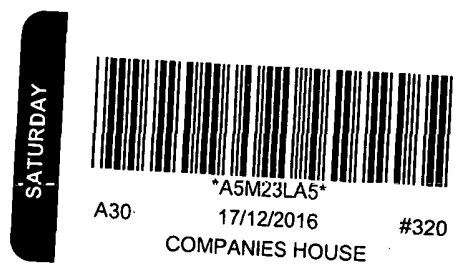


Registrar's Copy

SOUTH EAST ESSEX ACADEMY TRUST
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016



SOUTH EAST ESSEX ACADEMY TRUST
(A company limited by guarantee)

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SOUTH EAST ESSEX ACADEMY TRUST
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY TRUST, ITS DIRECTORS AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2016**

Members

Mr O Aggarwal
Mr M S C Foster
Dr P B Hayman
Mrs S Worthington
Mr M Wilson

Directors

Mrs H J Boyd^{2,4}
Mr G T E Crispin^{1,2,4}
Mr M S C Foster, Chair of SEEAT Board^{1,2}
Mrs J Harding²
Dr P B Hayman, Executive Principal and Accounting Officer^{1,2}
Mr W Hill^{1,2}
Mr M I Lambert^{1,2,3,4}
Mrs A J Solomons²
Mr D Struthers^{1,2}
Mr M D Wilson^{1,3}
Mrs S Worthington, Vice Chair^{1,2,4}
Mr M Rodgers (appointed 1 September 2015, resigned 31 August 2016)^{1,2}
Mrs J Ruffle (appointed 17 September 2015)¹

- ¹ Resources Committee
- ² Strategy & Standards Committee
- ³ Audit Committee
- ⁴ Pay Committee

Company registered number

07527304

Company name

South East Essex Academy Trust

Principal and registered office

Westcliff High School for Girls
Kenilworth Gardens
Westcliff-on-Sea
Essex
SS0 0BS

Senior management team

Dr P B Hayman, Executive Principal
Mr N P Brunning, Finance and Operations Director
Mr W Hill, Headteacher, Prince Avenue Academy and Nursery
Mr S Owen, Head of School, Rochford Primary School
Mrs L Wass, Head of School, Holt Farm Junior School

SOUTH EAST ESSEX ACADEMY TRUST
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY TRUST, ITS DIRECTORS AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2016**

Advisers (continued)

Independent auditors

MWS
Chartered Accountants
Statutory Auditor
Kingsridge House
601 London Road
Westcliff-on-Sea
Essex
SS0 9PE

Bankers

Barclays Bank
63-65 High Street
Rayleigh
Essex
SS6 7EL

Lloyds Bank
77 High Street
Southend-on-Sea
Essex
SS1 1HT

Solicitors

BTMK
19 Clifftown Road
Southend-on-Sea
Essex
SS1 1AB

Nockolds Solicitors
Market Square
Bishop's Square
Hertfordshire
CM23 3UZ

SOUTH EAST ESSEX ACADEMY TRUST
(A company limited by guarantee)

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2016

The Directors present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2015 to 31 August 2016. The Annual report serves the purposes of both a Directors' report, and a Directors' report under company law.

Westcliff High School for Girls; this is an 11-18 school. It has a pupil capacity of 1,110 and had a roll of 1182 in the school census on 6 October 2016; the Education Funding Agency has granted a request from the school to increase the capacity and building plans are in active progress to ensure that the additional facilities are put in place to allow this, with a targeted date of April 2017.

Prince Avenue Academy and Nursery; This is a 4-11 school. It has a pupil capacity of 472 and had a roll of 411 in the school census on 6 October 2016.

Holt Farm Junior School; this is an 8-11 school. It has a pupil capacity of 360 and had a roll of 283 in the school census on 6 October 2016.

Rochford Primary School and Nursery; this is a 4-11 school. It has a pupil capacity of 236 and had a roll of 226 in the school census on 6 October 2016.

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. Constitution

The Academy Trust is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum of Association is the primary governing document of the Academy Trust.

The Directors of South East Essex Academy Trust are also the directors of the charitable company for the purpose of company law.

The four Members of the company are nominated by either the Secretary of State for Education or by existing Members. The Articles of Association require the Members to be responsible for the statutory and constitutional affairs of the company and the management of the Academy Trust.

Details of the Directors who served during the year are included in the Reference and administrative details on page 1.

The first Academy was formed on 11 February 2011 from Westcliff High School for Girls under the procedures for highly successful schools as allowed by the Academies Act 2010.

In May 2013 Westcliff High School for Girls became an accredited Academy Sponsor. With Westcliff High School for Girls, Prince Avenue Academy and Nursery along with Rochford Primary and Nursery School and formed a Multi-Academy Trust (South East Essex Academy Trust, SEEAT) in April 2014. Holt Farm Junior School joined SEEAT in September 2014.

On 1 April 2014 the Governing Body of Westcliff High School for Girls became the Board of Governors for SEEAT and formed a Local Governing Body. The Governing Bodies of Prince Avenue Academy, Nursery and Children's Centre along with Rochford Primary and Nursery School were re-formed as Local Governing Bodies. Following on from its Interim Executive Board, Holt Farm Junior School formed a new Local Governing Body on 27/11/2014.

Details of the Directors who served during the year are included in the Reference and Administrative Details.

SOUTH EAST ESSEX ACADEMY TRUST
(A company limited by guarantee)

DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

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. Method of recruitment and appointment or election of directors

The Directors are recruited from people who have skills and qualities that will provide the Trust Board with the expertise necessary for effective governance. They are appointed by the Members.

d. Policies and procedures adopted for the induction and training of directors

New Directors and Governors receive training and induction depending on their existing experience. Where necessary, induction will provide training on charity, educational, legal and financial matters. All new Directors and Governors will be given a tour of the Academies and the chance to meet with staff and students. All Directors and Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Directors or Governors. As there are few changes to the Directors and Governors, induction tends to be done informally and is tailored specifically to the individual.

e. Pay policy for key management personnel

The Pay Committee is a sub-committee of the Board and sets the remuneration of the SEEAT Management Team who are considered the key personnel of South East Essex Academy Trust. In setting pay, the committee sets a pay range based on the size of the school and the nature of responsibilities taken both within each academy and across the MAT.

f. Organisational structure

The Directors are responsible for the general policies of the Academy Trust and the day-to-day running of the separate schools is delegated to the school's Local Governing Body, the Principal and the remainder of the Senior Management Team. The day-to-day administration is conducted in accordance with policies and procedures approved by the Directors with only significant matters being referred to the Directors for prior approval.

The Executive Principal undertakes the key leadership role overseeing attainment, progress and leadership functions in consultation with the other members of the Headteachers' Steering Group. The Executive Principal is an ex-officio Director and the Accounting Officer and therefore attends all meetings.

Each Academy's Headteacher or Head of School undertakes the key leadership role overseeing educational, pastoral and administrative functions in consultation with the other members of the Senior Management Team. The members of the Senior Management Team are invited to attend Local Governing Body meetings as appropriate.

The Multi-Academy Trust has the following organizational structure:

Level 1	Academy Trust Members
Level 2	Full Board of Directors
Level 3	Sub-committees of Board
Level 4	Executive Principal and Accounting Officer
Level 5	Local Governing Bodies
Level 6	Senior Management Team

SOUTH EAST ESSEX ACADEMY TRUST
(A company limited by guarantee)

DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

g. Connected organisations, including related party relationships

South Essex Teaching School Alliance Trust (SETSAT) is deemed a related party due to the majority of its Trustees being Directors of Westcliff High School for Girls, who also provide services and accommodation to SETSAT.

Southend Education Trust (SET) is a related party as Mr W Hill is a Director of SET and Prince Avenue Academy and Nursery purchases services from SET.

OBJECTIVES AND ACTIVITIES

a. Objects and aims

The charitable trust's objects are:

- (a)(i) to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum;
- (a)(ii) providing childcare facilities and adult training to develop the capacity and skills of parents-to-be and parents with children primarily but not exclusively under five in such a way that they are better able to identify and help meet the needs of children;
- (b) promoting in the areas where the Academies are established the physical, intellectual and social development of primarily but not exclusively children under five especially those who are socially and economically disadvantaged;
- (c) developing the capacity and skills of those inhabitants in the areas where the Academies are established who are socially and economically disadvantaged in such a way that they are better able to identify, and help meet, their needs and to participate more fully in society;
- (d) relieving poverty among the inhabitants in the areas where the Academies are established;
- (e) relieving unemployment in the areas where the Academies are established for the benefit of the public in such ways as may be thought fit, including assistance to find employment;
- (f) advancing the health of the inhabitants in the areas where the Academies are established;
- (g) providing recreational and leisure time facilities in the interests of social welfare for the inhabitants in the areas where the Academies are established especially those who have need of such facilities by reason of their youth, age, infirmity or disablement, poverty or social and economic circumstances.

SOUTH EAST ESSEX ACADEMY TRUST
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DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

b. Objectives, strategies and activities

The principal activity of the Charitable Company is the operation of Academies to provide a broad and balanced education for pupils with an emphasis on academic progression.

The main objectives of the Multi-Academy Trust during the year ended 31 August 2016 are summarised below:

- To provide nursery and primary education for boys and girls aged 3 - 11, at Prince Avenue Academy and Nursery, at Rochford Primary and Nursery School and education for boys and girls aged 7-11 at Holt Farm Junior School, admitted in accordance with the academy's admissions policy
- To provide secondary education at Westcliff High School for Girls, for pupils selected by ability between the ages of 11-19
- To ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care
- To secure the highest level of educational attainment and progress of all pupils
- To improve the effectiveness of each Academy by keeping the curriculum and organisational structure under continual review
- To provide value for money for the funds expended
- To promote links between primary and secondary schools
- To develop a partnership between the schools in the Trust
- To comply with all appropriate statutory and curriculum requirements
- To maintain a successful partnership with parents and carers, and welcome their involvement and support
- To maintain close links with Higher Education institutions
- To maintain close links with industry and commerce; and
- To conduct each Academy's business in accordance with the highest standards of integrity, probity and openness

c. Public benefit

The Directors confirm that they have referred to the guidance contained in the Charity Commission general guidance on public benefit when reviewing the Academy Trust's objectives and aims and in planning future activities for the year. The Directors consider that the Academy Trust's aims are demonstrably to the public benefit.

SOUTH EAST ESSEX ACADEMY TRUST
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DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

ACHIEVEMENTS AND PERFORMANCE

a. Review of activities

For clarity, the academic headlines for each school within the Multi- Academy Trust are listed separately below:

Westcliff High School for Girls

Westcliff High School for Girls was rated Outstanding in the most recent Ofsted inspection conducted in October 2010.

Total students in the year ended 31st August 2016 numbered 1142 with 324 in the Sixth Form. Examination results for 2016 were very pleasing:

At GCSE 100% of Year 11 students achieved 5(+) A*-C grades including English and Mathematics.

At A2 Level, 78.0% of all grades were at A*, A or B. The average UCAS points score per candidate was 368.77.

The level of pupil attendance was 96.64%, significantly higher than the national average.

Westcliff High School for Girls is a licenced centre for the Duke of Edinburgh Award scheme. During this year 157 students achieved the Bronze Award, 68 students achieved the Silver Award and 7 students achieved the Gold Award, the highest completion rate in the South East Region.

Prince Avenue Primary School, Nursery and Children's Centre

Prince Avenue Primary and Nursery was rated Good in the most recent Ofsted inspection conducted in July 2011.

With the introduction of the new National Curriculum and new Standard Assessment Tests in 2016, it is difficult to compare previous year's percentages with those achieved this year. Comparisons with national data for 2016 provide a guide to school performance. Prince Avenue has achieved Key Stage 2 results above the national average in most subjects. Progress measures are significantly above the national average.

Pupil attendance for 2015-16 was 95.1%. This was slightly lower than the previous year. This area continues to be a focus for improvement.

2016 Key Stage 2 Attainment. Percentage of children working at the expected standard
Test Results and Combined Results

	All Pupils (54)	Progress Measure	Boys(27)	Girls(27)	Pupil Premium	SEN (15)	National All Pupils
Reading	74%	+2.7%	70%	78%	70%	40%	66%
Writing Teacher Assessment	76%	+2.0%					74%
Grammar Punctuation and Spelling	85%		85%	85%	70%	60%	72%
Maths	70%	+1.8%	78%	63%	56%	0%	70%
Combined Reading Writing Maths	61%		59%	63%	48%	0%	53%

SOUTH EAST ESSEX ACADEMY TRUST
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DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

2016 Key Stage 1 Attainment. Percentage of children working at the expected standard

	All Pupils (60)	Boys (35)	Girls (25)	Pupil Premium (27)	SEN (18)	National All Pupils
Reading	67%	63%	72%	56%	17%	74%
Writing Teacher Assessment	58%	49%	72%	56%	6%	66%
Maths	63%	66%	60%	52%	22%	73%
Combined Reading Writing Maths	52%					60%

The 2016-17 School Development Plan is focused on actions to raise attainment at KS1.

This year the school has benefited from a complete re-wire and the installation of energy efficient lighting. A new upgraded fire alarm system has been installed. These projects were funded as part of the Local Authority Asset Management Plan the budget for which had been committed before the school became an academy. It has been necessary to spend £2830 on maintaining and managing the trees within the school grounds this year.

Solar panels have been installed on the school roof which will further reduce the school's carbon footprint. These were installed at no cost to the school by the Schools Energy Co-operative. The final section of the school's boundary fencing has been replaced at a cost of £5390. Fibre optic broadband cables have been laid which will increase the capacity and speed of the computer network and internet connection at a cost of £7000.

The school has purchased a new reading and phonics scheme for Foundation Stage and Key Stage One, Read Write Inc, at £6450. The package includes whole staff training and in school support for the implementation and monitoring of the scheme at £2750. To develop the quality of presentation and teaching the school has invested £5495 on visualizers. This equipment has proved to be a both popular and valuable addition to the classrooms.

On 1 October 2016 the operation of the Children's Centre was transferred to Family Action following a review by Southend Borough Council of how they would deliver these services.

Rochford Primary School

The school achieved a GOOD from Ofsted in May 2013. MAT reviews conducted in 2014 and 2015 identified the school as being GOOD in all areas.

Results (unvalidated) for 2016 are:

Reception EYFS: The % of pupils achieving 'A Good Level of Development'

School 2016	National	Essex
72.4%	69%	68%

SOUTH EAST ESSEX ACADEMY TRUST
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DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

Year 1 Phonics Screening Check - % of pupils that passed the check

School 2016	National	Essex
72.4%	69%	68%

Key Stage 1

	School 2016		National 2016 (Provisional)		National
	Expected+	Greater Depth	Expected+	Greater Depth	
Reading	79%	25%	74.1%	23.6%	74%
Writing	72%	25%	65.5%	13.3%	66%
Maths	78%	21%	72.6%	17.8%	73%
GPS *	-	-	-	-	

* GPS was not officially tested in KS1 owing to the paper being available online before the testing period.

Key Stage 2

	School 2016 Expected	National 2016 Expected	Essex 2016 Expected
Reading	59%	66%	66.8%
Writing	72%	74%	76.2%
Maths	53%	70%	71%
GPS	59%	-	-

Holt Farm Junior School

On 1st & 2nd November 2016 Holt Farm Junior School underwent a full section 5 Ofsted Inspection. The inspectors identified that progress had been made and moved the school to a grading of RI (Requires Improvement). The Trust will continue to work with the school so it can secure recognition for further improvement at the earliest opportunity.

Key Stage 2

Combined Reading, Writing and Mathematics results were above national average. Mathematics is a strength.

	Expected Standard (School)	Expected Standard (National)
Reading	64%	66%
Writing	89%	74%
Maths	78%	70%

SOUTH EAST ESSEX ACADEMY TRUST
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DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

GPS	66%	72%
Combined RWM	59%	53%

We are awaiting scores from the Department for Education to review Pupil Progress.

Internal monitoring data concludes that the majority of teaching is good. Overall attendance is 96.2%. There have been no exclusions.

Leadership includes the Executive Headteacher (Mario Rodgers) and Deputy Headteacher (Lucy Wass). The School has an Inclusion Leader for two half days per week, he is also undertaking accredited training.

The school has achieved the Healthy Schools and Youth Sports Trust awards.

During the summer break the school has had the boiler replaced, reroofing work completed and solar panels fitted.

The school's positive reputation has continued to build, so has the numbers on roll. The school will have 10 classes from 1st September (increase from 9). The current Music Room will be used as the new classroom. This has been painted and decorated ready for September.

School development 2016-2017

Lucy Wass is Head of School from 1st September 2016. The Deputy Headteacher position has been appointed and the individual will commence in the role at the start of January 2017. Developing the leadership capacity across the school is a key priority. Two new Phase Leaders will be in post from 1st September to support the development of Middle Leadership. The Inclusion Leader will also be working two full days. Pupil Premium leadership support is in place to close the gap between the progress made by Pupil Premium and Non Pupil Premium across the school. A new member of staff has been appointed to work purely with the Pupil Premium children in the afternoons.

All teachers will be involved in The Inspiring Teachers Programme to support the improvement of the quality of teaching, learning and assessment. A revised Marking and Behaviour policy will be in place from the beginning of the Autumn Term. Greater opportunities for children to apply reading, writing and mathematics skills will be provided.

Strong links within the community will be part of the ethos at Holt Farm Junior School. The school will focus on supporting local charities and work with local club leaders to support our development within Physical Education. Our PTA continues to fund resources to improve our outdoor provision.

Leadership is keen to decorate the school, extend its facilities and avoid having to resort to using the 'portakabins' as classrooms once the school has three forms within each year group.

b. Investment policy and performance

The Academy Trust aims to manage its cash balances to provide for its day-to-day operations

SOUTH EAST ESSEX ACADEMY TRUST
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DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

c. Factors relevant to achieving objectives

Continuous improvement

To ensure that standards are further improved the Academy Trust operates a programme of continuous improvement, supporting the development of teaching and learning through training focused on Teachers' Standards, pupil attainment and the requirements of the Ofsted Framework. This programme includes regular lesson observations, support from external consultants and effective Performance Management. Students are tracked for their progress and achievement; where necessary interventions are undertaken. Pupil progress is assessed against national achievement data at all stages to measure the added value achieved.

Position in the wider community

The Trust's schools draw their intake from Southend and Rochford. This is extended at Westcliff High School for Girls to Essex and the London boroughs.

The schools in the Academy Trust work together to develop teaching and pupil achievement in Mathematics and English and are coordinating ways to monitor pupil progress.

Each school raises considerable sums for local and national charitable causes.

Each of the schools play a role in SETSAT (South Essex Teaching School Alliance Trust), for which Westcliff High School for Girls is the lead school, which co-ordinates a range of support work for schools across the region. This includes Teacher Training, School to School Support and Continuing Professional Development. There are currently over 50 schools in and around Southend who are partners in this organisation.

FINANCIAL REVIEW

a. Going concern

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

b. Principal risks and uncertainties

The principal risks and uncertainties that are faced by the Academy Trust are fundamental changes in Government Education Policies and significant reductions in funding from the Department for Education. The Board of Directors has very little influence in determining Government Policy. The Trust has taken steps to increase its funding from the EFA by applying for Capital Grants whenever appropriate and by increasing intake numbers. The Trust actively seeks alternative external sources of funding.

As such a large percentage of expenditure relates to staff costs there are major risks and uncertainties regarding nationally agreed increases in pay, pension or national insurance rates over which the Academy Trust has no control. The Trust mitigates this risk by strong financial planning and an experienced and well qualified finance team.

SOUTH EAST ESSEX ACADEMY TRUST
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DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

c. Reserves policy

The Directors will maintain the reserves at a level they deem to be prudent to match the trust's development and future needs.

Funds in deficit

On the formation of the Academy, not only were the land and buildings and other assets transferred to the Trust but also the liability arising from the Local Government Pension Scheme. The deficit arose from previous under-funding of the pension scheme and the poor investment performance of the scheme's underlying assets. The deficit is being reduced by the payment of additional employers' contributions as determined by independent actuaries.

Financial Position

The Academy Trust held fund balances at 31 August 2016 of £29,823,379 (2015 - £30,879,159) comprising £424,677 (2015 - £216,313) of restricted funds, £33,301,701 (2015 - £32,561,958) of restricted fixed asset funds, £976,001 (2015 - £928,888) of unrestricted general funds and a pension reserve deficit of £4,879,000 (2015 - £2,828,000).

d. Principal funding and review

Principal funding sources

The Academy Trust's principal funding source is the Education Funding Agency (EFA), an agency of the Department for Education.

The majority of this funding is in the form of recurrent grants, the use of which is restricted for particular purposes. As such, grants received from the EFA and any associated expenditure are included within restricted funds in the Statement of Financial Activities.

The Academy Trust also received grants from the EFA to be used for capital purposes. These amounts are included within restricted fixed asset funds and any associated expenditure is capitalised in the balance sheet and is presented as fixed assets. The restricted fixed asset fund is reduced by an appropriate depreciation charge calculated in accordance with the Academy Trust's accounting policies.

Financial review

Most of the Academy Trust's income is obtained from the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the year ended 31 August 2016 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the year ended 31 August 2016, total expenditure (excluding restricted fixed asset funds) of £10,950,401 (2015 - £10,923,218) was incurred. The excess income over expenditure for the period (excluding restricted fixed asset funds and before funds transfers) was £42,960 (2015 - deficit of £74,615).

At 31 August 2016 the net book value of fixed assets was £32,737,202 (2015 - £32,575,838) and movements in tangible fixed assets are shown in the notes to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Trust.

There is a pension deficit relating to staff employed who are members of the Local Government Pension Scheme. Details are given in the notes to the financial statements.

SOUTH EAST ESSEX ACADEMY TRUST
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DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

PLANS FOR FUTURE PERIODS

a. Future developments

The Trust will continue striving to secure the highest levels of performance of its students at all levels and will continue its efforts to ensure its students get a place in secondary school where they can succeed and higher education or employment once they leave.

The Governors have an expressed desire to extend and improve each Academy's premises and facilities within the constraints of financial prudence.

Prince Avenue will continue striving to secure the highest levels of performance of its students at all levels and will continue its efforts to ensure its students get a place in secondary school where they can succeed and higher education or employment once they leave. The School Development Plan identifies key actions and initiatives to accelerate progress and raise attainment further. The introduction of a new Teaching and Learning Policy has had a significant impact on the learning culture in the classrooms. The school will be resubmitting a bid to the Condition Improvement Fund for the replacement of an old asbestos based roof. New flat roofing with improved insulation is being installed, commencing in the autumn term funded by the Condition Improvement Fund.

Holt Farm Junior School has a new Head of School, Mrs Wass, from the start of September and she will be carefully looking at all areas of the school. As the school's positive reputation continues to build, so do numbers on roll. Leadership is keen to explore options to extend its facilities and avoid having to resort to using the 'portacabins' as classrooms once the school has three forms within each year group. Over the summer the school had its boilers and cold water systems replaced, as well as having new flat roofing installed both of which were funded by the Condition Improvement Fund. They also had new solar panels installed at no cost by the Schools Energy Co-operative in order to reduce energy costs and the carbon footprint.

At Westcliff High School for Girls there is an ongoing project funded by the Condition Improvement Fund to replace the flat roofing in the main school building which will also allow the replacement of many old windows. After securing funding from the Condition Improvement Fund, the enabling works for the new Design, Art, Technology and Engineering block have been completed with the main works due to commence in early 2017. This will allow appropriate facilities throughout the school for the six forms at intake. After the year end the school also opened a school coffee shop, aimed at the sixth form, as well as installing a cashless catering system in the canteen.

Agency arrangements and funds held as custodian

The Academy Trust distributes 16-19 bursary funds to students as an agent for EFA. In the accounting period ending 31 August 2016 the trust received and disbursed amounts from the fund as detailed in note 30 to the financial statements.

The trust also receives and distributes money for SOPHA. In the accounting period ending 31 August 2016 the trust received and disbursed amounts from the funds belonging to SOPHA as detailed in note 31 to the financial statements.

Employee involvement and employment of the disabled

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The Academy Trust carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Directors.

The Academy Trust has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy

SOUTH EAST ESSEX ACADEMY TRUST
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DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

- Health & Safety policy

In accordance with the Academy Trust's Equal opportunities policy, the Academy Trust has long established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the Academy Trust's offices.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

- so far as that Director is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

AUDITORS

The auditors, MWS, have indicated their willingness to continue in office. The Designated Directors will propose a motion re-appointing the auditors at a meeting of the Directors.

This report was approved by order of the board of directors as the company directors, on 15 December 2016 and signed on its behalf by:



Mr M S C Foster
Chair of Directors

SOUTH EAST ESSEX ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The board of directors has delegated the day-to-day responsibility to the Executive Principal, 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 South East Essex Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of directors any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Directors' report and in the Statement of Directors' responsibilities. The board of directors has formally met 4 times during the year. Attendance during the year at meetings of the board of directors was as follows:

Director	Meetings attended	Out of a possible
Mrs H J Boyd	3	4
Mr G T E Crispin	1	4
Mr M S C Foster, Chair of SEEAT Board	4	4
Mrs J Harding	3	4
Dr P B Hayman, Executive Principal and Accounting Officer	4	4
Mr W Hill	4	4
Mr M I Lambert	4	4
Mrs A J Solomons	4	4
Mr D Struthers	4	4
Mr M D Wilson	3	4
Mrs S Worthington, Vice Chair	4	4
Mr M Rodgers	3	4
Mrs J Ruffle	3	4

The Resources Committee is a sub-committee of the main board of directors. Its purpose is to monitor and set budgeted performance, as well as to review the efficient operation of the following areas:

- Finance
- HR
- ICT Services
- Marketing and PR
- Premises, site and asset management
- Purchasing and
- Management Information Systems

It also ensures that appropriate policies are in place across a number of areas.

Attendance at meetings in the year was as follows:

Director	Meetings attended	Out of a possible
Mr G T E Crispin	3	3
Mr M S C Foster	3	3
Dr P B Hayman	3	3
Mr W Hill	3	3
Mr M I Lambert	2	3
Mr M Rodgers	3	3
Mrs J Ruffle	2	3

SOUTH EAST ESSEX ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

Mr D Struthers	2	3
Mr M D Wilson	2	3
Mrs S Worthington	3	3

The Strategy & Standards Committee is also a sub-committee of the main board of directors. Its purpose is

- To implement arrangements to fulfil the Board of Directors' responsibility to monitor standards at all Academies within South East Essex Academy Trust with a view to raising standards of achievement.
- Identify priorities and recommend targets for achieving the aims and objectives, bearing in mind financial considerations and value for money.
- Track and monitor progress on meeting the main objectives and targets within the strategic vision and five year plan.
- Ensure that the strategic vision, aims and objectives are aligned with the national developments of educational provision and government policies.

Attendance at meetings in the year was as follows:

Director	Meetings attended	Out of a possible
Mrs H J Boyd	3	3
Mr G T E Crispin	3	3
Mr M S C Foster	3	3
Mrs J Harding	3	3
Dr P B Hayman	3	3
Mr W Hill	3	3
Mr M I Lambert	3	3
Mr M Rodgers	3	3
Mrs A J Solomons	3	3
Mr D Struthers	3	3
Mrs S Worthington	3	3
Mr S Owen (attended by invitation)	2	3
Mr P Taylor	1	3

The Audit Committee is also a sub-committee of the main board of directors.

Its purpose is to assist the Directors in meeting their responsibilities as laid down in Company Law, the Academy Trust's Articles of Association and Funding Agreement and their responsibilities for the Academy Trust's financial management, reporting and governance as detailed in the Academies Financial Handbook and the Academies Accounts Direction as issued by the Department for Education.

Attendance at meetings was as follows:

Director	Meetings attended	Out of a possible
Mr M I Lambert	3	3
Mr M D Wilson	2	3
Mrs K Baker (independent member)	2	3
Dr P B Hayman (in attendance)	3	3
Mrs S Worthington (in attendance)	3	3

SOUTH EAST ESSEX ACADEMY TRUST
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GOVERNANCE STATEMENT (continued)

The Pay Committee is also a sub-committee of the main board of trustees.

Its purposes and remit are set down on page 4.

Attendance at meetings was as follows:

Director	Meetings attended	Out of a possible
Mrs H I Boyd	3	3
Mr G T E Crispin	3	3
Mr M I Lambert	3	3
Mrs S Worthington	3	3
Dr P B Hayman (in attendance)	2	2

GOVERNANCE REVIEW

The Trust's Directors completed a "Directors' Skills Audit and Trust Internal Evaluation".

It was pleasing to note that between the Directors the key areas were fully covered.

Each LGB was also asked to complete a "Governing Body Training/Skills Audit and Evaluation of Effectiveness of Local Governing Body (LGB)" and from this we hope to identify any common needs, e.g. common training etc.

We are aware of the need to look at the structure of the Trust's Governance. This will be necessary should we expand the Trust as we will need to meet the DfE's (Lord Nash's) guidelines.

REVIEW OF VALUE FOR MONEY

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

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

- On 1 June 2015 the Academy Trust appointed a Finance & Operations Director who took over the role of Chief Financial Officer. This individual is a Chartered Accountant with a MBA and considerable commercial experience as a Group Finance Director and Chief Operating Officer. In his first year in the role, his direct actions resulted in savings to SEEAT of £110,000 with further significant additional savings being created by other team members in SEEAT.
- The Academy Trust has put in place a detailed 5 year financial forecast which allows headteachers and heads of school to make accurate medium term plans thereby avoiding the need for costly chopping and changing.
- During the course of the year structures and procedures have been streamlined across the Trust, allowing efficiencies to be realised whilst at the same time providing better quality of operations and information.
- The Academy Trust stepped up its programme of sharing resource across the member schools so that absences and vacancies could be covered without the need to employ expensive short term cover. This programme will be expanded over the coming years to ensure further value for money saving.

SOUTH EAST ESSEX ACADEMY TRUST
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GOVERNANCE STATEMENT (continued)

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 ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in South East Essex Academy Trust for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The board of directors has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of directors is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks, that has been in place for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of directors.

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of directors;
- regular reviews by the Audit Committee and the SEEAT Board 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 directors has considered the need for a specific internal audit function and has decided to appoint Audit Committee as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. On a quarterly basis, the internal auditor reports to the board of directors on the operation of the systems of control and on the discharge of the board of directors' financial responsibilities.

The Audit Committee's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. The Audit Committee decided to appoint Essex Education Support for Schools to carry out a review of the financial controls across the four schools in the Academy Trust.

SOUTH EAST ESSEX ACADEMY TRUST
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GOVERNANCE STATEMENT (continued)

REVIEW OF EFFECTIVENESS

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

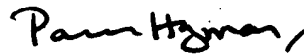
- the work of the internal auditor;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Audit Committee and by the SEEAT Board, 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 directors on 15 December 2016 and signed on their behalf, by:



Mr M S C Foster
Chair of Directors



Dr P B Hayman
Accounting Officer

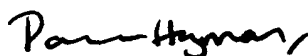
SOUTH EAST ESSEX ACADEMY TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of South East Essex Academy Trust I have considered my responsibility to notify the Academy Trust board of directors and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2015.

I confirm that I and the Academy Trust board of directors are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2015.

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 directors and EFA.



Dr P B Hayman
Accounting Officer

Date: 15 December 2016

SOUTH EAST ESSEX ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2016

The Directors (who act as governors of South East Essex Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Directors' report and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under company law the Directors 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 Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies' Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Directors 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 Directors 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 the EFA/DfE have been applied for the purposes intended.

The Directors 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 directors on 15 December 2016 and signed on its behalf by:



Mr M S C Foster
Chair of Directors

SOUTH EAST ESSEX ACADEMY TRUST
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SOUTH EAST ESSEX ACADEMY TRUST

We have audited the financial statements of South East Essex Academy Trust for the year ended 31 August 2016 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes. 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As explained more fully in the Statement of Directors' responsibilities, the Directors (who are also the directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Academy Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2016 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 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' report, incorporating the Strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

SOUTH EAST ESSEX ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SOUTH
EAST ESSEX ACADEMY TRUST**

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where 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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Clive Smith FCA

For and on behalf of

MWS

Chartered Accountants
Statutory Auditor

Kingsridge House
601 London Road
Westcliff-on-Sea
Essex
SS0 9PE
15 December 2016

SOUTH EAST ESSEX ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO SOUTH EAST
ESSEX ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 19 July 2016 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by South East Essex Academy Trust during the year 1 September 2015 to 31 August 2016 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 South East Essex Academy Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to South East Essex Academy Trust and the EFA 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 South East Essex Academy Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF SOUTH EAST ESSEX ACADEMY TRUST'S ACCOUNTING OFFICER
AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of South East Essex Academy Trust's funding agreement with the Secretary of State for Education, and the Academies Financial Handbook extant from 1 September 2015, 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 2015 to 2016. 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 2015 to 31 August 2016 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2015 to 2016 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

SOUTH EAST ESSEX ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO SOUTH EAST
ESSEX ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY (continued)**



MWS

Chartered Accountants
Reporting Accountant

Kingsridge House
601 London Road
Westcliff-on-Sea
Essex
SS0 9PE

15 December 2016

SOUTH EAST ESSEX ACADEMY TRUST
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2016**

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
INCOME FROM:						
Donations and capital grants	2	129,660	-	1,247,370	1,377,030	2,097,086
Charitable activities	3	-	9,343,695	-	9,343,695	9,286,750
Other trading activities	4	1,009,068	-	-	1,009,068	1,123,692
Investments	5	2,828	-	-	2,828	1,408
TOTAL INCOME		1,141,556	9,343,695	1,247,370	11,732,621	12,508,936
EXPENDITURE ON:						
Raising funds		678,742	152,641	-	831,383	799,141
Charitable activities:						
Educational operations		113,944	9,312,488	508,110	9,934,542	9,930,799
Other charitable activities		-	156,115	-	156,115	193,278
Governance		6,361	22,000	-	28,361	-
TOTAL EXPENDITURE	8	799,047	9,643,244	508,110	10,950,401	10,923,218
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between Funds	21	342,509 (295,395)	(299,549) 294,915	739,260 480	782,220 -	1,585,718 -
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		47,114	(4,634)	739,740	782,220	1,585,718
Actuarial gains/(losses) on defined benefit pension schemes	26	-	(1,838,000)	-	(1,838,000)	84,000
NET MOVEMENT IN FUNDS		47,114	(1,842,634)	739,740	(1,055,780)	1,669,718
RECONCILIATION OF FUNDS:						
Total funds brought forward		928,887	(2,611,689)	32,561,961	30,879,159	29,209,441
TOTAL FUNDS CARRIED FORWARD		976,001	(4,454,323)	33,301,701	29,823,379	30,879,159

SOUTH EAST ESSEX ACADEMY TRUST

(A company limited by guarantee)

REGISTERED NUMBER: 07527304

**BALANCE SHEET
AS AT 31 AUGUST 2016**

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	16		32,737,202		32,575,838
CURRENT ASSETS					
Stocks	17	64,063		81,959	
Debtors	18	373,047		314,052	
Cash at bank and in hand		2,655,026		1,345,979	
		<u>3,092,136</u>		<u>1,741,990</u>	
CREDITORS: amounts falling due within one year	19	(1,099,059)		(610,669)	
NET CURRENT ASSETS			<u>1,993,077</u>		<u>1,131,321</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>34,730,279</u>		<u>33,707,159</u>
CREDITORS: amounts falling due after more than one year	20		<u>(27,900)</u>		<u>-</u>
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			<u>34,702,379</u>		<u>33,707,159</u>
Defined benefit pension scheme liability	26		<u>(4,879,000)</u>		<u>(2,828,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>29,823,379</u></u>		<u><u>30,879,159</u></u>
FUNDS OF THE ACADEMY TRUST					
Restricted income funds:					
Restricted income funds	21	424,677		216,311	
Restricted fixed asset funds	21	33,301,701		32,561,961	
Restricted income funds excluding pension liability		<u>33,726,378</u>		<u>32,778,272</u>	
Pension reserve		<u>(4,879,000)</u>		<u>(2,828,000)</u>	
Total restricted income funds			<u>28,847,378</u>		<u>29,950,272</u>
Unrestricted income funds	21		<u>976,001</u>		<u>928,887</u>
TOTAL FUNDS			<u><u>29,823,379</u></u>		<u><u>30,879,159</u></u>

The financial statements were approved by the Directors, and authorised for issue, on 15 December 2016 and are signed on their behalf, by:


Mr M S C Foster
Chair of Directors


Dr P B Hayman
Accounting Officer

The notes on pages 29 to 51 form part of these financial statements.

SOUTH EAST ESSEX ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by operating activities	23	<u>728,323</u>	<u>596,149</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		2,828	(614)
Purchase of tangible fixed assets		(669,474)	(59,238)
Capital grants from DfE/EFA		<u>1,247,370</u>	<u>-</u>
Net cash provided by/(used in) investing activities		<u>580,724</u>	<u>(59,852)</u>
Change in cash and cash equivalents in the year		1,309,047	536,297
Cash and cash equivalents brought forward		<u>1,345,979</u>	<u>809,682</u>
Cash and cash equivalents carried forward		<u><u>2,655,026</u></u>	<u><u>1,345,979</u></u>

SOUTH EAST ESSEX ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

South East Essex Academy Trust constitutes a public benefit entity as defined by FRS 102.

First time adoption of FRS 102

These financial statements are the first financial statements of South East Essex Academy Trust prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP 2015 (SORP 2015). The financial statements of South East Essex Academy Trust for the year ended 31 August 2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the Directors have amended certain accounting policies to comply with FRS 102 and SORP 2015. The Directors have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

Reconciliations to previous UK GAAP for the comparative figures are included in note 30.

1.2 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Department for Education 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 and include grants from the Department for Education.

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

SOUTH EAST ESSEX ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.3 Income

All income is recognised once the Academy Trust has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities incorporating income and expenditure account 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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of financial activities incorporating income and expenditure account in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of financial activities incorporating income and expenditure account in the period in which it is receivable, where there is certainty of receipt and it is measurable.

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

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

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.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

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

All resources expended are inclusive of irrecoverable VAT.

SOUTH EAST ESSEX ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.5 Going concern

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

1.6 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised.

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 incorporating income and expenditure account 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 incorporating income and expenditure account. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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 incorporating income and expenditure account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	Straight line over 50 years
Temporary classroom	-	Straight line over 20 years
Motor vehicles	-	25% on reducing balance
Fixtures and fittings	-	Straight line over 5 years
Computer equipment	-	Straight line over 3 years

1.7 Interest receivable

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

1.8 Stocks

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.9 Debtors

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

1.10 Cash at Bank and in hand

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

1.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.12 Financial instruments

The Academy Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.13 Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.14 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 26, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

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

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

1.15 Agency arrangements

The Academy Trust acts as an agent in the administering of 16-19 Bursary Funds from the EFA. Related payments received from the EFA and subsequent 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 in the statement of financial activities. Where funds have not been fully applied in the year then an amount will be included as amounts due to the EFA.

1.16 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (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 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

There are no critical areas of judgement other than the above.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

1. ACCOUNTING POLICIES (continued)

1.17 Concessionary loans

As allowed per the Statement of Recommended Practice 2015 (FRS 102), it is the policy of the Academy Trust to measure the loans at the amount received, with the carrying amount adjusted for any repayments and accrued interest (and adjusted if necessary to the settlement account if the loan or part of the loan is waived).

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Donations	129,660	-	201,373	331,033	66,384
Government grants	-	-	1,045,997	1,045,997	2,030,702
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total donations and capital grants	129,660	-	1,247,370	1,377,030	2,097,086
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

In 2015, of the total income from donations and capital grants, £157,406 was to unrestricted funds and £1,939,680 was to restricted funds

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Educational Operations	-	9,117,225	9,117,225	9,063,686
Other Operations	-	226,470	226,470	223,064
	<hr/>	<hr/>	<hr/>	<hr/>
	-	9,343,695	9,343,695	9,286,750
	<hr/>	<hr/>	<hr/>	<hr/>

In 2015, of the total income from charitable activities, £ NIL was to unrestricted funds and £9,286,750 was to restricted funds.

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**NOTES TO THE FINANCIAL STATEMENTS
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FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
DfE/EFA grants				
General Annual Grant (GAG)	-	8,333,125	8,333,125	8,922,390
Other DfE/EFA Grants	-	553,267	553,267	-
	<u>-</u>	<u>8,886,392</u>	<u>8,886,392</u>	<u>8,922,390</u>
Other government grants				
Local Authority Grants	-	230,833	230,833	141,296
	<u>-</u>	<u>230,833</u>	<u>230,833</u>	<u>141,296</u>
	<u>-</u>	<u>9,117,225</u>	<u>9,117,225</u>	<u>9,063,686</u>

In 2015, of the total income from charitable activities, £ *NIL* was to unrestricted funds and £9,063,686 was to restricted funds.

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
School uniform	74,942	-	74,942	101,485
Hire of facilities	43,997	-	43,997	25,540
Catering income	425,721	-	425,721	408,960
Other income	464,408	-	464,408	587,707
	<u>1,009,068</u>	<u>-</u>	<u>1,009,068</u>	<u>1,123,692</u>

In 2015, of the total income from other trading activities, £1,123,692 was to unrestricted funds and £ *NIL* was to restricted funds.

5. INVESTMENT INCOME

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Investment income	2,828	-	2,828	1,408
	<u>2,828</u>	<u>-</u>	<u>2,828</u>	<u>1,408</u>

In 2015, of the total investment income, £1,408 was to unrestricted funds and £ *NIL* was to restricted funds.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

6. DIRECT COSTS

	Educational Operations	Children's Centre	Total 2016	<i>Total 2015</i>
	£	£	£	£
Technology costs	123,914	-	123,914	-
Educational supplies	284,423	6,476	290,899	362,613
Examination fees	152,376	-	152,376	166,982
Staff development	111,296	-	111,296	140,291
Other direct costs	54,290	-	54,290	46,452
Legal and professional fees	13,449	-	13,449	-
Wages and salaries	5,229,585	-	5,229,585	5,299,572
National insurance	408,238	-	408,238	370,265
Pension cost	686,060	-	686,060	653,803
Depreciation	508,110	-	508,110	514,336
Subtotal	7,571,741	6,476	7,578,217	7,554,314
Loss on sale of assets	-	-	-	3,011
	7,571,741	6,476	7,578,217	7,557,325

In 2015, the Academy Trust incurred the following Direct costs:

£7,512,385 in respect of Educational Operations

£44,940 in respect of Other Operations

7. SUPPORT COSTS

	Governance	Educational Operations	Children's Centre	Total 2016	<i>Total 2015</i>
	£	£	£	£	£
Pension cost	-	104,000	-	104,000	94,000
Recruitment and support	-	53,752	-	53,752	47,261
Maintenance of premises and equipment	-	81,806	2,688	84,494	224,481
Cleaning	-	97,027	-	97,027	70,209
Rent and rates	-	72,877	-	72,877	57,977
Energy costs	-	232,264	-	232,264	163,733
Insurance	-	79,520	-	79,520	86,245
Security and transport	-	27,518	-	27,518	15,516
Catering	-	-	1,610	1,610	-
Interest payable and similar charges	-	-	-	-	2,022
Indirect staff costs	-	6,749	-	6,749	-
Legal and professional fees	22,000	89,046	-	111,046	230,574
Other support costs	-	34,283	79	34,362	62,324
PPS & telephone	-	98,420	20	98,440	79,443
Wages and salaries	6,361	956,262	138,209	1,100,832	1,055,129
National insurance	-	51,608	7,032	58,640	55,067
Pension cost	-	377,670	-	377,670	322,771
	28,361	2,362,802	149,638	2,540,801	2,566,752

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

7. SUPPORT COSTS (continued)

During the year ended 31 August 2016, the Academy Trust incurred the following Governance costs:
£28,361 (2015 - £41,500) included within the table above in respect of Educational Operations.
£NIL (2015 - £NIL) included within the table above in respect of Other Operations.

In 2015, the Academy Trust incurred the following Support costs:
£2,376,914 in respect of Educational Operations
£189,838 in respect of Other Operations

8. EXPENDITURE

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Expenditure on raising voluntary income	226,736	-	604,647	831,383	799,141
Educational Operations:					
Direct costs	6,323,883	508,110	739,748	7,571,741	7,512,385
Support costs	1,391,900	483,974	486,928	2,362,802	2,376,641
Other Operations:					
Direct costs	-	-	6,476	6,476	44,940
Support costs	145,242	2,688	1,708	149,638	148,338
	<u>8,087,761</u>	<u>994,772</u>	<u>1,839,507</u>	<u>10,922,040</u>	<u>10,881,445</u>

In 2016, of the total expenditure, £799,048 (2015 - £919,500) was to unrestricted funds and £10,151,354 (2015 - £9,961,945) was to restricted funds.

9. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets:		
- owned by the charity	508,110	514,336
Operating lease rentals	30,617	38,834
Deficit on disposal of a fixed asset	-	3,011
	<u>538,727</u>	<u>556,181</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

10. AUDITORS' REMUNERATION

	2016 £	2015 £
Fees payable to the Academy Trust's auditor and its associates for the audit of the Academy Trust's annual accounts	22,000	21,500
Fees payable to the Academy Trust's auditor and its associates in respect of:		
All other non-audit services	-	20,000
	<u> </u>	<u> </u>

11. STAFF COSTS

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	6,406,915	6,412,087
Social security costs	473,703	425,332
Operating costs of defined benefit pension schemes	1,112,029	976,574
	<u>7,992,647</u>	<u>7,813,993</u>
Supply teacher costs	95,114	162,454
	<u>8,087,761</u>	<u>7,976,447</u>

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

	2016 No.	2015 No.
Management	22	22
Teachers	110	109
Support	219	221
	<u>351</u>	<u>352</u>

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

	2016 No.	2015 No.
In the band £60,001 - £70,000	4	4
In the band £70,001 - £80,000	1	0
In the band £90,001 - £100,000	0	1
In the band £100,001 - £200,000	1	0

The total pension contributions for the employees whose remuneration fell into the above categories were £67,780 (2015: £47,629).

The total remuneration for key management personnel, comprising 21 people across the Trust, during the year was £1,182,900, of which £1,022,558 related to gross pay and £160,342 related to employers' pension contributions.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

12. CENTRAL SERVICES

The Academy Trust has provided the following central services to its academies during the year:

- Corporate governance and reporting
- Educational support services
- Legal services
- Others as arising

The Academy Trust charges for these services on the following basis:

The Academy Trust funding model allocates all funding directly to schools. Some services are charged to schools on a per pupil basis. Other costs are funded by a charge deducted from each schools' GAG income. The actual amounts charged during the year were as follows:

The actual amounts charged during the year were as follows:

	2016 £	2015 £
Westcliff High School for Girls	117,724	50,350
Prince Avenue Primary School, Nursery and Children's Centre	43,465	31,334
Rochford Primary School and Nursery	26,184	16,291
Holt Farm Junior School	28,279	18,298
Total	<u>215,652</u>	<u>116,273</u>

13. DIRECTORS' REMUNERATION AND EXPENSES

One or more Directors has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Principal and other staff Directors only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Directors. The value of Directors' remuneration and other benefits was as follows:

		2016 £	2015 £
Dr P B Hayman (Executive Principal and Director)	Remuneration	100,000-105,000	90,000-95,000
	Pension contributions paid	15,000-20,000	10,000-15,000
Mr W Hill (Staff Director)	Remuneration	60,000-65,000	60,000-65,000
	Pension contributions paid	10,000-15,000	5,000-10,000
Mr A Howe (Staff Director)	Remuneration	Nil	65,000-70,000
	Pension contributions paid	Nil	5,000-10,000
Mr D Struthers (Staff Director)	Remuneration	60,000-65,000	60,000-65,000
	Pension contributions paid	10,000-15,000	5,000-10,000
Mr M Rodgers	Remuneration	60,000-65,000	
	Pension contributions paid	10,000-15,000	

During the year, no Directors received any benefits in kind (2015 - £NIL).

During the year, no Directors received any reimbursement of expenses (2015 - £NIL).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

14. DIRECTORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the year ended 31 August 2016 is included within the Academy Trust's general insurance premium and is not separately identifiable.

15. OTHER FINANCE INCOME

	2016	2015
	£	£
Interest income on pension scheme assets	-	55,000
Interest on pension scheme liabilities	(104,000)	(149,000)
	<u>(104,000)</u>	<u>(94,000)</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

16. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Computer equipment £
Cost					
At 1 September 2015	33,587,700	46,156	27,246	246,240	269,764
Additions	547,063	-	-	37,367	85,044
At 31 August 2016	<u>34,134,763</u>	<u>46,156</u>	<u>27,246</u>	<u>283,607</u>	<u>354,808</u>
Depreciation					
At 1 September 2015	1,179,699	9,656	8,952	172,461	230,500
Charge for the year	415,321	2,308	4,573	37,305	48,603
At 31 August 2016	<u>1,595,020</u>	<u>11,964</u>	<u>13,525</u>	<u>209,766</u>	<u>279,103</u>
Net book value					
At 31 August 2016	<u>32,539,743</u>	<u>34,192</u>	<u>13,721</u>	<u>73,841</u>	<u>75,705</u>
At 31 August 2015	<u>32,408,001</u>	<u>36,500</u>	<u>18,294</u>	<u>73,779</u>	<u>39,264</u>
					Total £
Cost					
At 1 September 2015					34,177,106
Additions					669,474
At 31 August 2016					<u>34,846,580</u>
Depreciation					
At 1 September 2015					1,601,268
Charge for the year					508,110
At 31 August 2016					<u>2,109,378</u>
Net book value					
At 31 August 2016					<u>32,737,202</u>
At 31 August 2015					<u>32,575,838</u>

Included in land and buildings is freehold land at valuation of £13,023,000 (2015 - £13,023,000).

17. STOCKS

	2016 £	2015 £
Finished goods and goods for resale	<u>64,063</u>	<u>81,959</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

18. DEBTORS

	2016 £	2015 £
Trade debtors	33,859	45,542
Other debtors	130,614	66,410
Prepayments and accrued income	208,574	202,100
	<u>373,047</u>	<u>314,052</u>

19. CREDITORS: Amounts falling due within one year

	2016 £	2015 £
Other loans	3,100	-
Trade creditors	254,644	62,227
Other taxation and social security	133,430	125,909
Other creditors	129,195	103,756
Accruals and deferred income	578,690	318,777
	<u>1,099,059</u>	<u>610,669</u>

	2016 £	2015 £
Deferred income		
Deferred income at 1 September 2015	130,564	-
Resources deferred during the year	182,439	130,564
Amounts released from previous years	(130,564)	-
Deferred income at 31 August 2016	<u>182,439</u>	<u>130,564</u>

Deferred income at the 31 August 2016 was comprised of the following:

£26,514 of rates rebate received in advance
£99,641 of trip, music and other similar income received in advance
£47,034 of Universal Free School Meals received in advance of eligibility
£9,250 of Children's Centre grant received in advance of eligibility

20. CREDITORS: Amounts falling due after more than one year

	2016 £	2015 £
Other loans	<u>27,900</u>	<u>-</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

20. CREDITORS: Amounts falling due after more than one year (continued)

Creditors include amounts not wholly repayable within 5 years as follows:

	2016 £	2015 £
Repayable by instalments	3,100	-

The above loan is a Salix interest free loan which will be repaid in twice yearly instalments of £3,100 over a period of 5 years.

21. STATEMENT OF FUNDS

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General Funds	928,887	1,141,556	(799,047)	(295,395)	-	976,001
Restricted funds						
General Annual Grant (GAG)	154,620	8,113,690	(8,218,661)	278,617	-	328,266
MAT funds	32,098	215,652	(183,206)	-	-	64,544
Children's Centre	6,047	111,002	(118,458)	1,409	-	-
LAC fund	23,546	-	(11,450)	14,889	-	26,985
Other EFA	-	180,755	(175,873)	-	-	4,882
Pupil premium	-	443,132	(443,132)	-	-	-
LA grants	-	176,681	(176,681)	-	-	-
SEN funding	-	102,783	(102,783)	-	-	-
Pension reserve	(2,828,000)	-	(213,000)	-	(1,838,000)	(4,879,000)
	(2,611,689)	9,343,695	(9,643,244)	294,915	(1,838,000)	(4,454,323)
Restricted fixed asset funds						
Inherited fixed assets	31,527,377	-	(398,511)	-	-	31,128,866
Assets funded from GAG	119,902	-	(77,021)	55,767	-	98,648
Assets funded from capital grants	914,682	1,045,997	(28,551)	(55,287)	-	1,876,841
Capital asset donations	-	201,373	(4,027)	-	-	197,346
	32,561,961	1,247,370	(508,110)	480	-	33,301,701
Total restricted funds	29,950,272	10,591,065	(10,151,354)	295,395	(1,838,000)	28,847,378
Total of funds	30,879,159	11,732,621	(10,950,401)	-	(1,838,000)	29,823,379

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(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

21. STATEMENT OF FUNDS (continued)

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

Unrestricted funds

These funds have arisen from the Academy Trust's activities for generating funds. The funds are to be used for the furtherance of any of the Academy Trust's charitable objectives and can be used at the Directors' discretion.

Restricted Fixed Asset fund

This fund represents capital funding to be used for capital purposes less any depreciation charges on such expenditure.

General Annual Grant

These funds are to be used in accordance with the Academy Trust's funding agreement with the Secretary of State.

Other EFA

These funds represent restricted funds to be used for the furtherance of the Academy Trust's charitable objectives.

Pension

The pension reserve relates to the Academy Trust's share of the deficit of the Local Government Pension Scheme.

Children's Centre

These funds have arisen from the operation of the Prince Avenue Children's Centre.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2016.

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2016 were allocated as follows:

	Total 2016 £	<i>Total 2015 £</i>
Westcliff High School for Girls	699,256	567,827
Prince Avenue Primary School, Nursery and Children's Centre	119,346	212,849
Rochford Primary School and Nursery	224,727	193,032
Holt Farm Junior School	292,804	139,395
Central Services	64,545	32,096
Total before fixed asset fund and pension reserve	1,400,678	1,145,199
Restricted fixed asset fund	33,301,701	32,561,961
Pension reserve	(4,879,000)	(2,828,000)
Total	29,823,379	30,879,160

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

21. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY COST

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciat- ion £	Total 2016 £	Total 2015 £
Westcliff High School for Girls Prince Avenue Primary School, Nursery and Children's Centre	3,593,055	874,813	139,991	1,571,632	6,179,491	5,856,615
Rochford Primary School and Nursery	1,310,697	504,210	75,392	477,700	2,367,999	2,212,245
Holt Farm Junior School	726,377	148,114	34,630	236,826	1,145,947	1,044,312
Central Services	669,160	138,138	40,885	225,576	1,073,759	1,119,306
	24,593	92,237	-	38,014	154,844	131,894
	<u>6,323,882</u>	<u>1,757,512</u>	<u>290,898</u>	<u>2,549,748</u>	<u>10,922,040</u>	<u>10,364,372</u>

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	-	-	32,737,201	32,737,201	32,575,837
Current assets	1,090,933	1,286,512	714,692	3,092,137	1,741,991
Creditors due within one year	(114,932)	(861,835)	(122,292)	(1,099,059)	(610,669)
Creditors due in more than one year	-	-	(27,900)	(27,900)	-
Provisions for liabilities and charges	-	(4,879,000)	-	(4,879,000)	(2,828,000)
	<u>976,001</u>	<u>(4,454,323)</u>	<u>33,301,701</u>	<u>29,823,379</u>	<u>30,879,159</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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**23. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW
FROM OPERATING ACTIVITIES**

	2016 £	2015 £
Net income for the year (as per Statement of financial activities)	782,220	1,585,718
Adjustment for:		
Depreciation charges	508,110	514,336
Interest paid	-	2,022
Dividends, interest and rents from investments	(2,828)	(1,408)
Loss on the sale of fixed assets	-	3,011
Decrease in stocks	17,898	1,521
(Increase)/decrease in debtors	(79,779)	367,854
Increase/(decrease) in creditors	537,072	(121,225)
Capital grants from DfE and other capital income	(1,247,370)	(70,680)
Defined benefit pension scheme adjustments	213,000	184,000
Net (loss) on assets and liabilities from local authority on conversion	-	(1,869,000)
Net cash provided by operating activities	728,323	596,149

24. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash in hand	2,655,026	1,345,979
Total	2,655,026	1,345,979

25. CAPITAL COMMITMENTS

At 31 August 2016 the Academy Trust had capital commitments as follows:

	2016 £	2015 £
Contracted for but not provided in these financial statements	33,946	-

26. PENSION COMMITMENTS

The Academy Trust's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Essex County Council. Both are Multi-employer defined benefit pension schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

Contributions amounting to £109,628 were payable to the schemes at 31 August 2016 (2015 - 104,195) and are included within creditors.

Teachers' Pension Scheme

Introduction

SOUTH EAST ESSEX ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

26. PENSION COMMITMENTS (continued)

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

Not less than every four years 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. 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 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge (previously 14.1%)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS will be as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £579,675 (2015 - £579,801).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx).

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £425,000 (2015 - £391,000), of which employer's contributions totalled £329,000 (2015 - £306,000) and employees' contributions totalled £96,000 (2015 - £85,000). The agreed contribution rates for future years are 12.3% for employers and 5.5-7.5% for employees.

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

26. PENSION COMMITMENTS (continued)

Principal actuarial assumptions:

	2016	2015
Discount rate for scheme liabilities	2.20 %	4.00 %
Rate of increase in salaries	4.10 %	4.50 %
Rate of increase for pensions in payment / inflation	2.30 %	2.70 %
Inflation assumption (CPI)	2.30 %	2.70 %
Inflation assumption (RPI)	3.20 %	3.60 %

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

	2016	2015
Retiring today		
Males	22.9	22.8
Females	25.3	25.2
Retiring in 20 years		
Males	25.2	25.1
Females	27.7	27.6

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

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	1,228,000	779,000
Gilts	61,000	48,000
Other bonds	81,000	117,000
Property	197,000	140,000
Cash	54,000	30,000
Alternative assets and other managed funds	16,000	86,000
Total market value of assets	<u>1,637,000</u>	<u>1,200,000</u>

The actual return on scheme assets was £207,000 (2015 - £55,000).

The amounts recognised in the Statement of financial activities incorporating income and expenditure account are as follows:

	2016 £	2015 £
Current service cost (net of employee contributions)	(438,000)	-
Net interest cost	(104,000)	(94,000)
Total	<u>(542,000)</u>	<u>(94,000)</u>
Actual return on scheme assets	<u>207,000</u>	<u>55,000</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

26. PENSION COMMITMENTS (continued)

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

	2016 £	2015 £
Opening defined benefit obligation	4,028,000	3,244,000
Current service cost	-	396,000
Current service cost	438,000	-
Interest cost	159,000	149,000
Contributions by employees	96,000	85,000
Change in financial assumptions	1,990,000	-
Actuarial losses	-	(139,000)
Benefits paid	(42,000)	(36,000)
Business combinations	-	329,000
	<hr/>	<hr/>
Closing defined benefit obligation	6,669,000	4,028,000
	<hr/>	<hr/>

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

	2016 £	2015 £
Opening fair value of scheme assets	1,200,000	754,000
Return on plan assets (excluding net interest on the net defined pension liability)	-	(55,000)
Interest income	55,000	-
Actuarial gains and (losses)	152,000	55,000
Contributions by employer	329,000	306,000
Contributions by employees	96,000	85,000
Benefits paid	(42,000)	(36,000)
Business combinations	-	91,000
	<hr/>	<hr/>
Closing fair value of scheme assets	1,790,000	1,200,000
	<hr/>	<hr/>

27. OPERATING LEASE COMMITMENTS

At 31 August 2016 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2016 £	2015 £
Amounts payable:		
Within 1 year	30,104	29,081
Between 1 and 5 years	85,979	90,152
After more than 5 years	63,339	81,213
	<hr/>	<hr/>
Total	179,422	200,446
	<hr/>	<hr/>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

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

Owing to the nature of the Academy Trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trust has an interest. All transactions involving such organisations are conducted at arm's length (unless otherwise stated) and in accordance with the Academy Trust's financial regulations and normal procurement procedures.

South Essex Teaching School Alliance Trust (SETSAT) is a charity with a number of common trustees.

During the year the following services and facilities were provided at cost to SETSAT by the Academy Trust:

	2016 £	2015 £
Rent and office facilities	-	6,300
Finance support	2,000	2,000
Seconded staff	71,118	70,090
Other	6,242	9,186

At the balance sheet date the amount due from SETSAT was £30,021 (2015: £50,822).

During the year the trust also transacted at cost with the Southend Education Trust, on which William Hill, a director of the trust, sits as trustee. There were 16 transactions during the year totalling £10,023.

At the balance sheet date there was nothing owed to the Southend Education Trust.

30. FIRST TIME ADOPTION OF FRS 102

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

The policies applied under the Academy Trust's previous accounting framework are not materially different to FRS 102 and have not impacted on funds or net income/expenditure.

31. CONTROLLING PARTY

There is no ultimate controlling party.

SOUTH EAST ESSEX ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

32. AGENCY ARRANGEMENTS

The Academy Trust administers the distribution of the new discretionary support for learners, the 16-19 Bursary Fund, on behalf of the EFA. In the year it received £15,995 and disbursed £8,600, with £7,395 repayable to the EFA at the 31st August 2016 and is included within other creditors.

33. FUNDS HELD AS CUSTODIAN

During the year the Academy Trust held funds on behalf of SOPHA. In the year it received £20,131 and disbursed £13,449. At the year end £6,682 of cash at bank related to SOPHA and is represented within other creditors.

34. FUNDS TRANSFERS

£295,395 transferred from unrestricted funds to restricted funds to representing restricted expenditure funded by unrestricted funds (all WHSG).

£16,298 transferred from GAG restricted fund to Looked After Children and Children's Centre restricted funds representing a GAG expenditure allocated to those funds in the prior year.

£119,672 transferred from GAG to restricted fixed asset fund representing capital expenditure purchased from GAG income, including adjustments where devolved formula capital balances were included in creditors in the prior year.

£106,000 transferred from restricted fixed asset fund to restricted fund representing capital work completed during the year by the Local Authority but not yet paid for by the Trust.

£13,192 transferred from the restricted fixed asset fund to the restricted fund representing assets capitalised but not yet paid for at the year end.