

Company Registration Number: 07825856 (England & Wales)

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023



SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 18
Governance statement	19 - 26
Statement of regularity, propriety and compliance	27
Statement of trustees' responsibilities	28
Independent auditors' report on the financial statements	29 - 32
Independent reporting accountant's report on regularity	33 - 34
Statement of financial activities incorporating income and expenditure account	35
Balance sheet	36 - 37
Statement of cash flows	38
Notes to the financial statements	39 - 72

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

	Mr A Scanes Mrs A Ankin Mrs S Carlyon Mr S Gush (appointed 27 January 2023) Mrs K Dovaston (appointed 22 September 2023)
Trustees	Mrs R Brock, Chief Executive Officer (resigned 31 December 2022) Mr B Stickley, Chief Executive Officer (appointed 16 January 2023) Mrs K Gribbon, Chair of Trustees (resigned 11 September 2023) Mr S Gush (resigned 25 January 2023) Mr R Knight ¹ Mr M Malik, Chair of Trustees ² Mrs A Winstone, Chair of Curriculum & Pupil Matters Committee (resigned 8 January 2023) ¹ Mr L Thorne, Chair of Curriculum & Pupil Matters Committee ¹ Mr R Cattermole (resigned 8 March 2023) ² Mr D Fenton ² Mrs C Skingle (resigned 30 September 2022) ² Mrs E Hawker (appointed 27 January 2023) ¹ Mr S Jasharaj, Chair of Audit Risk and Resource Committee (appointed 24 March 2023) ² Mr S Goodsell (appointed 17 April 2023, resigned 26 May 2023) Mr Christopher Loding (appointed 2 October 2023) ²
	¹ Curriculum & Pupil Matters Committee ² Audit, Risk & Resources Committee
Company registered number	07825856
Company name	Southend East Community Academy Trust
Principal and registered office	SECAT House Delaware Road Shoeburyness Essex SS3 9NP
Company secretary	Mrs K Love
Chief Executive Officer	B Stickley
Senior management team	R Brock, Chief Executive Officer (resigned 31 December 2022) B Stickley, Chief Executive Officer (appointed 1 January 2023) D Trumble, Chief Operating Officer D Wade, Director of Education L Knowles, Director of People

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Independent auditors MWS
Chartered Accountants
Registered Auditor
Kingsridge House
601 London Road
Westcliff on sea
Essex
SS0 9PE

Bankers Lloyds Bank Plc
77 High Street
Southend
SS1 1HT

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their Annual Report together with the financial statements and Auditor's Report of Southend East Community Academy Trust (The Trust or the Charitable Company) for the year ended 31 August 2023. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' Report under company law.

The Trust operates 5 primary academies and 1 secondary academy serving a catchment area in Shoeburyness. The Academies have a combined capacity of 3514 and had a roll of 3451 in the 2023 census, including sixth form and nurseries.

Structure, governance and management

a. Constitution

The Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are its primary governing documents. The Trustees of The Charitable Company are also the Directors for the purposes of company law. The terms Trustee and Director are interchangeable. The Charitable Company includes the following Academies:

- Bournes Green Infant School (BGIS) - converted on 1 September 2016
- Hinguar Community Primary School & Nursery (HPS) – converted on 1 September 2016
- Shoeburyness High School (SHS) – converted on 1 September 2011
- Thorpedene Primary School (TPS) - converted on 1 September 2016
- Bournes Green Junior School (BGJS) - converted and joined the Trust on 1 August 2017
- Richmond Avenue Primary & Nursery School (RPS) – converted and joined the Trust on 1 August 2017

The operation of The Trust's Academies and employment of staff are the responsibility of the Trustees. The Trust retains control of Academy budgets and finances, and monitors these through its Audit, Risk and Resources Committee. Throughout this report the Board of Trustees is referred to as the Main Governing Body (MGB). Each Academy has appointed Academy Committees (AC) who have delegated authority to administer their Academy within agreed budgets.

Details of the Trustees who served throughout the period are included in the Reference and Administrative Details section. Within this Report the term Trustee refers to a member of the MGB and the term Governor to a member of an AC.

b. Members' liability

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

c. Trustees' indemnities

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £10,000,000 on any one claim and details of the costs are disclosed in Note 14 to the accounts

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Trustees

The arrangements are as set out in the Articles and Funding Agreement.

The Members have appointed the Chief Executive Officer by ordinary resolution. The Trustees have appointed 3 co-opted Trustees making a total of fourteen Trustees. During the reporting period five Trustees resigned, thus at the end of the reporting period the Trust Board consisted of eight Trustees. Trustees are appointed for a fixed term of four years. The Chief Executive Officer (CEO) is a Trustee. Trustees are appointed to office by recommendation to the Members from the MGB or appointed by the MGB if the Trustees believe a particular skill is required and to meet the business needs of the Trust or appointed by being co-opted by the Trust Board directly.

e. Policies adopted for the induction and training of Trustees

The Trust is committed to providing adequate opportunities for Trustees and Governors to undertake and receive suitable training to enable them to perform their role effectively. Trustees and Governors are required to attend induction training and regular ongoing training. To this end the Trust pays for specific governance training via training providers such as the Governance Support Team at the Local Authority, the National Governance Association and the National College. Additional in house training is provided where necessary. New governors receive a tour of the relevant Academy and are provided with key documents necessary for their role. The Governance Manager is responsible for the induction of new Trustees, Governors and Members and each new appointee has an induction programme.

f. Organisational structure

The governance of the Trust is defined in the Memorandum and Articles of Association together with the Funding Agreement with the Department of Education.

The Trust Board, meets on at least four occasions per year and its two sub committees meet at least five times per year. In this year, additional meetings have been put in place to address any emerging issues or to ensure that recommendations are considered and decisions are made in a timely fashion.

The Trust Board is responsible for the strategic direction of the Trust. The Trustees are responsible for setting strategic policy, adopting an annual and long term three year plan, as well as short and long term budget management and monitoring. The Trust, by the use of those budgets make major decisions about the direction of The Trust, capital expenditure and senior staff appointments. The Trust Board also considers the wider implications of changes in the structure of individual schools, redundancy and rationalising staff across schools where it is deemed necessary.

The governors within their AC's are delegated responsibility for implementing policy. ACs are also responsible for ensuring that the flow of information to the MGB is timely and appropriate so that pertinent strategic decisions are enabled.

The Senior Leadership Teams (SLTs) have been delegated responsibility with ACs to control the individual Academies, implementing policies and reporting to their AC. Each SLT is responsible for the day to day operation of their Academy, in particular organising staff, resources and pupils. They are responsible for the authorisation of spending within agreed budgets and for the appointment of staff following consent from the CEO, and ensuring they follow vetting and safeguarding recruitment processes.

The Chief Executive Officer (CEO), the Chief Operating Officer (COO), look across the Trust and align local SLT and ACs' activity with the strategic aims of The Trust as a whole.

The Trust's CEO is the Accounting Officer. The COO is the Chief Finance Officer.

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, governance and management (continued)

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

Key management personnel include Trustees and those staff to whom the Trustees have delegated significant authority and responsibility in the day to day running of the Trust.

Pay and remuneration of key management personnel is decided by a variety of contributory factors, such as the Academy group size, ISR, the pay scales for each role and the level of experience of each staff member. In addition, pay levels may be affected by nationally agreed pay awards, the ability to recruit and retain in post, all of which are in accordance with the Trust's appointment and pay policies. At all times, equality across the Trust is considered. The executive pay scale is formally reviewed annually and benchmarked in line with the requirements of the Academies Trust Handbook. A specific Trust Board approved policy exists for the setting of executive pay and is reviewed annually.

All amendments to key management's pay and remuneration is approved by the appropriate sub committee of the Trust Board (The Audit, Risk and Resources Committee) and ratified by the Trust Board. The pay and remuneration of the CEO and COO is determined by the sub committee in line with the Executive Pay Policy, following a full performance management review in the autumn term of each academic year.

h. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	9
Full-time equivalent employee number	2

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	9
51%-99%	-
100%	-
Percentage of pay bill spent on facility time	£
Total cost of facility time	9,589
Total pay bill	18,724,326
Percentage of total pay bill spent on facility time	0.05 %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	-	%
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SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, governance and management (continued)

i. Related parties and other connected charities and organisations

Owing to the nature of the Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, it is inevitable that from time to time transactions will take place with organisations in which members of the MGB may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procedures. Any transaction where the Trustee may have a pecuniary interest is only undertaken in accordance with the 'at cost' principle described in the Academy Trust Handbook. Where interests have been identified, these are communicated to all relevant staff to ensure transparency and adherence to the Academy Trust Handbook.

The Trust cooperated with the following organisations during the academic year in pursuit of its charitable activities:

- School Sports Partnership
- Southend Local Authority
- YMCA

The Trust does not have a formal sponsor.

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, governance and management (continued)

j. Engagement with employees (including disabled persons)

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

These engagements have had a direct impact on areas including support staff restructure consultations, where timelines were extended in line with feedback from union and staff representatives to allow a more considered process.

Employees are involved in the current review of the mission and ethos of the Trust as part of a group to relook at these and make sure they fit the organisation and our ambitions.

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

- Employee Code of Conduct Policy
- Induction and Probation Policy
- Disciplinary Policy
- Dismissal Policy
- Capability Policies (Support and Teaching)
- Equality, Diversity and Inclusion Policy
- Flexible Working Policy
- Lone Working Policy
- Leave Entitlements Policy
- Permit to Work Policy
- Recruitment and Selection Policy
- Staff Handbook
- Teacher's Pay Policy 2022
- Privacy Notices for Staff, Governors, and Trustees

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.

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

This is combined with the reporting on the achievement of our objectives.

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Objectives and activities

a. Objects and aims

The Academy Trust's object is to advance, for the public benefit, education in the United Kingdom by establishing, maintaining, carrying on, managing and developing academies offering a broad and balanced curriculum ("the Academies").

b. Objectives, strategies and activities

The principal activity of the Charitable Company is the operation of Southend East Academy Trust to provide education for pupils, between the ages of 2 and 18 with an emphasis on progression.

The 'Scheme of Governance' approved by the Secretary of State specifies, amongst other things, the basis for admitting students to the Academy, the provision for pupils with SEN and that the curriculum should be broad and balanced.

The main objectives of the Academy Trust are summarised below:

- To raise the standards of educational achievement of all pupils;
- To ensure that every student enjoys the same high quality education in terms of resourcing, tuition and care;
- To improve the effectiveness of the Academy Trust by keeping the curriculum and organisational structure under continual review;
- To comply with all appropriate statutory and curriculum requirements;
- To conduct business in accordance with the highest standards of integrity, probity and openness.

c. Public benefit

In setting objectives and planning for activities, the Trustees 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)'.

SOUTHEND EAST COMMUNITY ACADEMY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report

Achievements and performance

a. Introduction

The Trust continued its mission to ensure that pupils achieved their potential in public examinations; encouraged a wide range of extra curricular activities; developed and retained suitable staff and prepared and guided pupils as they move to the next stage of their education career. Formal examinations and assessments were undertaken in 2023.

Specific achievements were as follows in 2023 for Sixth form:

		2023	2022	2019	Year 12			Year 13			Final Grades
					Autumn 2	Spring 1	Summer mock	Autumn 2	Spring 1		
Level 3	Entries	840	392	332	365	364	361	350	342	342	380
	Progress (VA)	-0.64		-0.24	-0.68	-0.64	-0.47	-0.66	-0.46	-0.56	-0.64
	APS	27.5	32.5	25.4	26.4	26.8	29.1	27.3	29.4	29.0	27.5
	Average Points Per Pupil	TBA			83.6	82.4	83.5	85.2			
A-Level	Entries	100	348,330	147	601,002	235	227	224	205	205	205
	Progress (VA)	-0.83		-0.50	-0.62	-0.60	-0.43	-0.66	-0.39	-0.60	-0.81
	APS	27.0	34.8	32.1	34.3	34.8	28.5	28.6	30.5	28.1	27.0
	A*-E%	83.7	98.4	99.2	97.6	94.7	97.6	96.8	95.5	96.2	92.7
	A*-D%	81.1	93.6	91.1	91.0	78.5	84.3	83.2	80.6	85.1	81.1
	A*-C%	56.8	82.6	72.1	75.8	53.9	59.5	63.2	67.9	62.5	56.8
	A*-B%	25.7	62.8	41.7	61.6	37.6	42.1	40.8	34.4	27.9	25.7
	A*-A%	10.7	36.4	13.8	25.5	5.3	10.4	9.2	15.6	8.2	10.7
Vocational	Entries	134	143	95	138	137	137	138	134	134	134
	Progress	-0.55		-0.15	-0.61	-0.82	-0.66	-0.62	-0.58	-0.50	-0.55
	APS	28.8	33.2	28.6	23.3	23.5	25.1	25.4	26.4	27.1	28.8
	Passes %	80.3	100.0	100.0	97.6	95.8	95.6	99.2	97.8	100.0	96.5
	Merits %	77.4	89.7	82.7	64.7	67.3	70.1	71.3	75.4	77.6	77.4
	Dists %	28.3	55.9	30.3	22.2	24.8	26.5	26.2	35.1	35.8	28.3

Year 11:

Headline Figures

A8 overall score: 41.53

Basics 4+: 54%

Basics 5+: 34%

EBACC Ave points: 3.31

A8 and basics all down on previous year and compared with 2019 cohort and all measures below the collaboration (national) picture.

English grades are similar to national picture. Maths percentage 4+ and 5+ grades are similar to the national picture, 7+ is 6% lower.

- EBACC subjects are low compared to national across the subjects.

SOUTHEND EAST COMMUNITY ACADEMY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and performance (continued)

YEAR 11 Summer 2023	Full Cohort	Males	Females	PP	Non-PP	TAT	MAT	HAT
Entries	309	166	143	114	194	56	182	60
Progress 8	-0.51	-0.66	-0.34	-1.01	-0.18	-0.32	-0.54	-0.58
Attainment 8	41.53	39.87	43.45	33.13	46.68	25.82	41.36	56.92
Basics G4+	54%	54%	54%	38%	63%	14%	54%	88%
Basics G5+	34%	34%	34%	23%	41%	5%	31%	72%
EBACC APS	3.31	3.22	3.41	2.54	3.78	1.78	3.28	4.81

Primary school outcomes

Bournes Green Infant School

EARLY YEARS							
OUTCOMES 2023				NATIONAL 2023			
GLD				GLD			
67				67			
KEY STAGE 1							
OUTCOMES 2023				NATIONAL 2023			
R	W	M	COMB	R	W	M	COMB
85	77	72	68	68	60	71	56
27	18	15	15	19	8	16	6
KEY STAGE 2							
OUTCOMES 2023				NATIONAL 2023			
R	W	M	COMB	R	W	M	COMB
YEAR 1 PHONICS							
OUTCOMES 2023				NATIONAL 2023			
88%				79%			

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and performance (continued)

Bournes Green Junior School

EARLY YEARS							
OUTCOMES 2023				NATIONAL 2023			
	W	M	COMB	R	W	M	COMB
KEY STAGE 1							
OUTCOMES 2023				NATIONAL 2023			
R	W	M	COMB	R	W	M	COMB
KEY STAGE 2							
OUTCOMES 2023				NATIONAL 2023			
R	W	M	COMB	R	W	M	COMB
83	91	88	73	73	71	73	59
42	31	47	27	29	13	24	8
YEAR 1 PHONICS							
2023				NATIONAL			

Hinguar Primary School

EARLY YEARS							
OUTCOMES 2023				NATIONAL 2023			
			GLD				GLD
			73.3%				67.3%
KEY STAGE 1							
OUTCOMES 2023				NATIONAL 2023			
R	W	M	COMB	R	W	M	COMB
77.4%	77.4%	83.9%	77.4%	68.4%	60.2%	70.5%	56.2%
35.5%	29.0%	35.5%	29.0%	18.8%	8.2%	16.4%	6.2%
KEY STAGE 2							
OUTCOMES 2023				NATIONAL 2023			
R	W	M	COMB	R	W	M	COMB
93.3%	86.7%	83.3%	80.0%	72.5%	71.4%	72.8%	59.4%
43.3%	33.3%	30.0%	20.0%	28.9%	13.3%	23.8%	8.0%
2.17	3.16	1.25		4.0%	5.0%	5.0%	
YEAR 1 PHONICS							
OUTCOMES 2023				NATIONAL 2023			
			73%				79%

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and performance (continued)

Richmond Avenue Primary School

EYFS							
OUTCOMES 2023				NATIONAL 2023			
R	W	M	GLD	R	W	M	GLD
			75				67
KEY STAGE 1							
OUTCOMES 2023				NATIONAL - 2023			
R	W	M	COMB	R	W	M	COMB
70	70	75	65	68	60	71	56
KEY STAGE 2							
OUTCOMES 2023				NATIONAL - 2023			
R	W	M	COMB	R	W	M	COMB
70	74	70	61	73	71	73	59
18	5	16	4	29	13	24	8
YEAR 1 PHONICS							
OUTCOMES 2023				NATIONAL - 2023			
70%				79%			

Thorpedene Primary School

EARLY YEARS							
OUTCOMES 2023				NATIONAL 2023			
GLD	62%			GLD	67%		
KEY STAGE 1							
OUTCOMES 2023				NATIONAL 2023			
R	W	M	COMB	R	W	M	COMB
57%	54%	65%	53%	68%	60%	71%	56%
19%	2%	18%	2%	19%	8%	16%	6%
KEY STAGE 2							
OUTCOMES 2023				NATIONAL 2023			
R	W	M	COMB	R	W	M	COMB
61%	66%	68%	51%	73%	71%	73%	59%
18%	13%	20%	6%	29%	13%	24%	8%
YEAR 1 PHONICS							
OUTCOMES 2023				NATIONAL 2023			
71%				79%			

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and performance (continued)

b. Key financial performance indicators

The Management Accounts contain a page on the Financial Health of the Academy Trust and it also lists four key ratios:

Ratios	2023	2022
Current Ratio	2.15	3.38
Net revenue before gains/losses as a % of revenue income*	(2.24%)	(2.73%)
Staff costs as a % of revenue income*	79.60%	81.01%
Staff costs as a % of total income*	76.84%	78.62%

c. Going concern

After making appropriate enquiries, the Trustees have considered the Trust having reasonable resources to continue in operational existence for the foreseeable future. The Trust continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

d. Promoting the success of the company

The directors of SECAT act in the way they consider, in good faith, would be most likely to the success of the charity to achieve its charitable purposes, and in doing so have regard (amongst other matters) to:

- a) the likely consequences of any decision in the long term,
- b) the interests of the company's employees,
- c) the need to foster the company's business relationships with suppliers, customers and others,
- d) the impact of the company's operations on the community and the environment,
- e) the desirability of the company maintaining a reputation for high standards of business conduct, and
- f) the need to act fairly as between members of the company

These factors are achieved in part by the production of a five year strategic plan for the organisation, informed by stakeholders as covered in the organisational structure section of this report. The current version is available on the SECAT website.

Financial review

a. Investment policy

The aim of the Investment Policy is to ensure funds that the Trust does not immediately need to cover anticipated expenditure are invested to maximise its income but with minimal risk. The aim is to research where funds may be deposited applying prudence in ensuring there is minimum risk. The Trustees do not consider the investment of surplus funds as a primary activity, rather as good stewardship and as and when circumstances allow. The Central Reserves for the accounting year in question are held on the Trust's deposit account attracting a favourable rate of interest. The Trust monitors low risk investment possibilities with approved banks in line with the Investment Policy

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

b. Principal risks and uncertainties

The Trust works with the Academies in maintaining a central risk register incorporating all Academies within the Trust, identifying the major risks, to which each Academy is exposed, and identifying actions and procedures to mitigate those risks. This register is approved and monitored by the MGB via the Audit, Risk and Resources Committee with a formal review of the process undertaken on an annual basis. The internal control systems and the exposure to identified risks are monitored on behalf of the Trustees at each Audit, Risk and Resources Committee meeting. The principle risks facing the Trust are outlined below; those facing the Academies at an operational level are addressed by its systems and by internal financial and other controls.

Following review, the Trustees report that the Trust's financial and internal controls conform to guidelines issued by the ESFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

As a group of academy schools, the level of financial risk is low. Cash flows are reliably forecast, monitored and reported. Staff costs make up the majority of expenditure and are relatively stable with contingencies in place to cover such items as sickness and maternity support.

The Trustees assess the other principal risks and uncertainties facing the Trust as follows:

- each Academy within the Trust has considerable reliance on continued Government funding through the ESFA and there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms;
- failures in governance and/or management The risk in this area arises from potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks including implementing a system by the Trust Board to allocate agreed budgets to each Academy;
- reputational the continuing success of the individual Academies is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that pupil progress and outcomes are closely monitored and reviewed;
- safeguarding and child protection the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline;
- staffing - the success of the Academies is reliant on the quality of its staff and the Trustees monitor and review policies and procedures and recruitment to ensure continued development and training of staff as well as ensuring there is clear succession planning;
- fraud and mismanagement of funds An Audit company is employed by SECAT to carry out detailed annual internal checks on financial systems, and independent and external checks on financial systems and records as required by the Academy Trust Handbook. All finance staff receive training and regular updates to keep up to date with financial practice requirements and develop their skills in this area;
- financial instruments – the Trust only deals with bank balances, cash and trade creditors, with limited trade (and other) debtors. The risk in this area is considered to be low; and
- defined benefit pension liability – as the Government has agreed to meet the defined benefit pension liability of any Academy ceasing to exist the main risk to the Trust is an annual cash flow funding of part of the deficit. Trustees take these payments into account when setting the annual budget plan.

The Trust and each Academy have continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness.

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

c. Introduction

The principal source of funding for the Trust is the General Annual Grant (GAG) and other grants that it receives from the Education Funding Agency (EFA). For the year ended 31 August 2023 the Trust received £20,734,911 of GAG and other funding ESFA/DfE revenue funding. A high percentage of this income is spent on wages and salaries and support costs to deliver the Trust's primary objective of the provision of education. During the year the Trust spent £22,414,507 on revenue expenditure and transferred £682,641 to support capital new build and improvement projects on the various academy sites. The Trust brought forward from 21/22, £247,757 restricted funds and £3,076,758 unrestricted funding. The carry forward for 22/23 is £732,394 restricted funding and £2,068,936 unrestricted funding.

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Trust is recognising a pension fund surplus of £233,000.

d. Reserves policy

The Trustees are aware of the requirement to balance current and future needs and always aim to set a balanced budget with annual income balancing annual expenditure. The Trustees monitor estimated year end carry forward figures via reports to the Audit, Risk and Resources Committee from the Chief Financial Officer. The budget plan identifies how any carry forward will be allocated in the plan for the following academic year, including the identification of any funds earmarked for a specific project or purpose.

The Trust's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £3,076,758. This has been built up from a mixture of locally raised income and balances transferred from the predecessor schools.

These unrestricted funds are held to cover future increases in costs and expenditure that may arise from uninsurable losses and in year contingencies. The reserve policy aims to have a carry forward of £1.5 Million to assist in making strategic decisions to keep in line with national funding changes and curriculum needs.

The Trust's balance on restricted general funds (excluding pension reserve) 732,394 plus the balance on unrestricted funds at 31 August 2023 was £2,068,936.

The cash balance of the Trust has been healthy for the majority of the year, ending the year with a balance of £4,568,828. A significant proportion of this cash is held against specific projects and is not available to meet normal recurring expenditure. The Trustees monitor cash flow as part of the reports from the Chief Financial Officer to the Audit, Risk and Resources Committee and attempt to hold a minimum of £1,500,000 to cover short term cash flow variances.

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Fundraising

Financing of equipment and services from funds outside the Trust's normal revenue budgets is becoming increasingly important in maintaining the quality of education for our pupils. Currently the majority of the additional income from fundraising comes from voluntary donations, through PA (parent association) and other parental contributions for trips and clubs, and a small level of Grant fundraising. We currently have not explored sponsorship opportunities.

Fundraising is seen by the Trust as a legitimate means of improving our ability to purchase goods, equipment or services, which are not available within capital or revenue budgets. For the public donating cash or equipment, or actively raising funds is seen as a positive way of supporting schools within the Trust.

The Board of Trustees is responsible for ensuring that:

- Correct procedures are in place and followed for fundraising activities
- Expenditure is properly validated
- All funds raised are properly accounted for and audited
- The money is expended in accordance with the objectives agreed with the fund raisers.

The trust follows the Department for Education's Charging for School Activities published guidance, which includes parental donations. All communications relating to fundraising matters are monitored and approved by the Headteachers in order to protect the public from unreasonable intrusive or persistent fundraising approaches.

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Streamlined energy and carbon reporting

UK Greenhouse gas emissions and energy use data for the period 1 September 2022 to 31 August 2023

	2023	2022
Scope 1 emissions (in tonnes of CO2 equivalent):		
Gas consumption	439	454
Owned transport	1	1
Total scope 1	440	455
Scope 2 emissions (in tonnes of CO2 equivalent):		
Purchased electricity	752	578
Scope 3 emissions (in tonnes of CO2 equivalent):		
Business travel in employee-owned or rental vehicles	1	1
Total gross emissions (in tonnes of CO2 equivalent):	1,193	1,034
Intensity ratio:		
Tonnes of CO2 equivalent per pupil	0.33	0.3

Quantification and Reporting Methodology

The Academy Trust has followed and used the following quantification and reporting methodologies:

- the 2019 HM Government Environmental Reporting Guidelines;
- the GHG Reporting Protocol - Corporate Standard; and
- the 2023 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity ratio is total gross emissions in tonnes of CO2 equivalent per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

- LED lighting is continuing to be installed to replace CFL lighting on a rolling programme across the estate. All new projects and refurbishment use LED lighting.
- Air source heat pumps have continued to be installed across the estate.
- SMART meters being installed on a rolling programme
- Purchase of electric van to deliver school meals across the estate.

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Plans for future periods

There is particular focus on the following for 2023/24:

- To continue to develop our cradle to career model by developing and extending our offer and provision, particularly relating to early years. Having opened two year old provisions at Hinguar and Richmond we will look to develop and expand these to be full and successful provisions. We will seek to introduce nursery provision at Bournes Green Infants.
- We will develop a new digital strategy to put digital learning at the centre of our curriculum offer to enhance teaching and learning as well as support services.
- We will develop a new Trust five year strategy focusing on enhancing life chances for children at our Trust schools.
- To continue to develop accountability for the schools' outcomes and financial monitoring through scrutiny in monthly professional dialogues with the CEO, reports to the Trustees, data review, meetings and school performance visits/reviews, and focused reviews of specific emerging priorities.
- To continue to share and develop best practice across the MAT and wider afield in leadership, teaching and learning and curriculum through curriculum strategy groups (CSG's), learning walks and the Education and improvement Strategy identifying pathways for all members of the SECAT family.
- To develop and embed support across the MAT for pupils to include, but not exclusively, Leadership, SEND, LAC, those eligible for Pupil Premium funding, MA (More Able), safeguarding and attendance.

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 18 December 2023 and signed on its behalf by:

Mr M Malik

Mr M Malik
Chair of Trustees

Ben Stickley

Mr B Stickley
Chief Executive Officer

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Southend East Community 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.

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

The Board of Trustees has delegated the day to day responsibility to the CEO, as Accounting Officer and the COO 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 Southend East Community Academy Trust and the Secretary of State for Education. The CEO is also responsible for reporting to the Board of Trustees and the relevant sub committees therein, any material weaknesses or breakdowns in internal control.

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of trustees' responsibilities. The Board of Trustees has formally met 6 times during the year.

Attendance during the year at meetings of the board of trustees (with some leaving and joining throughout the year) was as follows:

Trustee	Meetings attended	Out of a possible
Mrs R Brock, Chief Executive Officer	4	4
Mr B Stickley, Chief Executive Officer	2	2
Mrs K Gribbon, Chair of Trustees	5	6
Mr S Gush	0	4
Mr R Knight	6	6
Mr M Malik, Chair of Trustees	6	6
Mrs A Winstone, Chair of Curriculum & Pupil Matters Committee	3	4
Mr L Thorne, Chair of Curriculum & Pupil Matters Committee	4	6
Mr R Cattermole	1	4
Mr D Fenton	5	6
Mrs C Skingle	0	1
Mrs E Hawker	1	2
Mr S Jasharaj, Chair of Audit Risk and Resource Committee	1	1
Mr S Goodsell	0	0
Mr Christopher Loding	0	0

The Board composition changed during the year due to resignations. Trustees reviewed the skills gaps these left and recruited to fill these specific gaps.

The Trust maintains registers of business interests to ensure that any pecuniary interests are identified and managed. Any Trustee with an identified conflict of interest will not be involved in any transactions or decisions relating to that interest. All relevant interests are published on the Trust Website and made available to finance staff to assist in identifying potential transactions that could be subject to increased public scrutiny.

The Trust Board commissioned a reciprocal external governance peer review with Life Education Trust in February 2023 following a full NLG led governance review in November 2021. This was to assess the progress made against the summary of recommended next steps from the full review. The peer review observations have been addressed by the Trust and actions to support continual improvement, is ongoing.

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Audit, Risk and Resources committee is a sub committee of the main Board of Trustees. Its purpose is to monitor the expenditure and have oversight of annual budgets, report against KPIs, have scrutiny of individual Academies' budget expenditure, policies and reporting, assess risks and put forward proposals to the Trust Board to mitigate and manage risk it also includes the functions of the Audit Committee.

During the year 2022/23, we have continued to centralise functions reducing the risks of inaccurate reporting and improve the consistency with which Academies report to the Audit, Risk and Resources Committee so that the Trust Board have informed oversight of Trust funds, sustainability and risk

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr S Gush	0	2
Mr R Cattermole	0	3
Mrs R Brock	2	2
Mrs C Skingle	0	0
Mr M Malik	5	5
Mr D Fenton	5	5
Mr S Jasharaj	2	2
Mr S Goodsell	0	0

Curriculum & Pupil Matters Committee is also a sub-committee of the main Board of Trustees.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr R Knight	3	4
Mrs R Brock	1	1
Mrs E Hawker	2	3
Mr L Thorne	3	4
Mrs A Winstone	0	1
Mr B Stickley	3	3

SOUTHEND EAST COMMUNITY ACADEMY TRUST

(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

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

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

- Across SECAT the core aim is to achieve value for money whilst ensuring positive outcomes for the young people in our community by providing an engaging, challenging and linear learning experience from 2 to 18 that equips them to live happy and successful lives. The Trust continues to improve the outcomes of pupils by:

Educational Outcomes

- Supporting and challenging the schools in the Trust to ensure that pupil outcomes remain at the heart of everything we do: for example, reviewing the curriculum provision and access for all pupils. Sharing best practice across the Key stages: for example, specialist teachers have visited the primary schools within the Trust in core subjects including Mathematics, English, Modern Foreign Languages and Science to support teaching and learning. Regular Away Days have taken place with all SLTs, Trustees and Governors invited to partake in themed workshops e.g. Change Management, Mental Health, Communication. Learning walks have been completed across the trust and a numeracy strategy group has been set up. The Trust academies ran a SECAT Maths team within KS2 and this was well attended within the trust and enjoyed by all.
- Encouraging increased attendance to facilitate learning: with all academies within the Trust, working together to reduce absenteeism and highlight potential absenteeism for the future.
- Governors were given training and support on using the DfE VFMI benchmarking tool and have been supported and encouraged to use this to provide challenge at AC meetings.

Business Planning

The Trust holds monthly meetings with the COO, Headteachers, School Office Team Leaders, Trust central Finance staff and regular communication on a daily basis, to ensure that any issues that may arise are dealt with quickly. The Trust continues to improve the planning of the Business by:

- Sharing of best practice: for example, through regular communication and meetings, the preparation for GDPR requirements
- Consolidation of Reports: for example, central completion of reports for the DfE such as the Business Register and Employment Survey (BRES), BFR, Workforce Survey, SRMSA, Land and Building Collection, Gender Pay Gap, saving time and resources within the Academies
- Continue Negotiation of Contracts: for example, centralising contracts across the Trust, in particular those held with Southend City Council, sports provision, cleaning, fire and Health and Safety checks, Stationery, Minibus leases, Catering consumables, Estates contracts, Insurance, Energy and IT licensing resulting in cost savings for all academies.:
- Shared Training: for example, moderation of standards at EYFS, KS 1 and KS2. Ofsted training, in house rather than through the Borough.

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

- The Trust has a clear scheme of delegation and authorisation approved by the Board and this was followed throughout the year.

Financial Governance/Management

The Trust's financial regulations provide effective control without excessive bureaucracy overheads. Value for money is enhanced through the continuous improvement of day to day financial transactions with support offered by the Chief Financial Officer.

- Value for Money is sought by all budget holders: For example, value from external suppliers is ensured by supporting evidence of having sought more than one quotation. For any amount between £5,001 and up to the European Union Threshold, the budget holder must obtain three competitive quotations, in writing, those are sent to the COO for authorisation then attach them to the purchase order in the accounting software.
- Tender process and procurement service utilised: For example, current negotiations regarding building and maintenance contract for members of the Trust to benefit from economies of scale.
- The recommended National pay change for support staff was implemented in April 2023 salaries and following information from Essex pension services adjustments have also been made. Rising on costs continue to be a concern to academies and all vacancies are carefully analysed to ensure only essential replacements are made.

Organisational Learning

The Trust operates as a community of schools sharing expertise through regular meeting with the Headteachers. A continued holistic approach to value for money will ensure that the funds provided to the Trust will continue to be used effectively and efficiently in developing our educational objectives.

- Investment in people: for example, this continues to lead to opportunities for expertise to be shared across the Trust with regards to maintenance, ICT, personnel, finance and administration as well as teaching and learning.
- Collaborative Working & Learning: For example, the Headteachers work closely together regularly; SECAT INSET Days for all Academies and their teams

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy 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. Internal audit focuses around key risk areas as identified by the Trust Board. The system of internal control has been in place in Southend East Community Academy Trust for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The risk register is reviewed at every full Trust Board meeting and is a standing item. The Board of Trustees is of the view that there is a formal on going process for identifying, evaluating and managing the academy trust's significant risks that have been in place for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Audit, Risk and Resources 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
- identification and management of risks
- annual GDPR audit carried out of the trust and 6 academies

The Board of Trustees has decided to employ SBM Services as internal auditor.

This is a completely separate firm with no relation to our external auditors as specified in the revised FRC Ethical Standards.

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

- testing of Managing Business & Personal Interests – covering the central trust and the 6 academies
- testing of Budget Setting & Monitoring – covering the central trust and 6 academies
- testing of compliance with the financial regulations

On an annual basis, the internal auditor reports to the Board of Trustees through the Audit, Risk and Resources committee on the operation of the systems of control and on the discharge of the Board of Trustees financial responsibilities and annually prepares a short annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

Review of effectiveness

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

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

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

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Approved by order of the members of the Board of Trustees on 18 December 2023 and signed on their behalf by:

Mr M Malik

Mr M Malik
Chair of Trustees

Ben Stickley

Mr B Stickley
Accounting Officer

SOUTHEND EAST COMMUNITY ACADEMY TRUST

(A company limited by guarantee)

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Southend East Community Academy Trust I have considered my responsibility to notify the Academy Trust board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

I confirm that I and the Academy Trust board of Trustees 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 Academy Trust Handbook 2022.

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

Ben Stickley

Mr B Stickley

Accounting Officer

Date: 18 December 2023

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2023

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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

Mr M Malik

Mr M Malik
Chair of Trustees

Ben Stickley

Mr B Stickley
Chief Executive Officer
Trustee

Date: 18 December 2023

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SOUTHEND EAST COMMUNITY ACADEMY TRUST**

Opinion

We have audited the financial statements of Southend East Community Academy Trust (the 'academy trust') for the year ended 31 August 2023 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Academy 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

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

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

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

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SOUTHEND EAST COMMUNITY ACADEMY TRUST (CONTINUED)**

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Statement of trustees' responsibilities, the Trustees (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 Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SOUTHEND EAST COMMUNITY ACADEMY TRUST (CONTINUED)**

Auditors' responsibilities for the audit of the financial statements

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

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

We obtained an understanding of the legal and regulatory frameworks applicable to the Academy Trust and the industry in which it operates. We determined that the following laws and regulations were most significant: the Companies Act 2006, Safeguarding (including statutory guidance Keeping Children Safe in Education), employment law and public sector pay and conditions. We enquired of management to obtain an understanding of how the Academy Trust is complying with those legal and regulatory frameworks and whether they had any knowledge of actual or suspected fraud. We corroborated the results of our enquiries through our review of the board minutes for the year. We did not identify any matters relating to material non compliance with laws and regulation or matters in relation to fraud;

- We obtained an understanding of how the Company is complying with those legal and regulatory frameworks by making inquiries of management and those responsible for legal and compliance procedures;
- In assessing the potential risks of material misstatement, we obtained an understanding of the Company's operations, including its objectives and strategies to understand the expected financial statement disclosures and business risks that may result in risks of material misstatement;
- In assessing the appropriateness of the collective competence and capabilities of the engagement team, the engagement partner considered the engagement team's:
 - understanding of, and practical experience with, audit engagements of a similar nature and complexity through appropriate training and participation
 - the specialist skills required and
 - knowledge of the industry in which the client operates.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
 - assessing the design effectiveness of controls management has in place to prevent and detect fraud;
 - challenging assumptions and judgements made by management in its significant accounting estimates;
 - identifying and testing journal entries, in particular manual journal entries made at year end for financial statement preparation; and
 - assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SOUTHEND EAST COMMUNITY ACADEMY TRUST (CONTINUED)**

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.

Jonathan Gorridge

Jonathan Gorridge FCA (Senior statutory auditor)

for and on behalf of

MWS

Chartered Accountants

Registered Auditor

Kingsridge House

601 London Road

Westcliff on sea

Essex

SS0 9PE

Date: 20 December 2023

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SOUTHEND EAST COMMUNITY ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated May 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Southend East Community Academy Trust during the year 1 September 2022 to 31 August 2023 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 Southend East Community Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Southend East Community 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 Southend East Community Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Southend East Community Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Southend East Community Academy Trust's funding agreement with the Secretary of State for Education dated 24 August 2022 and the Academy Trust Handbook, extant from 1 September 2022, 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 2022 to 2023. 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 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

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

Approach

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

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

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

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

In line with the Framework and guide for external auditors and reporting accountants of academy trusts issued April 2023, we have not performed any additional procedures regarding the Trust's compliance with safeguarding, health and safety and estates management.

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 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

MWS

Reporting Accountant
MWS
Chartered Accountants

Kingsridge House
601 London Road
Westcliff on sea
Essex
SS0 9PE

Date:

20 December 2023

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:						
Donations and capital grants	4	112,873	6,650	837,452	956,975	750,650
Other trading activities	6	389,716	-	-	389,716	205,931
Investments	7	2,311	-	-	2,311	608
Charitable activities		420,510	22,401,027	-	22,821,537	20,941,267
Total income		925,410	22,407,677	837,452	24,170,539	21,898,456
Expenditure on:						
Charitable activities		118,238	23,206,394	1,716,811	25,041,442	24,043,154
Total expenditure		118,238	23,206,394	1,716,811	25,041,443	24,043,154
Net income/ (expenditure)		807,172	(798,717)	(879,359)	(870,904)	(2,144,698)
Transfers between funds	20	(1,814,995)	1,132,354	682,641	-	-
Net movement in funds before other recognised gains/(losses)		(1,007,823)	333,637	(196,718)	(870,904)	(2,144,698)
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	26	-	2,612,000	-	2,612,000	11,346,000
Net movement in funds		(1,007,823)	2,945,637	(196,718)	1,741,096	9,201,302
Reconciliation of funds:						
Total funds brought forward		3,076,758	(1,980,243)	39,129,299	40,225,813	31,024,511
Net movement in funds		(1,007,823)	2,945,637	(196,718)	1,741,096	9,201,302
Total funds carried forward		2,068,935	965,394	38,932,581	41,966,910	40,225,813

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

The notes on pages 39 to 72 form part of these financial statements.

SOUTHEND EAST COMMUNITY ACADEMY TRUST**(A company limited by guarantee)**
REGISTERED NUMBER: 07825856**BALANCE SHEET**
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	15	8,083	16,165
Tangible assets	16	38,924,498	38,934,293
		<u>38,932,581</u>	<u>38,950,458</u>
Current assets			
Stocks	17	5,436	6,026
Debtors	18	440,695	400,853
Cash at bank and in hand		4,795,081	4,568,828
		<u>5,241,212</u>	<u>4,975,707</u>
Creditors: amounts falling due within one year	19	(2,439,882)	(1,472,351)
Net current assets		<u>2,801,330</u>	<u>3,503,356</u>
Total assets less current liabilities		<u>41,733,911</u>	<u>42,453,814</u>
Net assets excluding pension liability		<u>41,733,911</u>	<u>42,453,814</u>
Defined benefit pension scheme asset / liability	26	233,000	(2,228,000)
Total net assets		<u><u>41,966,911</u></u>	<u><u>40,225,814</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	20	38,932,581	39,129,299
Restricted income funds	20	732,394	247,757
Restricted funds excluding pension liability / asset	20	<u>39,664,975</u>	<u>39,377,056</u>
Pension reserve	20	233,000	(2,228,000)
Total restricted funds	20	<u>39,897,975</u>	<u>37,149,056</u>
Unrestricted income funds	20	<u>2,068,936</u>	<u>3,076,758</u>
Total funds		<u><u>41,966,911</u></u>	<u><u>40,225,814</u></u>

SOUTHEND EAST COMMUNITY ACADEMY TRUST

(A company limited by guarantee)
REGISTERED NUMBER: 07825856

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

The financial statements on pages 35 to 72 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

Riz Malik

Mr M Malik
Chair of Trustees

Ben Stickley

Mr B Stickley
Trustee

Date: 18 December 2023

The notes on pages 39 to 72 form part of these financial statements.

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by operating activities	22	1,082,066	403,822
Cash flows from investing activities	23	(855,813)	(1,338,939)
Change in cash and cash equivalents in the year		226,253	(935,117)
Cash and cash equivalents at the beginning of the year		4,568,828	5,503,945
Cash and cash equivalents at the end of the year	24, 25	4,795,081	4,568,828

The notes on pages 39 to 72 form part of these financial statements

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. General information

The Academy Trust is a company limited by guarantee, it was incorporated in England and Wales.
The registered office is:

SECAT House
Delaware Road
Shoeburyness
SS3 9NP

The registered number is: 07825856

2. Accounting policies

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

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 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

2.2 Going concern

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

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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.

- **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.

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

2.5 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.

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

2. Accounting policies (continued)

2.6 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.

2.7 Intangible assets

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

The estimated useful lives are as follows:

Computer software	- 3 years
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2.8 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.

All depreciation will be calculated using the straight line method.

Tangible assets are stated at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs.

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 over its expected useful life.

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

2. Accounting policies (continued)

2.8 Tangible fixed assets (continued)

Property will be split into the following parts for the purpose of depreciation, as per FRS 102. All items will be depreciated separately:

Freehold land	- Not depreciated
Roof additions and improvements	- straight line over 25 years
Buildings and value attributed to leasehold land	- 125 Years (or the leasehold period if shorter)
Electrical, Mechanical and Heating additions and improvements	- 10 years straight line
Other equipment	- 5 years straight line

Buildings inherited and donated on conversion to Academy are valued at the depreciated replacement cost at the date of transfer. Subsequently these assets are depreciated straight line over the period of their useful remaining life as follows:

Shoeburyness High School	- 35 years
Bournes Green Infant School	- 35 years
Bournes Green Junior School	- 35 years
Richmond Avenue Primary & Nursery School	- 35 years
Thorpedene Primary School	- 35 years
Hinguar Primary school & Nursery	- 50 years

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.

2.9 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.

2.10 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.

2.11 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.

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

2. Accounting policies (continued)

2.12 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.

2.13 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 18. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 19. 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.

2.14 Operating leases

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

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

2. Accounting policies (continued)

2.15 Pensions

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

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.

2.16 Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the academy trust does not have control over the charitable application of the funds. The academy trust can use up to 5% of the allocation towards its own administration costs and where utilised this is recognised in the statement of financial activities. The funds received and paid, and any balances held are disclosed in note 30.

2.17 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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.

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

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 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The only critical area of judgement other than the LGPS pension scheme liability is that of depreciation; rates of which are chosen where considered reasonable for the types of asset in question.

4. Income from donations and capital grants

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	112,873	6,650	45,324	164,847	104,415
Government grants	-	-	792,128	792,128	646,235
Total 2023	112,873	6,650	837,452	956,975	750,650
Total 2022	101,865	2,550	646,235	750,650	

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

5. Funding for the Academy Trust's charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Educational Operations				
DfE/ESFA grants				
General Annual Grant (GAG)	-	17,891,180	17,891,180	17,400,176
Other DfE/ESFA grants				
Pupil premium	-	1,207,440	1,207,440	1,131,275
Schools supplementary grant	-	502,621	502,621	209,648
UIFSM	-	198,959	198,959	194,015
School led tutoring	-	153,401	153,401	109,850
Recovery premium	-	218,578	218,578	136,989
Teachers' pension grants	-	60,119	60,119	69,657
Teachers pay grants	-	2,057	2,057	24,651
Mainstream school additional grant	-	251,952	251,952	-
Other	-	248,604	248,604	231,377
	-	20,734,911	20,734,911	19,507,638
Other Government grants				
Local Authority grants	-	1,575,108	1,575,108	928,073
Other	-	91,008	91,008	113,987
	-	1,666,116	1,666,116	1,042,060
	420,510	-	420,510	391,569
Pupil catering income				
	420,510	22,401,027	22,821,537	20,941,267
Total 2022	391,569	20,549,698	20,941,267	

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

6. Income from other trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Hire of facilities	7,780	7,780	7,680
Extended schools	109,264	109,264	6,663
Sports activities	-	-	119,124
Music fees	28,085	28,085	15,188
Nursery income	34,846	34,846	19,070
Other income	209,741	209,741	38,206
	<u>389,716</u>	<u>389,716</u>	<u>205,931</u>
<i>Total 2022</i>	<u>205,931</u>	<u>205,931</u>	

7. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Bank interest	2,311	2,311	608
	<u>608</u>	<u>608</u>	
<i>Total 2022</i>	<u>608</u>	<u>608</u>	

8. Expenditure

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £	Total 2022 £
Educational Operations:					
Direct costs	14,534,153	-	1,349,365	15,883,518	15,538,303
Allocated support costs	4,190,173	3,573,023	1,394,729	9,157,925	8,504,850
Total 2023	<u>18,724,326</u>	<u>3,573,023</u>	<u>2,744,094</u>	<u>25,041,443</u>	<u>24,043,153</u>
<i>Total 2022</i>	<u>18,655,948</u>	<u>2,963,456</u>	<u>2,423,749</u>	<u>24,043,153</u>	

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

8. Expenditure (continued)

9. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Educational Operations	15,883,518	9,157,925	25,041,443	24,043,153
<i>Total 2022</i>	<i>15,538,303</i>	<i>8,504,850</i>	<i>24,043,153</i>	

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational Operations 2023 £	Total funds 2023 £	Total funds 2022 £
Net pension finance charge	70,000	70,000	193,000
Staff costs	4,190,173	4,190,173	4,340,731
Depreciation	1,716,811	1,716,811	1,628,646
Print postage and stationery	48,767	48,767	91,704
Telephone	9,190	9,190	22,057
Subscriptions	149,292	149,292	23,086
Technology costs	149,437	149,437	191,535
Governance	26,250	26,250	26,000
Recruitment Costs	91,552	91,552	62,668
Premises costs	410,420	410,420	330,870
Cleaning	471,823	471,823	406,139
Professional fees	277,525	277,525	155,882
Rent and rates	147,527	147,527	143,068
Energy costs	727,148	727,148	373,838
Insurance	94,482	94,482	78,896
Security and transport	50,768	50,768	35,861
Catering	492,688	492,688	373,202
Bank interest and charges	11,056	11,056	10,679
Other support costs	6,546	6,546	5,083
Legal costs - conversion	-	-	-
Legal costs - other	16,470	16,470	11,905
	<u>9,157,925</u>	<u>9,157,925</u>	<u>8,504,850</u>
<i>Total 2022</i>	<u>8,504,850</u>	<u>8,504,850</u>	

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023 £	2022 £
Operating lease rentals	46,882	51,368
Depreciation of tangible fixed assets	1,698,934	1,620,564
Amortisation of intangible assets	8,082	8,082
Fees paid to auditors for:		
- audit	14,000	13,000
- other services	12,250	12,000
	<u>14,000</u>	<u>13,000</u>
	<u>12,250</u>	<u>12,000</u>

11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	13,874,801	13,012,839
Social security costs	1,431,362	1,300,003
Pension costs	3,161,711	4,100,049
	<u>18,467,874</u>	<u>18,412,891</u>
Support agency staff costs	50,830	-
Staff restructuring costs	69,152	195,307
Direct agency staff costs	136,470	47,750
	<u>18,724,326</u>	<u>18,655,948</u>

Staff restructuring costs comprise:

	2023 £	2022 £
Redundancy payments	40,000	107,528
Severance payments	29,152	20,455
Other restructuring costs	-	67,324
	<u>69,152</u>	<u>195,307</u>

b. Special staff severance payments

Included in staff restructuring costs is four non-statutory/non-contractual severance payments totalling £29,152 (2022: £20,455). Individually, the payments were: £3,569, £5,079, £6,498, £14,007.

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

11. Staff (continued)

b. Special staff severance payments (continued)

c. Staff numbers

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

	2023 No.	2022 No.
Teachers	222	245
Administration and support	307	242
Management	4	3
	533	490

d. Higher paid staff

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

	2023 No.	2022 No.
In the band £60,001 - £70,000	7	10
In the band £70,001 - £80,000	5	2
In the band £80,001 - £90,000	1	1
In the band £90,001 - £100,000	3	1
In the band £100,001 - £110,000	-	2
In the band £120,001 - £130,000	1	1

e. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £552,705 (2022 £379,406).

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

12. Central services

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

- CEO, CFO, FD, HR Manager, ICT Manager and Clerking time including attending meetings, information sharing, giving advice, supporting and training school staff as needed.
- Researching and negotiating contracts on a MAT basis for 'best value' saving money for all schools.
- Consolidating all information and reports from the six schools to send to the relevant statutory bodies. Registering and reporting as the MAT when required.
- Maintaining a central human resources and finance function
- Managing capital projects and assessing priorities for allocation of funds from the School Condition Allocation.

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

To fund these costs, the Trust retained 3.5% (2022 3.5%) of each academy's School Budget Share from the ESFA General Annual Grant funding and 3.5% (2022 3.5%) of formula funding for post 16. In addition to the flat percentage, the costs of central functions were recharged to the constituent schools based on total pupil numbers and the funding they attracted.

The actual amounts charged during the year were as follows:

	2023 £	2022 £
Shoeburyness High School	1,280,095	1,066,612
Bournes Green Infant School	85,211	81,177
Hinguar Community Primary School	103,923	107,247
Thorpedene Primary School	218,088	229,876
Bournes Green Junior School	121,272	116,862
Richmond Avenue Primary & Nursery School	191,075	192,844
Total	1,999,664	1,794,618

As part of the centralisation of the finance function, in addition to the above, the Trust transferred surplus unrestricted and restricted general funds from the constituent Academies to the central reserves totalling £635,070 (2022: £1,135,478).

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

13. Trustees' remuneration and expenses

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

		2023	2022
		£	£
Mrs R Brock, Chief Executive Officer	Remuneration	50,000 -	120,000 -
		55,000	125,000
	Pension contributions paid	10,000 -	30,000 -
		15,000	35,000
Mr B Stickley, Chief Executive Officer (appointed 16 January 2023)	Remuneration	85,000 -	
		90,000	
	Pension contributions paid	20,000 -	
		25,000	

During the year ended 31 August 2023, no Trustee expenses have been incurred (2022 - £NIL).

14. Trustees' and Officers' insurance

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

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

15. Intangible assets

	Computer software £
Cost	
At 1 September 2022	24,247
At 31 August 2023	<u>24,247</u>
Amortisation	
At 1 September 2022	8,082
Charge for the year	8,082
At 31 August 2023	<u>16,164</u>
Net book value	
At 31 August 2023	<u><u>8,083</u></u>
At 31 August 2022	<u><u>16,165</u></u>

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

16. Tangible fixed assets

	Freehold property £	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation						
At 1 September 2022	7,431,320	37,203,022	2,219,438	1,931,042	81,999	48,866,821
Additions	135,703	770,837	614,477	177,917	-	1,698,934
At 31 August 2023	7,567,023	37,973,859	2,833,915	2,108,959	81,999	50,565,755
Depreciation						
At 1 September 2022	1,024,953	6,549,935	1,150,826	1,187,307	19,507	9,932,528
Charge for the year	229,532	982,793	297,526	182,478	16,400	1,708,729
At 31 August 2023	1,254,485	7,532,728	1,448,352	1,369,785	35,907	11,641,257
Net book value						
At 31 August 2023	6,312,538	30,441,131	1,385,563	739,174	46,092	38,924,498
At 31 August 2022	6,406,367	30,653,087	1,068,612	743,735	62,492	38,934,293

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

17. Stocks

	2023	2022
	£	£
Catering stock	5,436	6,026
	<u>5,436</u>	<u>6,026</u>

18. Debtors

	2023	2022
	£	£
Due within one year		
Trade debtors	33,841	16,252
Other debtors	81,727	92,180
Prepayments and accrued income	325,127	292,421
	<u>440,695</u>	<u>400,853</u>

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

19. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	40,378	26,058
Other taxation and social security	316,060	315,478
Other creditors	1,672,023	371,992
Accruals and deferred income	411,421	758,823
	<u>2,439,882</u>	<u>1,472,351</u>
	2023	2022
	£	£
Deferred income at 1 September 2022	146,151	130,231
Resources deferred during the year	133,450	146,151
Amounts released from previous periods	(146,151)	(130,231)
	<u>133,450</u>	<u>146,151</u>

At the balance sheet date the Trust was holding funds received in advance of entitlement for;

	2023	2022
	£	£
Universal Infant Free School Meals	£121,840	£115,126
School Games Organiser Funding	£Nil	£14,912
Other	£11,610	£16,113

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

20. Statement of funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
General Funds	3,076,758	925,411	(118,238)	(1,814,995)	-	2,068,936
Restricted general funds						
General Annual Grant (GAG)	130,030	17,891,179	(17,646,620)	(131,646)	-	242,943
Other DfE/ESFA grants	109,191	2,843,732	(2,781,416)	-	-	171,507
Local Authority grants	-	1,575,108	(1,258,782)	-	-	316,326
Other grants	-	91,008	(91,008)	-	-	-
Donations	8,536	6,650	(13,568)	-	-	1,618
Pension reserve	(2,228,000)	-	(1,415,000)	1,264,000	2,612,000	233,000
	(1,980,243)	22,407,677	(23,206,394)	1,132,354	2,612,000	965,394
Restricted fixed asset funds						
General Restricted Fixed Asset Funds	38,739,871	-	(1,674,811)	1,698,934	-	38,763,994
ESFA capital grants	178,841	792,128	-	(970,969)	-	-
Other capital grants	-	45,324	-	(45,324)	-	-
Donated equipment	210,587	-	(42,000)	-	-	168,587
	39,129,299	837,452	(1,716,811)	682,641	-	38,932,581
Total Restricted funds	37,149,056	23,245,129	(24,923,205)	1,814,995	2,612,000	39,897,975
Total funds	40,225,814	24,170,540	(25,041,443)	-	2,612,000	41,966,911

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

Restricted general funds and other restricted funds

These all relate to restricted grants the application of which is limited to the conditions imposed by the

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

20. Statement of funds (continued)

respective funding agreements.

Transfers include employer contributions against the pension deficit and revenue contributions to capital expenditure.

Restricted fixed asset funds

The balance of this fund represents the net book value of the Trust's tangible fixed assets plus any unspent capital grant funding.

Transfers represent revenue contributions to capital and the investment of grant and other funding into assets.

Pension reserve

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

Unrestricted funds

Unrestricted general funds can be used to fulfil any of the Trust's charitable objects. Transfers represent unrestricted funding used to finance restricted funding deficits.

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 2023.

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

20. Statement of funds (continued)

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
Shoeburyness High School	532,179	481,551	(7,577)	(1,006,153)	-	-
Bournes Green Infant School	31,087	9,731	(4,597)	(36,221)	-	-
Bournes Green Junior School	29,890	48,773	(37,958)	(40,705)	-	-
Hinguar Primary School	30,036	58,640	(20,817)	(67,859)	-	-
Richmond Avenue Primary and Nursery School	17,197	39,880	(13,275)	(43,802)	-	-
Thorpedene Primary School	75,327	59,736	(16,500)	(118,563)	-	-
Central funds	2,445,401	1,661	(8,180)	637,876	-	3,076,758
	<u>3,161,117</u>	<u>699,972</u>	<u>(108,904)</u>	<u>(675,427)</u>	<u>-</u>	<u>3,076,758</u>
Restricted general funds						
General Annual Grant (GAG)	243,824	17,400,175	(16,315,678)	(1,198,291)	-	130,030
Other DfE/ESFA grants	256,441	2,107,463	(2,254,713)	-	-	109,191
Local Authority grants	21,986	928,073	(950,059)	-	-	-
COVID-19 additional funding (DfE/ESFA)	108,332	-	(108,332)	-	-	-
COVID-19 additional funding (non-DfE/ESFA)	31,000	-	(31,000)	-	-	-
Other grants	68,897	113,987	(182,884)	-	-	-
Donations	13,923	2,550	(7,937)	-	-	8,536
Pension reserve	(12,135,000)	-	(2,455,000)	1,016,000	11,346,000	(2,228,000)
	<u>(11,390,597)</u>	<u>20,552,248</u>	<u>(22,305,603)</u>	<u>(182,291)</u>	<u>11,346,000</u>	<u>(1,980,243)</u>

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

20. Statement of funds (continued)

**Restricted fixed
asset funds**

General Restricted Fixed Asset Funds	38,609,554	-	(1,576,000)	1,706,317	-	38,739,871
ESFA capital grants	381,205	646,235	-	(848,599)	-	178,841
Donated equipment	263,233	-	(52,646)	-	-	210,587
	<u>39,253,992</u>	<u>646,235</u>	<u>(1,628,646)</u>	<u>857,718</u>	<u>-</u>	<u>39,129,299</u>
Total Restricted funds	<u>27,863,395</u>	<u>21,198,483</u>	<u>(23,934,249)</u>	<u>675,427</u>	<u>11,346,000</u>	<u>37,149,056</u>
Total funds	<u><u>31,024,512</u></u>	<u><u>21,898,455</u></u>	<u><u>(24,043,153)</u></u>	<u><u>-</u></u>	<u><u>11,346,000</u></u>	<u><u>40,225,814</u></u>

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

20. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	2023 £	2022 £
Shoeburyness High School	165,708	8,533
Bournes Green Infant School	53,601	8,104
Bournes Green Junior School	68,705	45,097
Hinguar Community Primary School	59,955	48,808
Richmond Avenue Primary and Nursery School	74,337	104,167
Thorpedene Primary School	67,145	33,040
Central Funds	2,311,879	3,076,766
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	2,801,330	3,324,515
Restricted fixed asset fund	38,932,581	39,129,299
Pension reserve	233,000	(2,228,000)
	<hr/>	<hr/>
Total	41,966,911	40,225,814
	<hr/>	<hr/>

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

20. Statement of funds (continued)

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 2023 £	Total 2022 £
Shoeburyness High School	8,020,254	1,123,403	601,679	1,746,679	11,492,015	11,378,553
Bournes Green Infant School	601,826	88,448	26,918	73,577	790,769	919,789
Bournes Green Junior School	844,073	101,722	95,696	171,781	1,213,272	1,210,953
Hinguar Community Primary School	831,011	137,905	72,171	214,592	1,255,679	1,214,723
Richmond Avenue Primary and Nursery School	1,504,893	175,599	144,309	244,420	2,069,221	2,158,983
Thorpedene Primary School	2,330,811	384,991	124,287	398,631	3,238,720	3,015,515
Central Funds	401,284	2,178,105	51,480	634,087	3,264,956	2,515,992
Academy Trust	14,534,152	4,190,173	1,116,540	3,483,767	23,324,632	22,414,508

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	38,924,498	38,924,498
Intangible fixed assets	-	-	8,083	8,083
Current assets	2,068,936	3,103,193	69,083	5,241,212
Creditors due within one year	-	(2,370,799)	(69,083)	(2,439,882)
Provisions for liabilities and charges	-	233,000	-	233,000
Total	2,068,936	965,394	38,932,581	41,966,911

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

21. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Restricted fixed asset funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	-	-	38,934,293	38,934,293
Intangible fixed assets	-	-	16,165	16,165
Current assets	3,293,793	1,369,482	312,432	4,975,707
Creditors due within one year	(217,035)	(1,121,725)	(133,591)	(1,472,351)
Provisions for liabilities and charges	-	(2,228,000)	-	(2,228,000)
Total	3,076,758	(1,980,243)	39,129,299	40,225,814

22. Reconciliation of net expenditure to net cash flow from operating activities

	2023 £	2022 £
Net expenditure for the year (as per Statement of financial activities)	(870,904)	(2,144,698)
Adjustments for:		
Depreciation	1,716,811	1,628,646
Capital grants from DfE and other capital income	(905,312)	(646,235)
Interest receivable	(2,311)	(608)
Defined benefit pension scheme cost less contributions payable	151,000	1,439,000
Decrease/(increase) in stocks	590	(2,677)
(Increase)/decrease in debtors	(39,841)	116,881
Increase in creditors	1,032,033	13,513
Loss on sale of fixed assets	-	-
Net cash provided by operating activities	1,082,066	403,822

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

23. Cash flows from investing activities

	2023 £	2022 £
Dividends, interest and rents from investments	2,311	608
Purchase of tangible fixed assets	(1,763,436)	(1,985,782)
Capital funding received from ESFA	905,312	646,235
Net cash used in investing activities	(855,813)	(1,338,939)

24. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand and at bank	4,795,081	4,568,828
Total cash and cash equivalents	4,795,081	4,568,828

25. Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	4,568,828	226,253	4,795,081
	4,568,828	226,253	4,795,081

26. Pension commitments

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

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

Contributions amounting to £1,667,933 were payable to the schemes at 31 August 2023 (2022 - £307,506) and are included within creditors.

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

26. 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. All teachers have the option to opt-out of the TPS following enrolment.

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £1,812,000 (2022 - £1,842,000).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Academy 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.

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

26. 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 2023 was £1,575,000 (2022 - £1,251,000), of which employer's contributions totalled £1,264,000 (2022 - £1,016,000) and employees' contributions totalled £ 311,000 (2022 - £235,000). The agreed contribution rates for future years are 25 per cent for employers and 5.5 to 8.5 per cent for employees.

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

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

Principal actuarial assumptions

	2023	2022
	%	%
Rate of increase in salaries	3.9	3.96
Rate of increase for pensions in payment/inflation	2.9	2.96
Discount rate for scheme liabilities	5.3	4.25
Inflation assumption (CPI)	2.9	2.96
Commutation of pensions to lump sums	50	50

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

	2023	2022
	Years	Years
<i>Retiring today</i>		
Males	20.7	21.0
Females	23.2	23.5
<i>Retiring in 20 years</i>		
Males	22	22.3
Females	24.6	24.9

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

26. Pension commitments (continued)

Sensitivity analysis

	2023	2022
	£000	£000
Discount rate +0.1%	(261)	(336)
Discount rate -0.1%	268	344
Mortality assumption - 1 year increase	401	427
Mortality assumption - 1 year decrease	(389)	(415)
CPI rate +0.1%	12	28
CPI rate -0.1%	(12)	(28)
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SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

26. Pension commitments (continued)

Share of scheme assets

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

	At 31 August 2023 £	At 31 August 2022 £
Equities	8,151,000	6,829,000
Gilts	179,000	234,000
Bonds	-	537,000
Property	1,095,000	1,148,000
Cash	410,000	363,000
Alternative assets	2,218,000	1,819,000
Other funds	1,955,000	1,208,000
Total market value of assets	14,008,000	12,138,000

The actual return on scheme assets was £603,000 (2022 - £31,000).

The amounts recognised in the Statement of financial activities are as follows:

	2023 £	2022 £
Current service cost	(1,304,000)	(2,124,000)
Past service cost	(23,000)	-
Interest cost	(70,000)	(193,000)
Benefit changes, gain/(loss) on curtailment and gain/(loss) on settlement	(11,000)	(134,000)
Administrative expenses	(7,000)	(4,000)
Total amount recognised in the Statement of financial activities	(1,415,000)	(2,455,000)

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

	2023 £	2022 £
At 1 September	14,366,000	23,331,000
Current service cost	1,304,000	2,124,000
Interest cost	615,000	384,000
Employee contributions	311,000	235,000
Actuarial gains	(2,611,000)	(11,506,000)
Benefits paid	(302,000)	(292,000)
Losses on curtailments & settlements	69,000	90,000
Past service costs	23,000	-
At 31 August	13,775,000	14,366,000

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

26. Pension commitments (continued)

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

	2023 £	2022 £
At 1 September	12,138,000	11,196,000
Interest income	545,000	191,000
Actuarial gains/(losses)	1,000	(160,000)
Employer contributions	1,264,000	1,016,000
Employee contributions	311,000	235,000
Benefits paid	(302,000)	(292,000)
Admin expenses	(7,000)	(4,000)
Losses on curtailments & settlements	58,000	(44,000)
At 31 August	14,008,000	12,138,000

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

26. Pension commitments (continued)

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

An allowance was made in 2019 for the 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 was allowed for as a past service cost and has resulted in a slight increase in the defined benefit obligation as at 31 August 2023.

This adjustment is an estimate of the potential impact on the Trust's defined benefit obligation as provided by the scheme's actuary.

On 13 May 2021, the Government issued a ministerial statement on the proposed remedy to be applied to LGPS benefits in response to the McCloud and Sargeant cases. It is not anticipated that there are any material differences between the approach underlying the estimated allowance in 2019 and the proposed remedy.

Guaranteed Minimum Pension (GMP) Equalisation

As a result of the High Court's Lloyds ruling on the equalisation of GMPs between genders, it is anticipated that the Fund will pay limited increases for members that have reached State Pension Age (SPA) by 6 April 2016, with the Government providing the remainder of the inflationary increase.

For members that reach SPA after this date, it has been assumed in the valuation that the Fund will be required to pay the entire inflationary increase. It is not therefore necessary to make any adjustments to the value placed on the liabilities as a result of the above outcome.

Goodwin case

Following a case involving the Teachers' Pension scheme, known as the Goodwin case, differences between survivor benefits payable to members with same-sex or opposite-sex survivors have been identified within a number of public sector pension schemes. As a result, the Government have confirmed that a remedy is required in all affected public sector pension schemes, which includes the LGPS.

It is anticipated that the impact on the value of LGPS liabilities as a whole, and for the majority of employers participating in the LGPS, will not be material. However, the impact on individual employers will vary depending on their specific membership profile.

Sufficient information is not currently available to assess the actual impact on the Academy Trust as such no provision has been included within these financial statements.

Asset Ceiling

At the reporting date the Academy Trust's estimated fair value of LGPS scheme assets exceeded the estimated total liabilities. The resulting surplus should only be recognised where there is an expectation that future contributions will reduce, or that the scheme will refund contributions already made.

As the resulting surplus is not deemed to be material to the financial statements no asset ceiling assessment has been made or provided for in arriving at the reported surplus in these financial statements.

SOUTHEND EAST COMMUNITY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

27. Operating lease commitments

At 31 August 2023 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	48,646	37,410
Later than 1 year and not later than 5 years	100,758	98,030
	<u>149,404</u>	<u>135,440</u>

28. Members' liability

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

29. Related party transactions

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 13.

30. Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period the Academy Trust received £24,325 (2022 £24,911) and disbursed £28,989 (2022 £36,941) from the fund. An amount of £4,458 (2022 £9,122) is included in other creditors relating to undistributed funds.

31. Controlling party

There is no ultimate controlling party.