash flows from investing activities

	2022 £	2021 £
Dividends, interest and rents from investments	**1,693**	*230*
Purchase of tangible fixed assets	**(568,638)**	*(649,997)*
Capital grants from DfE Group	**1,095,260**	*70,333*
Net cash provided by/(used in) investing activities	**528,315**	*(579,434)*

23. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand and at bank	**2,592,619**	*2,363,214*
Total cash and cash equivalents	**2,592,619**	*2,363,214*

24. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	2,363,214	229,405	2,592,619
	2,363,214	229,405	2,592,619

25. Contingent liabilities

During the year the Academy Trust received Condition Improvement Funding (CIF) amounting to £682,000 relating to a capital project that requires planning permission before it can be undertaken. The planning application has been submitted by the Academy Trust and is due to be heard in early 2023. The Trust are aware of a number of objections to the application however they still believe that permission will be achieved. Pending the outcome of the planning process additional CIF amounts due to the Trust in respect of the project have been put on hold. Additionally in the event that planning permission is not achieved, and the project is unable to go ahead, the terms of the CIF grant require the monies received to date of £682,000 to be repaid.

26. Pension commitments

The Academy'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 East Sussex Pension Fund. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £119,671 were payable to the schemes at 31 August 2022 *(2021 - £117,853)* and are included within creditors.

Teachers' Pension Scheme

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

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

26. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £828,209 *(2021 - £810,912)*.

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £260,000 *(2021 - £274,000)*, of which employer's contributions totalled £199,000 *(2021 - £214,000)* and employees' contributions totalled £ 61,000 *(2021 - £60,000)*. The agreed contribution rates for future years are 18.2 per cent for employers and 5.5 to 12.5 per cent for employees.

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

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

26. Pension commitments (continued)

Principal actuarial assumptions

	2022 %	2021 %
Rate of increase in salaries	**2.95**	*2.90*
Discount rate for scheme liabilities	**4.25**	*1.65*
Inflation assumption (CPI)	**2.95**	*2.90*

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

	2022 Years	2021 Years
Retiring today		
Males	**21.2**	*21.2*
Females	**23.8**	*23.7*
Retiring in 20 years		
Males	**22.1**	*22.0*
Females	**25.1**	*25.1*

Share of scheme assets

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

	2022 £	2021 £
Equities	**3,579,000**	*3,613,000*
Corporate bonds	**768,000**	*787,000*
Property	**446,000**	*350,000*
Cash and other liquid assets	**125,000**	*87,000*
Total market value of assets	**4,918,000**	*4,837,000*

The actual (loss)/return on scheme assets was £(10,000) *(2021 - £522,000)*.

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

	2022 £	2021 £
Current service cost	**(556,000)**	*(483,000)*
Interest income	**78,000**	*67,000*
Interest cost	**(105,000)**	*(86,000)*
Total amount recognised in the Statement of Financial Activities	**(583,000)**	*(502,000)*

26. Pension commitments (continued)

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

	2022 £	2021 £
At 1 September	**6,339,000**	*5,067,000*
Current service cost	**556,000**	*483,000*
Interest cost	**105,000**	*86,000*
Employee contributions	**61,000**	*60,000*
Actuarial (gains)/losses	**(2,884,000)**	*684,000*
Benefits paid	**(67,000)**	*(41,000)*
At 31 August	**4,110,000**	*6,339,000*

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

	2022 £	2021 £
At 1 September	**4,837,000**	*4,015,000*
Interest income	**78,000**	*67,000*
Actuarial (losses)/gains	**(10,000)**	*522,000*
Employer contributions	**199,000**	*214,000*
Employee contributions	**61,000**	*60,000*
Benefits paid	**(67,000)**	*(41,000)*
At 31 August	**5,098,000**	*4,837,000*

27. Operating lease commitments

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

	2022 £	2021 £
Not later than 1 year	**9,336**	*13,021*
Later than 1 year and not later than 5 years	**1,286**	*16,756*
	10,622	*29,777*

28. Members' liability

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

29. Related party transactions

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

30. Post balance sheet events

Chyngton Primary School based in Seaford, East Sussex joined the Trust on the 1st October 2022.

31. Agency arrangements

The Academy Trust administers the disbursement of the discretionary support for learners, 16-19 Bursary Funds, on behalf of the ESFA. An amount of £8,194 (2021: £13,171) was included in creditors at 31 August 2022.