

Registrar's Copy

Company Registration Number: 07527304 (England & Wales)

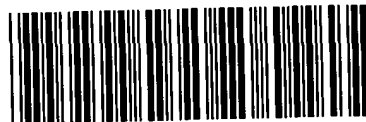
SOUTH EAST ESSEX ACADEMY TRUST

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019

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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

Members	Mr O Aggarwal Mr M S C Foster Mr N Clark Mr T Steel (appointed 1 February 2019)
Trustees	Mr M S C Foster, Chair of SEEAT Board ^{1,2} Dr P B Hayman, Executive Principal and Accounting Officer ^{1,2,3} Mr M I Lambert ^{1,3} Mrs A J Solomons ^{2,3} Mr M D Wilson ¹ Mrs S Worthington, Vice Chair ^{1,2,3} Mrs J Clarke (known as Ruffle) ³ Miss M Sood ^{1,2} Mr C Bird (appointed 1 March 2019) ¹
	¹ Finance & Premises Committee ² Standards & Performance Committee ³ Personnel & 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
Chief Executive Officer	Dr P B Hayman
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 (resigned 31 August 2019) Mr S Owen, Headteacher, Rochford Primary School Mrs L Wass, Headteacher, Holt Farm Junior School Mr G Clement, Headteacher, Prince Avenue Academy and Nursery (appointed 1 September 2019)
Independent auditors	MWS Chartered Accountants Statutory Auditor Kingsridge House 601 London Road Westcliff-on-Sea Essex SS0 9PE

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

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
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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019

The Directors present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2018 to 31 August 2019. The annual report serves the purposes of both a Trustees' report and a Directors' report under company law.

School	Age range	Pupil capacity	Number on roll
Westcliff High School for Girls	11-18	1250	1271
Prince Avenue Academy & Nursery	4-11	472	433
Holt Farm Junior School	8-11	360	307
Rochford Primary School & Nursery	4-11	236	221

The Trust academies serve a catchment area in South East Essex, full details can be found at www.essex.gov.uk/Education/Schools/Schools/Admissions and www.Southend.gov.uk/admissions

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 Trustees of South East Essex Academy Trust are also the Directors of the charitable company for the purposes of company law.

The four Members of the company are nominated by either the Secretary of State for Education or by existing Members. One is ex-officio, the Chair of the Trust. 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. The Academy Trust currently has one member vacancy.

Details of the Directors who served during the year, and to the date these accounts are approved 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.

The Charitable Company now includes the following Academies:

Westcliff High School for Girls	formed the Trust on 1 April 2014
Prince Avenue Academy & Nursery	converted and joined the Trust on 1 April 2014
Holt Farm Junior School	converted and joined the Trust on 1 September 2014
Rochford Primary School & Nursery	converted and joined the Trust on 1 April 2014

On 1 April 2014 the Governing Body of Westcliff High School for Girls became the Board of Governors for SEEAT and formed a separate 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.

The Trust Board has now restructured to ensure it covers the skill areas for its role.

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

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. Directors' indemnities

No qualifying third party indemnity provisions were in force during the year.

d. 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.

e. Policies 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.

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 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 organisational 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

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

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

The Personnel & 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.

h. Related parties and other connected charities and organisations

South Essex Teaching School Alliance Trust (SETSAT), a company limited by guarantee, is deemed a related party due to the majority of its trustees being directors of Westcliff High School for Girls. From 1st October 2018, SETSAT became a dormant company and the activities transferred into South East Essex Academy Trust under the name South Essex Teaching School Alliance (SETSA).

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.

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

OBJECTIVES AND ACTIVITIES (continued)

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 2019 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 provide CPD opportunities and school to school support within the South Essex area and beyond via the work of the South Essex Teaching School Alliance.
- 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

In setting objectives and planning for activities, the Directors have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'. The Directors consider that the Academy Trust's aims are demonstrably for the public benefit.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

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 they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

STRATEGIC REPORT (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

b. Review of activities

The outcomes for summer 2019 were:

	Westcliff High School for Girls	
	2019	2018
GCSE students achieving 4+ standard pass grades including English & Maths	100%	100%
GCSE students achieving 5+ strong pass grades including English & Maths	98.3%	99.3%
A2 level A*, A or B	72%	74%

	Prince Avenue Academy & Nursery		Rochford Primary & Nursery School		Holt Farm Junior School		National	
	2019	2018	2019	2018	2019	2018	2019	2018
EYFS Good Level of Development	62%	68%	87%	81%	N/A	N/A	72%	72%
Year 1 Phonics Screening Check	71%	78%	94%	86%	N/A	N/A	82%	82%

End of Key Stage 1	Prince Avenue Academy & Nursery		Rochford Primary & Nursery School		Holt Farm Junior School		National	
	2019	2018	2019	2018	2019	2018	2019	2018
Reading - % of pupils expected standard	64%	58%	86%	83%	N/A	N/A	75%	75%
Reading - % of pupils greater depth	10%	12%	37%	37%	N/A	N/A	25%	26%
Writing - % of pupils expected standard	59%	54%	86%	77%	N/A	N/A	69%	70%
Writing - % of pupils greater depth	3%	14%	30%	30%	N/A	N/A	15%	16%
Maths - % of pupils expected standard	68%	65%	86%	83%	N/A	N/A	77%	76%
Maths - % of pupils greater depth	10%	14%	30%	30%	N/A	N/A	22%	22%
RWM - % of pupils expected standard	54%	50%	86%	70%	N/A	N/A	65%	65%
RWM - % of pupils greater depth	3%	4%	23%	23%	N/A	N/A	11%	12%

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

STRATEGIC REPORT (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

End of Key Stage 2	Prince Avenue Academy & Nursery		Rochford Primary & Nursery School		Holt Farm Junior School		National	
	2019	2018	2019	2018	2019	2018	2019	2018
Reading - % of pupils expected standard	75%	74%	90%	97%	75%	78%	73%	75%
Reading - % of pupils greater depth	20%	22%	48%	55%	22%	27%	27%	28%
Writing - % of pupils expected standard	80%	76%	90%	80%	90%	90%	78%	78%
Writing - % of pupils greater depth	22%	17%	39%	39%	29%	29%	20%	20%
Maths - % of pupils expected standard	78%	78%	90%	87%	87%	87%	79%	76%
Maths - % of pupils greater depth	27%	31%	35%	23%	14%	30%	27%	24%
GPS - % of pupils expected standard	78%	76%	90%	87%	83%	86%	78%	78%
GPS - % of pupils greater depth	30%	34%	32%	23%	25%	33%	36%	34%
RWM - % of pupils expected standard	68%	62%	87%	87%	72%	71%	65%	64%
RWM - % of pupils greater depth	10%	5%	16%	13%	8%	14%	12%	10%

Key Stage 2 - Progress	Prince Avenue Academy & Nursery		Rochford Primary & Nursery School		Holt Farm Junior School		National	
	2019	2018	2019	2018	2019	2018	2019	2018
Reading	+1.1	+1.8	+1.4	+4.1	+1.3	-0.7	0	0
Writing	+2.2	+1.1	+1.3	+2.7	+2.4	+2.6	0	0
Maths	+2.0	+2.1	-0.2	+0.5	+1.9	-0.3	0	0

Significant events were as follows:

Westcliff High School for Girls

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

In February this year we were sad to learn of the passing of a former Headmistress, Miss Nancy Howard.

Miss Howard was Headmistress from 1972 to 1990.

Miss Howard dedicated her working life to the teaching profession, and this was recognised by the award an OBE for her services to education.

During the year we were pleased to take possession of the first two floors of our new East Wing.

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

STRATEGIC REPORT (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

The new Food, Textiles, Design and Technology learning environments are in use and having a very positive impact on pupils and staff – and it will be good to replicate this for Art who are due to move in to the unfinished top floor.

Total students in the year ended 31st August 2019 numbered 1269, 82 of which were male.

Examination results for 2019 were very pleasing.

The level of pupil attendance was 97.3%, 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 106 students achieved the Bronze Award, 57 students achieved the Silver Award and 5 students achieved the Gold Award, the highest completion rate in the South East Region.

South Essex Teaching School Alliance (SETSA)

Westcliff High School for Girls is the lead school for South Essex Teaching School Alliance.

The Teaching School Alliance continues to support more than 50 schools in the South Essex area as at September 2019.

Major projects in the 2018-19 year include:

SETSA continues to work in partnership with STEM Learning under the Science Learning Partnership and feedback for CPD courses and conferences is very positive.

SETSA was successful in a bid to become a Computing Hub to work in partnership with Stem Learning for the next 3 years. SETSA completed the third and final year of an agreement with Southend Borough Council to provide school improvement services to inspire and support sectorled school improvement.

SETSA also completed a project under the Strategic School Improvement Funds totalling £155,600 to provide a primary science project involving 20 schools across the Southend, Essex & Thurrock area. Cohort 2 received their training in 2018-19 and feedback was excellent.

Prince Avenue Primary Academy and Nursery

End of KS2 attainment continues in line with national standards. Progress measures are all positive and above average with progress in Maths and Writing significantly above progress made by pupils nationally. Average Scaled Scores in Reading at 105, Grammar, Punctuation and Spelling at 106 and Mathematics at 104 matched the national averages. The number of pupils meeting the Year 1 Phonics Standard showed a slight decrease at 71% and the number of pupils achieving a Good Level of Development at the end of the Foundation Stage was 62%

Pupil attendance for 2018-19 was (95.2%) with persistent absence (PA) at 10.49%. The numbers of pupils attending the school has remained stable over successive years.

The 2018/19 School Development Plan is under review and this will form the basis of the SDP for 2019/20. The new leadership team is conducting a series of reviews over the autumn term in order to establish the key priorities for improvement. This will include Pupil Voice, a parent survey and a staff survey, along with a review against Ofsted's Good descriptors.

The school was successful in its bid to the DfE Nursery Capital Fund (SNFC), and will receive a funding grant of £789,071 towards building a new nursery. The new build will be constructed at the front of the school as a

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

STRATEGIC REPORT (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

stand-alone nursery with facilities for delivering places for 2 year olds together with offering 30 hours provision for children. Offering wrap around care, the facility will be open throughout the year including school holidays. Following meetings with the Local Authority and project managers, we are at the pre planning and survey stage with a view to completing the project ready for opening in September 2020. This will provide a much needed facility for the local community and a significant development in the services the school offers.

For a second year, the school worked in partnership with the Focal Point Gallery on a digital art project which was exhibited in the town centre. Pupils performed in a range of local music festivals and sporting competitions and events. The school has been awarded Gold Sports Mark status and the Athletics team completed the season by winning the Group 3 cup and as champions will be promoted to Group 2 next season.

The end of the 2018-19 saw a change of Headteacher as Will Hill, stepped down to be succeeded by Gary Clement the former Deputy Headteacher.

PAAN's key school priorities for 2019-2020 are:

1. Nursery build and outside area (EYFS)
2. Library - use of bequest money to improve our library facilities
3. Accelerated Reader Scheme - Foyle foundation funding to improve reading
4. Chrome Books and GSuite to improve whole-school ICT and computing
5. Improvement and development of EYFS/ KS1 outdoor areas
6. Schoolcomms and Class Dojo
7. PE Kits
8. Parent Partnership Award - funded through Pupil Premium network
9. Apprentices - LSA and ICT

Rochford Primary & Nursery School

The school continues to move from strength to strength with the introduction of Growth Mindset, Forest Schools and Creative Writing through the Arts.

Teaching across the school from EYFS to KS2 remains strong with 100% of teaching judged good over time. These %'s take into account the triangulated approach favoured by Ofsted where teaching is viewed in conjunction with current data and the quality of marking and feedback in books.

Results across the school (EYFS to KS2) remain strong with all phases sitting comfortably above Essex and National figures with many figures significantly above.

Pupil attendance for 2018-19 was (96.1%) with persistent absence (PA) at 7.54%. The numbers of pupils attending the school has remained stable over successive years.

Safeguarding remains effective across the school with the added security of the use of CPOMS (Child Protection Online Management Service).

We continue to forge strong community links through participation in a variety of curriculum events through our association with the Deane's Sports Partnership, Maths Triad, Arts Tail, Royal Opera House and both the Infant and Junior Music Festivals which culminates in a spectacular performance at the Cliffs Pavilion during the Summer Term.

We have also celebrated many achievements including the Bronze Eco-Schools Award, enhanced 'Healthy Schools' status and are on track to be awarded the silver 'Arts Mark' award.

We are currently ranked 13th out of 364 schools in Essex which is a fantastic achievement.

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

STRATEGIC REPORT (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

RPS's key school priorities for 2019-2020 are:

- Diminish the difference between the progress made between disadvantaged and non-disadvantaged children.
Effectively monitor attendance, persistent and unauthorised absences and lateness for the groups FSM, SEN support and SEN with EHCP
- To ensure the highest attaining pupils are challenged sufficiently in lessons across the curriculum
- To ensure our curriculum is broad and balanced and offers our children a wide variety of rich learning experiences which stretches and challenges them, while further instilling in them a love of learning for life
- To ensure that SEND provision is closely monitored and tracked and appropriate and timely support is put in place to ensure that barriers to learning are removed to enable all children to make good or better progress from their different starting points

Holt Farm Junior School

2018 – 2019 for the team at Holt Farm Junior School (HFJS) has included lots of success. Teaching across the school has been strong with 100% of teaching judged good over time and an increasing amount outstanding.

Judgements of teaching and learning take into account the triangulated approach favoured by Ofsted where teaching is viewed in conjunction with current data and the quality of marking and feedback in books.

Staff have become increasingly confident with their use of Target Tracker across the curriculum to pupil achievement within their classes (previous Ofsted target). Marking and feedback is now well developed across the school.

All teachers provide pupils with next step comments throughout the week to ensure pupils are challenged alongside praise comments.

Middle leadership has continued to develop at the school and 2 Phase Leaders were appointed.

Aside from English and Maths, there has been much success in sport and PE (being crowned District Sports Champions for the second time in 25 years, gaining the Castle Point and District runner up school of the year award for Sport). We also achieved Eco Schools silver status which included providing a safe, happy home for 5 rescue hens! We are proud to be a school in the heart of the Rochford community.

As the number on roll has increased during the year so has the number of SEN and vulnerability. We have worked very closely with various outside agencies to provide the best support for the children and their families. Support for parents has also included a weekly coffee morning, parenting courses and workshops. HFJS has continued to provide opportunities for all children to achieve.

HFJS developed a new vision 'Achieving excellence together' which will be launched in September 2019.

HFJS's key school priorities for 2019-2020 are:

- Continue to implement and develop effective assessment systems for all curriculum subjects so that leaders know precisely how well pupils achieve across the wider curriculum aside from English and Mathematics.
- To ensure that all teachers plan teaching to secure consistently good achievement in reading across the curriculum.
- To ensure all teaching challenges, extends and deepens the learning of the most able so that a greater

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

STRATEGIC REPORT (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

- proportion of these pupils achieve greater depth and secure.
- To further improve writing across the school, specifically improving spelling.
- To diminish the difference between the progress made of the disadvantaged and non-disadvantaged pupils.
- To effectively monitor attendance, persistent absence and punctuality for disadvantaged pupils, SEN support and SEN with ECHP.
- To ensure that all staff consistently apply the school behaviour policy.

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.

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

Each of the schools actively engage with SETSA.

FINANCIAL REVIEW

a. Principal funding and review

Principal funding sources

The Academy Trust's principal funding source is the Education & Skills Funding Agency (ESFA), 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 ESFA and any associated expenditure are included within restricted funds in the Statement of Financial Activities.

The Academy Trust also received grants from the ESFA 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

For the year ended 31 August 2019, total expenditure (excluding restricted fixed asset funds) of £12,184,564 (2018: £11,604,357) was incurred. The excess expenditure over income for the period (excluding restricted fixed asset funds and before funds transfers) was £290,415 (2018: excess income over expenditure £212,865).

During the year the Academy Trust spent £888,435 and transferred £595,432 from other funds to support

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

STRATEGIC REPORT (continued)

FINANCIAL REVIEW (continued)

capital new build and improvement projects on the various academy sites.

At 31 August 2019 the net book value of fixed assets was £36,961,126 (2018: £36,531,424) 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.

b. Investment policy

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

For the year ended 31 August 2019, the Charitable Company's cash balance generated a return of £1,712 (2018: £5,919).

c. 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 ESFA 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.

d. 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 Trust, 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 2019 of £33,144,995 (2018: £34,498,317) comprising £382,068 (2018: £506,619) of restricted funds, £36,857,970 (2018: £36,601,826) of restricted fixed asset funds, £1,028,957 (2018: £1,365,872) of unrestricted general funds and a pension reserve deficit of £5,124,000 (2018: £3,976,000).

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

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

STRATEGIC REPORT (continued)

FINANCIAL REVIEW (continued)

e. Key financial performance indicators

The primary key financial performance indicators of the trust are reserves levels provided above and pupil numbers given earlier in this report.

Additional key financial performance indicators include funds, excluding fixed assets and pensions funds as a % of total income of 11.6% (2018: 13.7%), cash ratio of 1.8 (2018: 2.2) and current ratio of 2.1 (2018: 2.6). The Trust aims to maintain and improve these measures over time.

Fundraising

SEEAT carries out a number of fundraising activities in order to improve the educational outcomes for present and future pupils. Each of the schools in SEEAT has a PTA which undertakes a number of fundraising activities throughout the year. Westcliff High School for Girls also raises funds through its School Improvement Fund which seeks donations from parents and is administered by school support staff. Westcliff High School for Girls SEEAT is registered with the Fundraising Regulator and is committed to abiding by its Code of Practice.

The activities of each PTA are monitored by each school's local governing body (LGB), as is the School Improvement Fund. During the course of the year no complaints were received related to fundraising activities.

Plans for future periods

The Trust will continue to strive to secure the highest levels of performance of its students at all levels and will continue its efforts to ensure its primary and junior school students get a place in secondary school with all students successfully entering 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.

At Westcliff High School for Girls the first two floors of the new East Wing (Design & Technology) are complete, and there has been a fundraising campaign to help contribute towards the amount needed to complete the top floor (Art). The school has a programme to continually improve and update all the facilities throughout the school to achieve the best learning environment possible for the pupils.

Prince Avenue is now working to expand the nursery with a new building following a successful CIF bid, using money from a bequest to improve library facilities and implementing chrome books and Gsuite to improve whole school ICT and computing. To further build on its current 'good' Ofsted status, the academy is implementing an accelerated reader scheme and employing apprentices to enhance the support network through the school.

Leadership at Holt Farm Junior School are keen to continue improving the school environment. The aim is to ensure that the children and staff are provided with a high quality learning environment which reflects high standards. Future developments include creating an outdoor learning area/ nature reserve/ sensory garden, exploring the option of developing a new HT office/ meeting room and creating an improved reading base in the centre of the school.

Rochford Primary and Nursery School continues its pursuit of excellence. The updated School Development Plan identifies key initiatives to continue to accelerate progress and maintain high attainment from Early Years to Key Stage 2. Forest School provision is now fully embedded and is impacting most positively on our children. The school premises continue to be enhanced in order to ensure the best possible learning environment for staff and children.

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

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Agency arrangements and funds held as custodian on behalf of others

The Academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2019 the trust received and disbursed amounts from the fund as detailed in note 34 to the financial statements.

In the previous year the Trust received and distributed money for SOPHA (Southend Primary Heads Association). During the year responsibility for this money and the balance remaining was transferred to Hamstel Junior School.

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 offers 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
- 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

Insofar as the Directors are aware:

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

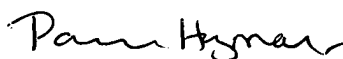
AUDITORS

The auditors, MWS, have indicated their willingness to continue in office. The designated Directors will propose a motion reappointing the auditors at a meeting of the Directors.

The Directors' Report, incorporating a strategic report, was approved by order of the Board of Directors, as the company directors, on 12 December 2019 and signed on its behalf by:



Mr M S C Foster
Chair of Trustees



Dr P B Hayman
Accounting Officer

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 full board of directors has formally met 5 times during the year.

Attendance during the year at meetings of the full board of directors was as follows:

Director	Meetings attended	Out of a possible
Mr M S C Foster, Chair of SEEAT Board	5	5
Dr P B Hayman, Executive Principal and Accounting Officer	5	5
Mr M I Lambert	5	5
Mrs A J Solomons	4	5
Mr M D Wilson	2	5
Mrs S Worthington, Vice Chair	5	5
Mrs J Clarke (known as Ruffle)	1	5
Miss M Sood	5	5
Mr C Bird	3	3

The Academy Trust Members have formally met 2 times during the year. Attendance during the year at the meetings of Trust Members was as follows:

Member	Meetings attended	Out of a possible
Dr O Aggarwal	2	2
Mr M S C Foster, Chair	2	2
Mr N Clark	2	2
Mr T Steel	1	1

The Finance and Premises 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
- 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 and performs the function of an audit committee.

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

GOVERNANCE STATEMENT (CONTINUED)

GOVERNANCE (continued)

Attendance during the year at meetings was as follows:

Director	Meetings attended	Out of a possible
Mr M S C Foster	4	5
Dr P B Hayman	5	5
Mr M I Lambert	4	5
Mr M D Wilson	1	5
Mrs S Worthington	4	5
Miss M Sood	5	5
Mr C Bird	2	3

The Standards & Performance 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 during the year at meetings was as follows:

Director	Meetings attended	Out of a possible
Mr M S C Foster	3	3
Dr P B Hayman	3	3
Mrs A J Solomons	3	3
Mrs S Worthington	2	3
Miss M Sood	2	3

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

Its purpose and remit are set down on page 5.

Attendance at meetings was as follows:

Director	Meetings attended	Out of a possible
Mrs A Solomons	1	1
Mrs J Clarke (known as Ruffle)	1	1
Mr M I Lambert	1	1
Mrs S Worthington	1	1
Dr P B Hayman (in attendance)	1	1

GOVERNANCE REVIEW

The Trust's Directors regularly review the "Directors' Skills Audit and Trust Internal Evaluation" to ensure that between the Directors, the key areas continue to be fully covered.

As a result of regular reviews of the "Governing Body Training/Skills Audit and Evaluation of Effectiveness of Local Governing Body (LGB)", common training needs are identified and relevant training put in place.

Taking into account the DfE's (Lord Nash's) guidelines, the Trust's Governance was reviewed during 2016/17 and an amended structure has been put in place with effect 1st September 2017.

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

GOVERNANCE STATEMENT (CONTINUED)

GOVERNANCE (continued)

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:

- facilitating the work of the Finance & Operations Director as a Schools Resource Management Adviser for other schools and academies as directed by the ESFA increasing his ability to benchmark and assess value for money internally.
- the Academy Trust continues its programme of sharing resources across the member schools so that absences and vacancies could be covered without the need to employ expensive short term cover.
- ensuring that all SEEAT schools have good progress scores compared to the national average.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in South East Essex Academy Trust for the year 1 September 2018 to 31 August 2019 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 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of directors.

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

GOVERNANCE STATEMENT (CONTINUED)

THE RISK AND CONTROL FRAMEWORK

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

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

The board of directors has considered the need for a specific internal audit function and has decided to appoint EES for Schools as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. In particular the checks carried out in the current period included a review of the controls and processes in place within the Trust.

On an annual basis, the internal auditor reports to the board of directors through the Finance and Premises Committee on the operation of the systems of control and on the discharge of the directors' financial responsibilities.

There were no material control issues raised during the year. Other issues have been addressed.

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 Finance and Premises 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 12 December 2019 and signed on their behalf by:



Mr M S C Foster
Chair of Directors



Dr P B Hayman
Accounting Officer

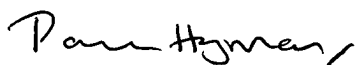
SOUTH EAST ESSEX ACADEMY TRUST
(A company limited by guarantee)

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 & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

I confirm that I and the Academy Trust Board of Directors are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2018.

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 ESFA.



Dr P B Hayman
Accounting Officer
Date: 12 December 2019

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

STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2019

The Directors (who 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 Academies Accounts Direction published by the Education & Skills 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 2018 to 2019;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The 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 ESFA/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 12 December 2019 and signed on its behalf by:


Mr M S C Foster
Chair of Trustees

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**

OPINION

We have audited the financial statements of South East Essex Academy Trust (the 'academy trust') for the year ended 31 August 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2019 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 2018 to 2019 issued by the Education & Skills Funding Agency.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Academy Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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 (CONTINUED)**

OTHER INFORMATION

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Other information includes the Reference and Administrative Details, the Directors' Report including the Strategic Report, and the Governance Statement. *Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.*

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

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 (CONTINUED)**

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Directors' Responsibilities Statement, 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, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

USE OF OUR REPORT

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

Clive Smith FCA (Senior statutory auditor)
for and on behalf of
MWS
Chartered Accountants
Statutory Auditor
Kingsridge House
601 London Road
Westcliff-on-Sea
Essex
SS0 9PE

13 December 2019

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

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SOUTH
EAST ESSEX ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 16 November 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, 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 2018 to 31 August 2019 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 ESFA 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 ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than South East Essex Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITY 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 dated 2014 and the Academies Financial Handbook, extant from 1 September 2018, 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 2018 to 2019. 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 2018 to 31 August 2019 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 2018 to 2019 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Assessing the risk of material irregularity in the Academy Trust
- Commissioning a self-assessment review of the Directors' governance arrangements and consideration of any material non-compliance with the Academies Financial Handbook
- Investigating any areas of significant risk identified
- Consideration of the work performed under our audit engagement and any impact this may have on our regularity conclusion or regularity risk assessment
- A review of the internal controls and internal audit procedures for areas of significant risk and performing further substantive testing where necessary.

SOUTH EAST ESSEX ACADEMY TRUST

(A company limited by guarantee)

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

CONCLUSION

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Reporting Accountant

MWS

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

Date: 13 December 2019

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 2019**

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from:						
Donations and capital grants	4	436,729	5,956	198,845	641,530	2,363,141
Charitable activities	5	-	10,394,501	-	10,394,501	10,259,054
Other trading activities	7	1,055,251	-	50,000	1,105,251	1,031,955
Investments	8	1,712	-	-	1,712	5,919
Total income		1,493,692	10,400,457	248,845	12,142,994	13,660,069
Expenditure on:						
Raising funds	10	554,053	-	23,728	577,781	583,055
Charitable activities	11	587,526	11,042,985	623,022	12,253,533	11,555,273
Total expenditure		1,141,579	11,042,985	646,750	12,831,314	12,138,328
Net income/(expenditure)		352,113	(642,528)	(397,905)	(688,320)	1,521,741
Transfers between funds	23	(689,027)	34,977	654,050	-	-
Net movement in funds before other recognised gains/(losses)		(336,914)	(607,551)	256,145	(688,320)	1,521,741
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	30	-	(665,000)	-	(665,000)	889,000
Net movement in funds		(336,914)	(1,272,551)	256,145	(1,353,320)	2,410,741
Reconciliation of funds:						
Total funds brought forward		1,365,872	(3,469,381)	36,601,826	34,498,316	32,087,575
Net movement in funds		(336,914)	(1,272,551)	256,145	(1,353,320)	2,410,741
Total funds carried forward		1,028,958	(4,741,932)	36,857,971	33,144,997	34,498,316

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

The notes on pages 31 to 62 form part of these financial statements.

SOUTH EAST ESSEX ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 07527304

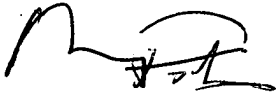
BALANCE SHEET
AS AT 31 AUGUST 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	18	36,961,126	36,531,424
		<u>36,961,126</u>	<u>36,531,424</u>
Current assets			
Stocks	19	76,915	51,823
Debtors	20	356,430	530,288
Cash at bank and in hand		2,527,724	2,866,412
		<u>2,961,069</u>	<u>3,448,523</u>
Creditors: amounts falling due within one year	21	(1,362,674)	(1,310,138)
Net current assets		<u>1,598,395</u>	<u>2,138,385</u>
Total assets less current liabilities		<u>38,559,521</u>	<u>38,669,809</u>
Creditors: amounts falling due after more than one year	22	(290,526)	(195,492)
Net assets excluding pension liability		<u>38,268,995</u>	<u>38,474,317</u>
Defined benefit pension scheme liability	30	(5,124,000)	(3,976,000)
Total net assets		<u><u>33,144,995</u></u>	<u><u>34,498,317</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	23	36,857,970	36,601,826
Restricted income funds	23	382,068	506,619
		<u>37,240,038</u>	<u>37,108,445</u>
Restricted funds excluding pension asset	23	37,240,038	37,108,445
Pension reserve	23	(5,124,000)	(3,976,000)
Total restricted funds	23	<u>32,116,038</u>	<u>33,132,445</u>
Unrestricted income funds	23	<u>1,028,957</u>	<u>1,365,872</u>
Total funds		<u><u>33,144,995</u></u>	<u><u>34,498,317</u></u>

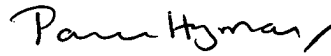
The financial statements on pages 27 to 62 were approved by the Directors, and authorised for issue on 12 December 2019 and are signed on their behalf, by:

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

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2019



Mr M S C Foster
Chair of Trustees



Dr P B Hayman
Accounting Officer

The notes on pages 31 to 62 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 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash provided by operating activities	25	552,525	796,656
Cash flows from investing activities	27	(794,971)	(859,539)
Cash flows from financing activities	26	(96,242)	(198,513)
Change in cash and cash equivalents in the year		(338,688)	(261,396)
Cash and cash equivalents at the beginning of the year		2,866,412	3,127,808
Cash and cash equivalents at the end of the year	28	<u>2,527,724</u>	<u>2,866,412</u>

The notes on pages 31 to 62 form part of these financial statements

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. General information

South East Essex Academy Trust is a company limited by guarantee and incorporated in England & Wales.

Its registered office is Westcliff High School for Girls, Kenilworth Gardens, Westcliff-on-Sea, Essex, SS0 0BS.

2. 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.

2.1 Basis of preparation of financial statements

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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

2.2 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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

2. Accounting policies (continued)

2.3 Income

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

• **Grants**

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

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

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

• **Sponsorship income**

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

• **Donations**

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

• **Other income**

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

2.4 Expenditure

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

• **Expenditure on raising funds**

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

• **Charitable activities**

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

2. Accounting policies (continued)

2.4 Expenditure (continued)

All resources expended are inclusive of irrecoverable VAT.

2.5 Tangible fixed assets

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

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

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset, less their estimated residual value, over its expected useful life, as follows:

Depreciation is provided on the following bases:

Freehold property	- Straight line over 50 years
Plant and machinery (temporary- classroom)	- Straight line over 20 years
Freehold property improvements	- Straight line over 10 years
Fixtures and fittings	- Straight line over 5 years
Computer equipment	- Straight line over 3 years
Motor vehicles	- 25% reducing balance

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.

2.6 Interest receivable

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

2.7 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.

2.8 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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

2. Accounting policies (continued)

2.9 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.

2.10 Liabilities

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

2.11 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 20. Prepayments are not financial instruments. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 21 and 22. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

2.12 Taxation

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

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

2.13 Operating leases

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

2. Accounting policies (continued)

2.14 Pensions benefits

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

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

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

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

2.15 Agency arrangements

The Academy Trust acts as an agent in the administering of 16-19 Bursary Funds from the ESFA. Related payments received from the ESFA and 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 ESFA.

2.16 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 funders where the asset acquired or created is held for a specific purpose.

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

2. Accounting policies (continued)

2.17 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).

3. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 30, 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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. 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.

4. Income from donations and capital grants

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
Donations	436,729	46,234	482,963	520,397
Other grants	-	5,956	5,956	12,897
Government grants	-	152,611	152,611	1,829,847
	<u>436,729</u>	<u>204,801</u>	<u>641,530</u>	<u>2,363,141</u>
<i>Total 2018</i>	<u>507,397</u>	<u>1,855,744</u>	<u>2,363,141</u>	

SOUTH EAST ESSEX ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

5. Income from charitable activities

	Restricted funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
Educational Operations	10,155,143	10,155,143	9,631,541
Teacher Training	239,358	239,358	627,513
Total 2019	<u>10,394,501</u>	<u>10,394,501</u>	<u>10,259,054</u>

6. Funding for the Academy Trust's educational operations

	Restricted funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
DfE/ESFA grants			
General Annual Grant (GAG)	9,138,649	9,138,649	8,693,689
Other DfE/EFA Grants	754,297	754,297	631,128
	<u>9,892,946</u>	<u>9,892,946</u>	<u>9,324,817</u>
Other government grants			
Local Authority Grants	262,197	262,197	306,724
	<u>10,155,143</u>	<u>10,155,143</u>	<u>9,631,541</u>

7. Income from other trading activities

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
School uniform	75,983	-	75,983	75,273
Hire of facilities	38,229	-	38,229	31,190
Catering income	758,042	-	758,042	697,539
Other income	182,997	50,000	232,997	227,953
	<u>1,055,251</u>	<u>50,000</u>	<u>1,105,251</u>	<u>1,031,955</u>
Total 2018	<u>1,031,955</u>	<u>-</u>	<u>1,031,955</u>	

SOUTH EAST ESSEX ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

7. Income from other trading activities (continued)

8. Investment income

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Investment income	1,712	1,712	5,919

9. Expenditure

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £	Total 2018 £
Expenditure on raising voluntary income:					
Direct costs	53,607	-	524,174	577,781	583,055
Educational Operations:					
Direct costs	6,998,354	615,834	958,585	8,572,773	8,009,392
Allocated support costs	2,063,876	850,786	488,454	3,403,116	3,266,982
Teacher Training:					
Direct costs	76,952	-	151,034	227,986	229,393
Allocated support costs	32,814	10,866	5,978	49,658	49,506
	9,225,603	1,477,486	2,128,225	12,831,314	12,138,328
Total 2018	8,766,582	1,211,382	2,160,364	12,138,328	

SOUTH EAST ESSEX ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

10. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
General costs of raising voluntary income	500,445	23,728	524,173	534,979
Wages and salaries	43,918	-	43,918	38,739
National insurance	2,191	-	2,191	2,341
Pension costs	7,499	-	7,499	6,996
	<u>554,053</u>	<u>23,728</u>	<u>577,781</u>	<u>583,055</u>
<i>Total 2018</i>	<u>583,055</u>	<u>-</u>	<u>583,055</u>	

11. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Educational Operations	587,526	11,388,362	11,975,888	11,276,374
Teacher Training	-	277,645	277,645	278,899
	<u>587,526</u>	<u>11,666,007</u>	<u>12,253,533</u>	<u>11,555,273</u>
<i>Total 2018</i>	<u>569,895</u>	<u>10,985,378</u>	<u>11,555,273</u>	

SOUTH EAST ESSEX ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

12. Analysis of expenditure by activities

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £	Total funds 2018 £
Educational Operations	8,572,773	3,403,116	11,975,889	11,276,374
Teacher Training	227,986	49,658	277,644	278,899
	<u>8,800,759</u>	<u>3,452,774</u>	<u>12,253,533</u>	<u>11,555,273</u>
<i>Total 2018</i>	<u><u>8,238,785</u></u>	<u><u>3,316,488</u></u>	<u><u>11,555,273</u></u>	

Analysis of direct costs

	Educational Operations 2019 £	Teacher Training 2019 £	Total funds 2019 £	Total funds 2018 £
Staff costs	6,998,354	76,952	7,075,306	6,636,016
Depreciation	615,834	-	615,834	533,971
Technology costs	39,938	-	39,938	92,944
Educational supplies	563,558	146,468	710,026	647,057
Examination fees	150,643	-	150,643	123,703
Staff development	31,810	-	31,810	43,242
Other direct costs	49,448	-	49,448	17,020
Legal and professional fees	86,528	-	86,528	105,733
PPS & telephone	36,660	-	36,660	39,099
Venue hire	-	4,566	4,566	-
	<u>8,572,773</u>	<u>227,986</u>	<u>8,800,759</u>	<u>8,238,785</u>
<i>Total 2018</i>	<u><u>8,009,392</u></u>	<u><u>229,393</u></u>	<u><u>8,238,785</u></u>	

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

12. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational Operations 2019 £	Teacher Training 2019 £	Total funds 2019 £	Total funds 2018 £
Pension income	100,000	-	100,000	108,000
Staff costs	2,063,876	32,814	2,096,690	2,082,490
Recruitment and support	25,098	533	25,631	35,909
Maintenance of premises and equipment	256,363	-	256,363	144,828
Cleaning	207,446	-	207,446	183,190
Rent and rates	98,790	6,300	105,090	100,511
Energy costs	227,807	-	227,807	184,160
Insurance	62,730	-	62,730	64,722
Security and transport	15,687	2,500	18,187	20,190
Interest payable and similar charges	-	-	-	33
Indirect staff costs	19,651	-	19,651	24,689
Legal and professional fees	111,487	-	111,487	106,193
Other support costs	131,347	6,074	137,421	154,080
PPS & telephone	60,534	1,437	61,971	85,493
Audit fees	22,300	-	22,300	22,000
	<u>3,403,116</u>	<u>49,658</u>	<u>3,452,774</u>	<u>3,316,488</u>
<i>Total 2018</i>	<u>3,266,982</u>	<u>49,506</u>	<u>3,316,488</u>	

During the year ended 31 August 2019, the Academy Trust incurred the following Governance costs:

£30,504 (2018: £28,465) included within the table above in respect of Educational Operations.

13. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2019 £	2018 £
Operating lease rentals	29,095	33,571
Depreciation of tangible fixed assets	615,834	533,971
Fees paid to auditors for:		
- audit	<u>22,300</u>	<u>22,000</u>

SOUTH EAST ESSEX ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

14. Staff costs

a. Staff costs

Staff costs during the year were as follows:

	2019 £	2018 £
Wages and salaries	6,925,225	6,535,369
Social security costs	598,458	591,777
Pension costs	1,546,974	1,510,606
	<u>9,070,657</u>	<u>8,637,752</u>
Agency staff costs	154,946	128,830
	<u><u>9,225,603</u></u>	<u><u>8,766,582</u></u>

b. Staff numbers

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

	2019 No.	2018 No.
Management	5	5
Teachers	131	127
Support	196	193
	<u>332</u>	<u>325</u>

c. Higher paid staff

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

	2019 No.	2018 No.
In the band £60,001 - £70,000	7	5
In the band £70,001 - £80,000	1	2
In the band £110,000 - £120,000	1	1

The total pension contributions for the employees whose remuneration fell into the above categories were £108,599 (2018: £92,590).

In 2019 Dr P B Hayman received an additional payment of £10,000 (2018: £10,000) for his role as Executive Principal of the MAT, on top of his normal remuneration as Headteacher of WHSG.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

14. Staff costs (continued)

d. Key management personnel

The total remuneration for key management personnel, comprising 5 (2018: 5) people across the Trust, during the year was £435,039 (2018: £430,801), of which £369,330 (2018: £375,211) related to gross pay and £65,709 (2018: £55,591) related to employers' pension contributions.

15. 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
- financial management and budgeting
- personnel services
- safeguarding services
- premises services
- internal and external audit
- data protection services

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 direct recharge.

The actual amounts charged during the year were as follows:

	2019 £	2018 £
Westcliff High School for Girls	139,875	99,582
Prince Avenue Primary Academy and Nursery	64,990	52,545
Rochford Primary School and Nursery	34,549	27,918
Holt Farm Junior School	44,595	35,843
Total	284,009	215,888

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16. 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 staff members under their contracts of employment. The value of Directors' remuneration and other benefits was as follows:

	2019 £	2018 £
Dr P B Hayman, Executive Principal Remuneration and Accounting Officer	110,000 - 115,000	110,000 - 115,000
Pension contributions paid	15,000 - 20,000	10,000 - 15,000

During the year, retirement benefits were accruing to 1 Directors (2018 - 1) in respect of defined benefit pension schemes.

During the year ended 31 August 2019, no Director expenses have been incurred (2018 - £NIL).

17. 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 2019 is included in the total insurance cost.

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18. Tangible fixed assets

	Freehold property £	Furniture and equipment £	Plant and machinery £	Computer equipment £	Motor vehicles £	Property improvement s £	Total £
Cost or valuation							
At 1 September 2018	38,503,950	296,739	61,374	534,226	27,246	253,005	39,676,540
Additions	674,889	23,556	11,390	122,156	-	213,546	1,045,537
Disposals	-	-	-	(7,137)	-	-	(7,137)
At 31 August 2019	39,178,839	320,295	72,764	649,245	27,246	466,551	40,714,940
Depreciation							
At 1 September 2018	2,443,351	256,102	17,341	403,291	19,528	5,503	3,145,116
Charge for the year	499,648	15,655	3,401	68,909	1,930	26,291	615,834
On disposals	-	-	-	(7,137)	-	-	(7,137)
At 31 August 2019	2,942,999	271,757	20,742	465,063	21,458	31,794	3,753,813
Net book value							
At 31 August 2019	36,235,840	48,538	52,022	184,182	5,788	434,757	36,961,127
At 31 August 2018	36,060,599	40,637	44,033	130,935	7,718	247,502	36,531,424

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19. Stocks

	2019 £	2018 £
Finished goods and goods for resale	76,915	51,823

20. Debtors

	2019 £	2018 £
Due within one year		
Trade debtors	53,517	98,727
Other debtors	109,808	239,801
Prepayments and accrued income	193,105	191,760
	<u>356,430</u>	<u>530,288</u>

21. Creditors: Amounts falling due within one year

	2019 £	2018 £
Other loans	35,229	34,021
Trade creditors	253,429	163,971
Other taxation and social security	183,346	141,101
Pension fund loan payable	117,956	89,770
Other creditors	6,368	63,309
Accruals and deferred income	766,346	817,966
	<u>1,362,674</u>	<u>1,310,138</u>

	2019 £	2018 £
Deferred income at 1 September 2018	252,191	173,110
Resources deferred during the year	153,096	252,191
Amounts released from previous periods	(252,201)	(173,110)
	<u>153,086</u>	<u>252,191</u>

Deferred income at the 31 August 2019 was comprised of the following:

£31,678 (2018: £30,981) of rates rebate received in advance
£48,782 (2018: £102,972) of trip and other similar income received in advance
£1,125 (2018: £Nil) of SEN grants received in advance of eligibility
£42,063 (2018: £42,444) of Universal Free School Meals received in advance of eligibility
£5,199 (2018: £6,758) of Nursery funding received in advance of eligibility
£Nil (2018: £1,032) of money for school dinners received in advance of eligibility

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21. Creditors: Amounts falling due within one year (continued)

£912 (2018: £1,745) of money received for school uniforms in advance of their supply
 £Nil (2018: £32,416) of money received for teaching school grants received in advance of eligibility
 £11,520 (2018: £13,816) of donations received in advance of eligibility
 £Nil (2018: £3,000) of employers national insurance rebate
 £4,270 (2018: £Nil) of income received from the PTA.
 £7,545 (2018: £17,028) of money received for music lessons in advance of their supply.

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

	2019 £	2018 £
Other loans	290,526	195,492

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

	2019 £	2018 £
Payable or repayable by instalments	134,350	39,316
	134,350	39,316

Interest free salix loan of £31,000 to be repaid twice yearly over a period of 5 years.
 CIF loan of £17,000 with interest charged at a rate of 2.29%, to be repaid twice yearly over a period of 10 years.
 Interest free salix loan of £50,864, of which £27,755 has been received so far, to be repaid twice yearly over a period of 8 years.
 CIF loan of £250,000 with interest charged at a rate of 2.21%, to be repaid monthly over a period of 10 years.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

23. Statement of funds

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General fund	1,182,939	1,493,692	(1,141,580)	(689,027)	-	846,024
SETSA	182,933	-	-	-	-	182,933
	<u>1,365,872</u>	<u>1,493,692</u>	<u>(1,141,580)</u>	<u>(689,027)</u>	<u>-</u>	<u>1,028,957</u>
Restricted general funds						
General Annual Grant (GAG)	306,204	8,854,640	(8,972,285)	84,977	-	273,536
MAT funds	16,622	284,009	(287,424)	-	-	13,207
LA/Network Groups/ITP	18,113	-	(182)	-	-	17,931
Other ESFA	-	295,895	(295,895)	-	-	-
Pupil premium	-	458,768	(458,768)	-	-	-
LA grants	-	49,040	(49,040)	-	-	-
SEN funding	-	112,419	(112,419)	-	-	-
Initial teacher training	-	5,591	(5,591)	-	-	-
SETSA	165,680	239,357	(277,643)	(50,000)	-	77,394
Early years funding	-	100,738	(100,738)	-	-	-
Pension reserve	(3,976,000)	-	(483,000)	-	(665,000)	(5,124,000)
	<u>(3,469,381)</u>	<u>10,400,457</u>	<u>(11,042,985)</u>	<u>34,977</u>	<u>(665,000)</u>	<u>(4,741,932)</u>
Restricted fixed asset funds						
Inherited fixed assets	30,333,497	-	(396,224)	-	-	29,937,273
Assets funded from GAG	229,058	-	(79,619)	64,594	-	214,033
Assets funded from capital grants	5,934,359	96,243	(115,598)	595,432	-	6,510,436
Capital asset donations	189,291	-	(4,027)	-	-	185,264
DFCG	135,134	152,610	(20,366)	(5,976)	-	261,402
Capital loans	(229,513)	(96,242)	-	-	-	(325,755)

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Capital donations	10,000	96,234	(30,917)	(50,000)	-	25,317
Assets funded from other grants	-	-	-	50,000	-	50,000
	<u>36,601,826</u>	<u>248,845</u>	<u>(646,751)</u>	<u>654,050</u>	<u>-</u>	<u>36,857,970</u>
Total Restricted funds	<u>33,132,445</u>	<u>10,649,302</u>	<u>(11,689,736)</u>	<u>689,027</u>	<u>(665,000)</u>	<u>32,116,038</u>
Total funds	<u>34,498,317</u>	<u>12,142,994</u>	<u>(12,831,316)</u>	<u>-</u>	<u>(665,000)</u>	<u>33,144,995</u>

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 ESFA

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.

SETSA

These funds have arisen from the operation of the Teaching School.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2019.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

23. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2019 were allocated as follows:

	2019 £	2018 £
Westcliff High School for Girls	696,787	1,146,992
Prince Avenue Primary Academy and Nursery	180,146	179,389
Rochford Primary School and Nursery	294,079	267,483
Holt Farm Junior School	215,602	261,556
Central Services	24,411	17,071
Total before fixed asset funds and pension reserve	1,411,025	1,872,491
Restricted fixed asset fund	36,857,970	36,601,826
Pension reserve	(5,124,000)	(3,976,000)
Total	33,144,995	34,498,317

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2019 £	Total 2018 £
Westcliff High School for Girls	3,930,286	1,093,001	546,046	1,564,548	7,133,881	6,654,004
Prince Avenue Primary Academy and Nursery	1,407,146	453,093	66,379	302,506	2,229,124	2,172,992
Rochford Primary School and Nursery	719,655	184,067	39,818	199,883	1,143,423	1,171,074
Holt Farm Junior School	977,960	166,103	57,679	219,887	1,421,629	1,340,012
Central services	40,260	200,426	104	46,633	287,423	266,275
Academy Trust	7,075,307	2,096,690	710,026	2,333,457	12,215,480	11,604,357

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

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

	<i>Balance at 1 September 2017 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2018 £</i>
Unrestricted funds						
General fund	1,145,089	1,545,271	(1,139,259)	(368,162)	-	1,182,939
SETSA	-	-	-	182,933	-	182,933
	<u>1,145,089</u>	<u>1,545,271</u>	<u>(1,139,259)</u>	<u>(185,229)</u>	<u>-</u>	<u>1,365,872</u>
Restricted general funds						
General Annual Grant (GAG)	222,911	8,477,800	(8,450,457)	55,950	-	306,204
MAT funds	67,007	215,888	(266,273)	-	-	16,622
LA/Network Groups/ITP	18,113	-	-	-	-	18,113
Other ESFA	13,718	183,285	(197,003)	-	-	-
Pupil premium	-	448,723	(448,723)	-	-	-
LA grants	-	46,407	(46,407)	-	-	-
SEN funding	-	135,730	(135,730)	-	-	-
Initial teacher training	-	12,017	(12,017)	-	-	-
SETSA	-	627,513	(278,900)	(182,933)	-	165,680
Early years funding	-	124,588	(124,588)	-	-	-
Pension reserve	(4,360,000)	-	(505,000)	-	889,000	(3,976,000)
	<u>(4,038,251)</u>	<u>10,271,951</u>	<u>(10,465,098)</u>	<u>(126,983)</u>	<u>889,000</u>	<u>(3,469,381)</u>
Restricted fixed asset funds						
Inherited fixed assets	30,730,842	-	(397,345)	-	-	30,333,497
Assets funded from GAG	158,630	-	(72,139)	142,567	-	229,058
Assets funded from capital grants	3,811,821	1,980,360	(32,856)	175,034	-	5,934,359
Capital asset donations	193,318	-	(4,027)	-	-	189,291

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

	£	£	£	£	£	Balance at 31 August 2018 £
DFCG	99,825	48,000	(27,604)	14,913	-	135,134
Capital loans	(31,000)	(198,513)	-	-	-	(229,513)
Capital donations	17,302	13,000	-	(20,302)	-	10,000
	<u>34,980,738</u>	<u>1,842,847</u>	<u>(533,971)</u>	<u>312,212</u>	<u>-</u>	<u>36,601,826</u>
Total Restricted funds	<u>30,942,487</u>	<u>12,114,798</u>	<u>(10,999,069)</u>	<u>185,229</u>	<u>889,000</u>	<u>33,132,445</u>
Total funds	<u><u>32,087,576</u></u>	<u><u>13,660,069</u></u>	<u><u>(12,138,328)</u></u>	<u><u>-</u></u>	<u><u>889,000</u></u>	<u><u>34,498,317</u></u>

24. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	36,961,126	36,961,126
Current assets	1,067,038	1,671,432	222,599	2,961,069
Creditors due within one year	(13,281)	(1,289,364)	(60,029)	(1,362,674)
Creditors due in more than one year	(24,800)	-	(265,726)	(290,526)
Provisions for liabilities and charges	-	(5,124,000)	-	(5,124,000)
Total	<u><u>1,028,957</u></u>	<u><u>(4,741,932)</u></u>	<u><u>36,857,970</u></u>	<u><u>33,144,995</u></u>

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24. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2018 £</i>	<i>Restricted funds 2018 £</i>	<i>Restricted fixed asset funds 2018 £</i>	<i>Total funds 2018 £</i>
Tangible fixed assets	-	-	36,531,424	36,531,424
Current assets	1,455,682	1,692,926	299,915	3,448,523
Creditors due within one year	(89,810)	(1,186,307)	(34,021)	(1,310,138)
Creditors due in more than one year	-	-	(195,492)	(195,492)
Provisions for liabilities and charges	-	(3,976,000)	-	(3,976,000)
Total	1,365,872	(3,469,381)	36,601,826	34,498,317

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

	2019 £	2018 £
Adjustments for:		
Depreciation	615,834	533,971
Capital grants from DfE and other capital income	(152,611)	(2,041,360)
Interest receivable	(1,712)	(5,919)
Defined benefit pension scheme cost less contributions payable	483,000	505,000
Increase in stocks	(25,094)	(9,729)
Decrease/(increase) in debtors	169,923	(162,266)
Increase in creditors	151,505	455,218
Net cash provided by operating activities	552,525	796,656

26. Cash flows from financing activities

	2019 £	2018 £
Cash inflows from new borrowing	(96,242)	(198,513)
Net cash used in financing activities	(96,242)	(198,513)

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27. Cash flows from investing activities

	2019 £	2018 £
Dividends, interest and rents from investments	1,712	5,919
Purchase of tangible fixed assets	(1,045,536)	(3,105,331)
Capital grants from DfE Group	152,611	2,041,360
New borrowing for the funding of tangible fixed assets	96,242	198,513
Net cash used in investing activities	(794,971)	(859,539)

28. Analysis of cash and cash equivalents

	2019 £	2018 £
Cash in hand	2,527,724	2,866,412
Total cash and cash equivalents	2,527,724	2,866,412

29. Capital commitments

	2019 £	2018 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	53,247	251,952

30. Pension commitments

The Academy Trust's employees belong to two principal pension schemes: the Teachers' 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 schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

Contributions amounting to £117,956 were payable to the schemes at 31 August 2019 (2018 - £105,781) and are included within creditors.

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30. Pension commitments (continued)

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies 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

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)
- 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%.

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 September 2019.

The employer's pension costs paid to TPS in the year amounted to £700,393 (2018 - £659,059).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £588,000 (2018 - £541,000), of which employer's contributions totalled £467,000 (2018 - £425,000) and employees' contributions totalled £ 121,000 (2018 - £116,000). The agreed contribution rates for future years are between 19.7 per cent and 24.8 per cent for employers and 5.5 per cent and 12 per cent 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.

Principal actuarial assumptions

	2019 %	2018 %
Rate of increase in salaries	3.70	3.8
Rate of increase for pensions in payment/inflation	2.20	2.3
Discount rate for scheme liabilities	1.88	2.7
Inflation assumption (CPI)	2.20	2.3
Inflation assumption (RPI)	3.20	3.3

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

	2019 Years	2018 Years
<i>Retiring today</i>		
Males	21.3	22.3
Females	23.6	24.8
<i>Retiring in 20 years</i>		
Males	23.0	24.5
Females	25.4	27.1

Sensitivity analysis

	2019 £000	2018 £000
Discount rate +0.1%	(207)	(162)
Discount rate -0.1%	213	165
Mortality assumption - 1 year increase	358	244
Mortality assumption - 1 year decrease	(344)	(237)

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30. Pension commitments (continued)

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

	At 31 August 2019 £	<i>At 31 August 2018 £</i>
Equities	2,565,000	2,082,000
Gilts	225,000	175,000
Corporate bonds	230,000	192,000
Property	326,000	291,000
Cash and other liquid assets	119,000	111,000
Alternative assets	399,000	293,000
Other manager funds	209,000	126,000
Total market value of assets	4,073,000	3,270,000

The actual return on scheme assets was £294,000 (2018 - £178,000).

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

	2019 £	<i>2018 £</i>
Current service cost	(758,000)	(821,000)
Past service cost	(91,000)	-
Interest income	93,000	74,000
Interest cost	(193,000)	(182,000)
Administrative expenses	(1,000)	(1,000)
Total amount recognised in the Statement of Financial Activities	(950,000)	(930,000)

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

	2019 £	<i>2018 £</i>
At 1 September	7,246,000	6,973,000
Current service cost	758,000	821,000
Interest cost	193,000	182,000
Employee contributions	121,000	116,000
Actuarial losses/(gains)	866,000	(785,000)
Benefits paid	(78,000)	(61,000)
Past service costs	91,000	-
At 31 August	9,197,000	7,246,000

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30. Pension commitments (continued)

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

	2019 £	2018 £
At 1 September	3,270,000	2,613,000
Interest income	93,000	74,000
Actuarial gains	201,000	104,000
Employer contributions	467,000	425,000
Employee contributions	121,000	116,000
Benefits paid	(78,000)	(61,000)
Admin expenses	(1,000)	(1,000)
At 31 August	4,073,000	3,270,000

Pension liability reconciliation

	2019 £	2018 £
Closing defined benefit obligation	(9,197,000)	(7,246,000)
Closing fair value of scheme assets	4,073,000	3,270,000
	(5,124,000)	(3,976,000)

Impact of the McCloud/Sargeant judgement on the Local Government Pension Scheme

An allowance has been made for the recent Court of Appeal judgement in relation to the McCloud & Sargeant cases which relate to age discrimination within the Judicial & Fire Pension schemes respectively. On 27 June 2019 the Supreme Court denied the Government's request for an appeal, and on 15 July 2019 the Government released a statement to confirm that it expects to have to amend all public service schemes, including the LGPS.

The estimated impact on the total liabilities at 31 August 2019 has been allowed for as a past service cost and has resulted in a slight increase in the defined benefit obligation as at 31 August 2019.

This adjustment is an estimate of the potential impact on the Trust's defined benefit obligation as provided by the scheme's actuary. The Actuary's assessment is based on analysis carried out by the Government Actuary's Department (GAD) and the Trust's liability profile.

The GAD assessment is based on a "worst-case" scenario whereby this case impacts on all active members in the scheme as at 31 March 2019. It is the view of the Trustees and their actuary that this is not a realistic estimate. The actuary has therefore adjusted their estimate to only include members who were active at 31 March 2012.

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31. Operating lease commitments

At 31 August 2019 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2019	2018
	£	£
Not later than 1 year	23,866	25,924
Later than 1 year and not later than 5 years	63,187	72,605
Later than 5 years	21,099	27,951
	<hr/> 108,152 <hr/>	<hr/> 126,480 <hr/>

32. 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.

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33. 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 a directors has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures.

The Trust transacted in a previous year at cost with Nineteen Minutes Ltd, of which director Amanda Solomons, is a director. There were no (2018: 4) transactions during the year totalling £Nil (2018: £21,052) for a 'Women in Leadership' programme. A statement of assurance was received from Nineteen Minutes Ltd in the previous year confirming the transactions at cost.

The Trust has not transacted with the above company since the balance sheet date and has no further commitments to do so following completion of the project.

At the balance sheet date there was nothing owed to or by any of the above related parties other than that already disclosed above. In entering into the transactions the Trust has complied with the requirements of the Academies Financial Handbook 2018.

During the year the Trust made a charitable donation of £2,987 (2018: £3,890) following annual school fundraising activities by 6th form pupils to the Southend Toy Library, a charity of which M Wilson, a director, is trustee.

During the year the following Directors made donations (either one off or regular payments) to the Trust:

	2019 £	2018 £
M Sood	-	10
M Foster	804	335
M Wilson	408	170
P Hayman	-	7,500
J Harding	120	50
H Boyd	168	84
A Solomons	100	-
	1,600	8,149

Directors' remuneration and expenses have already been disclosed in note 16.

34. Agency arrangements

The Academy Trust administers the distribution of the new discretionary support for learners, the 16-19 Bursary Fund, on behalf of the ESFA. In the year it received £16,421 (2018: £16,627) and disbursed £12,670 (2018: £16,103). There a balance owed at the year end of £11,670 (2018: £7,919).

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35. Funds held as custodian

At the beginning of the year the Academy Trust held funds of £10,678 in the bank on behalf of SOPHA which was represented within other creditors. During the year funds and the custodianship of those funds were transferred to Hamstel Junior School.

36. Teaching school trading account

	2019 £	2019 £	2018 £	2018 £
Income				
Funds transferred in	-		168,652	
Grant income	239,358		305,066	
Training income	-		153,795	
	<hr/>		<hr/>	
Total direct income	239,358		627,513	
Total income		239,358		627,513
Expenditure				
Direct staff costs	76,952		67,894	
Venue hire	4,566		-	
Educational supplies	146,468		161,500	
	<hr/>		<hr/>	
Total direct expenditure	227,986		229,394	
Other staff costs	32,814		28,280	
Rent and rates	6,300		14,171	
Security and transport	2,500		2,803	
Interest payable and charges	-		33	
Other support costs	6,074		2,899	
PPS & telephone	1,437		1,320	
Recruitment and support	533		-	
	<hr/>		<hr/>	
Total other expenditure	49,658		49,506	
Total expenditure		277,644		278,900
Transfers between funds excluding depreciation		(50,000)		-
		<hr/>		<hr/>
(Deficit)/surplus from all sources		(88,286)		348,613
Teaching school balances at 1 September 2018		348,613		-
		<hr/>		<hr/>
Teaching school balances at 31 August 2019		260,327		348,613
		<hr/> <hr/>		<hr/> <hr/>

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37. Funds transfers

£143,595 transferred from unrestricted funds to restricted funds representing restricted expenditure funded by unrestricted funds.

£545,432 transferred from unrestricted funds to restricted fixed asset funds representing capital expenditure funded by unrestricted funds for assets also funded by ESFA capital grants.

£5,976 transferred from restricted fixed asset funds to restricted funds representing DFCEG used to fund capital items below the Trust's capitalisation threshold.

£50,000 transferred from restricted funds to restricted fixed asset funds representing the allocation of teaching school surplus towards future capital expenditure.

£64,594 transferred from restricted funds to restricted fixed asset funds representing capital expenditure funded from GAG.

£50,000 transferred from restricted fixed asset donations to restricted fixed asset capital grants representing the contribution of capital donations towards ESFA funded capital works.