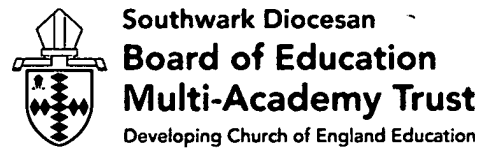


Companies House



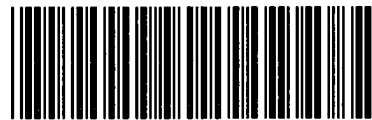
## **SDBE Multi-Academy Trust**

### **Annual Report and Financial Statements**

Year ended 31 August 2020

Company Limited by Guarantee  
Registration Number  
10385920 (England and Wales)

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## Contents

### Reports

Reference and administrative information	1
Trustees' report	3
Governance statement	22
Statement on regularity, propriety and compliance	27
Statement of Trustees' responsibilities	28
Independent auditor's report on the financial statements	29
Independent reporting accountant's report on regularity	32

### Financial Statements

Statement of financial activities	34
Balance sheet	35
Statement of cash flows	36
Principal accounting policies	38
Notes to the financial statements	43

## Reference and administrative information

<b>Members</b>	The Right Reverend J Clark The Venerable Dr J Steen R Martin
<b>Trustees</b>	Mr M Ball (Appointed 30 June 2020) Mr N J Cole (Resigned 18 March 2020) Mrs R Cordner The Venerable A Cutting (Appointed 1 January 2020) Mrs G Exon (Resigned 30 June 2020) Ms L Frame (Appointed 1 April 2020, started in post 1 September 2020) The Venerable S P Gates (Resigned 30 December 2019) The Reverend Dr S Moughtin-Mumby Mr C G Powell Mrs L Rayment-Pickard Mr A Saunders Dr P Steen Dr C M H Stibe Hickson Mrs N I Udom Mr I Wilson (Resigned 30 June 2020) Mr P Wylie
<b>Committee Chairs</b>	<b>Trust Board</b> The Venerable S P Gates (Chair) Dr C M H Stibe Hickson (Vice Chair)  <b>Performance &amp; Standards</b> Mr Peter Wylie (Chair) Mr Ian Wilson (Vice Chair)  <b>Finance &amp; Resources</b> Mr A Saunders (Chair) Dr P Steen (Vice Chair)  <b>Audit &amp; Risk</b> Dr C M H Stibe Hickson (Chair)
<b>Company Secretary</b>	Mr C G Powell
<b>Senior Management Team</b>	Mr C G Powell (Chief Executive Officer) Mr M Burnett (Chief Operating Officer) (Interim Head of Finance from September 2020) Mr T Mercer (Head of Finance) (Resigned September 2020)

## Reference and administrative information

<b>Registered office</b>	48 Union Street London SE1 1TD
<b>Company registration number</b>	10385920 (England and Wales)
<b>Auditor</b>	Buzzacott LLP 130 Wood Street London EC2V 6DL
<b>Bankers</b>	Lloyds Bank plc The Strand London WC2N 5LL
<b>Solicitors</b>	Winckworth Sherwood Minerva House 5 Montague Close London SE1 9BB

## **Trustees' report Year to 31 August 2020**

The Trustees of SDBE Multi-Academy Trust ('the Trust'), who are also directors of the charitable company for the purposes of company law, present their statutory report and the audited financial statements for the year 1 September 2019 to 31 August 2020. The annual report serves the purposes of both Trustees' Report and Directors' Report under company law.

The Trust was incorporated on 20 September 2016 and serves to provide excellent education through which Christianity may be understood and lived. We believed that, by forming a Trust and offering the opportunity for our schools to join, we could continue to build on the success of the Southwark Diocesan Board of Education, create greater security, provide stability, offer more services and develop closer relationships and knowledge-sharing, not just within regions but across the Diocese, ultimately improving the educational experience for our children. Our Trust is an offer to schools in the Diocese and its growth depends on the number of schools that wish to join our academy family.

At the time of writing, nine primary schools and one secondary school from across the Diocese have joined the Trust from six local authorities, educating over 2,900 children. All ten schools converted during the last 3 years. Of our 10 schools, 3 are sponsored academies and joined the Trust with an inadequate rating from Ofsted. Currently, 60% of our schools are judged to be Good or Outstanding following their most recent Ofsted inspections. We expect 90% of our academies to be judged Good or better at their next inspection. There are a further six schools considering joining the Trust within the next 18 months.

The financial statements have been prepared in accordance with the accounting policies set out in the attached financial statements and comply with the Trust's Memorandum and Articles of Association, applicable laws and 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 United Kingdom and Republic of Ireland (FRS 102).

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Constitution**

The Southwark Diocesan Board of Education Multi-Academy Trust (SDBE Multi-Academy Trust) is a charitable company limited by guarantee and an exempt charity. The Trust's sponsor is the Southwark Diocesan Board of Education.

The charitable company's memorandum and articles of association are the primary governing documents of the Trust, with a scheme of delegation defining the responsibilities of each Academy and its Local Governing Body. The Trustees of the SDBE MAT are also the directors of the charitable company for the purpose of company law. The charitable company is known as the SDBE Multi-Academy Trust.

**STRUCTURE, GOVERNANCE AND MANAGEMENT** (continued)

**Constitution** (continued)

The principal object of the Trust is:

To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing Academies which shall offer a broad and balanced curriculum, and which shall include:

- ♦ Church of England schools designated as such which shall be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and having regard to any advice issued by the Diocesan Board of Education;

The financial statements for the 2019/20 financial year include the following entities:

<b>Academy</b>	<b>Local Authority</b>	<b>Capacity</b>
All Saints, Carshalton	Sutton	420
Archbishop Tenison's School, Oval	Lambeth	700
Christ Church, Streatham	Lambeth	210
St George's, Forest Hill	Lewisham	300
St Leonard's, Streatham	Lambeth	270
St Luke's, West Norwood	Lambeth	210
St Matthew's, Redhill	Surrey	460
St Michael's, East Wickham	Bexley	210
St Paul's, Walworth	Southwark	315
St Stephen's, South Godstone	Surrey	210

**Members' liability**

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

**Trustees' indemnities**

Trustees' indemnity insurance for the period was provided from Southwark Diocesan Board of Education Multi-Academy Trust.

**Method of recruitment, appointment or election of Trustees**

The Members of the Trust appoint the Trustees. The Members comprise the Southwark Diocesan Board of Education, the Diocesan Board of Finance, and The Bishop of Southwark or his nominee; this is in order to uphold the company's charitable object, '...to advance, for the public benefit, education... by establishing Church of England schools...and other schools, whether or not designated as having a religious character'.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT** (continued)

### **Method of recruitment, appointment or election of Trustees** (continued)

Under the Articles, the Members appoint as Trustees two members of the Southwark Diocesan Board of Education, an Archdeacon, and a senior post holder of the Southwark Diocesan Board of Education who is employed by the Diocesan Board of Education and who is nominated by the Director of Education of the Diocesan Board of Education. In addition, having regard to any recommendations and views of the Members, Trustees are appointed in order that amongst them, they have an appropriate range of skills and experience and due attention is given to succession planning. Among these Trustees are two headteachers of diocesan schools, people with relevant commercial experience, and people with other experience of education.

### **Policies and procedures adopted for the induction and training of Trustees**

Training and induction are tailored to new Trustees appropriate to their requirements and previous experience. The Trustees have delegated the day-to-day management of the Company to the Chief Executive Officer (CEO) and Chief Operating Officer (COO). The CEO and COO provide the Trustees with access to policies, procedures, minutes, budgets, accounts and other relevant plans and documents that they need to fulfil their role as Trustees.

### **Organisational structure**

The Chief Executive Officer delegates the day-to-day running of the Trust to the Chief Operating Officer (COO). The CEO and COO meet on a regular basis to monitor the development of the Trust and ensure systems and processes are in place ahead of the conversion of our schools. The CEO is the Accounting Officer for the Trust. The Board of Trustees delegates the oversight of individual schools within the Trust to their respective Local Governing Bodies.

The Trustees maintain sufficient oversight of the Trust's operations through the Finance & Resources, Audit & Risk and Performance & Standards Committee, which are sub-committees of the Trust Board. The purpose of these sub-committees is to assist the decision-making of the full Board of Trustees by enabling more detailed consideration in each of these respective areas. The Committees draw any matters of significance or concern to the attention of the full Board of Trustees.

### **Arrangements for setting pay and remuneration of key management personnel**

The key management personnel of the Trust responsible for directing and controlling the Academy comprise the Trustees together with the Senior Management Team as shown on page 1.

The Chair of the Southwark Diocesan Board of Education (SDBE) manages the performance of the Chief Executive Officer (CEO) for SDBE Multi-Academy Trust (SDBE MAT), who is an employee of the SDBE and seconded to the SDBE MAT. The CEO manages the performance of the COO. The level of pay for the COO is set by the CEO with approval from the Board of Trustees and the level of pay for the CEO is set by the Bishop of Southwark in relation to the CEO's role as Director of Education for SDBE. Remuneration rates for all key management personnel is determined with reference to sector averages prior to the role being advertised. Any changes to rates of remuneration are made after reviewing the sector average rates for the relevant position and after considering the individual member of staff's performance.

## STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

### Trade Union Facilities Time

The Trust did not employ any relevant trade union officials during the year.

### UK greenhouse gas emissions and energy use data

	2019/20	2019/20
<b>Energy consumption used to calculate emissions (kWh)</b>		
. Gas (kWh)	2,245,079	
. Electricity (kWh)	727,903	
. Transport fuel (kWh)	6,149	
<b>Total</b>		<b>2,979,131</b>
<b>Scope 1 emissions (metric tonnes of CO<sub>2</sub>)</b>		
. Gas		413
<b>Scope 2 emissions (metric tonnes of CO<sub>2</sub>)</b>		
. Purchased electricity		168
<b>Scope 3 emissions (metric tonnes of CO<sub>2</sub>)</b>		
. Business travel in employee-owned vehicles		1
<b>Total gross emissions (metric tonnes of CO<sub>2</sub>)</b>		<b>582</b>
<b>Average pupil numbers</b>		<b>2,666</b>
<b>Intensity ratio: Tonnes of CO<sub>2</sub> per pupil per annum</b>		<b>0.2</b>

### *Quantification and reporting methodology*

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting.

### *Intensity measurement*

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO<sub>2</sub>e per pupil, the recommended ratio for the sector.

### *Measures taken to improve energy efficiency*

We have increased video conferencing technology for staff meetings, to reduce the need for travel between sites. We have, as part of the Capital Improvement Fund, looked to prioritise projects where we can reduce energy consumption across the Trust, including new roofs, LED lighting and boilers.



## **STRUCTURE, GOVERNANCE AND MANAGEMENT** (continued)

### **Related parties and other connected charities and organisations**

The Trust is sponsored by the Southwark Diocesan Board of Education (SDBE). In order to protect the Christian values and ethos of our member academies, the Trust procures the following services from the SDBE:

#### **1. Diocesan School Improvement Partners (DSIP)**

In order to ensure schools within the Trust continue to drive standards and meet the criteria as set by Ofsted, the Trust requires a school improvement service to monitor and quality assure our academies' progress.

The Southwark Diocesan Board of Education developed its school improvement/quality assurance programme during 2015/16 with a view to offering schools a service they were no longer able to use/rely on from their Local Authority. The programme is quality assured by the SDBE and is not only able to assess the quality of educational provision but also the distinctive Christian context of the schools within the Diocese.

Whilst the Trust could look to commission our own Ofsted trained partners, there are challenges in attracting the right calibre of people with sufficient experience in a Church of England setting. The quality assurance provided by the SDBE is the additional aspect of the service which enables the continued alignment between the Voluntary Aided schools within the Diocese and the academies within the Trust.

#### **2. SDBE Partnership Agreement**

The SDBE Partnership Agreement is offered to all schools within the Diocese. It is the fundamental educational and operational offering to schools that are part of the Southwark Diocese. The agreement includes an entitlement to attend all training run by the Diocese as well as access to Governor support, a range of services and educational briefings.

All schools have built relationships with the team at the SDBE during their time as a Voluntary Aided school and value the service provided. To ensure a continuation of this relationship and support in those areas where the Trust has yet to develop, opting to procure this service on behalf of our schools has been a welcomed move by those member and potential academies.

The SDBE's ability to offer the services at such a competitive cost is a result of the number of schools within the Diocese buying into the service in their own right. For the Trust to consider offering a mirrored service of our own, we would need a significant number of schools within the Trust to make it a viable and cost-effective option.

#### **3. Chief Executive Officer**

To maintain alignment with the SDBE, the Trust procures the services of the SDBE Director of Education for one day per week to serve as the SDBE Multi-Academy Trust's Chief Executive Officer. This arrangement was established during the initial formation of the Trust.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT** (continued)

### **Related parties and other connected charities and organisations** (continued)

#### **4. Serviced Offices**

The Trust procures serviced office space from the SDBE at a cost of £500 per employee, per month. This rate was competitive with other serviced offices in the area during the Trust's last review in the 2019/20 financial year.

## **OBJECTIVES AND ACTIVITIES**

### **Objects and aims**

The SDBE Multi-Academy Trust was established to provide security for schools within the Diocese wishing to become academies. The Trust is a single, not-for-profit organisation, with public accountability and close alignment to its sponsor, the Southwark Diocesan Board of Education. As a Trust, we share a common vision and mission and collective responsibility to lead our schools rooted in Christian values.

### **Our Vision**

Our vision is to establish a culture and context in which schools can grow and flourish, and provide an excellent education with Christian values at its heart. We will seek to enable all children and young people in our schools to realise their God-given potential, aspire to exceed their expectations and to build a Christ-centred community.

### **Our Mission**

- ◆ To be a high performing Diocesan Multi-Academy Trust which promotes excellence, inclusion and diversity;
- ◆ In partnership with the Southwark Diocesan Board of Education, to lead schools rooted in Christian values;
- ◆ To enable a strong collaborative approach between schools which enriches and develops best practice and celebrates success;
- ◆ To enable the mission of God through the work of the Diocesan Multi-Academy Trust; and
- ◆ To provide exemplary service to its schools in partnership with the Southwark Diocesan Board of Education.

A key enabler in achieving our Vision and Mission is the strength of capacity and expertise in education across the Diocese. Our ability to draw on outstanding leaders from schools in the Trust and across the Diocese means that we are able to provide a high-quality education to meet the needs of each of our educational communities.

## **OBJECTIVES AND ACTIVITIES** (continued)

### **Objectives, strategies and activities**

The key strategies to achieve our objectives set out in the Trust's Strategic Plan have been to:

1. Structure effective school accountability in a systemised approach to school improvement;
2. Recruit key personnel to create additional capacity, build our service offer and improve our ability to respond to the needs of our schools;
3. Develop our CPD strategy focusing heavily on the development of our people creating a sustainable pipeline of skilled, qualified and equipped leaders;
4. Work closely with our schools to identify financial efficiencies across the Trust through central procurement of services;
5. Maintain and improve our buildings to ensure that the communities we serve have the best facilities in our area;
6. Review our processes to ensure they are value-adding and provide the necessary quality assurance and monitoring that we require in order to efficiently evaluate the Trust and our member schools.

### **Public benefit**

The Trustees have had due regard to the guidance on the Charity Commission website and recognise their responsibilities to the wider community through the Trust's charitable objects which are: '...to advance, for the public benefit, education... by establishing Church of England schools...and other schools, whether or not designated as having a religious character'. As an established Academy Trust, the educational objects of the charity are provided at no cost to the beneficiaries and no connected person may derive any personal benefit (other than incidentally) or as a declared interest.

## **STRATEGIC REPORT**

### **Overview of the Trust**

In total, we have ten academies within our Trust, of which nine are primary schools and one is a secondary school. All schools are Church of England schools from within the Diocese of Southwark. We educate over 2,784 children, employ over 420 staff and, during 2019/20 had an annual turnover of approximately £9,529,000.

## **STRATEGIC REPORT** (continued)

### **Overview of the Trust** (continued)

60% of our schools are judged by Ofsted to be Good or better. We expect our profile to be 90% Good or better following their next inspections. 100% of our schools are judged by SIAMS to be Good or better. We expect this to remain the same over the coming year. We have had one Ofsted inspection during the year at All Saints, Carshalton, and they maintained their Good judgement. We have had two SIAMS inspections during the year, one at St Paul's Primary, Walworth, and the other at St Matthew's, Redhill, achieving Good and Excellent judgements respectively.

This year has been a year like no other for the education sector. We are particularly proud of the work of our Trust and our member schools over this last year and we would love to share the reasons why with you in this report.

### **Response during Covid-19**

The coronavirus pandemic has been a challenge for every person and organisation, forcing us to quickly change and rethink the way we work. But it's also reminding us of what good work means to us; not only to offer an education to our children, but also a sense of purpose and belonging. The challenging time we have faced also seems to have brought out the best in our people – be it generously sharing expertise, time and perspectives or making small but important gestures to keep friends and colleagues motivated through the difficult times.

The crisis has forced many changes in how we work and how we can better understand and support our children and colleagues. Changes which in many ways needed to happen and should endure. It has also reminded us how much we all rely on the work of others.

We know that our schools provide a vital service. They are the hub within a community and support children and families from all backgrounds. Some children have thrived from learning in new ways, trying new things and enjoying the independence. Others have not. Some have struggled to manage without routine, interaction, and the love, care and support our schools instinctively show them. What is for sure, is that all children who attend our schools have depended on the valuable work they are doing. Whether this was preparing work, delivering online lessons, making pastoral calls, offering places for key worker and vulnerable children, or providing access to meals. Whilst the school gates weren't open as usual, our staff have ensured every one of our schools is still very much that place for every child.

Throughout this period, we have met regularly with our leaders. As a group, recognising each school is unique, we have planned ways in which we can adapt our practice to ensure every child could continue to access a good education. Our work around recovery curriculums, online lessons and collective worships has meant that we can offer some sense of normality and interaction with our pupils.

We have seen the extraordinary work of our leaders in action as they work with communities and food banks to ensure those most vulnerable continue to access basic support and meals. Through fund raising, door to door deliveries, food parcels and regular calls, each family has remained 'connected' to the hubs in their community: our schools.

**STRATEGIC REPORT (continued)**

**Response during Covid-19 (continued)**

The commitment of our staff has been absolutely brilliant. With each member of staff with their own personal circumstances and challenges, they have worked closely and collegiately with their school to ensure they are able to support in whatever way they can.

Our work to support our schools has taken various forms, including sourcing and procuring Personal Protective Equipment and signage, commissioning external reviews of risk assessments, rolling out the online meeting software Zoom and supporting with the development of high-quality teaching resources and materials, to name a few. Our work to implement various virus control measures has helped reduce the chances of transmission. By commissioning our Health and Safety Partner to independently review our Risk Assessments and carry out site visits to consider additional 'local' steps that can be taken to reduce transmission, we have been able to assure the Trust Board, our staff, students and communities that their welfare and safety is paramount. In addition, we worked with our Building Surveyors to overlay all of our school's floor plans with seating arrangements for one and two metre social distancing to ensure we knew the physical number of children we could accommodate whilst observing prevailing government advice.

The financial impact of the Covid-19 period has yet to be fully realised. We have noticed an obvious reduction in voluntary income during the period which will hinder our schools' ability to complete the projects for which they had planned to use that income. Whilst these were not significant sums, it inevitably has caused disappointment for our schools.

Whilst our actual expenditure against budget reduced across the Trust during the period (largely as a result of not requiring agency staff and other such teaching resources/support), the longer-term impact of the virus has yet to be felt. Since September 2020, Central Government have been clear that they expect all schools to return to normality in terms of children's attendance at school. With this expectation and the prevalence of the virus in local communities, there has been a greater need to commission agency staff during this autumn term to cover for staff who are self-isolating or unable to attend work due to medical reasons. This, coupled with the seasonal flu period, will almost certainly result in higher than usual staff absence and increased supply costs for 2020/21.

The Trust has always worked hard to ensure our schools carry at least 5% of their GAG income in reserves at any one point so that they are able to absorb any financial shocks. This has meant that we are financially healthy as a group and able to weather short periods of fluidity. While we have no schools that would cause us immediate concern, we will be increasing our budget monitoring and reporting during the first half of next year to ensure we carefully track any higher than usual expenditure trends.

The Trust does not have any investment schemes in place and so we have not been affected by the shock to the stock markets arising as a result of the pandemic during the period.

Many of our schools have worked with local charities and food banks to raise funds to support our families and local communities. These have been really successful initiatives and have helped ensure our families are not left wanting.

## **Trustees' report Year to 31 August 2020**

### **STRATEGIC REPORT (continued)**

#### **Response during Covid-19 (continued)**

Our weekly meetings hosted by the Trust for our Regional Union Representatives means we continue to keep them up to speed with the steps we are taking to support our staff and their members. Similarly, our weekly meetings with our Covid-19 Steering Group, comprising members of the Trust Board and the Executive Team has meant that we continue to keep our response under review and with the full support of the Board.

#### **New Initiatives**

We have launched a number of new services and initiatives during the year, all designed to better support our schools, staff and pupils.

Recognising that our support for Local Governing Bodies (LGBs) was an area that required further development, we have appointed a Governance Partner to support our school's Local Governing Bodies. The Governance Partner provides updates and model documents, conducts reviews of Governance, provides training and acts as a 'support line' for any Governor within the Trust who has any questions or requires assistance. To further support the LGBs, we have also funded the software platform GovernorHub, to help with the effective and efficient distribution of documents, policies and information. This support has been welcomed by our schools and will play a key role in our development over the year ahead.

Strategic Partnerships continue to be a big focus for the Trust, sourcing, negotiating and partnering with key organisations for the benefit of our schools. We have partnered with an organisation called WallArt, who have completed a number of projects across our schools improving the aesthetics of our learning environments and external facades.

We have also negotiated a contract with the Management Information Platform, Arbor, and have migrated a number of schools over to this new, more efficient and cost-effective platform. Similarly, during the year we also negotiated and funded a group contract with the Safeguarding Management Platform, CPOMS, to ensure all of our schools are able to better track safeguarding related matters and report on them in a more efficient way. Our focus over the year, as identified in our Trust Self-Assessment, has been to reduce administrative burden in schools and look to use more digital technology as a means to reduce costs and become collectively more efficient.

Throughout the year, we have successfully migrated the Trust over to a common payroll provider and away from the six different legacy providers we had in previous years. The migration process was seamless and has meant that we are able to monitor and manage payroll across our entire workforce through a single platform. This move has also meant that we are able to report on our workforce quickly and efficiently. Over the course of the coming year, we plan to harmonise pay dates to create further alignment between our schools.

We have continued to review our processes across the Trust to ensure they are value adding and provide the quality assurance and monitoring we require to support our schools. The refinement of our month-end process, moving it online and the introduction of month-end workshops to ensure each school is able to complete the process on time and accurately, has been a significant improvement which has enabled us to have a greater, real-time perspective of our schools.

**STRATEGIC REPORT** (continued)

**New Initiatives** (continued)

We continue to have a focus on employee wellbeing and support and were proud to launch our Cycle2Work scheme during the Covid-19 period. We brought forward this initiative to enable our staff to cycle to work as an alternative to using public transport and were pleased to welcome 24 registrations from staff in the first two days of its launch. We are also progressing with other strategies to improve workforce wellbeing including our review of our policies to ensure they are 'family friendly' and a new programme designed to help coach and mentor our female staff returning from maternity leave to progress in their career and apply for leadership positions within our schools.

In parallel, with our workforce wellbeing, we continue to focus on the wellbeing of our students with at least two trained Mental Health First Aiders accredited by Mental Health England in each of our schools. We also have our own member of staff who is trained as an instructor, able to deliver the accredited training internally. Our ambition is to ensure all staff within our schools have completed the training and are able to spot and signpost those who may be suffering from anxiety, depression or other mental health conditions.

To support with our developments over the year, our model of distributed leadership has meant that we are able to work on a number of projects simultaneously. Many leaders across our schools, from Headteachers to Premises staff have a Trust-wide responsibility for an area of development. This has helped the Trust to continue to develop at pace and has ensured we are developing and retaining our leaders. We will continue to drive this agenda in the coming years with more staff leading on more aspects of Trust development, overseen by members of the Trust Central Team.

On a half-termly basis, the Chief Operating Officer chairs a meeting of Headteachers to discuss emerging challenges and opportunities and to ensure that Trust development remains aligned with the needs of our schools and is able to continue to deliver first class services that add value. This year we conducted a survey of all Headteachers within the Trust, asking them their thoughts on the development of the Trust, the quality of Trust leadership and the impact the Trust is having on their school, children and communities. The feedback was incredible and validated the collegiate, positive and forward-thinking culture we have been trying to create.

We have also recruited to a number of key posts at Trust Central, including a new Head of Finance, a new Finance & Operations Business Partner, a Trust Finance Assistant and, as mentioned above, a Trust Governance Partner. This additional capacity has meant we are better able to support our schools and are equipped for future growth.

We have had a successful year of for grants from the Condition Improvement Fund (CIF), securing around £800,000 in funding from the Education & Skills Funding Agency (ESFA). We have worked hard over this year to develop and maintain a 5-year estates condition and development plan, detailing all of the required works and likely costs. This has helped us successfully secure funding as we have a detailed knowledge of the capital requirements for each school.

## **STRATEGIC REPORT** (continued)

### **New Initiatives** (continued)

Throughout this year, we have reviewed a number of policies that have been prescribed by the Trust Board for use across our schools. We have worked hard to find the balance between autonomy and compliance, and we continue to work with our schools to ensure we do.

As part of our work around policy reviews, we have also established half termly meetings with our Regional Union Representatives to review our policies and collectively agree changes to make them more employee friendly.

### **Educational Outcomes and Standards**

Due to Coronavirus, primary schools were not required to submit end of Key Stage data this academic year.

As a Trust, schools were predicting favourably against Trust 'combined' performance in July 2019 and against national comparisons at all indicators:

- ◆ EYFS – 2020 Predictions: 78% (National 2019: 72%)
- ◆ Y1 Phonics – 2020 Predictions: 83% (National 2019: 82%)
- ◆ KS1 Combined – 2020 Predictions: 74% (National: 65%)
- ◆ KS2 Combined– 2020 Predictions: 72% (National: 65%)

At secondary level, Archbishop Tenison have submitted their grades for GCSE, which are also being moderated by Fisher Family Trust. The summary data below again compares well with national data from the previous year:

- ◆ English & Maths 4+ – 2020 Predictions: 60% (LA National 2019 59%)
- ◆ English & Maths 5+ – 2020 Predictions: 35% (LA National 2019 39%)

The Trust has continued to develop its suite of school improvement strategies to the benefit of our schools. These strategies include strategic teaching and learning reviews, Pupil Premium reviews, governance reviews and EYFS and subject specific consultant support as appropriate. Our Trustees are each linked with our schools and use these visits to gain robust insights into the performance of our schools across the Trust.

The Trust Action Group cycle has been successful for our schools that have required additional support and challenge. Meetings across the year evidence a range of improvements and clearly demonstrate how the Action Group model has been impactful. Action Group schools also benefit from additional DSIP allocation which has added value to our quality assurance processes. The Trust are confident that all Action Group schools will improve their Ofsted ratings at their next inspection.



**STRATEGIC REPORT** (continued)

**Educational Outcomes and Standards** (continued)

Our annual safeguarding audits and associated support sessions have continued to ensure that our schools are held to account and are able to reflect on their safeguarding processes. Our Safeguarding Partner has offered Trust and bespoke school to school support over the Covid-19 period and this has enabled our schools to benefit from external validation of their decision making at a very challenging time. This support continued into September, since when our schools have been able to access safeguarding CPD and additional guidance in relation to the reopening of schools and the changes to Keeping Children Safe in Education.

Trust CPD has developed significantly over the past academic year. Schools within the Trust have had access to English, Maths, Science, ICT, Art, Humanities, EYFS and SEND networks which are strategically designed to support schools and their specific priorities. During this academic cycle, 162 delegate places were booked (not including summer 2020). Feedback from course evaluations has been very favourable to date. For the 2020/21 academic cycle, the Trust will be adding PHSE, MFL and Music networks to its programme. This is alongside teacher, moderation and leadership development programmes that have been organised to support school and Trust priorities, such as Pupil Premium and developing 'greater depth'. To date, there have been 352 delegate bookings for next year.

The Trust continues to collaborate well with external partners enabling our schools to develop educational standards within their schools. Nine of our ten schools are now part of their regional Maths Hub, focusing on high quality maths mastery for pupils. The Maths Hub will also be engaging with maths leaders across the Trust at maths networks enabling a consistent and collaborative layer of support and challenge. The Trust is due to partner with Strictly Education, who are facilitating the HLTA Programme across the South-East. This will enable us to provide our own accredited programme that meets national criteria. The NPQML and NQT programmes have continued to develop in strength and numbers across the year and we are now in a position to be able to offer these elements of professional development to schools outside of the Trust.

Our schools responded well to the Covid-19 pandemic and were able to provide their communities with well-resourced educational offers while schools were closed to the majority of their pupils. The Trust has developed a strong link with Pearson Education, who have offered Trust schools a suite of online learning tools during lockdown. This support has extended to individual meetings with school leaders to establish needs and forward plan as appropriate. The Trust website has acted as a 'hub' for schools looking to develop additional online learning or CPD for their staff during school closure. We have ensured that a range of high-quality resources have been posted weekly enabling schools to use them in an efficient manner.

We have supported our schools in accessing government funding to enable a digital learning platform through either Google or Microsoft. The Trust has partnered with St John Baptist Secondary Academy in Surrey who are an ICT demonstration school. St John's are providing the Trust with bespoke CPD to ensure that our schools can develop a strong 'blended' learning approach. The Trust has also developed a link with Teach First so that its school can procure mentors as appropriate to support their own specific Covid Catch-Up Programme.

**STRATEGIC REPORT** (continued)

**Educational Outcomes and Standards** (continued)

As our schools plan for September, we have developed a high quality 'recovery curriculum' offer for schools to use. This ranges from guidance and support for teachers to use when forward planning, through to remote teacher and subject leader meetings, focused on strategically re-shaping the curriculum. This offer extends to September 2020, where school staff will be able to access a range of remote 'school reopening support sessions' to support the planning and delivery of the curriculum in the autumn term.

Over the course of the year, a number of our Trustees have visited our schools to be able to truly understand their context, strengths and weaknesses. This will continue as we move forward into the next academic year. Similarly, over the course of this year, a number of our Headteachers have attended part of our Trust Board meeting to talk about their school and their response during the Covid-19 period. This has helped further develop our culture of transparency and collegiality.

During 2018/19, we developed comprehensive development plans for each of the respective areas of the Trust's operation, including academic standards, finance, people, governance, Christian distinctness, health and safety, learning and development, safeguarding and communication. These development plans were produced in response to our own self-assessment of our performance. Each year we review the progress made against our strategic priorities and consider, at Board level, the appropriateness of the self-assessment score for each of the areas of the Trust's operation.

To ensure our understanding of our performance matched that of our key stakeholders: Headteachers, Governors and Trustees, we shared and discussed each of the documents with these groups and asked for feedback. The response was incredibly positive and validated our assessment for each area. Our self-assessment and strategic development plans underpin our work and plans for the future and ensure a common understanding of our priorities.

Throughout the year, we have revised the scores for a number of the respective areas listed above, in light of the work and achievements seen in those areas. A summary of these scores can be seen below:

## STRATEGIC REPORT (continued)









### Educational Outcomes and Standards (continued)

The following table provides detail of our current self-assessment scores across the relevant areas of the Trust's operations. The criteria we are using to assess our provision is based on a 4 tier model produced by Deloitte. The criteria valuers are as follows:

- ◆ Scores 1-3 – Developing
- ◆ Scores 4-6 – Defined
- ◆ Scores 7-8 – Advanced
- ◆ Scores 9-10 – Leading

#### TRUST SELF ASSESSMENT 2019/20

(Previous Value)

 Performance & Standards 7 (6)	 Safeguarding 7 (7)	 People & Human Resources 8 (6)	 Finance & Procurement 7 (6)
 Trust Governance 8 (8)*	 School Governance Support 4 (4)**	 Health & Safety 7 (7)	 Learning & Development 8 (7)

\*Trust Governance was reviewed in September 2020 following the appointment of several new Trustees.

\*\*School Governance will be reviewed in the Spring following the appointment of a Governance Partner during March 2020.

An area for development over this coming year is our support for Local Governing Bodies. Whilst the greater majority of our Governing Bodies provide strong support and challenge to school leaders, there is more that can be done to better equip them and ensure they have all the tools and training to keep up to date with the requirements of Ofsted and SIAMS.

During the latter part of this year, we recruited our own Governance Partner to drive forward this area of the Trust's development. Their role is to train and advise governing bodies, as well as conducting governance reviews and providing monthly bulletins updating Governors on latest legislation and ways in which the Trust is supporting their school to meet the requirements. Support for School Governance, as defined in our Trust Self-Assessment, will be reviewed in the Spring term to consider the impact of this new service and the appropriateness of our self-assessment score.

### EMPLOYEE ENGAGEMENT

To foster a culture of cohesion and collegiality with our staff, we regularly engage with them in a variety of ways throughout the year.

## **Trustees' report Year to 31 August 2020**

### **EMPLOYEE ENGAGEMENT (continued)**

On a monthly basis staff receive a copy of our Wellbeing Newsletter which provides details on a number of initiatives to improve their own personal wellbeing. Included with this are details of our Employee Assistance Programme so that staff continue to receive a regular reminder that this service is available to them and how to access this.

In the Autumn Term we run our annual Flu Vaccination scheme and provide vouchers to staff so that they can book a free vaccination in branches of Boots the chemist. Last year a total of 51 staff took advantage of this scheme.

On 1 July 2020 all staff were given details of our new Cycle2Work scheme. To date, 27 staff have registered for an account with six members of staff going on to take advantage of the scheme. £4,030 worth of vouchers have now been issued resulting in National Insurance savings for staff of £556.

During the Covid-19 pandemic we have been corresponding with staff on a regular basis. We first wrote to staff in March to offer them reassurance around pay protection should they be required to self-isolate or shield. This was followed up by further correspondence around testing and how we as an employer were then able to refer any staff for testing should this be required. All correspondence included details on accessing our Employee Assistance Programme.

One of the key ways in which we engage with staff is through feedback from our recognised Unions. Our Joint Consultative and Negotiating Committee (comprising of regional representatives of NEU, NASUWT, NAHT, GMB and Unison) meet at least once a term to review policies and discuss any issues that arise. As a result of Covid-19, we have been meeting on a weekly basis since 14 May. As part of our agenda we share the template risk assessments from our Health and Safety Partner, Carstens and Robinson. Feedback from the Unions was shared with Carstens and Robinson so that they could continue to review our risk assessments in line with the views from the Unions and our staff. These weekly meetings have strengthened our positive working relationships, enabling us to address many issues on an informal basis to ensure swift resolutions.

We encourage our schools to conduct annual staff surveys to ensure their respective staff feel valued and any concerns are quickly identified and addressed.

### **FINANCIAL REVIEW**

#### ***Financial performance***

In addition to the academic and operational performance above, the Trustees receive reports containing financial data including individual academy forecast of outturn reports with a commentary for significant variances. The Board reviews the services provided by the executive team and each academy's reserves to ensure they are neither excessive nor in a deficit. As disclosed in more detail in note 16 to the financial statements, at the end of the 2019/20 financial year, all academies are in surplus.

**FINANCIAL REVIEW** (continued)

**Going concern**

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the 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. Whilst the Trust balance sheet shows net liabilities of £2,456,000 (2019 – net liabilities of £1,818,000), this is due entirely to the LGPS pension deficit of £10,051,000 (2019 – £8,298,000). Net assets excluding the LGPS pension deficit were £7,595,000 (2019 – £6,480,000) and the Trust held revenue reserves at 31 August 2020, excluding the LGPS deficit, of £3,027,000 (2019 – £3,068,000). The Trust's reserves policy ensures that the level of revenue reserves maintained reflects the level of funding income receivable. Further details regarding the adoption of the going concern basis can be found in the Principal Accounting Policies.

**Financial report for the year**

The Trust's total income for the year ended 31 August 2020 amounted to £19,489,000 (2019 – £19,254,000). Income for the prior year, excluding the transfer of net assets from schools on their conversion to academy status totalled £18,573,000.

The bulk of the Trust's income was obtained from the ESFA, an agency of the DfE, the use of which is restricted to particular educational purposes. The grants received from the ESFA in the year ended 31 August 2020 and the associated expenditure are shown as restricted in the statement of financial activities.

During the year ended 31 August 2020 total expenditure amounted to £19,502,000 (2019 – £17,404,000). 80.4% (2019 – 78.9%) of the Trust's expenditure relates to staff costs which totalled £15,680,000 for the year ended 31 August 2020 (2019 – £13,730,000).

The deficit for the year (before actuarial losses on the Local Government Pension Schemes but including net liabilities transferred on conversion) was £13,000 (2019 – surplus of £1,850,000). Excluding the pension adjustments in respect of the Local Government Pension Schemes, the movements on the fixed assets fund and net assets inherited upon the conversion of the two schools into the Trust, the operational deficit for the year was £41,000 (2019 – surplus of £785,000). The deficit arose due to the significant contributions made by schools towards capital projects during the year.

**Financial position**

The Trust's fund balances at 31 August 2020 showed a deficit position of £2,456,000 (2019 – a deficit position of £1,818,000). The deficit position is a result of the deficit of £10,051,000 (2019 – £8,298,000) on the Trust's share of Local Government Pension Schemes. The Trust also held £4,568,000 (2019 – £3,412,000) in the restricted fixed assets fund, restricted general funds of £nil (2019 – £88,000) and unrestricted funds of £3,027,000 (2019 – £2,980,000).

The movements in the pension scheme reserve are shown in the notes to the financial statements.

## **FINANCIAL REVIEW** (continued)

### **Reserves policy**

The Trust has a published Reserves Policy.

The expectation is that schools and the Trust, maintain reserves of at least 5% of the allocated annual General Annual Grant ('GAG') income. The overall free reserves held at the year end were £3,027,000 (2018 – £3,068,000), which is above the target level.

Apart from reserves, academies must hold sufficient capital reserves to cover fixed asset purchases and any imminent capital expenditure. General fund income may be used to fund capital purchases, subject to the prior approval of the Chief Operating Officer.

### **Investment policy**

The Trust has a published Investment Policy. In accordance with this policy, the Trust will not take out any long-term investments until a reliable cash flow pattern has been established. It therefore does not have any investments at the current time.

### **Principal risks and uncertainties**

The Trust places considerable reliance on continued government funding at levels that take account of pay and pension funding changes in the public sector and general inflation. Careful budgeting is recommended, and schools are aware that they may need to consider alternative solutions as staff leave.

Safeguarding of pupils is a high priority for all of the schools currently in and planning to join the Trust. An annual audit of safeguarding is completed in respect of each member Academy and is submitted to the Board through the committee structure. Each safeguarding review is carried out by an appropriately qualified, externally-commissioned provider.

The educational performance of each Academy is monitored by the Performance & Standards Committee. By using externally commissioned, Ofsted-trained, School Improvement Partners, the Trust is able to quality assure a school's performance and to target support and interventions where required to drive standards. The committee will also review the role and performance of Local Governing Bodies, focusing on their key delegated responsibilities.

A major uncertainty for the Trust will be growth. Whilst there are a number of schools wishing to join the Trust, external factors will affect the pace at which the Trust grows.

### **Fundraising**

The Trust does not currently engage in any fundraising activity. The Trust does, however, encourage its member academies to generate additional income from parents, carers and local communities.

## Trustees' report Year to 31 August 2020

### PLANS FOR FUTURE PERIODS

We believe in high-quality education built on a foundation of ethical and inclusive values and principles, which are explicitly Christian, in our Church of England Schools.

As we look to the year ahead, we plan to continue our focus on the efficiency of the organisation, particularly around the procurement of group cleaning and catering contracts. The experience we have had using online meetings over the past five months will also play a part in our thinking over the year ahead as we look to conduct more and more of our business remotely, ensuring greater connectivity with our schools whilst recognising the importance of face to face meetings where appropriate.

Pupil numbers continue to be a challenge, especially within our inner-London schools and so we will be working to look at new and creative ways to open our schools up to wider audiences. Strategies such as virtual tours, improved website designs and forging greater links with our feeder primary schools will form part of our thinking.

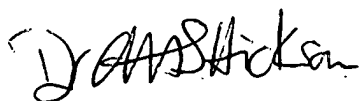
We plan to deliver the strategies and targets set out in our Strategic Plan, including more targeted support and strategies for those children who are disadvantaged.

### AUDITOR

In so far as the Trustees are aware:

- ◆ there is no relevant audit information of which the charitable company's auditor is unaware; and
- ◆ 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 Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees and signed on its behalf by:



Dr C M H Stibe Hickson  
Chair of Trustees

Date: 15 December 2020

## Governance statement Year to 31 August 2020

### Scope of responsibility

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

The Trustees have delegated day-to-day responsibility to the Chief Executive Officer of the Trust, as Accounting Officer, for ensuring that financial controls conform with the requirements of both propriety and good financial management and are in accordance with the requirements and responsibilities assigned to it in the funding agreement between the Trust and the Secretary of State for Education.

The Chief Executive Officer is also responsible for reporting to the 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 Trustees have formally met six times during the year.

Attendance during the year for full Board meetings and Committee meetings was as follows:

Trustee	Board	P&S	A&R	F&R
Mr Matthew Ball	1/1	N/a	N/a	N/a
Mr N J Cole	4/4	2/3	N/a	N/a
Mrs Roz Cordner	5/6	N/a	N/a	3/4
The Venerable A Cutting	2/4	N/a	N/a	N/a
Mrs G Exon	2/6	3/4	N/a	N/a
Ms Lucy Frame	N/a	N/a	N/a	N/a
The Venerable S P Gates	2/3	N/a	N/a	N/a
The Rvd Dr S Moughtin-Mumby	3/6	N/a	4/4	N/a
Mr C G Powell	5/6	4/4	4/4	4/4
Mrs L Rayment-Pickard	5/6	3/4	0/0	N/a
Mr A Saunders	6/6	N/a	3/4	4/4
Dr P Steen	3/6	N/a	N/a	4/4
Dr C M H Stibe Hickson	6/6	3/4	3/4	3/4
Mrs N I Udom	5/6	N/a	2/4	N/a
Mr I Wilson	3/6	3/4	N/a	N/a
Mr P Wylie	6/6	4/4	4/4	4/4

### Key:

**P&S** – Performance and Standards Committee

**A&R** – Audit and Risk Committee

**F&R** – Finance and Resources Committee



## **Governance statement** Year to 31 August 2020

### **Governance** (continued)

The Trustees are of the opinion that they have been able to maintain sufficient oversight of the Trust's finances through the establishment of the Finance & Resources and Audit & Risk Committees. The purpose of these sub-committees is to assist the decision-making of the full Board of Trustees by enabling more detailed consideration of the Trust's finances and resources. The Committees draw any matters of significance or concern to the attention of the full Board of Trustees. The Finance & Resources, Audit & Risk and Performance & Standards Committees are sub-committees of the main Board. During the 2019/20 financial year, the sub-committees each met four times.

Upon the formation of the Trust, an evaluation of governance, including Trustees' skills, was undertaken. The conclusion of the evaluation was that Trustees have a broad range of skills and experience that are appropriate for the Trust to fulfil its responsibilities of encouraging the provision of high-quality education and of ensuring financial probity and security. The skills and experience of Board members range from clergy, banking, education, health care, governance, audit and legal. The weakest areas of experience are academy conversions and academy trusts.

As a result, to support Trustees and provide assurance, we have commissioned external advisors to support the due diligence and conversion processes.

To support the Board in its understanding of the risks faced by the organisation, we have produced a Risk Management Framework which sets out all known, potential risks to the organisation and our member schools, along with the measures that are in place to mitigate those risks. This supplements the risk register.

We will regularly review the effectiveness of our governance framework (Board, Local Governing Bodies and Executive Team) to ensure that appropriate steps are taken if weaknesses are identified.

### **Review of value for money**

As Accounting Officer, the Chief Executive Officer has responsibility for ensuring that the 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 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, taking into account benchmarking data where appropriate. The Accounting Officer for the Trust has achieved improved value for money during the financial year by:

- ◆ Driving forwards our agenda for 'shared roles' and 'distributed leadership' across the Trust enabling individuals to support a number of schools and/or lead on Trust-wide initiatives;
- ◆ Offering new services to schools including a new Governance Partner to support our Governing Bodies;
- ◆ Implementing a new group payroll service;

## **Governance statement Year to 31 August 2020**

### **Review of value for money (continued)**

- ◆ Offering new online platforms including, Arbor, CPOMS and GovernorHub;
- ◆ Investing heavily in our CPD offer to ensure schools can access high quality CPD programmes at no extra cost;
- ◆ Offering voluntary redundancies to staff as a way to reduce compulsory redundancies in the future;
- ◆ Improving our processes, using online technologies to become more efficient and reduce workload.

Procurement Policy Notes 02/20 and 04/20 have been considered and the Trust does not consider that the impact of COVID-19 on value for money obtained has been significant during the period.

### **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 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 the Trust for the period from 1 September 2019 to the date of approval of the annual report and financial statements.

### **Capacity to handle risk**

The board of Trustees has reviewed the risks to which the Trust is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees considers that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks, which has been in place for the period 1 September 2019 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 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 Resources Committee of reports which show financial performance against forecasts and major purchase plans, capital works and expenditure programmes;
- ◆ setting targets to measure financial and other performance;

## **Governance statement** Year to 31 August 2020

### **The risk and control framework** (continued)

- ◆ clearly defined purchasing (asset purchase and capital investment) guidelines;
- ◆ delegation of authority and segregation of duties;
- ◆ identification and management of risks.

A comprehensive internal assurance programme was established during the 2019/20 financial year conducted by the auditors, Buzzacott LLP. This focused on key financial controls. In addition, a follow-up programme has been established whereby each academy is contacted by their respective Finance & Operations Business Partner to discuss the findings and help implement any required recommendations.

The impact of changes to the Financial Reporting Council's Ethical Standard have been considered and as a result the Trust will no longer use its statutory audit firm for its internal scrutiny reviews. An alternative provider will be sought during 2020/21.

The Trust's Finance Team also arranged six meetings during the course of the year, at which School Business Managers were in attendance, to cover key areas of risk and refresh schools on the importance of internal controls and procedures. Further development of the financial procedures manual helped to embed a culture of financial probity. At each meeting of the Audit and Risk Committee, a heat-map detailing known school-level risks was shared with the Committee along with the actions the Trust and school are taking to mitigate against those risks.

Any recurring weaknesses of internal control will be reported to the Chairs of the Audit & Risk and Finance & Resources Committees with following actions and support structures implemented to mitigate any further risks.

The Trust maintains a comprehensive risk register and risk assurance framework which is reviewed by the Audit & Risk Committee at each meeting, including an Academy risk heatmap to present a visual representation of where risk lay in the organisation.

### **Review of effectiveness**

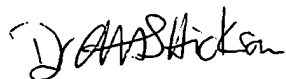
As Accounting Officer, the Chief Executive Officer has responsibility for reviewing the effectiveness of the system of internal control. During the 2019/20 financial year, the review has been informed by:

- ◆ the work of the external auditor, including their internal assurance review;
- ◆ the financial management and governance self-assessment process;
- ◆ the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Audit and Risk Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

**Governance statement** Year to 31 August 2020

Approved by the Trustees and signed on their behalf by:



Dr C M H Stibe Hickson  
Chair of Trustees



Mr C G Powell  
Chief Executive Officer and  
Accounting Officer


Date: 15 December 2020

## **Statement on regularity, propriety and compliance Year to 31 August 2020**

As Accounting Officer of the Trust, I have considered my responsibility to notify the Trust's Trustees and the Education and Skills Funding Agency ('ESFA'), of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Trust and the Secretary of State. As part of our consideration we have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the Trust's Trustees are able to identify any material irregular or improper use of funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academies Financial Handbook 2019.

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 the ESFA.



Mr C G Powell

Chief Executive Officer and Accounting Officer

Date: 15 December 2020

## Statement of Trustees' responsibilities Year to 31 August 2020

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

Company law requires the 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 Trust and of its income and expenditure for that period. In preparing these financial statements, the Trustees are required to:

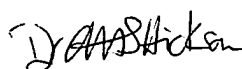
- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Charities' SORP FRS 102 and the Academies Accounts Direction 2019 to 2020;
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in operation.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Trust 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 Trust 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 Trust applies financial and other controls which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring that grants received from the ESFA/DfE are applied for the purposes intended.

The Trustees are responsible for the maintenance and integrity of the Trust and financial information included on the Trust'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 Board of Trustees on  
and signed on its behalf by:



Trustee  
Date: 15 December 2020

Dr C M H Stibe Hickson

## **Independent auditor's report on the financial statements Year to 31 August 2020**

### **Independent auditor's report on the financial statements to the members of SDBE Multi-Academy Trust**

We have audited the financial statements of SDBE Multi-Academy Trust for the year to 31 August 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), 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) (the Charities SORP FRS 102) and the Academies Accounts Direction 2019 to 2020.

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the Trust's affairs as at 31 August 2020 and of its income and expenditure for the period then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006; and
- ◆ have been prepared in accordance with the Charities SORP FRS 102 and Academies Accounts Direction 2019 to 2020.

### **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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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

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

## **Independent auditor's report on the financial statements Year to 31 August 2020**

### **Other information (covering the reference and administrative details, the report of the Trustees and strategic report and the governance statement)**

The Trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

### **Opinions 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, which is also the directors' report for the purpose of company law and includes the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the Trustees' report, which is also the directors' report for the purposes of company law and includes the strategic report, has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company 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.



## **Independent auditor's report on the financial statements Year to 31 August 2020**

### **Responsibilities of Trustees**

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of our report**

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



18 December 2020

Katharine Patel, Senior Statutory Auditor  
for and on behalf of Buzzacott LLP, Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

## **Independent reporting accountant's report on regularity Year to 31 August 2020**

### **Reporting accountant's assurance report on regularity to SDBE Multi-Academy Trust and the Education and Skills Funding Agency**

In accordance with the terms of our engagement letter dated 30 October 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by SDBE Multi-Academy Trust ('the Trust') during the period from 1 September 2019 to 31 August 2020 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 SDBE Multi-Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to SDBE Multi-Academy Trust and the 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 SDBE Multi-Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of SDBE Multi-Academy Trust's Accounting Officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of SDBE Multi-Academy Trust funding agreement with the Secretary of State for Education dated 30 August 2017 and the Academies Financial Handbook, extant from 1 September 2019, 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 2019 to 2020. 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 period from 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

### **Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by the 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.

## Independent reporting accountant's report on regularity Year to 31 August 2020

### Approach (continued)

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

The work undertaken to draw to our conclusion includes:

- ◆ An assessment of the risk of material irregularity and impropriety across all of the 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.

### Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period from 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



18 December 2020

Buzzacott LLP  
Chartered Accountants  
130 Wood Street  
London  
EC2V 6DL

**Statement of financial activities** Year to 31 August 2020  
(Including Income and Expenditure Account)

		Restricted funds				
	Notes	Unrestricted general fund £'000	General £'000	Fixed assets Fund £'000	2020 Total funds £'000	2019 Total funds £'000
<b>Income from:</b>						
Donations and capital grants	1	22	—	787	809	2,198
Transfers from local authorities	1,18	—	—	—	—	(139)
Charitable activities						
. Funding for the Trust's educational operations	2	—	17,999	—	17,999	16,000
Other trading activities	3	454	221	—	675	1,193
Investments	4	6	—	—	6	2
<b>Total</b>		<b>482</b>	<b>18,220</b>	<b>787</b>	<b>19,489</b>	<b>19,254</b>
<b>Expenditure on:</b>						
Charitable activities						
. Trust's educational operations	5,6	106	19,280	116	19,502	17,404
<b>Total</b>		<b>106</b>	<b>19,280</b>	<b>116</b>	<b>19,502</b>	<b>17,404</b>
<b>Net income (expenditure) for the year before transfers and other recognised gains and losses</b>		376	(1,060)	671	(13)	1,850
Transfers between funds		(329)	(156)	485	—	—
		47	(1,216)	1,156	(13)	1,850
Actuarial losses on defined benefit pension scheme	22	—	(625)	—	(625)	(2,250)
<b>Net movement in funds</b>		<b>47</b>	<b>(1,841)</b>	<b>1,156</b>	<b>(638)</b>	<b>(400)</b>
<b>Reconciliation of funds</b>						
Total fund balances brought forward at 1 September 2019		2,980	(8,210)	3,412	(1,818)	(1,418)
<b>Total fund balances carried forward at 31 August 2020</b>		<b>3,027</b>	<b>(10,051)</b>	<b>4,568</b>	<b>(2,456)</b>	<b>(1,818)</b>


All of the Trust's activities derived from continuing operations during the above financial period.

The Trust has no recognised gains or losses other than those shown above.

## Balance sheet as at 31 August 2020

	Notes	2020 £'000	2020 £'000	2019 £'000	2019 £'000
<b>Fixed assets</b>					
Tangible fixed assets	12		4,317		2,802
<b>Current assets</b>					
Debtors	13	1,272		1,138	
Cash at bank and in hand		3,361		4,353	
		4,633		5,491	
<b>Liabilities</b>					
Creditors: amounts falling due within one year	14	(1,355)		(1,811)	
<b>Net current assets</b>			3,278		3,680
<b>Total assets less current liabilities</b>			7,595		6,482
Creditors: amounts falling due after more than one year	14		—		(2)
<b>Total net assets excluding pension scheme liability</b>			7,595		6,480
Pension scheme liability	22		(10,051)		(8,298)
<b>Total net liabilities</b>			(2,456)		(1,818)
<b>The funds of the Trust:</b>					
Restricted funds					
. Fixed asset fund	15	4,568		3,412	
. Restricted income fund	15	—		88	
. Pension reserve	15	(10,051)		(8,298)	
<b>Total restricted funds</b>			(5,483)		(4,798)
Unrestricted income funds					
. General fund	15		3,027		2,980
<b>Total funds</b>			(2,456)		(1,818)

Approved by the Trustees of SDBE Multi-Academy Trust, Company Registration No. 10385920 (England and Wales) and signed on their behalf by:



Dr C M H Stibe Hickson

Chair of the Board of Trustees

Approved on: 15 December 2020

## Statement of cash flows Year to 31 August 2020

	Notes	2020 £'000	2019 £'000
<b>Cash flows from operating activities</b>			
Net cash (used in) provided by operating activities	A	(142)	724
<b>Cash flows from investing activities</b>	B	(850)	313
<b>Change in cash and cash equivalents</b>		(992)	1,037
<b>Reconciliation of net cash flow to movement in net funds:</b>			
Cash and cash equivalents at 1 September 2019	C	4,353	3,316
<b>Cash and cash equivalents at 31 August 2020</b>	C	<b>3,361</b>	<b>4,353</b>

### A Reconciliation of (expenditure) income to net cash flow from operating activities

	2020 £'000	2019 £'000
<b>Net (expenditure) income for the year (as per the statement of financial activities)</b>	<b>(13)</b>	<b>1,850</b>
<b>Adjusted for:</b>		
Inherited tangible fixed assets	—	(820)
Depreciation (note 12)	116	42
Capital grants from DfE and other capital income	(787)	(2,153)
Interest receivable (note 4)	6	2
Defined benefit pension scheme obligation inherited	—	1,313
Defined benefit pension scheme cost less contributions payable (note 21)	967	807
Defined benefit pension scheme finance cost (note 21)	161	100
(Increase) decrease in debtors	(134)	14
Decrease in creditors	(458)	(431)
<b>Net cash (used in) provided by operating activities</b>	<b>(142)</b>	<b>724</b>

### B Cash flows from investing activities

	2020 £'000	2019 £'000
Dividends, interest and rents from investments	(6)	(2)
Purchase of tangible fixed assets	(1,631)	(1,838)
Capital grants from DfE/ESFA	787	2,153
<b>Net cash (used in) provided by investing activities</b>	<b>(850)</b>	<b>313</b>

**Statement of cash flows** Year to 31 August 2020

**C Analysis of changes in net debt**

	2019 £'000	Cash flows £'000	2020 £'000
Cash at bank and in hand	4,353	(992)	3,361
	4,353	(992)	3,361
Loans falling due after more than one year	(2)	2	—
<b>Total cash and cash equivalents</b>	<b>4,351</b>	<b>(990)</b>	<b>3,361</b>

## **Principal accounting policies Year to 31 August 2020**

### **Statement of accounting policies**

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

### **Basis of preparation**

The financial statements of the Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

SDBE Multi-Academy Trust meets the definition of a public benefit entity under FRS 102.

The financial statements have been presented in sterling and are rounded to the nearest thousand pounds.

### **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 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.

Whilst the Trust balance sheet shows net liabilities of £2,573,000 (2019 – net liabilities of £1,818,000), this is due entirely to the LGPS pension deficit of £10,051,000 (2019 – £8,298,000). Net assets excluding the LGPS pension deficit were £7,479,000 (2019 – £6,480,000) and the Trust held revenue reserves carried forward, excluding the LGPS deficit, of £3,027,000 (2019 – £3,068,000).

The Trustees have considered the impact of the current Coronavirus pandemic on the Academy Trust's operations. While they acknowledge the disruption caused by the pandemic to the Academy Trust's day-to-day operations, they do not consider the pandemic to be cause for material uncertainty in respect to the Academy Trust's ability to continue as a going concern. The Trustees have therefore concluded that consider that the Academy Trust has sufficient liquid resources to continue for the foreseeable future, despite the current situation, and there are no material uncertainties about the Academy Trust's ability to continue as a going concern. Thus, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

### **Income**

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



## Principal accounting policies Year to 31 August 2020

### **Income (continued)**

#### **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.

The 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 period is deducted from income and recognised as a liability.

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

#### **Donations**

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured. Any gifts in kind are estimated as the value of the services provided to the Trust, had they been procured on an open market basis.

#### **Other income**

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

#### **Transfer on conversion**

Where assets are received by the Trust conversion on of a school to academy status, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the Trust. An equal amount of income is recognised as transfer on conversion within donations and capital grant income.

Properties utilised by academies joining the Trust are recognised on the Trust's balance sheet as tangible fixed assets where the Trust has ultimate control over the right to access and the right to carry out works on the property. Where the freehold to a property is owned or held on Trust by Southwark Diocese, SDBE or the local parish, control of the right of access to and right to carry out works on the property ultimately resides with these bodies and the property is therefore not recognised in the balance sheet.

#### **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.

## Principal accounting policies Year to 31 August 2020

### **Expenditure (continued)**

#### ***Charitable activities***

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

All expenditure is stated net of recoverable VAT.

#### **Tangible fixed assets**

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. 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 such assets is charged to the restricted fixed asset fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Trust's depreciation policy.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost/valuation of each asset on a straight-line basis over its expected useful economic life, as follows:

♦ Long leasehold buildings	2% per annum
♦ Fixtures, fittings and equipment	20% per annum
♦ Computer equipment	25% per annum
♦ Motor vehicles	20% per annum

Depreciation is charged from the month of acquisition.

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.

#### **Debtors**

Debtors are recognised at the settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

#### **Cash at bank and in hand**

Cash at bank and in hand represents such accounts and instruments that are available on demand.

## **Principal accounting policies Year to 31 August 2020**

### **Liabilities**

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

### **Leased assets**

Rentals under operating leases are charged on a straight line basis over the lease term.

### **Taxation**

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

### **Financial instruments**

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

*Financial assets* – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in the notes to the financial statements. Prepayments are not financial instruments.

*Cash at bank* – classified as a basic financial instrument and is measured at fair value.

*Financial liabilities* – trade creditors and accruals are financial instruments, and are measured at amortised cost as detailed in the notes to the financial statements.

### **Pensions benefits**

Retirement benefits to employees of the 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 Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 21, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

## **Principal accounting policies Year to 31 August 2020**

### **Pensions benefits (continued)**

The LGPS is a funded scheme and the assets are held separately from those of the 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 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.

### **Fund accounting**

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education and Skills Funding Agency (ESFA), Department for Education or other funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other grants received from the Education and Skills Funding Agency.

Restricted other funds comprise all other restricted funds received and include grants from local authorities.

### **Critical accounting estimates and areas of judgement**

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

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, 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 2020. 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.

## Principal accounting policies Year to 31 August 2020

### 1 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Restricted Fixed asset funds £'000	2020 Total funds £'000	2019 Total funds £'000
2020					
Capital grants	—	—	787	787	2,153
Inherited on conversion (note 18)	—	—	—	—	(139)
Donations	22	—	—	22	45
<b>2020 Total funds</b>	<b>22</b>	<b>—</b>	<b>787</b>	<b>809</b>	<b>2,059</b>

	Unrestricted funds £'000	Restricted funds £'000	Restricted Fixed asset funds £'000	2019 Total funds £'000
2019				
Capital grants	—	—	2,153	2,153
Inherited on conversion (note 18)	354	(1,313)	820	(139)
Donations	45	—	—	45
<b>2019 Total funds</b>	<b>399</b>	<b>(1,313)</b>	<b>2,973</b>	<b>2,059</b>

### 2 Funding for the Trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	2020 Total funds £'000	2019 Total funds £'000
2020				
<b>DfE/ESFA revenue grants</b>				
· General Annual Grant (GAG) (note 1)	—	14,368	14,368	12,844
· Start Up grants	—	—	—	146
· Other DfE/ESFA	—	2,137	2,137	1,641
	—	16,505	16,505	14,631
<b>Exceptional government funding</b>				
Coronavirus exceptional support	—	49	49	—
	—	49	49	—
<b>Other government grants</b>				
· Local authority grants	—	1,445	1,445	1,369
	—	1,445	1,445	1,369
<b>2020 Total funds</b>	<b>—</b>	<b>17,999</b>	<b>17,999</b>	<b>16,000</b>

The Trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "exceptional government funding".

## Principal accounting policies Year to 31 August 2020

### 2 Funding for the Trust's educational operations (continued)

- ♦ The funding received for coronavirus exceptional support grant of £49,000 is receivable in respect of exceptional premises and cleaning costs relating to suspected Covid-19 cases, as well as the costs of providing free school meals outside of the national voucher scheme. These costs are included within the expenditure shown in notes 5 and 6 below.

	Unrestricted funds £'000	Restricted funds £'000	2019 Total funds £'000
<b>2019</b>			
<i>DfE/ESFA revenue grants</i>			
· General Annual Grant (GAG) (note 1)	—	12,844	12,844
· Start Up grants	—	146	146
· Other DfE/ESFA	—	1,641	1,641
	—	14,631	14,631
<i>Other government grants</i>			
· Local authority grants	—	1,369	1,369
	—	1,369	1,369
<b>2019 Total funds</b>	—	16,000	16,000

### 3 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	2020 Total funds £'000	2019 Total funds £'000
<b>2020</b>				
Hire of facilities	39	—	39	78
Catering income	—	113	113	170
Trip income	—	108	108	132
Miscellaneous income	415	—	415	813
<b>2020 Total funds</b>	454	221	675	1,193

	Unrestricted funds £'000	Restricted funds £'000	2019 Total funds £'000
<b>2019</b>			
Hire of facilities	78	—	78
Catering income	—	170	170
Trip income	—	132	132
Miscellaneous income	813	—	813
<b>2019 Total funds</b>	891	302	1,193

## Principal accounting policies Year to 31 August 2020

### 4 Investment income

	Unrestricted funds £'000	Restricted funds £'000	2020 Total funds £'000	2019 Total funds £'000
2020				
<b>2020 Total funds: Interest receivable</b>	<b>6</b>	<b>—</b>	<b>6</b>	<b>2</b>

	Unrestricted funds £'000	Restricted funds £'000	2019 Total funds £'000
2019			
<b>2019 Total funds: Interest receivable</b>	<b>2</b>	<b>—</b>	<b>2</b>

### 5 Expenditure

	Non pay expenditure			2020 Total funds £'000	2019 Total funds £'000
	Staff costs (note 8) £'000	Premises £'000	Other costs £'000		
2020					
Charitable activities					
. Trust's educational operations and development (note 6)					
.. Direct costs	12,375	116	925	<b>13,416</b>	12,198
.. Support costs	3,305	1,086	1,695	<b>6,086</b>	5,206
<b>2020 Total funds</b>	<b>15,680</b>	<b>1,202</b>	<b>2,620</b>	<b>19,502</b>	<b>17,404</b>

	Non pay expenditure			2019 Total funds £'000
	Staff costs (note 8) £'000	Premises £'000	Other costs £'000	
2019				
Charitable activities				
. Trust's educational operations and development (note 6)				
.. Direct costs	11,150	45	1,003	12,198
.. Support costs	2,580	887	1,739	5,206
<b>2019 Total funds</b>	<b>13,730</b>	<b>932</b>	<b>2,742</b>	<b>17,404</b>

	2020 Total funds £'000	2019 Total funds £'000
<b>Net expenditure for the period includes:</b>		
Operating leases	<b>46</b>	40
Depreciation	<b>116</b>	42
Fees payable to auditor		
. Statutory audit	<b>34</b>	26
. Other services	<b>11</b>	11

## Principal accounting policies Year to 31 August 2020

### 6 Charitable activities – Trust's educational operations

	2020 Total funds £'000	2019 Total funds £'000
Direct costs	13,416	12,198
Support costs	6,086	5,206
	<b>19,502</b>	<b>17,404</b>

	2020 Total funds £'000	2019 Total funds £'000
<b>Analysis of support costs</b>		
Support staff costs	3,305	2,580
Technology costs	488	456
Premises costs	1,086	887
Legal costs – conversion	—	29
Legal costs – other	20	6
Other support costs	1,001	996
Governance costs	186	252
<b>Total support costs</b>	<b>6,086</b>	<b>5,206</b>



## Principal accounting policies Year to 31 August 2020

### 7 Comparative information

Analysis of income and expenditure in the year to 31 August 2019 between restricted and unrestricted funds:

	Restricted funds			
	Unrestricted general fund £'000	General £'000	Fixed assets Fund £'000	2019 Total funds £'000
<b>Income from:</b>				
Donations and capital grants	45	—	2,153	<b>2,198</b>
Transfers from local authorities	354	(1,313)	820	<b>(139)</b>
Charitable activities				
· Funding for the Trust's educational operations	—	16,000	—	<b>16,000</b>
Other trading activities	891	302	—	<b>1,193</b>
Investments	2	—	—	<b>2</b>
<b>Total</b>	<b>1,292</b>	<b>14,989</b>	<b>2,973</b>	<b>19,254</b>
<b>Expenditure on:</b>				
Charitable activities				
· Trust's educational operations	—	17,362	42	<b>17,404</b>
<b>Total</b>	<b>—</b>	<b>17,362</b>	<b>42</b>	<b>17,404</b>
<b>Net income (expenditure) for the year before other recognised gains and losses</b>	<b>1,292</b>	<b>(2,373)</b>	<b>2,931</b>	<b>1,850</b>
Actuarial losses on defined benefit pension scheme	—	(2,250)	—	<b>(2,250)</b>
<b>Net movement in funds</b>	<b>1,292</b>	<b>(4,623)</b>	<b>2,931</b>	<b>(400)</b>
<b>Reconciliation of funds</b>				
Total fund balances brought forward at 1 September 2018	1,688	(3,587)	481	<b>(1,418)</b>
<b>Total fund balances carried forward at 31 August 2019</b>	<b>2,980</b>	<b>(8,210)</b>	<b>3,412</b>	<b>(1,818)</b>

## Principal accounting policies Year to 31 August 2020

### 8 Staff

#### (a) Staff costs

Staff costs during the year were:

	2020 Total funds £'000	2019 Total funds £'000
Wages and salaries	11,083	9,915
Social security costs	1,058	898
Pension costs	3,280	2,479
	<b>15,421</b>	<b>13,292</b>
Supply teacher costs	181	431
Staff restructuring costs	78	7
	<b>15,680</b>	<b>13,730</b>

#### (b) Settlement payments

There were no non-statutory or non-contractual severance payments made during 2019/20. Included in staff restructuring costs for the prior year are two non-statutory/non-contractual severance payments totalling £7,000. Individually the payments were for £5,000 and £2,000.

#### (c) Staff numbers

The average numbers of persons (including senior management team) employed by the Trust during the year was as follows:

Charitable activities	2020 No.	2019 No.
Teachers	140	136
Administration and support	212	239
Management	29	29
	<b>381</b>	<b>404</b>

#### (d) Higher paid staff

The number of employees whose employee benefits (excluding employer pension costs) fell within the following bands was:

	2020 No.	2019 No.
£60,001 – £70,000	8	4
£70,001 – £80,000	5	5
£80,001 – £90,000	2	1
£90,001 – £100,000	—	1
£100,001 – £110,000	1	—
£130,001 – £140,000	1	1

## Principal accounting policies Year to 31 August 2020

### 8 Staff (continued)

#### (e) *Key management personnel*

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employee pension contributions) received by key management personnel for their services to the Trust was £178,891 (2019 – £181,587), which includes recharged costs of £27,901 (2019 – £25,483) for one employee of Southwark Diocesan Board of Education (2019 – one employee).

### 9 Trustees' remuneration and expenses

The Trustees did not receive any payments or remuneration from the Trust in respect of their role as Trustees.

One Trustee, Colin Powell, is remunerated by Southwark Diocesan Board of Education (SDBE) as an employee of that charity. During the year, the Trust was charged £27,901 (2019 – £25,483) in respect of his services as Chief Executive Officer of the Trust based on a time apportionment of his salary as Director of Education for SDBE.

None of the Trustees were reimbursed expenses during the year in relation to their roles as Trustees.

Other related party transactions involving the Trustees are set out in note 22.

### 10 Central services

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

- ◆ Human resources;
- ◆ Financial services;
- ◆ Legal services;
- ◆ Educational support services;
- ◆ Training and continuing professional development; and
- ◆ Pastoral support.

The Trust charged 5% of GAG income per school (net of national domestic rates refunds) for the provisions of these services to its schools.

## Principal accounting policies Year to 31 August 2020

### 10 Central services (continued)

The actual amounts charged during the year were as follows:

	2020 £	2019 £
All Saints, Carshalton	79,701	77,246
Archbishop Tenison's School, Oval	142,506	98,227
Christ Church, Streatham	56,988	56,363
St George's, Forest Hill	58,345	58,742
St Luke's, West Norwood	57,883	58,211
St Leonard's, Streatham	80,871	70,976
St Matthew's, Redhill	80,989	85,155
St Michael's, East Wickham	41,187	41,526
St Paul's, Walworth	68,596	46,818
St Stephen's, South Godstone	47,784	46,160
<b>Total</b>	<b>714,850</b>	<b>639,424</b>

Insurance was procured centrally and separately charged out (at cost) on a pro-rata basis. The actual amounts charged during the year were as follows:

	2020 £	2019 £
All Saints, Carshalton	10,048	11,700
Archbishop Tenison's School, Oval	21,663	—
Christ Church, Streatham	5,389	5,532
St George's, Forest Hill	5,804	6,140
St Leonard's, Streatham	7,485	7,855
St Luke's, West Norwood	5,463	4,604
St Matthew's, Redhill	9,648	12,832
St Michael's, East Wickham	5,537	5,781
St Paul's, Walworth	8,137	—
St Stephen's, South Godstone	5,921	5,669
<b>Total</b>	<b>85,095</b>	<b>60,113</b>

### 11 Trustees' and Officers' insurance

Trustee indemnity insurance for the period was covered by as part of the services provided by Ecclesiastical. The value of the insurance to the Trust is not separately identifiable and has therefore been excluded from the financial statements and the value has not been estimated as it is deemed not to have a material impact on the results for the period.

## Principal accounting policies Year to 31 August 2020

### 12 Tangible fixed assets

	Leasehold improvements £'000	Leasehold land and buildings £'000	Assets under construction £'000	Furniture, fixtures and fittings £'000	Computer equipment £'000	Motor vehicles £'000	Total funds £'000
<b>Cost/valuation</b>							
At 1 September 2019	77	1,301	1,286	50	129	12	2,855
Additions	59	—	1,374	23	175	—	1,631
Transfers	604	—	(604)	—	—	—	—
At 31 August 2020	740	1,301	2,056	73	304	12	4,486
<b>Depreciation</b>							
At 1 September 2019	—	—	—	13	32	8	53
Charge in year	13	35	—	15	49	4	116
At 31 August 2020	13	35	—	28	81	12	169
<b>Net book value</b>							
At 31 August 2020	727	1,266	2,056	45	223	—	4,317
At 31 August 2019	77	1,301	1,286	37	97	4	2,802

Properties utilised by the Trust's academies are recognised on the Trust's balance sheet as tangible fixed assets where the Trust has ultimate control over the right to access and the right to carry out works on the property. Where the freehold to a property is owned or held on trust by Southwark Diocese, SDBE or the local parish, control of the right of access to and right to carry out works on the property ultimately resides with these bodies and the property is therefore not recognised in the balance sheet.

### 13 Debtors

	2020 £'000	2019 £'000
Trade debtors	82	127
Prepayments and accrued income	955	662
VAT debtor	219	295
Other debtors	16	54
	<b>1,272</b>	<b>1,138</b>

### 14 Creditors: amounts falling due within one year

	2020 £'000	2019 £'000
Trade creditors	439	232
Other creditors	118	365
Other taxation and social security	181	183
Accruals and deferred income (see below)	617	1,031
	<b>1,355</b>	<b>1,811</b>

## Principal accounting policies Year to 31 August 2020

### 14 Creditors: amounts falling due within one year (continued)

	2020 £'000	2019 £'000
<b>Deferred income</b> (included above)		
Deferred income at 1 September 2019	339	209
Resources released in the year	(339)	(209)
Resources deferred in the year	215	339
Deferred income at 31 August 2020	215	339

Deferred income of £215,000 relates to Universal Infant Free School Meals grants and rates relief income received in the year that relate to the year ending 31 August 2021.

Creditors falling due in more than one year in the prior year related to a SALIX loan of £2,000. There were no creditors falling due in more than one year at 31 August 2020.

### 15 Funds

	Balance at 1 September 2019 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2020 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	88	14,368	(14,300)	(156)	—
Pupil Premium	—	989	(989)	—	—
Other DfE/ ESFA grants	—	1,169	(1,169)	—	—
Local authority grants	—	1,445	(1,445)	—	—
Other restricted funds	—	249	(249)	—	—
Pension reserve	(8,298)	—	(1,128)	(625)	(10,051)
	(8,210)	18,220	(19,280)	(781)	(10,051)
<b>Restricted fixed asset funds</b>					
Transfer on conversion	867	—	(25)	—	842
DfE/ ESFA capital grants	2,545	693	(90)	100	3,248
Capital expenditure from GAG	—	—	(1)	385	384
Private sector capital sponsorship	—	94	—	—	94
	3,412	787	(116)	485	4,568
<b>Total restricted funds</b>	(4,798)	19,007	(19,396)	(296)	(5,483)
<b>Unrestricted funds</b>					
General funds	2,980	482	(106)	(329)	3,027
<b>Total unrestricted funds</b>	2,980	482	(106)	(329)	3,027
<b>Total funds</b>	(1,818)	19,489	(19,502)	(625)	(2,456)

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

#### Restricted general funds

These funds represents grants received for the Trust's educational operations.

## Principal accounting policies Year to 31 August 2020

### 15 Funds (continued)

#### ***ESFA revenue grant fund and other restricted funds***

##### *General Annual Grant (GAG)*

GAG is provided by the Secretary of State through the Education and Skills Funding Agency (ESFA) to cover the normal running costs of the schools within the Trust. Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2021.

##### *Other revenue grants*

These funds comprise other revenue grants received from the Education and Skills Funding Agency and Local Authorities which are provided for specific purposes and include the Pupil Premium grant.

##### *Pension reserve*

The pension reserve relates to the deficit on the Trust's share of the liability for various local government pension schemes of which its constituent schools' support staff are members. Whilst the fund is currently in deficit, the liability is not expected to crystallise in the short-term.

##### *Fixed asset fund*

These funds relate to the Trust's holding of tangible fixed assets. Transfers from the General Annual Grant fund to this fund represent the purchase of tangible fixed assets from GAG funding.

## Principal accounting policies Year to 31 August 2020

### 15 Funds (continued)

#### Comparative information

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

	Balance at 1 September 2018 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2019 £'000
<i>Restricted general funds</i>					
General Annual Grant (GAG)	—	12,844	(12,756)	—	88
Start up Grant	241	146	(387)	—	—
Pupil Premium	—	889	(889)	—	—
Other DfE/ ESFA grants	—	752	(752)	—	—
Local authority grants	—	1,369	(1,369)	—	—
Other restricted funds	—	302	(302)	—	—
Pension reserve	(3,828)	(1,313)	(907)	(2,250)	(8,298)
	<u>(3,587)</u>	<u>14,989</u>	<u>(17,362)</u>	<u>(2,250)</u>	<u>(8,210)</u>
<i>Restricted fixed asset funds</i>					
Transfer on conversion	84	820	(37)	—	867
DfE/ ESFA capital grants	397	2,153	(5)	—	2,545
	<u>481</u>	<u>2,973</u>	<u>(42)</u>	<u>—</u>	<u>3,412</u>
<i>Total restricted funds</i>	<u>(3,106)</u>	<u>17,962</u>	<u>(17,404)</u>	<u>(2,250)</u>	<u>(4,798)</u>
<i>Unrestricted funds</i>					
General funds	1,688	1,292	—	—	2,980
<i>Total unrestricted funds</i>	<u>1,688</u>	<u>1,292</u>	<u>—</u>	<u>—</u>	<u>2,980</u>
<i>Total funds</i>	<u>(1,418)</u>	<u>19,254</u>	<u>(17,404)</u>	<u>(2,250)</u>	<u>(1,818)</u>



## Principal accounting policies Year to 31 August 2020

### 16 Analysis of funds by school

	<b>Total 2020 £'000</b>	<b>Total 2019 £'000</b>
All Saints, Carshalton	189	218
Archbishop Tenison's School, Oval	446	278
Christ Church, Streatham	248	139
St George's, Forest Hill	600	519
St Leonard's, Streatham	127	89
St Luke's, West Norwood	272	289
St Matthew's, Redhill	552	607
St Michaels, East Wickham	190	176
St Paul's School, Walworth	37	126
St Stephen's, South Godstone	116	200
Central services	250	427
Total before fixed asset fund and pension reserve	3,027	3,068
Restricted fixed asset fund	4,568	3,412
Pension reserve	(10,051)	(8,298)
<b>Total Funds</b>	<b>(2,456)</b>	<b>(1,818)</b>

Expenditure incurred by each school during the year (excluding depreciation and LGPS adjustments) was as follows:

	Teaching and educational support staff costs £'000	Other support staff costs £'000	Educational supplies £'000	Other costs (excluding depreciation) £'000	<b>Total 2020 £'000</b>
All Saints, Carshalton	1,578	265	85	275	2,203
Archbishop Tenison's School, Oval	2,105	452	174	637	3,368
Christ Church, Streatham	925	106	38	252	1,321
St George's, Forest Hill	743	408	36	266	1,453
St Leonard's, Streatham	1,413	114	123	391	2,041
St Luke's, West Norwood	994	127	58	273	1,452
St Matthew's, Redhill	1,442	280	97	445	2,264
St Michaels, East Wickham	608	133	47	187	975
St Paul's School, Walworth	1,280	221	56	239	1,796
St Stephen's, South Godstone	995	108	62	312	1,477
Central services	118	298	70	293	779
<b>Total costs</b>	<b>12,201</b>	<b>2,512</b>	<b>846</b>	<b>3,570</b>	<b>19,129</b>

## Principal accounting policies Year to 31 August 2020

### 17 Analysis of net liabilities between funds

	Unrestricted funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Fund £'000	Total 2020 £'000
<b>Fund balances at 31 August 2020 are represented by:</b>				
Tangible fixed assets	—	—	4,317	<b>4,317</b>
Current assets	3,027	1,355	251	<b>4,633</b>
Current liabilities	—	(1,355)	—	<b>(1,355)</b>
Pension scheme liability	—	(10,051)	—	<b>(10,051)</b>
<b>Total net liabilities</b>	<b>3,027</b>	<b>(10,051)</b>	<b>4,568</b>	<b>(2,456)</b>

Included within the restricted fixed asset fund is accrued CIF funding of £117,000 and unspent capital funding of £134,000.

	Unrestricted funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Fund £'000	Total 2019 £'000
<b>Fund balances at 31 August 2019 are represented by:</b>				
Tangible fixed assets	—	—	2,802	<b>2,802</b>
Current assets	2,980	1,901	610	<b>5,491</b>
Current liabilities	—	(1,811)	—	<b>(1,811)</b>
Non-current liabilities	—	(2)	—	<b>(2)</b>
Pension scheme liability	—	(8,298)	—	<b>(8,298)</b>
<b>Total net liabilities</b>	<b>2,980</b>	<b>(8,210)</b>	<b>3,412</b>	<b>(1,818)</b>

### 18 Transfers from local authority

The following transfers have all been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a gain in the statement of financial activities (SOFA) as donations and a transfer from the local authority on conversion.

	Total 2020 £'000	Total 2019 £'000
<b>Trust total</b>		
Fixed assets – leasehold land and buildings	—	820
Budget surplus on LA funds	—	354
Defined benefit pension scheme deficit	—	(1,313)
<b>Net liabilities transferred</b>	<b>—</b>	<b>(139)</b>

## Principal accounting policies Year to 31 August 2020

### 18 Transfer from local authority (continued)

**Archbishop Tenison's School, Oval** converted to academy trust status on 1 January 2019 under the Academies Act 2010 and all the operations and assets and liabilities were transferred to SDBE Multi-Academy Trust from the London Borough of Lambeth for £nil consideration

	Total 2020 £'000	Total 2019 £'000
<b>Archbishop Tenison's School, Oval</b>		
Budget surplus on LA funds	—	119
LGPS pension deficit	—	(685)
<b>Net liabilities transferred</b>	<b>—</b>	<b>(566)</b>

**St Paul's, Walworth** converted to academy trust status on 1 February 2019 under the Academies Act 2010 and all the operations and assets and liabilities were transferred to SDBE Multi-Academy Trust from the London Borough of Southwark for £nil consideration.

	Total 2020 £'000	Total 2019 £'000
<b>St Paul's, Walworth</b>		
Budget surplus on LA funds	—	180
LGPS pension deficit	—	(628)
<b>Net liabilities transferred</b>	<b>—</b>	<b>(448)</b>

**St Stephen's, South Godstone** converted to academy trust status on 1 February 2018 under the Academies Act 2010 and all the operations and assets and liabilities were transferred to SDBE Multi-Academy Trust from Surrey County Council for £nil consideration.

The transfer of the caretaker's house under a long leasehold from Surrey County Council was recognised during 2018/19.

	Total 2020 £'000	Total 2019 £'000
<b>St Stephen's, South Godstone</b>		
Fixed assets – leasehold land and buildings	—	400
<b>Net assets transferred</b>	<b>—</b>	<b>400</b>

## Principal accounting policies Year to 31 August 2020

### 18 Transfer from local authority (continued)

**St Matthew's, Redhill** converted to academy trust status on 1 February 2018 under the Academies Act 2010 and all the operations and assets and liabilities were transferred to SDBE Multi-Academy Trust from Surrey County Council for £nil consideration.

The transfer of the caretaker's house under a long leasehold from Surrey County Council was recognised during 2018/19.

	Total 2020 £'000	Total 2019 £'000
<b>St Matthew's, Redhill</b>		
Fixed assets – leasehold land and buildings	—	420
<b>Net assets transferred</b>	<b>—</b>	<b>420</b>

**St Luke's, West Norwood** converted to academy trust status on 1 June 2018 under the Academies Act 2010 and all the operations and assets and liabilities were transferred to SDBE Multi-Academy Trust from the London Borough of Lambeth for £nil consideration.

The budget surplus from the London Borough of Lambeth recognised in 2017/18 was underestimated by £18,000. Accordingly, this amount was recognised as income received on conversion in 2018/19 following the final receipt from the Local Authority.

	Total 2020 £'000	Total 2019 £'000
<b>St Luke's, West Norwood</b>		
Budget surplus on LA funds	—	18
<b>Net assets transferred</b>	<b>—</b>	<b>18</b>

**Christ Church, Streatham** converted to academy trust status on 1 June 2018 under the Academies Act 2010 and all the operations and assets and liabilities were transferred to SDBE Multi-Academy Trust from the London Borough of Lambeth for £nil consideration.

The budget surplus from the London Borough of Lambeth recognised in 2017/18 was underestimated by £36,000. Accordingly, this amount was recognised as income received on conversion in 2018/19 following the final receipt from the Local Authority.

	Total 2020 £'000	Total 2019 £'000
<b>Christ Church, Streatham</b>		
Budget surplus on LA funds	—	36
<b>Net assets transferred</b>	<b>—</b>	<b>36</b>

## Principal accounting policies Year to 31 August 2020

### 19 Capital commitments

	2020 £'000	2019 £'000
Contracted for, but not provided in the financial statements	1,410	789

The above capital commitments relate to the finalisation of works being carried out at a number of schools across the Trust. These commitments will be funded by CIF grants received in 2020/21.

### 20 Commitments under operating leases

#### *Operating leases*

At 31 August 2020, the total of the Trust's future minimum lease payments under non-cancellable operating leases was as follows:

	Furniture and equipment	
	2020 £'000	2019 £'000
Amounts due within one year	46	33
Amounts due between two and five years inclusive	31	55
	77	88

### 21 Members' Liability

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

### 22 Pension and similar obligations

The 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. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £42,431 were payable to the schemes at 31 August 2020 (2019 – £1,148) 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 teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

## Principal accounting policies Year to 31 August 2020

### 22 Pension and similar obligations (continued)

#### *Teachers' Pension Scheme (continued)*

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; and
- ♦ the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

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

The employer's pension costs paid to TPS in the period amounted to £1,963,000 (2019 – £1,125,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pension Scheme website.

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

## Principal accounting policies Year to 31 August 2020

### 22 Pension and similar obligations (continued)

#### **Local Government Pension Scheme (LGPS)**

The LGPS is a funded defined-benefit scheme, with the assets held in separate Trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £1,034,000 (2019 – £930,000) of which employer's contributions totalled £796,000 (2019 – £706,000) and employees' contributions totalled £238,000 (2019 – £224,000).

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

<b>Principal Actuarial Assumptions</b>	<b>At 31 August 2020</b>	<b>At 31 August 2019</b>
Rate of increase in salaries	3.30%	3.20%
Rate of increase for pensions in payment / inflation	2.30%	2.30%
Discount rate for scheme liabilities	1.70%	1.90%
Inflation assumption (CPI)	2.30%	2.20%

<b>Sensitivity Analysis: Impact on the net pension liability from changes in assumptions</b>	<b>2020 £'000</b>	<b>2019 £'000</b>
Discount rate +0.1%	497	425
CPI rate +0.1%	438	357
Salary rate +0.1%	54	67

The Trust's share of the assets and liabilities in the scheme were:

	<b>Fair value at 31 August 2020 £'000</b>	<b>Fair value at 31 August 2019 £'000</b>
Equities	5,983	5,128
Corporate bonds	2,242	1,858
Property	998	903
Cash and other liquid assets	391	246
Other assets	341	245
<b>Total market value of assets</b>	<b>9,955</b>	<b>8,380</b>
Present value of scheme liabilities		
<b>Funded</b>	<b>(20,006)</b>	<b>(16,678)</b>
<b>Deficit in the scheme</b>	<b>(10,051)</b>	<b>(8,298)</b>

The actual return on scheme assets was £366,000 (2019 – £412,000).

## Notes to the financial statements Year to 31 August 2020

### 22 Pension and similar obligations (continued)

#### Local Government Pension Scheme (LGPS) (continued)

Amounts recognised in statement of financial activities	2020 £'000	2019 £'000
Current service cost	1,750	1,323
Past service costs	13	190
Interest income	(161)	(202)
Interest cost	322	302
<b>Total amount recognised in the SOFA</b>	<b>1,924</b>	<b>1,613</b>

Changes in the present value of defined benefit obligations were as follows:	2020 £'000	2019 £'000
At 1 September 2019	16,678	7,389
Upon conversion of schools	—	4,614
Current service cost	1,750	1,323
Past service costs	13	190
Interest cost	322	302
Employee contributions	238	224
Actuarial loss	1,103	2,700
Benefits paid	(98)	(64)
<b>At 31 August 2020</b>	<b>20,006</b>	<b>16,678</b>

Changes in the fair value of the Trust's share of scheme assets:	2020 £'000	2019 £'000
At 1 September 2019	8,380	3,561
Upon conversion of schools	—	3,301
Interest income	161	202
Actuarial gain	478	450
Employer contributions	796	706
Employee contributions	238	224
Benefits paid	(98)	(64)
<b>At 31 August 2020</b>	<b>9,955</b>	<b>8,380</b>

### 23 Related party transactions

#### *Trustees' remuneration and expenses*

Staff only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. Please see note 9 for further details of Trustee remuneration.

#### *Services from Southwark Diocesan Board of Education (SDBE)*

The Southwark Diocesan Board of Education (SDBE) provided services to the academies under a service level agreement, known as the "Partnership Agreement". The charges are funded from the 5% central contribution to central services.



## Notes to the financial statements Year to 31 August 2020

### 23 Related party transactions (continued)

The amounts charged by the SDBE to the Trust (per academy) under the service level agreements during the year were as follows:

	2020 £	2019 £
All Saints, Carshalton	4,745	5,526
Archbishop Tenison's School, Oval	7,095	8,640
Christ Church, Streatham	4,115	5,034
St George's, Forest Hill	4,115	4,794
St Leonard's, Streatham	4,115	4,794
St Luke's, West Norwood	3,155	3,678
St Matthew's, Redhill	4,430	5,240
St Michael's, East Wickham	3,155	4,794
St Paul's, Walworth	4,115	4,794
St Stephen's, South Godstone	4,115	4,794
<b>Total</b>	<b>43,155</b>	<b>52,088</b>

SDBE also provided the following services (at cost) to the Trust Central function:

	2020 £	2019 £
Accommodation and serviced offices	29,450	35,820
Chief Executive Officer	27,901	25,483
<b>Total</b>	<b>57,351</b>	<b>61,303</b>

SDBE also provides school improvement services to the academies within the Trust.

The actual amounts charged to the Trust under the Diocesan School Improvement Services Scheme during the year were:

	2020 £	2019 £
All Saints, Carshalton	2,500	2,750
Archbishop Tenison's School, Oval	500	2,350
Christ Church, Streatham	2,900	3,500
St George's, Forest Hill	2,000	2,350
St Leonard's, Streatham	2,500	2,600
St Luke's, West Norwood	1,400	2,250
St Matthew's, Redhill	2,500	2,600
St Michael's, East Wickham	3,750	7,910
St Paul's, Walworth	7,250	2,350
St Stephen's, South Godstone	2,030	3,000
<b>Total</b>	<b>27,330</b>	<b>31,660</b>

All services provided to the Trust by SDBE were procured using the Trust's agreed purchasing policies.

## **Notes to the financial statements** Year to 31 August 2020

### **23 Related party transactions (continued)**

The Trust conducted the above related party transactions in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with their financial regulations and procurement procedures. Where, for goods or services exceeding £2,500 cumulatively in the year, the element above £2,500 has been provided at no more than cost.