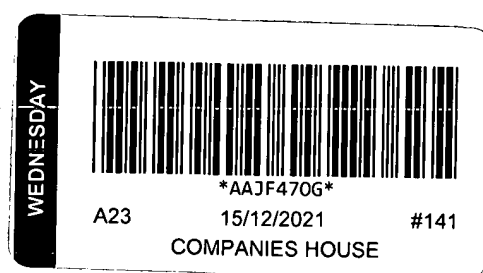


Trinity School Sevenoaks Ltd
(A company limited by guarantee)

Annual report and financial statements

For the year ended 31 August 2021



Trinity School Sevenoaks Ltd
(A company limited by guarantee)

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Reference and Administrative Details
For the Year Ended 31 August 2021

Members	Sevenoaks Churches Education Trust (SCET) Crescencia Iveson ^{1 2} James Oakley (resigned 5 May 2021) James Read (appointed 5 May 2021)
Trustees	Crescencia Iveson, Chair of Trustees ^{1 2} Matthew Pawson, Headmaster & Accounting Officer ^{1 2} Tara Battley (nee Steel), Staff Trustee (resigned 31 December 2020) Jennifer Whiteoak, Staff Trustee ² Jonathan Barnard, Chair of Resources (including Finance) Committee ¹ Ian Copeland, Chair of Education Committee ² Dr. William Lattimer (resigned 31 August 2021) ¹ Lynn Kennedy, Parent Trustee ¹ Kathryn Devine, Parent Trustee ¹ Anna Mack ² Alison Saunders ² Paul McCormack (appointed 1 September 2021) ¹ Dion Chetty (appointed 1 September 2021) ¹ Graham Lacey (appointed 1 September 2021) ² Sarah Beddell (appointed 1 September 2021) ² Jessica Lewis (appointed 1 September 2021) ² <div><div>1</div><div>member of Resources (including Finance) Committee during the year</div></div> <div><div>2</div><div>member of Education Committee during the year</div></div>
Company registered number	07949294 (England and Wales)
Principal and registered office	Seal Hollow Road Sevenoaks Kent TN13 3SL
Senior management team	Matthew Pawson, Headmaster, Accounting Officer Benjamin Williams, Deputy Headteacher Jonathan Davies, Deputy Headteacher Alex Birks-Agnew, Senior Assistant Headteacher Catherine Penfold, Assistant Headteacher Zoe Loveridge, Assistant Headteacher Tara Battley (nee Steel), Assistant Headteacher Richard Shaw, Assistant Headteacher Stephen Molsher, Assistant Headteacher Anne Sircar, Associate Assistant Headteacher (resigned 1 October 2021) Chantal van Staden, Business Manager
Independent auditors	UHY Kent LLP t/a UHY Hacker Young Chartered Accountants, Statutory Auditors Thames House Roman Square Sittingbourne Kent. ME10 4BJ
Bankers	Lloyds 83 High Street Sevenoaks TN13 1LG
Solicitors	Veale Wasbrough Vizards LLP Narrow Quay House Narrow Quay Bristol BS1 4QA

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Trustees' Report
For the Year Ended 31 August 2021

The trustees present their annual report together with the financial statements and auditor's report of the academy trust, a charitable company, for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust operates an academy for pupils aged 11 to 19 in Sevenoaks. The academy has a pupil capacity of 1140 and had a roll of 980 in the October 2020 school census, the roll will continue to increase until the school's sixth form is at capacity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Trinity School Sevenoaks Ltd are also the directors for the purposes of company law. The academy trust operates as Trinity School Sevenoaks.

The trustees of Trinity School Sevenoaks Ltd are also the directors for the purposes of company law. The academy trust is known as Trinity School Sevenoaks Ltd.

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

Members' Liability

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

Trustees' Indemnities

The academy trust maintains trustees' and officers' liability insurance which gives appropriate cover for any legal action brought against its trustees. The academy trust has also granted indemnities to each of its trustees and other officers to the extent permitted by law. Qualifying third party indemnity provisions (as defined by section 234 of the Companies Act 2006) were in force during the period and remain in force, in relation to certain losses and liabilities which the trustees or other officers may incur to third parties in the course of acting as trustees or officers of the academy trust.

Details of the insurance cover are provided in note 13 to the financial statements.

Method of Recruitment and Appointment or Election of Trustees

Under the terms of its Articles, the trust shall have the following trustees:

- up to 12 trustees appointed by Sevenoaks Churches' Education Trust;
- a minimum of 2 parent trustees elected by parents;
- the Headmaster; and
- other trustees that may be appointed in accordance with the Articles.

Policies and procedures adopted for the induction and training of trustees

During the period under review the trustees met 12 times either as the full Board or sub-committee. Existing trustees attended a range of face to face and online training.

Organisational Structure

The organisational structure consists of two levels: the trustees and the Senior Leadership Team. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The trustees are responsible for setting policies, making decisions about the direction of the academy trust, capital expenditure and senior staff appointments, adopting an annual plan and budget, and monitoring the academy trust by reviewing regular reports and making monitoring visits.

The Senior Leadership Team comprises the Headmaster, Deputy Headteacher's, Senior Assistant Headteacher, Assistant Headteachers, Associate Assistant Headteachers and the Business Manager. These managers control the academy trust at an executive level implementing the policies laid down by the trustees and reporting back to them. As a group the Senior Leadership Team is responsible for the authorisation of spending up to a level delegated to them within agreed budgets and the appointment of staff, although appointment panels for posts in the Senior Leadership Team normally contain a trustee.

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Trustees' Report
For the Year Ended 31 August 2021

Arrangements for setting pay and remuneration of key management personnel

The key management personnel of the academy trust comprise the trustees and senior leadership team as disclosed on page 1.

The pay policy sets the terms and conditions for all staff including the key management personnel. This is reviewed and revised each year.

An external advisor assists the trustees in the appraisal and pay review for the Headmaster.

Only staff trustees, including the Headmaster, are remunerated, and these individuals only receive remuneration in respect of services they provide under their contracts of employment, and not in respect of their roles as trustees. Specific disclosures concerning staff trustees' remuneration is included in note 12.

The board always keeps in mind the charitable status of the academy trust and recognises the fact the trust receives funding under a funding agreement with the Secretary of State for Education. The board ensures that the remuneration paid to senior management is set at a reasonable amount that provides value for money to the trust. The performance and pay of senior management personnel are reviewed on a regular basis to ensure continuing value for money.

Total remuneration paid to senior management personnel is set out in note 11(d).

Trade union facility time

The academy trust did not have any employees serving as relevant officials and hence none of their time was spent on facility time.

Related Parties and other Connected Charities and Organisations

The academy trust has a working relationship with Sevenoaks Churches' Education Trust (SCET), a company limited by guarantee whose members are 30 churches in the Sevenoaks area. SCET exists solely to oversee the academy trust, and votes on foundation governor appointments at an election at its Annual General Meeting (AGM) each year.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The aim of the academy trust is to provide 'education for life in all its fullness': an excellent Christian education for pupils aged between 11 and 19.

At Trinity we believe that every young person is loved and valuable to God, and that He has given each one unique gifts and talents. Our vision is that each pupil would fulfil their God-given potential, equipped to serve others and becoming confident leaders in society.

The academy's ethos is summarised in the Trinity Way:

- Truth: seek and value truth; be true to who God created you to be
- Excellence: strive for excellence in everything you do
- Love: love unconditionally as Jesus does; value one another
- Leadership: take responsibility for yourself; look for opportunities to lead others
- Service: understand and meet the needs of others, both in school and beyond

Objectives, Strategies and Activities

The board of trustees has also reviewed its strategic goals to shape its priorities over the next 5 years. These are:

- Goal 1 - Every student fulfils their God-given potential in terms of academic progress
- Goal 2 - Every student leaving Trinity at 16 or 18 is ready for work or equipped to continue in education or training
- Goal 3 - Every student fulfils their God-given potential in terms of their non-academic gifts and talents
- Goal 4 - Every student is positively impacted by the ethos of the school
- Goal 5 - The school ensures that its financial resources are spent wisely, properly and in accordance with its priorities
- Goal 6 - A broad and balanced curriculum vision is further developed, articulated and implemented
- Goal 7 - The school demonstrates that it actively seeks to work in partnership with parents and the local community

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Trustees' Report
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Public Benefit

Trinity School Sevenoaks is a Free School catering for children aged 11 to 19 and strives to promote and support the advancement of education within the Sevenoaks area. The school provides an extensive programme of educational and recreational activity - all designed to contribute to the overall education of our students in areas such as academic excellence, music, the arts and sport. For example:

- During a Wednesday afternoon, students have a choice of over thirty co-curricular activities to choose from.
- A significant number of students are doing the Bronze and Silver Duke of Edinburgh.
- Students also engage in competitive sport, fulfilling many fixtures across various sports.
- The service programme includes a foodbank and since March 2020, 1800 food parcels have been put together by some of our key stage 3 students, for families who are struggling.

In setting the academy's objectives and planning its activities the trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The trustees believe that the academy's aims, together with the activities outlined above, are demonstrably to the public benefit.

STRATEGIC REPORT

Achievements and performance

This was Trinity's eight year of operation. The following table summarises the school's achievement against the objectives set by the board of trustees at the start of the year.

Objectives	Result
<u>GCSE Results</u> (to include SDP targets - Closing the Gaps, Literacy, SEND) <ul style="list-style-type: none">▪ Year 11 - Attainment 8 is 52 P8 0.3 (above average)▪ Proportion of pupils gaining grade 5+ in English and Mathematics is 55%▪ 22% of grades are a grade 7 or above▪ Data suggests that reading gap closing each year <u>Closing the gaps Year 11:</u> <ul style="list-style-type: none">▪ P8 for pp is within 0.35 compared to non-eligible students - national average. <u>A Level</u> <ul style="list-style-type: none">▪ Year 13 - A* - B = 55% A* - E = 100%▪ ALPS Score: 3	Met Met Met Met Met Met Met
<u>Curriculum and Teaching</u> <ul style="list-style-type: none">▪ Department 'Deep Dives' take place each half-term (x2) departments. Evidence:▪ Continue to develop teacher professional expertise – a clearly defined CPD programme is followed which supports this.▪ A more systematic approach is adopted and implemented where the Teaching and Learning Vision is measured and reported to the Education Committee.▪ Report of teaching and learning written by T&L leads demonstrating the impact of the roles.▪ Continue to develop a culture of excellence amongst staff – what does that look like in the classroom and out of it.▪ Governors will track the development of this work through appropriate governor meetings and may appoint an external element to support the school's own internal evaluation of progress in this area.	Met Met Met Met Met Met

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Trustees' Report
For the Year Ended 31 August 2021

Objectives	Result
Development Pathways <ul style="list-style-type: none">• Develop strategies to recruit and retain good staff.• Teacher turnover is <15%▪ Staff 'future ambitions' survey is taken, acted on and reported to Resources Committee.▪ Monitor staff wellbeing and devise a plan, using current research and examples of good practice, as to how Trinity can best do this.	Met Met Met Met

Key Performance Indicators

The trustees consider that the following are key performance indicators for the academy trust:

Financial

- General financial stability - aim for income to match expenditure each year;
- Average teacher costs
- Senior Leaders as a percentage of workforce
- Pupil to teacher ratio
- Pupil to adult ratio
- In-Year balance as a percentage of total income
- Revenue reserves as a percentage of total income
- Teaching staff costs as a percentage of total expenditure
- Agency/supply staff costs as a percentage of total expenditure
- Educational staff costs as a percentage of total expenditure
- Administrative staff costs as a percentage of total expenditure
- Premises staff costs as a percentage of total expenditure
- Energy costs as a percentage of total expenditure
- Size of Senior Leadership Team compared to schools of similar size/pupil numbers
- Cost per lesson
- Pupil numbers, especially Year 7 intake (leading directly to the Education Skills Funding Agency ("ESFA") funding level);

Non-Financial

- Ofsted inspection results
- Progress 8 score
- Recruitment & retention rates

The trustees have monitored and challenged on these key performance indicators during the period

Going Concern

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

Financial review

Most of the trust's recurrent income is received in the form of grants from the Education and Skills Funding Agency ("ESFA"), the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2021 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities ("SoFA"). Core grant income has been supplemented by capital funding and various other self-generated income streams.

Total income for the year, as shown by the SoFA, amounted to £6.01m, an increase on the £5.4m in the prior year.

Most of this income is funding received for the academy trust's educational operations, which are detailed in note 5, and within this note DfE/ESFA funding increased by £498k to £4.99m.

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Trustees' Report
For the Year Ended 31 August 2021

This year the academy trust received some one-off additional Covid-19 funding from the DfE, including catch-up premium of £68k to help pupils recover from the lost learning opportunities throughout the pandemic. This Covid-19 funding is also detailed further in note 5.

Total expenditure for the year was £5.66m, leaving net income over expenditure for the year of £357k (2020: net expenditure of £20k). The overall net movement in funds is a small increase of £148k after deducting the actuarial loss arising on the Local Government Pension Scheme (LGPS).

This overall movement in funds does not represent an operational result since it includes movements through the restricted fixed asset fund, which tracks capital grant income and depreciation charges arising on fixed assets, and the increase in the year on the LGPS reserve.

The table below has therefore been included to reconcile from the movement in funds per the SoFA to the result on revenue income funds, a surplus of £586k (2020: £219k). The £47k transfers to the capital fund represent fixed assets acquired with revenue funds, and therefore the operational result, prior to these revenue to capital transfers, was a surplus of £633k (2020: £242k):

	2021 (£000s)	2020 (£000s)
Overall net movement in funds for the year per SoFA	148	(355)
(Increase) / Decrease attributable to fixed asset fund	(14)	39
LGPS actuarial loss	209	335
LGPS service and interest costs	243	200
Movement in revenue funds during the year	586	219
Add: Transfers from revenue to capital	47	23
Operational surplus on revenue funds before transfers to capital	633	242

At 31 August 2021, the net book value of fixed assets was £253k and movements in tangible fixed assets are shown in note 14 to the financial statements. During the year the assets were used almost exclusively for providing education and the associated support services to the pupils of the academies, the only exceptions to this being letting of the premises to local community groups and other affiliated organisations.

Financial position

As noted above the school land and buildings are not recognised as assets in the financial statements (unlike non-church academies). The presence of the Local Government Pension Scheme deficit on the balance sheet considerably weakens the net asset position, however, it is the fund balances on revenue income funds which are key to the academy trust's day-to-day operations.

The trust held fund balances at 31 August 2021 of £240k (2020: £92k). These funds included restricted fixed asset funds of £254k (2020: £240k) and revenue reserves of £1.57m (2020: £987k) split across restricted and unrestricted funds as shown in note 17.

The only fund in deficit was the LGPS pension reserve of £1.59m (2020: £1.14m). The increase in this deficit during the year, and the total carried on the balance sheet, is not a concern since it does not mean that an immediate liability crystallises. It can be described as an accounting deficit which has no direct effect on the employer contribution rate paid by the school, which is determined using longer-term funding assumptions. These contribution rates are reviewed every three years in consultation with the scheme's administrators, and current employer contributions due by the multi-academy trust are fixed until 1 April 2023.

Reserves Policy

The trustees aim to hold only those reserves that they consider necessary to provide working capital and to provide a cushion to deal with unexpected emergencies such as urgent maintenance, long-term sickness or a sudden drop in revenue caused by falling pupil numbers. Trustees aim that free reserves at any one time should be 8% of the current year's ESFA annual revenue. In the year under review the trustees have committed an additional £35k of free reserves to the construction of the Chapel, which has been delayed due to the current pandemic. Where free reserves are significantly greater or less than this figure, trustees will agree a plan for bringing them back into line with this policy.

The trust had sufficient reserves as at 31 August 2021 to meet this target although the level of completely free unrestricted reserves is slightly less. Most of the restricted funds relate to core General Annual Grant funding which will be used for the main educational operations.

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Trustees' Report
For the Year Ended 31 August 2021

The trustees will continue to monitor the level of reserves to ensure that they are maintained at the required level. In the event that they are partly used the trust will strive to rebuild free reserves up to the level needed.

Investment Policy

The trustees' policy is to invest surplus funds in low-risk short-term bank deposits.

Principal Risks and Uncertainties

The main risks to which the trust is exposed are summarised below. For each of these risks the probability, impact and seriousness have been considered together with appropriate action and management plans:

- **Strategic** – poor educational performance, Christian distinctiveness, failure to fill faith places, SCET dissolves, failure to provide for needs of pupils, particularly pupil premium or SEN, poor exam results.
- **Operational** - security/safeguarding of pupils; fire, natural disaster e.g. flood or other business continuity issue at existing site, lack of security of physical assets, loss of technology, power– absence or loss of key staff, ineffective leadership & management, staff workload, poor or unable to recruit quality staff, ineffective succession planning.
- **Compliance** – insufficient Governor skills & knowledge or unable to recruit Governors, failure of trustees to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, serious safeguarding issue, employment legislation non-compliance
- **Financial** – loss of key finance staff; financial controls not followed; inadequate financial planning or monitoring; failure to follow finance or procurement policy; inadequate insurance, the academy trust not operating within its budget and running a deficit, income, not increasing at same rate of inflation over the coming years, pensions deficits.

The risks to which the trust is exposed arise both internally and externally. External risks include those in respect of future funding levels, competition, changes to rules and regulations and the financial position of the staff pension schemes.

FUNDRAISING

The academy trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees. The school periodically encourages parents via email or letter to contribute to the School Fund. The monies expended as a result of these donations are communicated to parents and donors via the school's website.

There is an active 'Friends of Trinity' group which carries out fundraising activities for the school and makes donations for specific projects.

The school also claim's Gift Aid where possible.

PLANS FOR FUTURE PERIODS

In the coming year, the trust's academy will continue to aim to provide an excellent education for its pupils by recruiting and supporting excellent staff and providing them with the best possible tools and techniques.

The school has been asked by Kent County Council to expand its pupil roll from 120 in each year group to 180. Given the time taken to progress this initiative the school has taken in 180 pupils at year 7 for the past five years. A permanent expansion has been approved by the Secretary of State for Education. The necessary building work was completed in March 2021.

The school has finalised the design of the Chapel, a tender was undertaken for the construction contract in early 2021. A contractor was appointed, construction work is scheduled to commence in September 2021. It is hoped the project will be completed within 12 months.

The Academy is at the heart of the community, promoting cohesion, sharing facilities and resources with other schools as well as the wider community, Trinity has taken on the responsibility during the pandemic of supporting our vulnerable families by providing a food bank. This is being resourced by local churches, staff and pupil donations as well as our wider community. We will continue to offer this support for the foreseeable future.

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Trustees' Report
For the Year Ended 31 August 2021

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The academy trust distributes 16-19 bursary funds to the students as an agent for the ESFA. Details, including any amounts not dispersed by the financial year end, are disclosed in note [x] to the financial statements.

As a School Direct provider the trust is also in receipt of funding on behalf of other schools in the local area, as well as trainee teachers. The trust is responsible for ensuring that these funds are distributed appropriately and within the agreed timescale.

Through the work of the food bank the academy has received cash donations to support this initiative, these funds are committed to food donations only, unless otherwise agreed by the individual donors.

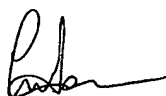
AUDITOR

In so far as the trustees are aware:

- there is no relevant audit information of which the academy trust's auditor is unaware;

the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information. The auditors, UHY Hacker Young, have indicated their willingness to remain in office, and the audit process will be reviewed in detail and re-appointment of the auditors has been approved by the Members at their 2021 AGM.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, and signed on the board's behalf by:



Cres Iveson, (Chair of Trustees)



Matthew Pawson, (Headmaster & Accounting Officer)

Date: 10 December 2021

Trinity School Sevenoaks Ltd
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Governance Statement
For the Year Ended 31 August 2021

Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Trinity School Sevenoaks Ltd 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 Headmaster, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Trinity School Sevenoaks Ltd and the Secretary of State for Education. He is also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 4 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Crescencia Iveson, Chair of Trustees	4	4
Matthew Pawson	4	4
Ian Copeland	4	4
William Lattimer	4	4
Anna Mack	4	4
Alison Saunders	3	4
Jonathan Barnard	4	4
Lynn Kennedy	3	4
Kathryn Devine	3	4
Tara Battley	2	2
Jennifer Whiteoak	2	2

Section 2.3 of the Academies Financial Handbook 2020 requires academy trusts to describe, where the number of full board meetings have been fewer than six, how the board have discharged their responsibilities and ensured robust governance and effective management arrangements. The trustees are confident that effective oversight has been maintained via the sub-committee meetings, monitoring visits conducted by governors and the monitoring of monthly management information.

Governance reviews

In accordance with the Academies Financial Handbook the board has conducted a self-evaluation of its own effectiveness and the impact it has had. The board has concluded that the current structure is appropriate for the academy trust but that this will be reviewed each year. The self-evaluation concluded that the board had been effective in holding the senior leadership team to account in the three core areas of governance. Areas such as benchmarking were identified as needing more attention in the previous year and as result the board have begun the process of benchmarking in various areas, for example, staffing and resources.

Due to Covid 19 recruitment of new governors had proved difficult but has now been resolved with the appointment of five new governors whose terms began in September. The Board now has a greater capacity to carry out its core functions and other responsibilities. This year the board has identified that governors need to consolidate and enhance their understanding of data analysis. The board will review its effectiveness and the area it has highlighted at the end of the next academic year. The ESFA school resource management self-assessment will be completed by the deadline of April 2022, this will provide assurance that the trust is meeting the standards required to achieve a good level of financial health and resource management.

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Governance Statement
For the Year Ended 31 August 2021

Sub-committees

The Resources (including Finance) Committee is a sub-committee of the main board of trustees. Its main purpose is to plan and monitor the use of human and financial resources in pursuit of the trust's educational objectives; and to ensure that the school is a good place to work and provides a safe educational environment. The Resources (including Finance) Committee also acts as the Audit Committee.

During the year the work of the Resources (including Finance) Committee included scrutinising the monthly management accounts and challenging all variances to ensure the school was achieving value for money on all purchases, reviewing recruitment & retention decisions, the school's risk register, building projects, health and safety and supported the COVID response of the senior leadership team. The Chair of the Resources Committee has regular conversations with the academy trust's Business Manager. During the year a Trustee, who is a qualified accountant, joined the committee.

Attendance at Resources (including Finance) Committee meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
Crescencia Iveson, Chair of Trustees	4	4
Matthew Pawson	4	4
William Lattimer	4	4
Jonathan Barnard, Chair of Resources (including Finance) Committee	4	4
Lynn Kennedy	2	4
Kathryn Devine	4	4

The academy trust also operates with a further sub-committee, the Education Committee. Attendance at these meetings was as follows:

Trustee	Meetings attended	Out of a possible
Crescencia Iveson	4	4
Matthew Pawson	4	4
Ian Copeland (Chair of Education Committee)	4	4
Anna Mack	4	4
Tara Battley	1	1
Alison Saunders	4	4
Jennifer Whiteoak	3	3

Review of value for money

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

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

- ensuring the school's recruitment and retention strategies are aligned with the Pay Policy and that the school's key performance indicator for this does not exceed 80% staff costs as a proportion of total expense.
- delivering training and development for senior and middle leaders in managing budgets to ensure they seek value for money for every purchase transaction resulting in raising awareness of school's finances and all staff taking responsibility and ownership for this.
- aligning operating contracts to ensure value for money is achieved at tender.
- completing a review of utilities, making use of an approved framework.
- performing a review for governors of alternate investment opportunities to maximise revenue on available reserves.

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Governance Statement
For the Year Ended 31 August 2021

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Trinity School Sevenoaks Ltd for the year to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

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

The Risk and Control Framework

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

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

The board of trustees has decided to employ Baxter & Co as internal auditor. Their role includes giving advice on financial and other matters and performing a range of checks on the academy trust's financial and other systems. In particular, the checks carried out in the current period included:

- testing of payroll systems
- testing of purchase systems
- testing of accounting system
- testing of income (non-grant)

On a bi-annual basis the board receive a written report outlining the areas reviewed, key findings, recommendations and conclusions to help the board consider actions and assess year on year progress.

During the year ended 31 August 2021, the internal control function has been fully delivered in line with the requirements of the Education Skills Funding Agency, and no significant issues have been reported to the trustees.

Review of Effectiveness

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

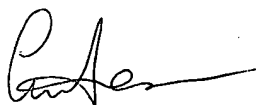
- the work of the internal auditor
- the work of the external auditor
- the financial management and governance self-assessment process or the school resource management self-assessment tool
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

Trinity School Sevenoaks Ltd
(A company limited by guarantee)

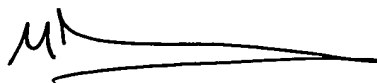
Governance Statement
For the Year Ended 31 August 2021

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

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



Cres Iveson
Chairman of Trustees



Matthew Pawson, Headmaster
Accounting Officer

Date: 10 December 2021

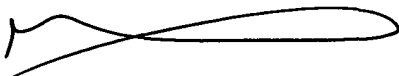
Trinity School Sevenoaks Ltd
(A company limited by guarantee)

Statement on Regularity, Propriety and Compliance

As accounting officer of Trinity School Sevenoaks Ltd I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

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 Academies Financial Handbook 2020.

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.



Matthew Pawson
Accounting Officer

Date: 10 December 2021

Statement of trustees' responsibilities
For the year ended 31 August 2021

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:

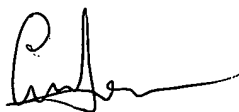
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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:



Crescencia Iveson
Chair of Trustees

Date: 10 December 2021

Independent auditors' Report on the financial statements to the Members of Trinity School Sevenoaks Ltd

Opinion

We have audited the financial statements of Trinity School Sevenoaks Ltd (the 'academy trust') for the year ended 31 August 2021 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 2020 to 2021 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 2021 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 2020 to 2021 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.

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.

Independent auditors' Report on the financial statements to the Members of Trinity School Sevenoaks Ltd (continued)

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 Trustees' responsibilities statement, 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.

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:

How the audit was considered capable of detecting irregularities including fraud:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- we identified the laws and regulations applicable to the trust through discussions with management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the trust, including the Companies Act 2006;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and
- identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the trust's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Independent auditors' Report on the financial statements to the Members of Trinity School Sevenoaks Ltd (continued)

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading minutes of meetings of those charged with governance; and
- enquiring of management and representatives of Trustees as to actual and potential litigation and claims.

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.

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.



Allan Hickie BSc FCA (Senior statutory auditor)
for and on behalf of
UHY Kent LLP
Chartered Accountants
Statutory Auditors
Thames House
Roman Square
Sittingbourne
Kent
ME10 4BJ

Date: 13 December 2011

Independent Reporting Accountant's Assurance Report on Regularity to Trinity School Sevenoaks Ltd and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 5 July 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Trinity School Sevenoaks Ltd during the year 1 September 2020 to 31 August 2021 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 Trinity School Sevenoaks Ltd and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Trinity School Sevenoaks Ltd 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 Trinity School Sevenoaks Ltd and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Trinity School Sevenoaks Ltd's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Trinity School Sevenoaks Ltd's funding agreement with the Secretary of State for Education dated 3 April 2013 and the Academies Financial Handbook, extant from 1 September 2020, 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 2020 to 2021. 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 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

We conducted our work in accordance with Technical Release TECH 08/12 AAF issued by the Institute of Chartered Accountants in England and Wales. In accordance with that Technical Release we have carried out the procedures we consider necessary to arrive at our conclusion. Other than those procedures undertaken for the purposes of our audit of the financial statements of Trinity School Sevenoaks Ltd for the year ended 31 August 2021 which provide evidence on regularity, our work was limited to only those additional procedures necessary to provide limited assurance.

The work undertaken to draw to our conclusion included:

- an assessment of the risk of material irregularity and impropriety across all of the academy trust's activities;
- further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

Trinity School Sevenoaks Ltd
(A company limited by guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to Trinity School Sevenoaks Ltd and the Education & Skills Funding Agency (continued)

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

UHY Kent LLP

UHY Kent LLP
Chartered Accountants
Statutory Auditors
Thames House
Roman Square
Sittingbourne
Kent
ME10 4BJ

Date: 13 December 2021

Trinity School Sevenoaks Ltd
(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 August 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:						
Donations and capital grants	3	27,606	269,933	49,895	347,434	146,061
Funding for educational operations	5	2,784	5,521,516	-	5,524,300	5,112,228
Other trading activities	4	119,367	21,922	-	141,289	111,838
Investments	6	353	-	-	353	1,857
Total income		150,110	5,813,371	49,895	6,013,376	5,371,984
Expenditure on:						
Raising funds		13,243	-	-	13,243	-
Charitable activities	8	-	5,560,516	82,217	5,642,733	5,392,184
Total expenditure		13,243	5,560,516	82,217	5,655,976	5,392,184
Net income/(expenditure)		136,867	252,855	(32,322)	357,400	(20,200)
Transfers between funds	17	121,203	(167,899)	46,696	-	-
Net movement in funds before other recognised gains/(losses)		258,070	84,956	14,374	357,400	(20,200)
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	24	-	(209,000)	-	(209,000)	(335,000)
Net movement in funds	17	258,070	(124,044)	14,374	148,400	(355,200)
Reconciliation of funds:						
Total funds brought forward	17	461,147	(608,655)	239,491	91,983	447,183
Net movement in funds		258,070	(124,044)	14,374	148,400	(355,200)
Total funds carried forward	17	719,217	(732,699)	253,865	240,383	91,983

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


The notes on pages 23 to 44 form part of these financial statements.


Trinity School Sevenoaks Ltd
(A company limited by guarantee)
Registered number: 07949294

Balance sheet
As at 31 August 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	14	252,622	202,564
Current assets			
Debtors	15	166,151	173,638
Cash at bank and in hand		1,754,033	1,359,912
		<u>1,920,184</u>	<u>1,533,550</u>
Creditors: amounts falling due within one year	16	(345,423)	(509,131)
Net current assets		<u>1,574,761</u>	<u>1,024,419</u>
Net assets excluding pension liability		<u>1,827,383</u>	<u>1,226,983</u>
Defined benefit pension scheme liability	24	(1,587,000)	(1,135,000)
Total net assets		<u><u>240,383</u></u>	<u><u>91,983</u></u>
Funds of the academy trust			
Restricted funds:			
Fixed asset funds	17	253,865	239,491
Restricted income funds	17	854,301	526,345
		<u>1,108,166</u>	<u>765,836</u>
Restricted funds excluding pension liability	17	1,108,166	765,836
Pension reserve	17	(1,587,000)	(1,135,000)
Total restricted funds	17	<u>(478,834)</u>	<u>(369,164)</u>
Unrestricted income funds	17	<u>719,217</u>	<u>461,147</u>
Total funds		<u><u>240,383</u></u>	<u><u>91,983</u></u>

The financial statements on pages 20 to 44 were approved and authorised for issue by the trustees and are signed on their behalf, by:


Crescencia Iveson
Chair of Trustees


Matthew Pawson
Trustee and Accounting Officer

Date: 10 December 2021

The notes on pages 23 to 44 form part of these financial statements.

Trinity School Sevenoaks Ltd
(A company limited by guarantee)

Statement of cash flows
For the year ended 31 August 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	19	505,778	419,333
Cash flows from investing activities	20	(111,657)	(24,304)
Change in cash and cash equivalents in the year		394,121	395,029
Cash and cash equivalents at the beginning of the year		1,359,912	964,883
Cash and cash equivalents at the end of the year	21, 22	<u>1,754,033</u>	<u>1,359,912</u>

The notes on pages 23 to 44 form part of these financial statements

Notes to the financial statements
For the year ended 31 August 2021

1. 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.

1.1 Basis of preparation of financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the 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 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Trinity School Sevenoaks Ltd meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy 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.

1.3 Income

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

- **Grants**

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

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

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

- **Sponsorship income**

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

- **Donations**

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

- **Other income**

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

- **Donated fixed assets**

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in

Notes to the financial statements
For the year ended 31 August 2021

1. Accounting policies (continued)

1.3 Income (continued)

which case the cost of the item to the donor should be used. The gain is recognised as 'Income from Donations and Capital Grants' and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies. During 2020/21 the academy trust received ICT equipment from the Government under the free laptop and tablet scheme which has been accounted for this way.

1.4 Expenditure

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

• **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.

Where relevant, expenditure is shown inclusive of any irrecoverable VAT.

1.5 Tangible fixed assets

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

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

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

Depreciation is provided on the following basis:

Other equipment relating to buildings	-	2%
Furniture and equipment	-	15%
Plant and machinery	-	25%
Computer equipment	-	33%

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.

Notes to the financial statements
For the year ended 31 August 2021

1. Accounting policies (continued)

1.6 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 15. Prepayments are not financial instruments.

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

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

1.7 Operating leases

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

1.8 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.

1.9 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 trust does not have control over the charitable application of the funds. The trust can use a percentage of the allocation towards its own administration costs, however chooses not to do so. The funds received and paid and any balances held are disclosed in note 28.

Notes to the financial statements
For the year ended 31 August 2021

1. Accounting policies (continued)

1.10 Taxation

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

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.

1.11 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.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

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

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The academy 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 24, 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 2021. 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.

There have been some specific issues which have been considered regarding the actuarial assumptions and closing pension scheme liability of all LGPS employers:

The "McCloud/Sargeant judgements". These employment tribunal cases relate to all public sector pension schemes and not specifically to the academy trust. The cases relate to legal rulings regarding age discrimination arising from public sector pension scheme transitional arrangements. Actuarial evidence suggested that the impact of making an allowance for this judgement would be material and a past service cost adjustment was made, within staff costs, in the trusts 2018/19 financial statements.

Since then a consultation has taken place. Then, on 13 May 2021, the Government issued a ministerial statement which confirms that changes will be made to the LGPS Regulations to compensate members directly affected by the change to career average benefits from 1 April 2014. The Government's intention is that revised regulations will come into force on 1 April 2023, and draft regulations are expected later in 2021.

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Notes to the financial statements
For the year ended 31 August 2021

2. Critical accounting estimates and areas of judgment (continued)

In July 2021 the actuary has indicated that they do not believe there are any material differences between the approach underlying the estimated allowance and the proposed remedy, and therefore no further subsequent adjustment has been made.

3. Income from donations and capital grants

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donated assets	-	-	29,630	29,630	-
Donations	27,606	269,933	-	297,539	128,482
Capital grants	-	-	20,265	20,265	17,579
	<u>27,606</u>	<u>269,933</u>	<u>49,895</u>	<u>347,434</u>	<u>146,061</u>
<i>Analysis of 2020 total by fund</i>	<u>65,818</u>	<u>62,664</u>	<u>17,579</u>	<u>146,061</u>	

4. Income from other trading activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Hire of facilities	102,057	-	102,057	76,502
Insurance claims	-	21,922	21,922	14,087
Sale of goods and services	17,310	-	17,310	21,249
	<u>119,367</u>	<u>21,922</u>	<u>141,289</u>	<u>111,838</u>
<i>Analysis of 2020 total by fund</i>	<u>97,751</u>	<u>14,087</u>	<u>111,838</u>	

Notes to the financial statements
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5. Funding for educational operations

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	As restated Total funds 2020 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	4,543,359	4,543,359	4,070,092
Other DfE/ESFA grants				
Rates reclaim	-	39,424	39,424	39,065
Pupil premium	-	134,754	134,754	127,319
Teachers' pay grant	-	67,452	67,452	63,224
Teachers' pension grant	-	190,608	190,608	175,120
Others	-	17,640	17,640	20,018
	-	4,993,237	4,993,237	4,494,838
Other Government grants				
Local authority - Special educational projects	-	72,066	72,066	110,963
Other government grants	-	329,284	329,284	284,781
	-	401,350	401,350	395,744
Other income from the academy trust's educational operations	2,784	28,279	31,063	221,646
COVID-19 additional funding (DfE/ESFA)				
Catch-up Premium	-	67,800	67,800	-
Other DfE/ESFA COVID-19 funding	-	30,850	30,850	-
	-	98,650	98,650	-
	2,784	5,521,516	5,524,300	5,112,228
<i>Analysis of 2020 total by fund</i>	17,355	5,094,873	5,112,228	

Following the reclassification in the Academies Accounts Direction 2020 to 2021 of some grants received from the Department for Education and ESFA, this funding is now reported as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

The trust received Covid catch-up premium of £68k to support children and young people to catch up on missed learning caused by coronavirus (Covid-19). The costs incurred in respect of this funding totalled £50k, and the remaining £17k will be spent in 2021/22. The funding was spent in a variety of ways, including; peer tutoring, one-to-one tuition, support for high achieving students as well as the provision of a forest school supporting students outside of the classroom environment. We also implemented a high needs provision supporting students with reintegration into education following the periods of lockdown.

Other Covid funding relates to Covid mass testing grants, provided by the DfE to support schools with the costs associated with the coronavirus National Testing Programme.

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Notes to the financial statements
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6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Bank interest	353	353	1,857
<i>Analysis of 2020 total by fund</i>	1,857	1,857	

7. Expenditure

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	Total 2020 £
Expenditure on fundraising trading activities:					
Direct costs	-	-	13,243	13,243	-
Educational operations:					
Direct costs	3,170,078	-	621,887	3,791,965	3,775,759
Allocated support costs	1,275,198	464,205	111,365	1,850,768	1,616,425
	4,445,276	464,205	746,495	5,655,976	5,392,184
<i>Analysis of 2020 total</i>	4,194,034	370,699	827,451	5,392,184	

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Educational operations	-	5,642,733	5,642,733	5,392,184
<i>Analysis of 2020 total by fund</i>	17,752	5,374,432	5,392,184	

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9. Analysis of expenditure by activities

	Direct costs 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Educational operations	3,791,965	1,850,768	5,642,733	5,392,184
<i>Analysis of 2020 total</i>	<i>3,775,759</i>	<i>1,616,425</i>	<i>5,392,184</i>	

Analysis of support costs

	Total funds 2021 £	Total funds 2020 £
Staff costs	1,275,198	1,160,060
Premises costs	464,205	313,996
Technology costs	19,492	3,993
Legal costs	-	5,711
Other support costs	74,391	122,783
Governance costs	17,482	9,882
	<u>1,850,768</u>	<u>1,616,425</u>

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Operating lease rentals	18,876	18,997
Depreciation of tangible fixed assets	82,217	79,382
Fees paid to auditors for:		
- audit	7,450	7,740
- other services	2,010	7,906

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Notes to the financial statements
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11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021	2020
	£	£
Wages and salaries	3,164,137	3,009,133
Social security costs	310,282	293,809
Pension costs	958,282	858,859
	<u>4,432,701</u>	<u>4,161,801</u>
Agency staff costs	12,575	32,233
	<u><u>4,445,276</u></u>	<u><u>4,194,034</u></u>

b. Staff numbers

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

	2021	2020
	No.	No.
Management	2	2
Administration and support	60	61
Teachers	64	55
	<u>126</u>	<u>118</u>

The average headcount expressed as full-time equivalents was:

	2021	2020
	No.	No.
Management	2	2
Administration and support	37	38
Teachers	52	52
	<u>91</u>	<u>92</u>

c. Higher paid staff

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

Notes to the financial statements
For the year ended 31 August 2021

11. Staff (continued)

c. Higher paid staff (continued)

	2021 No.	2020 No.
In the band £60,001 - £70,000	5	2
In the band £70,001 - £80,000	1	1
In the band £80,001 - £90,000	-	1
In the band £90,001 - £100,000	1	-

d. 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 £939,186 (2020 - £706,536). The senior management team increased from 8 members to 11 members during this academic year.

12. Trustees' remuneration and expenses

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

		2021 £	2020 £
Matthew Pawson, Headteacher	Remuneration	95,000 - 100,000	85,000 - 90,000
	Pension contributions paid	20,000 - 25,000	20,000 - 25,000
Tara Battley, Staff Trustee until 31.12.20	Remuneration	20,000 - 25,000	55,000 - 60,000
	Pension contributions paid	0 - 5,000	10,000 - 15,000
Jennifer Whiteoak, Staff Trustee from 1.1.21	Remuneration	20,000 - 25,000	not a trustee
	Pension contributions paid	0 - 5,000	not a trustee

During the year ended 31 August 2021, no trustee expenses have been incurred (2020 - £NIL).

13. Trustees' and Officers' insurance

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

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Notes to the financial statements
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14. Tangible fixed assets

	Freehold property £	Furniture and equipment £	Plant and machinery £	Total £
Cost or valuation				
At 1 September 2020	44,651	726,182	29,329	800,162
Additions	-	132,275	-	132,275
At 31 August 2021	44,651	858,457	29,329	932,437
Depreciation				
At 1 September 2020	3,576	573,859	20,163	597,598
Charge for the year	893	73,991	7,333	82,217
At 31 August 2021	4,469	647,850	27,496	679,815
Net book value				
At 31 August 2021	40,182	210,607	1,833	252,622
At 31 August 2020	41,075	152,323	9,166	202,564

The academy trust currently holds an occupational licence over the school premises, this will be in place until the long term lease with Kent County Council is finalised. The long term lease is expected to be completed during the year ending 31 August 2022; on completion, the fair value of the building will be recognised in the financial statements.

15. Debtors

	2021 £	2020 £
Trade debtors	22,608	49,317
Other debtors	31,678	23,688
Prepayments and accrued income	111,865	100,633
	166,151	173,638

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16. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	20,884	25,417
Other taxation and social security	79,264	72,424
ESFA creditor: abatement of GAG	-	235,806
Other creditors	102,092	97,591
Accruals and deferred income	143,183	77,893
	<u>345,423</u>	<u>509,131</u>
	2021 £	2020 £
Deferred income at 1 September 2020	40,763	167,470
Resources deferred during the year	23,397	40,763
Amounts released from previous periods	(40,763)	(167,470)
	<u>23,397</u>	<u>40,763</u>

Deferred income comprises funds received in advance of the 2021/22 academic year for ESFA rates and local authority funding.

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17. Statement of funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
Designated funds						
Chapel	158,016	-	-	180,787	-	338,803
General funds						
General funds	303,131	150,110	(13,243)	(59,584)	-	380,414
Total Unrestricted funds	461,147	150,110	(13,243)	121,203	-	719,217
Restricted general funds						
General Annual Grant (GAG)	374,162	4,543,359	(4,233,109)	-	-	684,412
Other DfE/ESFA	71,640	449,878	(420,305)	(6,864)	-	94,349
Other restricted	21,294	320,134	(159,357)	(161,035)	-	21,036
Other government	59,249	401,350	(423,547)	-	-	37,052
Catch-up premium	-	67,800	(50,348)	-	-	17,452
Other DfE/ESFA COVID-19 funding	-	30,850	(30,850)	-	-	-
Pension reserve	(1,135,000)	-	(243,000)	-	(209,000)	(1,587,000)
	(608,655)	5,813,371	(5,560,516)	(167,899)	(209,000)	(732,699)
Restricted fixed asset funds						
Fixed assets	202,564	-	(82,217)	132,275	-	252,622
DfE/ESFA capital	36,927	49,895	-	(85,579)	-	1,243
	239,491	49,895	(82,217)	46,696	-	253,865
Total Restricted funds	(369,164)	5,863,266	(5,642,733)	(121,203)	(209,000)	(478,834)
Total funds	91,983	6,013,376	(5,655,976)	-	(209,000)	240,383

Notes to the financial statements
For the year ended 31 August 2021

17. Statement of funds (continued)

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

The Chapel designated fund which was created last the year is to set aside funds for the construction of a Chapel on the school site. The net transfer of £180,787 comprises transfers in of £206,173 for new donations received and treated as part of this fund, together with a further £35k designated during the year from the general unrestricted fund, less expenditure of £60,386 incurred which relate to professional fees.

General Annual Grant (GAG) must be used for the normal running costs of the academy trust.

The other DfE/ESFA grants fund is used to track non-GAG grants received from the ESFA, the DfE or executive agencies of the DfE and includes Rent Grant, Rates Relief and Pupil Premium funding.

The pension reserve is a restricted fund to account for the liability arising under The Local Government Pension Scheme.

Other restricted funds relate to smaller projects the School runs such as the foodbank and music hub. The transfer out relates to the Chapel.

Covid catch-up premium relates to additional funding provided by the DfE to support children and young people to catch up on missed learning caused by coronavirus (Covid-19). This has been spent in a variety ways, as outlined in note 5.

Other Covid funding relates to Covid mass testing grants, provided by the DfE to support schools with the costs associated with the coronavirus National Testing Programme.

The restricted fixed asset funds are carried forward to meet the specific costs of fixed asset projects and to cover the depreciation charges that will be required on these projects going forward and the current fixed assets held. Transfers of £46,696 have been made to the fixed asset fund during the year to reflect capital expenditure met from revenue funds.

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 2021.

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17. Statement of funds (continued)

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
Chapel	-	-	-	158,016	-	158,016
General funds	296,118	182,781	(17,752)	(158,016)	-	303,131
Total Unrestricted funds	296,118	182,781	(17,752)	-	-	461,147
Restricted general funds						
General Annual Grant (GAG)	306,625	4,070,092	(4,002,555)	-	-	374,162
Other DfE/ESFA	61,091	424,746	(414,197)	-	-	71,640
Other restricted	17,825	281,042	(272,053)	(5,520)	-	21,294
Other government	82,358	395,744	(401,550)	(17,303)	-	59,249
Legacy	4,695	-	(4,695)	-	-	-
Pension reserve	(600,000)	-	(200,000)	-	(335,000)	(1,135,000)
	(127,406)	5,171,624	(5,295,050)	(22,823)	(335,000)	(608,655)
Restricted fixed asset funds						
Fixed assets	238,206	-	(79,382)	43,740	-	202,564
DfE/ESFA capital	40,265	17,579	-	(20,917)	-	36,927
	278,471	17,579	(79,382)	22,823	-	239,491
Total Restricted funds	151,065	5,189,203	(5,374,432)	-	(335,000)	(369,164)
Total funds	447,183	5,371,984	(5,392,184)	-	(335,000)	91,983

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18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	252,622	252,622
Current assets	719,217	1,199,724	1,243	1,920,184
Creditors due within one year	-	(345,423)	-	(345,423)
Provisions for liabilities and charges	-	(1,587,000)	-	(1,587,000)
Total	719,217	(732,699)	253,865	240,383

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	202,564	202,564
Current assets	461,147	1,035,476	36,927	1,533,550
Creditors due within one year	-	(509,131)	-	(509,131)
Provisions for liabilities and charges	-	(1,135,000)	-	(1,135,000)
Total	461,147	(608,655)	239,491	91,983

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

	2021	2020
	£	£
Net income/(expenditure) for the year (as per Statement of financial activities)	357,400	(20,200)
Adjustments for:		
Depreciation	82,217	79,382
Capital grants from DfE and other capital income	(20,265)	(17,579)
Interest receivable	(353)	(1,857)
Defined benefit pension scheme cost less contributions payable	224,000	190,000
Defined benefit pension scheme finance cost	19,000	10,000
Decrease in debtors	7,487	58,723
(Decrease)/increase in creditors	(163,708)	120,864
Net cash provided by operating activities	505,778	419,333

20. Cash flows from investing activities

	2021	2020
	£	£
Dividends, interest and rents from investments	353	1,857
Purchase of tangible fixed assets	(132,275)	(43,740)
Capital grants from DfE Group	20,265	17,579
Net cash used in investing activities	(111,657)	(24,304)

21. Analysis of cash and cash equivalents

	2021	2020
	£	£
Cash in hand and at bank	1,754,033	1,359,912

22. Analysis of changes in net debt

	At 1 September 2020	Cash flows	At 31 August 2021
	£	£	£
Cash at bank and in hand	1,359,912	394,121	1,754,033
Debt due within 1 year (GAG abatement)	(235,806)	235,806	-

Notes to the financial statements
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23. Capital commitments

	2021 £	2020 £
Contracted for but not provided in these financial statements		
Repairs, maintenance or enhancements to buildings	364,614	-

At 31 August 2021 the academy trust had commitments to the Chapel construction of £364,614. The construction is scheduled to commence in September 2021, and work is expected to be completed early in 2022.

24. 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 Kent County Council. 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 £84,633 were payable to the schemes at 31 August 2021 (2020 - £78,464) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

Notes to the financial statements
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24. Pension commitments (continued)

The employer's pension costs paid to TPS in the year amounted to £554,000 (2020 - £511,000).

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.

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 2021 was £205,000 (2020 - £193,000), of which employer's contributions totalled £158,000 (2020 - £148,000) and employees' contributions totalled £47,000 (2020 - £45,000). The agreed contribution rates for future years are 21.0 per cent from April 2021 and 22.5 per cent from April 2022 for employers and 5.5 to 12.5 per cent for employees.

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

Principal actuarial assumptions

	2021 %	2020 %
Rate of increase in salaries	3.85	3.25
Rate of increase for pensions in payment/inflation	2.85	2.25
Discount rate for scheme liabilities	1.70	1.65
Inflation assumption (CPI)	2.85	2.25

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

	2021 Years	2020 Years
<i>Retiring today</i>		
Males	21.9	21.8
Females	23.8	23.8
<i>Retiring in 20 years</i>		
Males	23.3	23.2
Females	25.3	25.2

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24. Pension commitments (continued)

Sensitivity analysis

	2021 £000	2020 £000
Discount rate +0.1%	(83)	(59)
Discount rate -0.1%	85	60
Mortality assumption - 1 year increase	111	73
Mortality assumption - 1 year decrease	(107)	(71)
CPI rate +0.1%	83	59
CPI rate -0.1%	(80)	(57)

Share of scheme assets

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

	2021 £	2020 £
Equities	864,000	600,000
Gilts	7,000	6,000
Corporate bonds	183,000	119,000
Property	136,000	102,000
Cash and other liquid assets	38,000	28,000
Investment funds	92,000	70,000
Total market value of assets	1,320,000	925,000

The actual return on scheme assets was £150,000 (2020 - £52,000).

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

	2021 £	2020 £
Current service cost	(382,000)	(338,000)
Interest income	17,000	14,000
Interest cost	(35,000)	(24,000)
Administrative expenses	(1,000)	-
Total amount recognised in the Statement of financial activities	(401,000)	(348,000)

Trinity School Sevenoaks Ltd
(A company limited by guarantee)

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24. Pension commitments (continued)

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

	2021 £	2020 £
At 1 September	2,060,000	1,262,000
Current service cost	382,000	338,000
Interest cost	35,000	24,000
Employee contributions	47,000	45,000
Actuarial losses	342,000	479,000
Benefits paid	41,000	(88,000)
At 31 August	2,907,000	2,060,000

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

	2021 £	2020 £
At 1 September	925,000	662,000
Interest income	17,000	14,000
Actuarial gains	133,000	144,000
Employer contributions	158,000	148,000
Employee contributions	47,000	45,000
Benefits paid	41,000	(88,000)
Administration expenses	(1,000)	-
At 31 August	1,320,000	925,000

25. Operating lease commitments

At 31 August 2021 the academy trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	11,560	19,416
Later than 1 year and not later than 5 years	-	2,483
	11,560	21,899

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26. Members' liability

Each member of the academy trust 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.

27. Related party transactions

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

The following related party transactions took place during the year:

Employment transactions

During the year the following close family members of trustees were employed by the trust. In each instance the employee was paid a salary under an employment contract for their individual role. The related trustee had no involvement in the original appointment and the trustees are comfortable that each individual's salary provides value for money and are not at a preferential rate:

- Mrs. R. Barnard is the spouse of Mr. J. Barnard and is employed as an invigilator and reception cover.
- Mr. C. Gray is the father of Mrs. K. Devine and was employed as an invigilator until 30 June 2021.

Income related party transactions

During the year ended 31 August 2021 the academy trust received donations of £251,000 (2020 - £51,000) from Douglas Trust, an account in the UBS Donor Advised Foundation, disbursements from which are influenced by Dr. W. Lattimer, one of the academy trust's trustees until his resignation on 31 August 2021.

During the year ended 31 August 2021, Friends of Trinity School (FOTS) donated £7,654 to the academy trust (2020 - £6,369).

During the year ended 31 August 2021, governors and key management made total donations of £Nil (2020 - £2,725) towards the chapel project, £Nil (2020 - £50) towards the foodbank initiative and £1,180 (2020 - £Nil) to other projects.

28. Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2021 the trust received £10,943 (2020 - £14,590) and disbursed £8,012 (2020 - £2,949) from the fund. An amount of £16,993 (2020 - £14,062) is included in other creditors relating to undistributed funds.

29. Controlling party

The academy trust is run by the management team on a day-to-day basis. Strategic decisions are made by the trustees. There is no ultimate controlling party.